

AGREEMENT # 1

BETWEEN

**MORNINGSTAR AIR EXPRESS INC.
EDMONTON, ALBERTA**



(HEREINAFTER REFERRED TO AS THE "COMPANY")

- AND -

THE AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

[INSERT LOGO]

(HEREINAFTER REFERRED TO AS THE "ASSOCIATION")

EFFECTIVE JUNE 1, 2020

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ARTICLE 1 - PREAMBLE

- 1.01 This Agreement is made and entered into by and between Morningstar Air Express Inc. hereinafter known as the "Company", and the Flight Crew Member in the employment of Morningstar, as represented by the Air Line Pilots Association, International hereinafter known as the " Association". In making this agreement, the parties hereto recognize the objectives of promoting and maintaining the safety of air transportation, and the high quality of customer service. The parties also recognize that compliance with the terms of this agreement and the development of a spirit of cooperation are essential for mutual benefit and in the public interest and for the intent and purpose of this agreement.

ARTICLE 2 - RECOGNITION

- 2.01 The Company recognizes the Association as the certified bargaining agent pursuant to the order issued on 27 April 2020 by the Canada Industrial Relations Board pursuant to the provisions of the Canada Labour Code (Part I - Industrial Relations), a unit comprising "all pilots employed by Morningstar Air Express Inc., excluding the Director of Flight Operations, Chief Pilot, and Training-Standards Co-ordinator."
- 2.02 Except as outlined in Article 8, no person other than a Flight Crew Member who is on the System Seniority List shall perform bargaining unit work.

ARTICLE 3 - DEFINITIONS

- 3.1 **ASSIGNMENT:** Shall mean the position held by a flight crewmember in regards to base, equipment and position. A change in any or all of the preceding shall constitute a change in assignment.
- 3.2 **AVAILABLE FCM:** Shall mean a Flight Crew Member whose future scheduled duty would not be affected by the assignment, and who is available to arrive for duty at the required time.
- 3.3 **BASE:** Shall mean an airport designated by the Company as a Base of operations.
- 3.4 **BLOCK:** Shall mean a schedule of duty periods and time off constructed for a Flight Crew Member.
- 3.5 **CAPTAIN:** Shall mean a Pilot who is in command of the aircraft while on duty, and who is properly qualified and designated by the Company to serve as, and holds currently effective Transport Canada or other Governmental certificates authorizing him to serve as such Captain.
- 3.6 **DATE OF HIRE:** means the first day an employee is awarded a permanent position with the Company.

- 3.7 DEADHEADING: shall mean the positioning for operational reasons of a non-operating Flight Crew Member from one location to another at the Company's request.
- 3.8 DRAFT: shall mean the involuntary assignment of a Flight Crew Member to any pairing or portions thereof not in his awarded block.
- 3.9 DUTY PERIOD: shall mean the elapsed time from scheduled or actual reporting time to time of release from duty.
- 3.10 EQUIPMENT: shall mean the type of aircraft to which a Flight Crew Member is currently assigned.
- 3.11 FIRST OFFICER: shall mean a Pilot who is second in command of an aircraft while on duty and whose duty is to assist or relieve the Captain, and who is properly qualified to serve as and hold currently effective Transport Canada and other Governmental certificates authorizing him to serve as such First Officer.
- 3.12 FLIGHT CREW MEMBER ("FCM"): shall mean a Flight Crew Member who is required to hold the appropriate pilots license in order to carry out his duties.
- 3.13 FLIGHT TIME: shall mean the total time from the moment an aircraft first moves for the purpose of taking off until the moment it comes to a complete stop at the end of the flight.
- 3.14 POSITION: shall mean a Captain or First Officer.
- 3.15 POSITIVE HANDOFF: shall mean the requirement for a FCM to remain at the airport until the relieving FCM in their position arrives at the airport to continue a through-flight.
- 3.16 QUALIFIED: shall mean having met the standards required by Transport Canada and the Company for the equipment or position qualification.
- 3.17 Dual Qualified- means a FCM who is qualified as a Captain and First Officer on the same aircraft type.
- 3.18 RESERVE: shall mean a time period during which a FCM so assigned must be available to be called and report for duty.
- 3.19 THROUGH-FLIGHT: shall mean a flight that arrives at a base and will continue on with different flight crew. Example: Flight 7054 YHZ-YYZ continues on as Flight 7051 YYZ-YVR with a crew change in Toronto, therefore the crew of 7054 are required to remain at the airport until their position has been relieved by the 7051 crew.
- 3.20 VACANCY: shall mean an unfilled FCM assignment as determined by the Company.
- 3.21 YEAR: shall mean a complete calendar year.

3.22 In this agreement, words importing male persons include female persons and vice versa.

ARTICLE 4 - RATES OF PAY

- 4.1 FCMs will receive remuneration in accordance with the provision of this agreement.
- 4.2 Rates of pay shall be determined by the FCMs position in accordance with Appendix A. Yearly increases in wages are made in accordance with pay scales in Appendix A. The beginning of a year for the purposes for yearly increments is deemed to be the day a Pilot's line indoctrination is complete.
- 4.3 When there is a discrepancy between the Company and FCM with regard to pay, the party who discovers the discrepancy will contact the other to resolve the issue. If the issue is due to a credit calculation error, the Company will notify the FCM by indicating the adjustment and reason on the credit summary. Where money is owed to the FCM, the adjustment will be made on the next scheduled month-end pay period. Where money is owed to the Company and the amount owing is greater than \$200.00, prior to the Company making such adjustments, the Company will notify the employee and the amount owing will be repaid on the next schedule month-end pay period.
- 4.4 During initial training a newly hired FCM shall be paid in accordance with Appendix A commencing on his date of hire. Current FCMs undergoing training shall be paid the salary appropriate to their former assignment until the date of actual successful completion of line indoctrination in their new assignment. The salary payable for the new assignment shall be prorated for the number of days remaining in the month following the date of actual successful completion of line indoctrination.

For example, a First Officer who successfully upgrades to Captain completing his line indoctrination on August 10th shall be paid 10/31 of his former First Officer salary and 21/31 of Level 1 Captain salary for the month of August.

ARTICLE 5 - NEW EQUIPMENT

- 5.1 Any new or replacement aircraft not currently covered under Appendix A will be considered a change of equipment and covered under this Article.
- 5.2 In the event a new or replacement aircraft type is to be introduced by the Company, the Company will advise and consult in various matters with the Association, as early as possible of the new or replacement aircraft type to be operated.
- 5.3 When new equipment over 225,000 pounds Gross Take-off Weight, is introduced, the Company will:
 - (a) Train the required number of internal crews in accordance with Article 11.1.2 in addition to any supervisor crews on the new aircraft during the initial twelve (12) month period. These FCMs will be selected based on their experience and qualification. Should two or more FCMs be deemed equally qualified then seniority will be the determining factor.

- (b) Criteria to upgrade to a new aircraft above 225,000 lbs. gross take off weight, shall be in accordance with Appendix B. Such policy will not be changed without prior consultation with the Association.
 - (c) If required the Company may use contract FCMs for a period of up to twelve (12) months or longer as required with mutual agreement between the parties. Such FCMs will not accrue seniority and will not be considered as seniority rated FCMs.
 - (d) If the Company decides to proceed with the operation, seniority rated FCMs will be trained on the new aircraft, within a reasonable amount of time.
 - (e) If after the twenty four (24) month period the Company decided not to proceed with the operation, any Company FCM specifically trained on the new aircraft type will be retrained on their previous equipment type and returned to line operations. In the event that the FCMs previous equipment type is no longer in service, Article 12 will apply.
- 5.4 The Company and the Association will enter into negotiations for the purpose of establishing the rate of pay and working conditions and experience requirements which shall apply to such aircraft. In the event the parties have not concluded an agreement on the new terms, it is agreed that the pilots will operate the aircraft but all terms and conditions will take effect on the day the first aircraft enters service. Failing settlement, the differences will be submitted to arbitration in accordance with Article 21.
- 5.5 Negotiations shall begin within sixty (60) calendar days after a request for such negotiations has been made by either party, unless otherwise mutually agreed between the Company and the Association.
- 5.6 Positions on new or replacement aircraft will be filled in accordance with Article 11.

ARTICLE 6 - DEDUCTION OF DUES

- 6.1 The Company shall deduct from the payroll for each pay period of each month from wages due and payable to all employees coming within the scope of this Collective Agreement an amount equivalent to the normal monthly dues of the Association, subject to the conditions set forth hereunder:
- 6.2 The amount to be deducted shall be equivalent to the regular dues payment of the Association and shall not include initiation fees or fines. The amount to be deducted shall not be changed during the term of the Agreement except to conform with a change in the amount of regular dues of the Association in accordance with its constitutional provisions.

- 6.3 If the wages of an employee payable on the payroll for the last pay period of any month are insufficient to permit the deduction of the full amount of dues, no such deduction shall be made from the wages of such employee by the Company in such month. The Company shall not carry forward and deduct from any subsequent wages the dues not deducted in the previous month.
- 6.4 The amount of dues so deducted from wages accompanied by a statement of deductions from individuals, shall be remitted by the Company to the Association as may be mutually agreed by the Association and the Company within thirty (30) calendar days of the last day of the pay period in which the deductions were made.
- 6.5 The Company shall not be responsible financially or otherwise, either to the Association 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 Association.
- 6.6 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 the Agreement, all parties shall cooperate fully in the defense of such action. Each party shall bear its own cost of such defense except that if, at the request of the Association, counsel fees are incurred, these shall be borne by the Association. Save as foresaid, the Association shall indemnify and save harmless the Company from any losses, damages, costs, liability or expenses suffered or sustained by it as a result of any such deduction or deductions from payrolls.

ARTICLE 7 - SYSTEM SENIORITY

7.1 GENERAL

- 7.1.1 Company seniority shall accrue from the date of hire and will continue to accrue except as otherwise provided for in this Agreement.
- 7.1.2 A seniority list for FCMs shall be established. Seniority on the Flight Crew Seniority list will begin to accrue from the date of hire with the Company into a position within the bargaining unit.
- 7.1.3. When a FCM moves from one position or equipment type to another they will take all seniority with them, for all purposes except pay levels. For pay purposes in case of a change in position on the same equipment type, the FCM will be slotted into the pay level that comes closest to but not less than the salary of their previous position. For pay purposes only in case of a change in equipment type, the FCM will be slotted into the pay level that comes closest to but not less than the salary of their previous position plus one (1) pay level higher. In all cases where their current salary exceeds the highest level of the new aircraft type salary scale, the highest pay level of the new aircraft type will be used. FCM

7.2 SENIORITY LIST

- 7.2.1 The Company will maintain the Seniority List. The Seniority List shall be posted on the Company website.
- 7.2.2 Subject to appeals, the seniority of each FCM on the signing of this Agreement will be in accordance with the most current Seniority List posted on the Company website, which will form the basis for all future lists.
- 7.2.3 All FCMs in the employ of the Company shall have their names posted on the Seniority List. The Seniority List shall contain in order of Flight Crew seniority the names of all FCMs and their respective date of hire. The Seniority List shall be published prior to February 1st in each year.
- 7.2.4 A FCM shall be permitted a period of 30 days after the publishing of the Seniority List within which to protest, in writing, to the Director of Flight Operations or his designate.
- 7.2.5 When two (2) or more FCMs are employed on the same date, seniority shall be established by placing the names of the concerned employees on a paper in a container and then selected at random in the presence of the Company and a Association Representative.
- 7.2.6 A FCM transferred to non-flying, management or supervisory duty, within the Flight Operations Department, shall retain and accrue his seniority provided that all necessary licenses are maintained.
- 7.2.7 A FCM assigned to non-flying duties due to medical reasons shall continue to accrue seniority.

7.3 LOSS OF SENIORITY

- 7.3.1 A FCM will retain and accrue seniority unless he:
- a) resigns, or is terminated for just cause;
 - b) overstays his leave of absence without written consent of the Director of Flight Operations, or his designate;
 - c) is on layoff for a period of two (2) consecutive years or length of company service whichever is greater to a maximum of 10 years (note: length of company service rounded to the nearest one year);
 - d) fails to return from layoff under the recall procedure Article 13;
 - e) retires;
 - f) engages in other employment while on leave of absence without the written consent of the Director of Flight Operations, or his designate; in which case a Flight Crew shall forfeit all seniority and his employment shall be considered terminated.

ARTICLE 8 - MANAGEMENT FLYING

- 8.1 Nothing in this Agreement shall restrict the Company's rights to transfer employees to non-flying, supervisory or management duties with their agreement or the right to withdraw employees from non-flying, supervisory or management duties.
- 8.2 When a FCM assigned to management or non-flying duties with the Company returns to line flying, he shall have the right to bid to a vacancy in accordance with his Flight Crew seniority. A FCM assigned to non-flying duties due to medical reasons shall have the right to return to their previous equipment, position and base.
- 8.3 This Agreement shall not limit the flying duties of employees transferred to supervisory duties.
- 8.4.1 Displacement flying occurs when a FCM who has been scheduled for and is ready to fly is displaced by a Management FCM. When displacement flying occurs the scheduled FCM will be credited with the scheduled flying time so displaced. A FCM so displaced shall be re-assigned on the day(s) originally scheduled, provided such re-assignment does not interfere with scheduled days off or his/her next scheduled pairing. No FCM, if displaced, shall lose flight pay as a result of such supervisory or management flying.
- 8.4.2 Management personnel may fly any flight in order to maintain their own currency on the aircraft. While flying as a FCM, a Management FCM may perform line indoctrination, line checks, route familiarization flights, or non-revenue flights such as Test Flights, maintenance positioning flights or import/export flights and any flight in accordance with 14.7.3.
- 8.5 The Company will post scheduled management revenue flights that do not fall under Article 8.4.2 on the monthly schedule and will provide the Association Crew Scheduling Representative with a report outlining the actual revenue flying carried out by management in the previous month that did not fall under Article 8.4.2.
- 8.6 For the purpose of this Article Management personnel shall mean:
- (a) Director of Flight Operations;
 - (b) Chief Pilots (note: only one Chief Pilot per aircraft type);
 - (c) Manager, Training and Standards;
- 8.7 Supervisory FCMs are FCM's whose duty is to conduct training or checking of Flight Crews. Although Check and Training FCMs are considered Supervisory FCMs, they will be members of the Association and their names will be retained on the appropriate Flight Crew Seniority List. The combined simulator, checking and line flying duties of Check and Training FCMs in any given month will not normally exceed the workload expected of Line FCMs.

ARTICLE 9 - PROBATIONARY PERIOD

- 9.1 A new FCM shall be required to serve a probationary period of nine (9) months commencing at the completion of his training (including line indoctrination) as a FCM. No FCM shall be required by the Company to serve more than one probationary period. The Company reserves the sole right to make any decision regarding the retention and discharge of a probationary employee. A probationary FCM has the right to avail himself of the grievance procedure up to and including Step 2.

ARTICLE 10 - MERGERS/ACQUISITIONS OF CARRIERS

10.1 MERGERS

- 10.1.1 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 certificate issued by the Canada Labour Relations Board then in effect, 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 Association(s) relative to FCMs' seniority and other conditions of this Agreement.

ARTICLE 11 - VACANCY

11.1 FILLING OF VACANCIES

- 11.1.1 To be eligible for vacancies, a FCM shall maintain on file a Permanent Bid Assignment which will serve as a standing bid for all vacancies. This Permanent Bid Assignment may be changed by the FCM at any time and will only be cancelled by:
- (a) a withdrawal; or
 - (b) a superseding Permanent Bid Assignment; or
 - (c) an award to the FCM of a permanent assignment.

Permanent Bid Assignment shall be sent by the FCM to the Chief Pilot.

Permanent Bid Assignment shall be deemed to be effective on the date they are stamped as received by the Company. A date stamped copy will be returned to the FCM.

- 11.1.2 With the implementation of a new base or new or replaced equipment, the Company shall post a notice to FCMs a minimum of twenty one (21) calendar days in advance so that FCMs may change their Permanent Bid Assignment. Copy of such notices will be sent to the Association.
- 11.1.3 Vacancies will be filled in order of Flight Crew seniority. If the Company receives no applications for a vacancy they may hire a new FCM to fill the assignment.
- 11.1.4 A FCM awarded an assignment as a result of a Permanent Bid Assignment will have the right to decline the assignment at the time of award. Once the bid has been accepted, only under extenuating circumstances upon the request of the FCM, the Company may release the FCM, from an awarded assignment. The acceptance or refusal of a Permanent Bid Assignment must be confirmed in writing.

11.1.5 Once positions have been awarded, the Company will endeavour to train in order of seniority. Where the Company schedules a junior FCM's training prior to a more senior FCM, the senior FCM(s) to be trained will receive the increase in pay and begin his/her freeze on the same date as a junior FCM. This clause will not apply when the junior FCM is a new hire or when a FCM is affected by a freeze.

11.1.6 (a) The Company will establish a date, in writing, by which a FCM who has accepted a PBA assignment must be relocated to his/her new base. This date shall be fourteen (14) calendar days from the date the FCM completes his/her line check. Where an FCM accepts a PBA in the same position and therefore does not require any line indoctrination he/she shall have a minimum of thirty (30) calendar days from the date the PBA is awarded. Where a FCM requires more than fourteen (14) calendar days or thirty (30) calendar days, as may be appropriate, to relocate, all expenses will be at the FCM's expense and at no time will he/she be scheduled to the detriment of members at the new base.

(b) Upon request, the Company will endeavour to schedule an FCM's days off to facilitate their move.

11.2 TEMPORARY ASSIGNMENTS

Unless amended in 11.2, the terms of this Agreement will apply to a FCM on assignment to a Temporary Assignment as though it were his permanent base.

11.2.1 Vacancies will be considered temporary, and designated as Temporary Bid Assignments under the following conditions:

(i) When the Company and Association mutually agree that a requirement for an additional FCM at a base is for a period of 6 months or less;

OR

(ii) When a vacancy is created by sickness or injury provided that the absence is not expected to exceed twelve (12) months.

11.2.2 Temporary Bid Assignments will be posted for twenty-one (21) days and will be awarded in accordance with Flight Crew seniority provided the FCM is qualified.

11.2.3 A FCM, other than the most junior qualified in that position, shall not be temporarily assigned to another established Base without his consent.

11.2.4 Temporary assignments within an established Base which remain in effect after twelve (12) months shall be regarded as permanent unless mutually agreed otherwise between the Company and the Association. When such assignments become permanent the position will be filled in accordance with Article 11.1.

- 11.2.5 FCMs on temporary assignment at another established Base will be reimbursed for living expenses (e.g. transportation, hotel and per diems) for the duration of the temporary assignment.
- 11.2.6 A FCM on temporary assignment at another established Base will be returned to his home Base during scheduled days off if economically feasible. Economic feasibility will be determined by the difference in expenses from returning to home Base versus remaining at the established Base. If the FCM remains at the established Base during his scheduled days off, reimbursement for living expenses will be continued. In the case of a forced temporary assignment a crewmember will be entitled to an additional 48-hour block off in a month at his home base.
- 11.2.7 At the termination of the Temporary Bid Assignment the FCM will be returned to their permanent base.
- 11.2.8 When a FCM is absent for more than twelve (12) months due to sickness or injury and subsequently returns to line flying, he will have the right to bid to a vacancy in accordance with his seniority or provided his seniority permits, shall have the right to return to his previous equipment, position and base. The Company will not incur any moving costs which result from the FCM's return to work.

11.3 TEMPORARY BASE

- 11.3.1 The Company after consultation with the Association may establish temporary Bases when operationally required. A Temporary Base will only exist for twelve (12) months. Should the Company wish to extend the twelve (12) month period, it must be mutually agreed to by the Association and Company.
- 11.3.2 FCMs assigned to a temporary Base will be reimbursed for living expenses (e.g. transportation, hotel and per diems) while assigned to the temporary Base.
- 11.3.3 The terms of this Agreement will apply to a FCM on assignment at a temporary Base as though it were his permanent Base.

11.4 FREEZES

- 11.4.1 FCMs must be actively working for the periods of time set out in the freeze provisions below.
- 11.4.2 Freezes may be reduced by the Company for operational or economic reasons.
- 11.4.3 After a FCM's initial assignment or as a result of a reassignment or recall from layoff, which involves a change of equipment type or position, there will be a twelve (12) month freeze on any change of equipment type or position.

11.4.4 When a fleet reduction is contemplated FCMs on the affected equipment will not be subject to the provision of this Article.

ARTICLE 12 - LAYOFF AND RECALLS

12.1 LAYOFFS

12.1.1 When there is a layoff of a FCM, such layoff shall be in inverse order of Flight Crew seniority by position, equipment and base. (e.g. Captain, 757, Toronto).

12.1.2 Any FCM adversely affected due to a reduction at his base shall have the right to either except layoff or:

- (a) Displace a more junior FCM in his position or in a lower position on the same aircraft type and at his base. (i.e.): In the event a more junior position on the same aircraft type and at his base is not available, then proceed with (b), (c) or (d) below;

Examples under paragraph (a):

- Capt 757 YYZ displaces FO 757 YYZ
- Capt ATR YMX displaces FO ATR YMX
- Capt 757 YYZ cannot displace Capt ATR YMX; or
- Capt ATR YMX cannot displace a Capt C208 YYZ.

OR;

- (b) Displace a more junior FCM in his position or in a lower position on the same aircraft type at a different base;

Examples under paragraph (b):

- Capt C208 YVR displaces Capt C208 YWG; or
- Capt ATR YMX displaces Capt ATR at another ATR base, if applicable.

OR;

- (c) Displace a more junior FCM in his position or in a lower position on a different aircraft type, either at his base or at another base – provided the other position is lower on the hierarchy scale below;

Examples under paragraph (c):

- Capt 757 YYZ displaces Capt ATR YMX;
- FO 757 YYZ displaces Capt C208 YYZ;
- Capt ATR YMX displaces Capt C208 YYZ;

- Capt 208 YYZ displaces FO ATR YMX.

Note:

- Capt C208 cannot displace Capt ATR or Capt 757;
- FO ATR cannot displace Capt C208.

OR;

(d) Fill a vacancy in seniority prior to the Company upgrading.

The hierarchy scale for displacement is as follows:

1. Capt 757
2. FO 757
3. Capt ATR
4. Capt C208
5. FO ATR

Note: For all movement minimum experience requirements (Appendix B) shall apply.

12.1.3 Any FCM displaced by a more senior FCM shall have the same right to exercise his Flight Crew seniority as outlined in Article 12.1.2.

12.1.4 A FCM who is adversely affected under Article 12.1.2 displaces the most junior FCM on the system, in his position or a lower position, will receive a paid move per Company policy (Forced Move).

12.1.5 A FCM who is adversely affected by a staff reduction as outlined in Article 12.1.2 will advise the Company with respect to their choice of options within seven (7) calendar days of receipt of notice. The employee may be required to report to their new position within thirty (30) days or in accordance with the Company's moving policy, whichever is greater.

12.1.6 When layoffs occur, the Company will advise the Association of the number of FCMs to be laid off, the Bases and the equipment to be affected, the date(s) on which the layoffs will become effective, and the reasons(s) for the layoffs.

12.1.7 One (1) copy of all layoff notices will be sent to the Association.

12.1.8 The Company agrees not to increase the number of managers who perform bargaining unit work resulting in a lay off of bargaining unit members.

12.1.9 Upon request, FCMs who have been laid off, and whose Company-required instrument rating is due to expire within six (6) months from the date of layoff, shall have their instrument rating renewed by the Company prior to layoff.

12.2 RECALL

12.2.1 When a vacancy occurs at a base where a FCM has been laid off or displaced the following sequential procedure will be used until the vacancy is filled:

- (a) offer the vacancy in seniority order to those FCMs laid off or displaced from that position and equipment
- (b) fill the vacancy through a System Bid.

12.2.2 Should an actively working FCM refuse a recall to his former position and base, as per Article 12.2.1(a), he shall lose the right of recall to that base.

12.2.3 The Company will send a recall notice containing the locations and reporting date, which date will be at least fourteen (14) days calendar days from the date of delivery of the recall notice, to the FCM via overnight courier to his last address on file with the Company. The recall notice will be deemed to be delivered on the third (3rd) calendar day following the date which the registered letter is presented to the overnight courier for delivery.

12.2.4 A FCM must advise the Company of his acceptance of the recall notice within seven (7) calendar days from the date of delivery of the recall notice and be available to report on the reporting date contained in the recall notice.

12.2.5 FCMs on laid off status shall have the right to waive the notice of recall. If all FCMs recalled waive the notice of recall, the most junior FCM on layoff for that equipment type shall be obliged to accept the recall of his employment will be terminated. The next most junior FCMs must then accept the recall or his employment will be terminated and this process will continue until the position is filled.

12.2.6 A FCM who waives his notice of recall and whose employment is not terminated as a result will have no further right until the next notice of recall.

12.2.7 A FCM who is laid off shall file his address with the Company via registered mail and shall thereafter promptly advise the Company of any change in address.

12.2.8 A FCM shall retain and accrue seniority while on layoff for a continuous layoff period in accordance with Article 7.3.1 (c). Following this layoff period, his seniority and employment with the Company will be terminated.

12.2.9 A FCM on layoff shall have the option of maintaining all or any benefits at the FCM's expense subject to the terms and conditions of the Company's Group insurance plans.

ARTICLE 13 - TRAINING

13.1 GENERAL

13.1.1 The Company shall endeavour not to schedule a FCM to take simulator training between the hours of 0100 and 0700 LCT, including any briefing or debriefing time.

13.1.2 A FCM shall be notified at least forty-eight (48) hour prior to recurrent training.

13.2 FAILURE TO QUALIFY

13.2.1 A FCM, with the exception of probationary FCMs, who fail to demonstrate the required proficiency shall be subject to the following:

- (a) He shall be trained to proficiency in the areas in which the required standards were not demonstrated followed by an appropriate evaluation ride.
- (b) If the FCM fails his second consecutive attempt the FCM will receive additional training. Should the FCM fail his third attempt, his case will be reviewed by the Company in consultation with the Association and he shall be advised in writing of the Company's decision within thirty (30) calendar days.

13.2.2 A Probationary FCM who fails to demonstrate the required proficiency shall be subject to termination.

13.2.3 In the application of (a) above, the FCM shall have the option of having any additional training conducted by a different instructor, if such instructor is available.

13.2.4 The scheduling of the second and third attempt will be established by the Company following examination of the reasons for the previous failure(s) and discussions with the FCM.

13.3 FAILURE TO QUALIFY - CHANGE OF POSITION OR EQUIPMENT

13.3.1 A FCM who does not demonstrate the required proficiency to be recommended for an evaluation ride shall be given a further assessment by a different Examiner. A FCM who does not demonstrate the required proficiency to be recommended for an evaluation ride shall, at the recommendation of the Joint Flight Safety & Standards committee, return to his former equipment type and position. The FCM, if returned to his former equipment type and position, will remain in his former position and equipment for a period of six (6) months before he is eligible to rebid a change in position or equipment. If the FCM's former equipment no longer exists due to removal of his previous equipment type from the fleet, he will fall under the provisions of 13.3.2 c). The aforementioned time limits can be amended as required by the Company.

13.3.2 A FCM who fails to demonstrate the required proficiency during an evaluation ride shall be subject to the following:

- (a) He shall be given additional training in the areas in which the required proficiency

was not demonstrated in accordance with Company standards, followed by the evaluation ride.

(b) If the FCM fails his second consecutive attempt, his employment shall be terminated.

(c) In the case where the FCM's former equipment no longer exists due to the removal of his previous equipment type from the fleet his case shall be reviewed by the Joint flight Safety and standards committee and he shall be advised within thirty (30) calendar days of the decision. The Company shall have the discretion to determine his Base location for further training having regard to changes in assignments of other FCMs. During this period the FCM will be held out of service without pay.

13.3.3 In the case that the Joint Flight Safety & Standards Committee does not reach a majority position the Company shall have the ability to make a decision they deem appropriate.

13.4 CRITERIA GOVERNING UPGRADES

13.4.1 Prior to approving a FCM for upgrade training the Company will conduct the following assessment:

- i) The FCMs file will be reviewed to determine if past evaluation ride reports support the performance expected of that position.
- ii) The Director of Flight Operations or his designate may seek written reports from Captains and Check Captains with whom the candidate has flown to obtain their assessment on the candidate's suitability for the upgrade.
- iii) The results of the above process, together with the assessments of the Director of Flight Operations and the appropriate Flight Operations personnel, will form the basis of the decision to approve or deny the upgrade training.
- iv) If the candidate is judged not ready, that decision together with specific reasons for denial of his bid will be conveyed in writing to the candidate and the Association. The Candidate shall then have the option to meet with the Company with a Association representative present to discuss the decision and reasons for denial of his bid.

13.4.2 The established experience requirements (Appendix B) may be amended with a mutual agreement from the Association, provided the amended experience requirements are applicable to all FCMs and notice is provided to allow for a new bid, within fourteen (14) calendar days, based on the amended experience requirements.

ARTICLE 14 - HOURS OF SERVICE

14.1 HOURS OF SERVICE - GENERAL

Hours of service will apply once a FCM has completed his line indoctrination.

A Duty Period will commence one and one half (1.5) hours prior to the scheduled departure time or at the required reporting time and end fifteen (15) minutes after the actual termination of the flight or until released from all duties.

The Duty Period of a FCM who is away from home base may, at the discretion of the company, be adjusted to commence one (1) hour prior to scheduled departure time, for operational requirements.

Flight crewmembers, who arrive at a base on a through-flight where a change of crew is planned, are not considered to be released from duty until a positive handoff has taken place. Positive handoff is intended to be used as a last resort in accordance with the drafting procedure in 14.8.3.

The Duty Period of a FCM who deadheads shall commence a minimum of ninety (90) minutes prior to the scheduled departure time for domestic flights and end thirty (30) minutes after the scheduled arrival time of the flight on which the FCM is deadheading. The Duty Period of a FCM who deadheads shall commence a minimum of one hundred and twenty minutes (120) minutes prior to the scheduled departure time for international flights and end forty-five (45) minutes after the scheduled arrival time of the flight on which the FCM is deadheading.

In the event a deadhead is required at the end of the pairing the deadhead time will not be taken into account when calculating Duty Period time. Notwithstanding the foregoing, the FCM's must arrive at the airport for a deadhead flight in time for normal passenger processing. When the duty period and deadheading will exceed fourteen (14) hours the FCM shall have the option of obtaining crew rest prior to positioning home. The decision to layover will have no impact on their regularly scheduled credit/days off.

Where the agreement refers to scheduled blocks and/or scheduled blocks off it is intended to read scheduled days and/or scheduled days off for Caravan and ATR crews.

14.2 HOURS OF SERVICE – NARROW BODY JET

14.2.1 Eighty-six (86) credit hours will constitute the monthly amount for FCMs after which overtime will accumulate. A FCM who works in excess of 86 credit hours in any calendar month will be paid overtime at 2 x his hourly rate (double time) for credit hours in excess of 86.

NOTE: Hourly rate calculation = yearly salary/12 months/86 credits.

14.2.2 Overtime credits will not be paid where they result from block trades or where an FCM has failed to qualify in respect of any of the proficiency tests taken or required to be taken under Article 13.

14.2.3 For each Duty Period, the credit hours earned shall be:

- | | | |
|----|---------------------------|--|
| a) | Flight time | 1 for 1 |
| b) | Minimum call out | 4 hours |
| c) | Reserve | 1 for 4 |
| d) | Layover time | 1 for 6 |
| e) | Maintenance functions | 1 for 1 within duty day
1 for 2 other than line maintenance |
| f) | Office | 1 for 2 |
| g) | Simulator | 7 credit hours per 24-hour period |
| h) | Ground School/CPT | 1 for 2 |
| i) | Vacation | 4 credit hours per 24-hour period |
| j) | Sick day | 3 credit hours per 24-hour period |
| k) | Three Paid Personal Leave | 4 credit hours per 24-hour period |

Deadheading to/from Simulator and/or Ground School FCMs will receive credit (1 for 6) for time spent deadheading commencing at the beginning of the deadhead duty period and ending at midnight local time for a day they travel to Simulator and/or Ground School. FCMs will receive credit (1 for 6) for the return flight deadhead duty period.

NOTE: In the event of being activated for duty followed by a cancellation (prior to reporting for duty on company property) a minimum call out of two (2) hours shall apply, in lieu of (b) above, provided the FCM had already departed his home and was en route to the airport at the time of cancellation and had not yet reported for duty on company property.

14.2.4 Credits will be applied in the month on which they occur. The division will be midnight local time at the FCMs home base.

14.2.5 The Company will provide the following blocks of time off at the employee's home base, in each calendar month as follows:

- 2 blocks of 72 consecutive hours and 3 blocks of 48 consecutive hours free from duty.
- Blocks will start at the end of the duty period as outlined in 14.1.
- Where possible blocks will be consecutive.

NOTE 1: If a block of scheduled time off crosses from one month to the next, it will be applied to the month in which the majority of hours occur.

NOTE 2: Blocks of scheduled time off will be prorated for months in which a FCM takes vacation. Each week of vacation will equal one (1) 48-hour block. When vacation crosses from one month to the next, the 48-hour block will apply to the month in which the majority of vacation occurs.

NOTE 3: In a month where an FCM takes three (3) weeks vacation, in no case shall the FCM receive overtime pay if no creditable activity (other than vacation) occurs.

Examples:

- (i) One (1) week vacation in March. Time off entitlement: 2 blocks of 72 and 2 blocks of 48.
- (ii) One (1) week vacation 3 days in March, 4 days in April. Time off entitlement: March – 2 blocks of 72 and 3 blocks of 48 and April – 2 blocks of 72 and 2 blocks of 48.
- (iii) Three (3) weeks' vacation in January. Time off entitlement: 2 blocks of 72.
- (iv) Three (3) weeks of vacation 2 weeks and 3 days in January, 4 days in February. Time off entitlement: January – 2 blocks of 72 and 1 block of 48, February – 2 blocks of 72 and 2 blocks of 48.
- (v) Four (4) days of pro-rated or carry over vacation in February. Time off entitlement: 2 blocks of 72 and 2 blocks of 48.

14.2.6 A FCM who volunteers or is drafted to work on a scheduled block off shall be paid at one and one half times his hourly rate for credit hours worked. The minimum credit will be four (4) hours at time and one half. These credit hours will not count towards the monthly credit total for overtime purposes in the month.

14.2.7 A FCM who flies during a scheduled block off shall be paid at one and one half times his hourly rate for credit hours worked, or as per a) or b) below, whichever is greater. The minimum credits outlined in 14.2.6 will not apply in this case. These credit hours will not count towards the monthly credit total for overtime purposes in the month.

a) If the credit hours worked reduce the length of a scheduled block of 48 hours free from duty by greater than four (4) hours, the FCM shall be paid overtime for eight (8) hours at one and one half times (1.5x) his hourly rate.

b) If the credit hours worked reduce the length of a scheduled block of 72 hours free from duty by greater than eight (8) hours, the FCM shall be paid overtime for twelve (12) hours at one and one half times (1.5x) his hourly rate.

14.2.8 With respect to FCMs drafted under Article 14.8.3 in accordance with Step 6 – “Positive Handoff” of the “Offer Down Draft Up” process, FCMs so drafted for an additional flight assignment shall receive additional compensation according to a) or b) below, whichever is greater:

a) The FCM shall be paid at double (2x) his/her hourly rate for the total creditable activity associated with the additional flight assignment plus the credits for the immediately preceding flight duty period, commencing with the start of the immediately preceding flight time credits.

OR

- b) The FCM shall be paid a minimum of eight (8) hours at double (2x) his/her hourly rate. These credits shall not count towards the monthly credit total for overtime purposes in the month.

This additional compensation shall be in excess of any other credits or pay earned with respect to the affected flight assignment(s).

Examples:

Example 1: 8079 followed by a positive handoff to cover 8082/7082:

Original schedule:

51
79
13.6

Revised Schedule:

51	8082
79	7082
13.6	5.5

Overtime calculation:

(8079 duty period plus 8082 and 7082 duty/layover periods)

$(5.5+5.5) \times 2 \times \text{Hourly Rate}$

Example 2: 8079 followed by a positive hand-off to cover 7079:

Original Schedule:

51
79
13.6

Revised Schedule:

51	79
79	62
13.6	12.5

Overtime calculation:

(8079 duty period plus 7079 and 7062 duty/layover periods)

$(5.5+12.5) \times 2 \times \text{Hourly Rate}$

14.3 HOURS OF SERVICE – CARAVAN AND ATR

- 14.3.1 Averaging for pay and guaranteed days off will be calculated using quarters commencing January 31st, May 1st, August 1st, and November 1st.
- 14.3.2 Guaranteed Day Off: Shall mean a twenty-four (24) hour period commencing after crew rest is completed. For example after the completion of a flight or deadhead a FCM will be entitled to nine (9) hours free from all duty prior to commencing their guaranteed day off.
- 14.3.3 A FCM that accumulates over one hundred and ninety five night flight time hours or two hundred and twenty five day and night flight time hours averaged over a three month period will be paid at time and one half for those additional hours or part thereof. Nighttime flying is defined as flying between the hours of 6:00 p.m. and 6:00 a.m. local time.
- 14.3.4 The company will provide for thirty-two (32) guaranteed days off averaged over three (3) months. Where possible days off will be in consecutive blocks.
- 14.3.5 A FCM who works on a guaranteed day off shall be entitled to be paid the greater of one and one half times (1 ½ x) his daily rate or for such additional flight hours at the rate of one and one half times (1 ½ x) his hourly rate. These flight hours will not count towards the seventy-five (75) flight hours, for overtime purposes in the month.

A FCM who works in excess of 75 flight hours in any calendar month will be paid overtime at 2 x his hourly rate (double time) for all flight hours in excess of 75.

- 14.3.6 Days of scheduled time off will be prorated for quarters in which the FCM takes vacation. Each week of vacation will equal two (2) GDOs. When vacation crosses from one quarter to the next the 2 GDOs will apply in the quarter in which the majority of vacation occurs.

Example:

- i) One (1) week vacation in March. Time off entitlement: thirty (30) GDOs in the quarter commencing Jan 31st.
 - ii) One (1) week vacation – three (3) days in April, four (4) days in May. Time off entitlement: thirty-two (32) GDOs in the quarter commencing Jan 31st, thirty (30) GDOs in the quarter commencing May 1st.
- 14.3.7 When a change in calendar date occurs en route, the date on which the Duty Period originated shall be considered the date to which all Duty time applies. In the event of advanced or delayed operations at the end of a Standard Month, the scheduled originating date of the flight shall be considered the date on which the flight originated and to which date all Duty Time for the flights shall apply.

14.3.8 If after reporting for a flight from home base the flight is subsequently cancelled, per diems will be paid from commencement of duty until such time as the FCM is released from duty by dispatch, or is assigned a flight, or four (4) hours minimum, whichever is greater.

14.3.9 A FCM who is required to complete an online training course shall have a calendar month in which to complete the training program with the course indicated as a training event on the FCM's monthly crew schedule.

14.4 REST PERIODS:

The minimum scheduled rest period will be 11 hours plus travel time or 12 hours at home base and 10 hours away from home base. In the event the Canada Aviation Regulation increases the minimum scheduled rest periods during the term of this agreement, the provisions in the revised regulation will thereafter apply.

14.5 BLOCK CONSTRUCTION

14.5.1 The Association may appoint a representative to assist with block construction. Such representative will receive credit hours (office) in accordance with Article 14.2.3. The amount of time spent performing this work will be mutually agreed between the Company and Association.

14.5.2 Blocks shall be prepared by the Company in consultation with the Association representative appointed by the Association. Final blocks will be issued no later than the 15th of the month for the following month and the blocks will be posted for the membership. Notwithstanding the above, the final decision regarding the preparation of blocks will rest with the Company.

14.5.3 Blocks will be built to meet operating requirements in accordance with the applicable CARs.

14.5.4 Vacation period, block overlap, anticipated recurrent training and ground school periods and anticipated flight assignments for line indoctrination and line checks for the current month will be assigned to the FCM's block first prior to assigning any pairings.

14.5.5 Errors discovered in blocks by the designated Association representative or the Company prior to the commencement of the period to which the blocks pertain will be corrected to the mutual satisfaction of the Company and the Association. If no agreement is reached, prior to the commencement of the period to which the blocks pertain, the Company's decision will be final. FCMs will be notified immediately after the error is discovered.

14.5.6 The company will establish a volunteer list from which overtime will be offered in seniority order. This list is to be provided to the Master Executive Council (MEC) Chair or designate.

14.5.7 During Narrow Body Jet block construction and scheduling preparation if the Company is unable to fulfill its obligations under Article 14.2.5 scheduled time off, the Company will utilize volunteers from the list created under Article 14.5.6. Overtime payouts in lieu of scheduled blocks of time off will be offered in order of seniority on the Volunteer Overtime List. Should there be insufficient FCM's on the volunteer overtime list during block construction the Company will assign the payouts in lieu to FCMs in reverse order of seniority.

The Company will identify to the Association those FCMs not assigned their proper complement of days off in the remarks section of the monthly schedule. FCMs not assigned the required complement of days off in accordance with Article 14.4 shall be paid overtime at 1.5 x his hourly rate for eight (8) hours per unassigned 48-hour block or twelve (12) hours per unassigned 72-hour block. These hours will not count towards the monthly credit total for overtime purposes in the month.

It is further understood that the company will not deliberately utilize this clause to operate without a proper complement of FCMs.

14.5.8 During Turboprop schedule preparation, should the Company be unable to schedule the required number of days off in a given quarter due to operational requirements, the FCM shall receive overtime pay in lieu at a rate of one and one half (1.5x) times his hourly rate for four (4) hours per GDO.

14.6 BLOCK EXCHANGES

Block trades will be allowed in the following manner:
FCMs will be allowed to trade blocks or reserve periods with other FCMs in the same status and equipment. The exchange is subject to approval by the Company after verification with the FCMs involved.

14.7 RESERVE

14.7.1 The length of the reserve block shall be published at the bottom of the monthly schedule. The total time for reserve period commencement until the FCM is released from any assigned flight duty shall not exceed nineteen (19) hours.

14.7.2 A FCM scheduled for a reserve block shall be available for contact by phone and remain within close enough range from his designated Base of operations to report within one hour of being called for duty. When a FCM on reserve is called for duty, he will be released from reserve.

14.7.3 A flight assignment made to a reserve holder may be subsequently changed by the Company.

14.8 DRAFTING ON SCHEDULED TIME OFF

- 14.8.1 Subject to Articles 14.8.2 and 14.8.3 the Company may draft FCM's on scheduled blocks off when all other pilots including available Reserves have been utilized.
- 14.8.2 Duty on a scheduled block off will first be offered on a voluntary basis to FCM's in order of seniority, on the base, and provided there is no disruption to future scheduled duty. The company will establish a volunteer list from which overtime will be offered in seniority order.
- 14.8.3 If FCM's are not available on a voluntary basis the Company shall draft a FCM on a scheduled block off in reverse order of seniority, on the base. Drafting will only be used after all other FCM's on the base, including available reserves, have been utilized. FCM's on scheduled vacation will be contacted last and will not be obligated to accept the draft.

The Offer Down Draft Up process will be carried out as follows:

1. Available FCM's on a Voluntary basis in order of seniority. (Offer down.)
2. Available FCM's on an involuntary basis in reverse order of seniority by position (Draft up)
3. Available Dual Qualified FCMs on a voluntary basis in order of seniority.
4. Available Dual Qualified FCMs on an involuntary basis in order of seniority.
5. Management if available
6. Positive Handoff

ARTICLE 15 - UNIFORMS

- 15.1 Uniforms will be maintained according to standards prescribed by the Company.
- 15.2 The recommendations of the Association shall be considered by the Company before making any changes in the uniform.
- 15.3 The Company will pay 100% of the cost of the uniform; the uniform will comprise the items listed below:

B757 and ATR72

- a) 1 'three in one' winter jacket
- b) 1 leather jacket
- c) 3 trousers
- d) 3 ties
- e) 3 shirts
- f) Epaulettes and wings

C208

- a) 1 'three in one' winter jacket
- b) 1 leather jacket
- c) 2 trousers
- d) 3 ties
- e) 3 shirts
- f) 1 company ball cap
- g) epaulettes and wings

15.4 Term for the Uniform

Uniform pieces will be replaced every six (6) years except:

3 shirts replaced every year

3 trousers replaced every two (2) years

2 ties every three (3) years

Stripes, epaulettes and wings replaced on an 'as needed' basis

FCM's will receive any replacement items outlined above based on the latest issue date of each of the pieces.

15.5 Fit for Duty

FCM's will receive a total monthly allowance of \$150.00 in lieu of submitting expenses for uniform maintenance, footwear, and any other incidental expenses that may be in order for the FCM to report fit for duty.

ARTICLE 16 - PHYSICAL EXAMINATIONS

16.1 Except for the initial examination for newly hired FCMs, the Company medical standards for physical examinations shall be no more restrictive than those standards set forth in the Transport Canada regulations as being required to maintain an Airline Transport Pilot license, including any waiver policies adopted by Transport Canada.

16.2 The periodic physical, electrocardiogram and audiogram examinations, required under Transport Canada regulations for license endorsement are the responsibility of the FCM. The examinations shall be conducted by any Transport Canada approved Doctor. The expense of any such physical, electrocardiogram and audiogram and any processing fee shall be borne by the Company.

16.3 The Company may, at its own expense, request a FCM to complete a medical examination with a Transport Canada approved Doctor if the Company has reason to believe the FCM's health or physical condition is impaired, in which case the FCM shall be furnished with a copy of the medical examiner's report.

- 16.4 If a FCM fails to pass a Company physical examination they may discuss and review their medical assessment with the Regional Medical Officer in accordance with Transport Canada Regulations (LRA 3.1.1) Unfit Assessment and 3.4.5 Review by a Civil Aviation Tribunal - October 10, 1996)
- 16.5 Notwithstanding the foregoing, where the findings of the above medical review procedure differ from those of the Civil Aviation Medical Review Board, the findings of the Board shall prevail.

ARTICLE 17 - LEAVE OF ABSENCE

- 17.1 The Company may, at its discretion, grant a FCM a Leave of Absence without pay. Extensions may be granted, at the Company's discretion, to a two (2) year period. A FCM may exercise his assignment bidding rights while on Leave of Absence, but if he is a successful bidder he must return from his leave at the commencement of the training date.
- 17.2 Leaves of absence may be initiated by:
- (a) a request of the Company for the FCM who wishes to volunteer to take a leave of absence in lieu of a FCM layoff under the provisions of Section 12.02 or;
 - (b) a request of the FCM for personal reasons.
- 17.3 A FCM returning from a Leave of Absence which was initiated at the request of the Company, in accordance with 17.2 (a) shall return to his previous assignment providing his seniority, which continues to accrue during his leave allows him to hold his previous assignment. In the event his seniority does not allow him to hold his previous assignment, he may exercise his seniority to displace a more junior FCM in his position and equipment type. Any base relocation costs incurred by the returning FCM or any other FCM impacted as a result of the use of this Article will not be reimbursed by the Company (i.e.: will not be considered a Forced Move).
- 17.4 A FCM returning from a leave of absence initiated at the request of the FCM, in accordance with 17.02(b), shall be provided with an assignment on returning from his leave of absence unless a reduction in the total number of FCMs employed by the Company has occurred during his Leave of Absence and, if he had not been on a Leave of Absence, he would have been laid off. The FCM's seniority will not accrue during this leave.
- 17.5 **JURY DUTY**
FCMs who serve on jury or who appear in court as a result of being subpoenaed shall be granted a Leave of Absence and shall retain and accrue seniority for all purposes during

such Leaves of Absence. Compensation at his current salary will be maintained by the Company while serving on jury duty or when subpoenaed to represent the Company.

17.6 MATERNITY/PARENTAL LEAVE

A FCM on maternity or parental leave will receive benefits as per Part 3 of the Canada Labour Code and shall maintain and accrue seniority for the period of the maternity leave.

17.7 BEREAVEMENT LEAVE

- (a) Upon the death of the employee's spouse or common-law partner; the employee's father and mother and the spouse or common-law partner of the father or mother; the employee's child(ren) and the child(ren) of the employee's spouse or common law partner; the employee's grandchild(ren); the employee's brothers and sisters; the grandfather and grandmother of the employee; the father and mother of the spouse or common-law partner of the employee and the spouse or common-law partner of the father or mother; the employees step Father or Mother, Sister or Brother, and any relative of the employee who resides permanently with the employee or with who the employee permanently resides is entitled to seven (7) calendar days' bereavement leave without loss of pay provided that the employee has not less than three months' cumulative compensated service.

“Common-law partner” means a person who has been cohabiting with an individual in a conjugal relationship for at least one year, or who had been so cohabiting with the individual for at least one year immediately before the individual's death.”

- (b) In the event of a death in the family (outlined in a), upon request, the FCM will be granted an additional seven (7) calendar days leave of absence, without pay, to attend the funeral.
- (c) In the event of serious illness or injury requiring doctor's care or hospitalization affecting the FCM's spouse, children or parent, he/she will be granted up to three (3) calendar days off without pay.
- (d) A reasonable amount of time off, without pay, for compassionate reasons may be granted by the Company upon request of the FCM. Such time will not be unreasonably withheld.

17.8 Compassionate Care Leave

A FCM shall be granted compassionate care leave in accordance with the Part III of the Canada Labour Code.

17.9 Leave Related to Critical Illness

A FCM shall be granted Critical Illness leave in accordance with the Part III of the Canada Labour Code.

17.10 Leave Related to Death or Disappearance

A FCM shall be granted Death or Disappearance leave in accordance with the Part III of the Canada Labour Code.

17.11 Personal Leave

A FCM shall be granted personal leave in accordance with the Part III of the Canada Labour Code.

17.12 Leave for Victims of Family Violence

A FCM shall be granted family violence leave in accordance with the Part III of the Canada Labour Code.

17.13 Leave for Traditional Aboriginal Practices

A FCM shall be granted Traditional Aboriginal Practices leave in accordance with the Part III of the Canada Labour Code.

17.14 Reservist Leave

A FCM shall be granted Reservist leave in accordance with the Part III of the Canada Labour Code.

ARTICLE 18 - VACATION AND STATUTORY HOLIDAYS

18.1 The vacation year will commence January 01 in any year and terminates on December 31 of the same year. Vacation entitlement accrued in the current vacation year will be taken in the current calendar year.

18.2 A FCM shall be entitled to vacation with pay as follows:

<u>Completed Length of Company Service</u>	<u>Entitlement</u>
less than 1 year	proration of three weeks
1 year up to 5 years	3 weeks
5 years up to 10 years	4 weeks
10 years or more	5 weeks
25 years or more	6 weeks

- 18.3 In the calendar year in which FCM attains five (5), ten (10) or twenty five (25) years of service, vacation entitlement for that year will be prorated based on his anniversary date from his date of hire.
- 18.4 A week of vacation is deemed to be equivalent to seven (7) calendar days and shall begin at 0001 local time of the first vacation day. At the request of the FCM, subject to operations requirements, vacation will be preceded and/or followed by forty-eight (48) hours block of days off. The FCM must provide Crew Scheduling with one month's prior notice.
- 18.5 Vacation periods shall be awarded by Base in accordance with Base seniority.
- 18.6 Vacation availability will be determined by the Company, in consultation with the Association, based on operating requirements. The Company shall post at each Base on or before the 01 October, a roster of vacation periods anticipated to be available for the period January 01 to December 31 inclusive of the following year. The Company will endeavour to make as much time as possible available in the summer months.
- 18.7 The vacation roster will be available by means of an online vacation bidding system to each FCM in order of Flight Crew seniority for a period of two (2) calendar days in each round of bidding. Vacation bidding will take place in order of seniority on the base and will occur in two separate rounds. In round one, a FCM can bid up to a maximum of three (3) weeks of his allotted vacation entitlement. Vacation bids of three consecutive weeks will only be permitted during the period from October 1st to April 30th excluding black-out periods. Once all FCMs on the base have finished bidding in round one, round two will commence with the most senior FCM making his remaining selections. If a FCM is unavailable for bidding they may leave their preferences with Crew Scheduling and the crew scheduler will complete their bids on their behalf.
- 18.8 If a FCM fails to designate his choice, he will bid his vacation after all other vacation, at his base, has been bid.
- 18.9 Any FCM who fails to submit their bid by November 30 will have their vacation assigned by the Company. If unable to be assigned by the Company, vacation will be carried over and added to the FCM's subsequent vacation entitlement. Vacation will be paid out upon leaving the employ of the Company.
- 18.10 The Company will make every reasonable effort to avoid changing a FCM's assigned vacation. However, changes to a FCM's assigned vacation to meet operating needs will, to the extent practicable, recognize the personal preferences of the FCM. The Company agrees to reimburse the FCM for any agreed upon expenses incurred by this change.
- 18.11 Changes to the FCM's assigned vacation due to base relocation or change in the position may be made by the Company and will, to the extent practicable, recognize the personal preference of the FCM.

- 18.12 Subject to Company approval, FCMs may exchange assigned vacation periods provided they do so in writing one (1) month prior to the Standard Month in which the assigned vacation periods occurs.
- 18.13 When a FCM's vacation is changed in accordance with 18.10, 18.11 and 18.15 the new vacation dates will be set by mutual agreement or at the FCM's option will be paid out at the end of the year.
- 18.14 When a previously bid vacation week(s) become available, or when an additional week(s) is allocated during the current vacation year, it will be posted for fourteen (14) days and awarded to in accordance with Flight Crew seniority.
- 18.15 A FCM who is unable to commence their scheduled vacation period due to serious illness or WCB shall be awarded new vacation period upon return to duty. However, if the employee does not return to duty on or before December 1 of any year, they shall have the option to receive the pay in lieu of the vacation earned but not taken.

18.16 STATUTORY HOLIDAYS

The following days are recognized by the Company as Statutory Holidays:

New Years Day	August Civic Holiday
Family Day (in lieu of Remembrance Day)	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Christmas Day
Canada Day	Boxing Day

Statutory Holidays will commence 0001 LT at their home base and will be shown and honoured on the Flight Crew Schedule on the actual day of the Statutory Holiday. For example, if Canada Day falls on a Sunday, the Statutory Holiday will be shown and honoured on Sunday, July 1.

- 18.17 Eligibility for Statutory Holidays with pay requires a FCM to complete thirty (30) calendar days of employment with the Company.
- 18.18 A FCM who is scheduled to work and works on a Statutory Holiday will receive a normal day's pay plus 1 ½ times the hourly rate for the credit hours worked on the Statutory Holiday. This normal day's pay is included in the FCMs base salary. These credit hours will not count towards the monthly credit total for overtime purposes in the month.
- 18.19 A FCM who is on a scheduled block off on a Statutory Holiday will receive a day in lieu taken in accordance with 18.21.
- 18.20 A FCM who is on a scheduled block off and works on a Statutory Holiday will receive a normal day's pay plus 1 ½ times the hourly rate for the credit hours worked on that Statutory Holiday plus a day in lieu taken in accordance with 18.21. The normal day's

pay is included in the FCMs base salary. These credit hours will not count towards the monthly credit total for overtime purposes in the month.

- 18.21 Lieu days earned in accordance with 18.19 and 18.20 will be assigned by the Company in accordance with the following:
- (i) a 24-hour period assigned to an existing schedule block off; or
 - (ii) paid out at the end of the month at the FCM's daily rate calculation (Hourly Rate x 4) credit hours.
- 18.22 Lieu days will be indicated on the schedule as "lieu day" and shall be treated as a regularly scheduled day off, in accordance with Article 14.7 if called to work.

ARTICLE 19 - INVESTIGATIONS

- 19.1 Where a FCM is involved in an accident or incident related to the operation of an aircraft while on duty, he may be held out of service, with or without pay, pending the outcome of any investigations into the accident or incident undertaken by Transport Canada, The Transportation Safety Board of Canada or any other government agency. Where a FCM is involved in an accident or incident related to the operation of an aircraft while on duty, he may be held out of service, with pay, pending the outcome of any investigation into the accident or incident undertaken by the Company. The FCM shall notify the Association immediately, where this is not possible the Company will notify the Association.
- 19.2 If a FCM is held out of service, the Chief Pilot or Director of Flight Operations shall, within seven days, provide the FCM with a letter stating the reason. A copy of this letter shall be copied to the Association.
- 19.3 In cases involving aircraft accident, a FCM will not be required to commit himself orally or in writing to officials of the Company for 24 hours following the accident unless the following conditions have been met:
- (a) FCM(s) have had the opportunity to consult with the Association and
 - (b) he shall make himself available for and has been afforded the opportunity of a medical examination by a medical examiner approved by the Association and the Company.

The Association shall make its best effort to be available for consultation without delay. The results of the medical examination shall immediately be disclosed to the Company and the Association to the extent that they may relate to the cause of the accident or his ability to participate in the investigation.

- 19.4 In cases involving aircraft incidents FCM who are held out of service under the terms of 19.1 above will not be required to commit themselves orally or in writing to officials of the Company for 24 hours following the incident unless they have the opportunity to consult with the Association.
- 19.5 Where the investigation is undertaken by the Company, officers of the Company involved shall make every attempt to issue a final report within three (3) months.
- 19.6 Both the FCM involved and the Association will be given the opportunity to participate fully in the investigation, will be informed on a regular basis on the course of such investigation and will be provided with a copy of any interim or final reports resulting therefrom.
- 19.7 Throughout this procedure, the FCM involved and/or his designated representative(s) may, upon request, and in conjunction with a designated representative of the Company, review any information contained in his files.
- 19.8 Any discipline or discharge action taken following an accident or incident shall be subject to the provisions of Article 20.4 Discipline and Discharge.
- 19.9 Aircraft flight data recorders and cockpit voice recorders, and automatic Flight Data Reporting Systems will only be used for accident investigation, maintenance test purposes. No Data Recorder will record specific Flight Crew Identification, Designator. Such recorders will not be used as a means of monitoring or checking a FCM during the operation of any normal flight. During any accident investigation the contents of the flight recorder will not be released by the Company to either the general public nor the news media without the prior approval of the FCM or FCM(s) involved, and the Association.

ARTICLE 20 - GRIEVANCES

20.1 GENERAL

- 20.1.1 For the purposes of this Agreement a grievance is defined as any difference between the Company and the Association, and/or those parties on whose behalf this Agreement was entered into, concerning the interpretation, application, administration or alleged violation of this Agreement, or concerning discharge, suspension or discipline.
- 20.1.2 Grievances may be initiated by the Association on behalf of its members or on its own behalf.
- 20.1.3 At any hearing or investigation the FCM(s) shall have the right to be represented by a representative of the Association.

20.1.4 Either party is entitled to request and be provided with copies of all documents relevant to the grievance.

20.2 INITIATION

20.2.1 Prior to filing a grievance, the FCM(s) having a complaint shall, together with an Association representative if requested, discuss such complaint with the appropriate Chief Pilot, Director of Flight Operations or appropriate Department Head.

20.2.2 A FCM who has a grievance, or group of FCMs having the same grievance dealing with the same issue with respect to interpretation, application, or alleged violation of this Agreement, or with respect to discipline or discharge, shall deal with such grievance in accordance with the procedures outlined below.

20.3 HEARINGS

20.3.1 The following steps may be waived, combined or extended subject to mutual agreement between the Company the Association.

20.3.2 Step 1: A FCM who has a grievance, or group of FCM's having a grievance dealing with the same issue, or the Association in the case of an Association grievance on behalf of its members, shall present it in writing within fifteen (15) calendar days of the occurrence or awareness of the occurrence to the Director of Flight Operations, or his designate. The Director of Flight Operations or his designate shall hold a hearing upon the grievance at a mutually convenient time within ten (10) calendar days of the presentation of the grievance, and render his decision in writing not later than on the tenth (10th) calendar day following the above mentioned hearing.

20.3.3 Step 2: If the decision of the Director of Flight Operations or his designate is not acceptable to the grievers or is not rendered within ten (10) calendar days, then the grievance shall be submitted in writing to the General Manager, or his designate within ten (10) calendar days of the receipt of the decision, or as the case may be, within twenty-five (25) calendar days from the time the above mentioned hearing took place. The General Manager or his designate shall hold a hearing upon the grievance at a mutually convenient time within ten (10) calendar days of the receipt of the grievance, and shall render his decision in writing not later than on the tenth (10th) calendar day following the grievance hearing.

20.3.4 Any decision not rendered by the Company or the Association within the relevant time limits, shall be automatically advanced to the next step.

20.4 DISCIPLINE AND DISCHARGE

- 20.4.1 No employee shall be disciplined or discharged without just cause subject to Article 9.1.
- 20.4.2 When an employee is reprimanded, disciplined, suspended, discharged, or investigated the FCM shall have the right to have a Association Representative present either in person or on the phone. A FCM shall only be disciplined when a Association Representative is present either in person or on the phone (not applicable to Step 1 of the Company's Progressive Discipline Policy – verbal warning). This Article shall not apply to investigations where the Company Safety Management System's Non-Punitive Reporting Policy applies.
- 20.4.3 Where any disciplinary action includes suspension without pay, any time held out of service without pay shall be deducted from the penalty or discipline assessed. If the FCM has been held out of service without pay for a longer period than the penalty or discipline assessed, an adjustment shall be made to provide for reimbursement of such loss of pay.
- 20.4.4 Any FCM who has been disciplined or discharged may file a grievance in accordance with this Article. However, by mutual agreement between the Company and the Association, grievances may proceed directly to Step Two of the grievance procedure or to Arbitration.

ARTICLE 21 - ARBITRATION

21.1 BOARD ESTABLISHMENT

- 21.1.1 The Notice of Intention to proceed to Arbitration shall be made in writing to the General Manager of the Company or his designated representative within fifteen (15) calendar days of the decisions at Step 2 of the Grievance procedure, or as the case may be, within fifteen (15) calendar days from the date the decision should have been rendered.
- 21.1.2 A Board of Arbitration shall be established when required and shall consist of one (1) member appointed by the Association, one (1) member appointed by the Company, and one (1) Chairperson selected jointly by the parties, or failing such agreement, by the Minister of Labour.
- 21.1.3 The Company and the Association may, by mutual consent, submit any matter to a single arbitrator for determination in accordance with the provisions of this Arbitration section.
- 21.1.4 In the event that a member of the arbitration board resigns, dies or otherwise is unable to remain a member of the panel, the party who appointed him or, in the case of the Chairperson, the other two appointees shall replace him as soon as possible in the same manner as set out herein above.
- 21.1.5 Each party must appoint its member to the Board within fifteen (15) calendar days of receipt of a written submission to the arbitration pursuant to Section 22.01.01.

- 21.1.6 The Arbitration Board, once established, shall make every effort to expedite the Arbitration proceedings.
- 21.1.7 A Joint Statement of Issue outlining the dispute including any reference to the specific provision or provisions of the Collective Agreement where it is alleged that the agreement has been violated, shall be jointly submitted to the Arbitrator at least thirty (30) days in advance of the date of the hearing. In the event the parties cannot agree upon such Joint Statement of Issue, each party shall submit a separate statement to the Arbitrator at least twenty (20) days in advance of the date of the hearing and at the same time provide a copy of such statement to the other party.

21.2 BOARD JURISDICTION

- 21.2.1 The Board shall have jurisdiction to consider any grievance properly submitted to it under the terms of this Agreement (including whether a matter is arbitrable or not). The Board shall have no jurisdiction to alter, modify, amend or make any decision inconsistent with the terms of this Agreement.
- 21.2.2 The Arbitration Board may extend the time limits for the taking of any step in the Grievance or Arbitration procedures, notwithstanding the expiration of such time limits, where the Arbitration Board is satisfied that there are reasonable grounds for the extension.
- 21.2.3 The Board shall, in the case of disciplinary or discharge grievances, have the authority to determine whether the disciplinary or discharge action taken by the Company was for just cause. The Board may render such orders as it considers just and reasonable, including, but without limiting the generality of the foregoing, the exoneration and reinstatement of the grievor, the reduction or modification of the discharge or discipline, and the compensation of the grievor.
- 21.2.4 The decision of the majority of the members of the Board and if there is no majority, the decision of the Chairperson, or in the event of a single arbitrator, his decision shall be final and binding upon the parties.

21.3 BOARD EXPENSES

- 21.3.1 The expenses incurred by the Board Chairperson or the single Arbitrator, shall be borne equally by each party. Each party shall assume the expenses incurred by its own appointee.

ARTICLE 22 - MANAGEMENT RIGHTS

- 22.1 The Association recognizes the right of the Company to exercise the regular and customary functions of the Company and to direct the working forces, subject to the terms of this agreement.

- 22.2 The Company has the right to make and implement rules and regulations. Any changes in such rules and regulations made by the Company shall not be in conflict nor inconsistent with the provisions of this Agreement.
- 22.3 The Company retains all rights not expressly limited by the terms of this Agreement.
- 22.4 Notwithstanding any part of this agreement, principals and or their designates may fly company aircraft for non-revenue flights or revenue charters for persons or entities related to the principals. In any case, prior to flying company aircraft over 12,500 lbs. gross take off weight under this clause, the company will seek the Association's approval.

ARTICLE 23 - GENERAL

- 23.1 It is understood that any references contained within this Agreement to the masculine gender shall also pertain to the feminine gender. Any reference in the singular shall also pertain to the plural where appropriate.
- 23.2 The Association shall provide each Crewmember with a copy of this Agreement within sixty (60) calendar days of ratification of the Agreement. The Company and the Association agree to share the cost of printing the Agreement. Binding and distribution of the Agreement will be the responsibility of the Association.
- 23.3 TECHNICAL OR PERSONNEL FILES
- 23.3.1 A FCMs Technical or Personnel files may be reviewed by the FCM or his representative at the request of the FCM at any reasonable time in the presence of an administrative officer of the Company.
- 23.3.2 Disciplinary documents not related to technical competency will be removed from a FCMs file after twelve (12) months, provided twelve (12) months have elapsed without further disciplinary proceedings.
- 23.3.3 All correspondence on a FCM's file will be copied to the FCM. The MEC Chair or designate shall be provided a copy of any letters of discipline attached to a FCM's file.
- 23.4 ASSOCIATION TIME OFF
- 23.4.1 Crewmembers called as witness by the Association for grievance and arbitration proceedings shall be granted time off without pay subject to the operating requirements of the Company. Time off for Association business will be granted at no cost to the Company, subject to the Company's operating requirements, where possible fifteen (15) calendar days written notice will be given. The Association shall be billed at straight time for time off.

23.4.2 FCMs required for collective bargaining (maximum 3) toward renewal of this entire agreement shall be awarded 2 credit hours per day while in active negotiations. Overtime will not be paid where it results from these credits.

23.4.3 The Association may designate a person to act as its representative who will be allocated an additional thirty three (33) additional 24-hour blocks of time off for Association business per calendar year in addition to the scheduled time off in accordance with the agreement, with a minimum of two such blocks allotted per calendar month. With the Company's approval, not to be unreasonably withheld, the Association's designated person may assign part of their 33 hour allocation to an alternate person or persons, when necessary for the Association's business. The blocks (for the designated person or any designated alternate person) shall be indicated on the crew schedule as Association Time Off (UTO). The Company will schedule these UTOs around operational requirements but will endeavour to accommodate specific dates whenever possible when requested by the Association's designated person prior to schedule publication. No overtime will result due to any infringement on a UTO.

23.5 NOTICE BOARDS

The Association shall be allowed to post meeting notices on Company notice boards, wherever Association members are based. Other Association material may be posted with written approval from the Company.

23.6 DISCRIMINATION / HARASSMENT

The Employer and the Association recognizes and agrees that there shall be no discrimination, interference, restraint, harassment or coercion exercised or practiced by either of them or by any of their representatives. It shall be the right of employees to work in an environment free from harassment based on age, race, caste, creed, national or ethnic origin, political or religious affiliation, sex, gender identity/expression, sexual orientation, marital status, same sex partnership status, physical disability, mental disability, conviction for which a pardon has been granted, Association membership or participation in the lawful activities of the Association. The Association and Company agree that no Pilot shall be discriminated against on account of membership or non-membership in the Association or by reason of activity or lack of activity in the Association. The Company and the Association further agree that bullying shall be dealt with in a serious manner and treated with the same severity and level of concern as discrimination and harassment.

23.6.1 Bullying and harassment are often described as a course of comment or conduct that is known, or ought reasonably to be known, to be unwelcome. The unwelcome conduct causes an intimidating, threatening, or hostile work environment such that the victim's work performance is impaired, their relationships are negatively affected and their dignity is denied. Properly discharged management responsibilities such as the assignment of work tasks, employee coaching and progressive discipline are not considered bullying.

23.6.2 The Employer and the Association will not condone harassment in the workplace and will cooperate to maintain a harassment-free workplace. The Company shall maintain a Workplace Violence and Harassment Prevention Program in accordance with Part XX of the Canadian Occupational Health and Safety (COHS) Regulations.

23.6.3 If a Pilot believes that they have been harassed and/or discriminated against on the basis of a prohibited ground of the discrimination, the Pilot may:

- (a) Tell the person involved as soon as possible how they feel and request that they stop the conduct found offensive;
- (b) If the Pilot feels uncomfortable approaching the person, or if the harassment continues, they may bring the incident forming the basis of the complaint to the attention of the Company and the Association;
- (c) The parties will review the complaint and where warranted, a joint investigation will be conducted;
- (d) It is the intention of the Association and the Company that, where practical, a joint investigation will begin within five (5) calendar days of the lodging of the written complaint and shall be completed within fifteen (15) calendar days after the lodging of the complaint. These timelines may be extended by mutual agreement;
- (e) All matters will be dealt with the utmost confidentiality.
- (f) Any complaint not resolved through this process may be addressed by the Association or the complainant directly to the Company, pursuant to the grievance procedure;
- (g) Should the claim involve a non-bargaining unit Pilot, discipline, if any, shall not be subject to the grievance and arbitration procedure; and
- (h) Nothing herein shall prevent a Pilot from seeking redress under the Canadian Human Rights Act with respect to complaints of discrimination or harassment.

23.6.4 Investigations concerning matters of harassment and/or discrimination involving FCMs shall be conducted in accordance with Company policy, with the stipulation that the investigation may be conducted jointly between the Company and the Association, subject to the mutual agreement of both parties.

23.7 LEGAL COUNSEL

The Company agrees to provide Legal Counsel and defend, free of charge, all FCMs and their estates in any legal actions arising in connection with the performance of their duties, and to protect them and hold them harmless from any financial judgement rendered thereunder.

23.8 TRAINING

No FCM shall be required to pay for the use of any Company equipment used in personnel training required by the Company and no pilot shall be required to pay damage costs of airplanes or equipment damaged in the service of the Company, excluding malicious damage. The Company will reimburse FCMs of PPCs and IFRs upon submission of receipts.

23.9 FREE & REDUCED RATE TRAVEL

23.9.1 The Company will take all reasonable steps to keep its FCMs advised of all reduced fare transportation available to employees of the Company.

23.10 WELFARE ADVISORY COMMITTEES

Welfare Advisory Committee shall be established by the Association and shall advise and consult with the Company concerning the health and welfare of its members.

23.11 JOINT FLIGHT SAFETY AND STANDARDS COMMITTEE

23.11.1 The Joint Flight Safety & Standards Committee shall advise and consult with the Company concerning safety and operations matters. Representation on this committee will be equal between the parties. This Committee will address the issues outlined in Article 13. The Company and Association commit to meet on an as required basis. The Association members of the Committee will not be involved in the discipline or discharge of an employee.

23.11.2 FCMs who attend a meeting of the Joint Flight Safety & Standards Committee, at the request of the Company, will have transportation supplied by the Company and will be paid expenses as per Company policy. The FCM will suffer no loss of pay for attending the meeting.

ARTICLE 24 - TRAVEL EXPENSES

24.1 Except as otherwise noted Company policy will apply with regard to travel expenses. Such policy will not be reduced without agreement from the Association.

24.2 FCMs will receive \$4.25 for every hour away from their home base while on duty in accordance with article 14.1. Monies will be paid in Canadian funds. For travel outside Canada (minimum stay one (1) overnight), an hourly rate of \$4.25 US dollars will apply and FCMs will be paid the equivalent amount in Canadian funds.

24.3 All hotel rooms provided to FCMs will be individual rooms.

24.4 All FCMs are responsible for ensuring they have a valid passport that is renewed at least six months prior to expiry. The cost of a standard renewal fee (not rushed renewal fee) shall be reimbursed by the Company upon receipt of the documented expense.

ARTICLE 25 - BENEFITS

25.1 All FCMs shall be covered by the Company's Group Benefit Plan, as outlined in the Group Benefit Plan booklet. The Company benefit plan will be deemed to form part of this Agreement and may be changed provided the same or improved benefits are provided.

25.2 The Company will pay 100% of the premium cost with respect to FCMs' Provincial and Company Group Benefits Plans, with the exception of Long Term Disability and Short Term Disability, for which the premium cost will be borne by the FCMs.

25.2.1 All FCMs shall be covered by a short-term disability plan as outlined in the Group Benefit Plan Booklet. The benefit will cover 60% of earnings commencing after 14 calendar days from qualification with a maximum weekly benefit of \$1000 for a maximum duration of 15 weeks. FCMs shall pay the entire cost of this benefit and / or any associated premiums. Premiums may be experience-rated depending upon benefit usage. The Company will not be responsible for any cost associated with this benefit resulting in the benefit itself, if used, being tax-free to the FCM.

25.2.2 FCMs shall be provided with an optional Healthcare Spending Allowance of up to \$1,000 (tax free) per calendar year to be used on any health related item allowed under the income tax act as interpreted by the Company's benefit plan provider. The Company's benefit plan provider will administer the plan and the Company will pay for the premium for this benefit.

25.3 PENSIONS

25.3.1 The Company has established a Defined Contribution Plan, which shall be available, on a voluntary basis, to FCMs following a waiting period of three months' continuous service commencing on the FCM's Date of Hire. The contributions to the plan will commence in the calendar month following the conclusion of the waiting period.

25.3.2 Eligible FCMs' contributions shall be 4% of earnings, matched by a 4% contribution by the Company.

25.3.3 After five (5) years' of employment, the employee's contributions shall be 5% of earnings, matched by 5% contributions by the Company.

25.3.4 After fifteen (15) years' of employment, the employee's contributions shall be 6% of earnings, matched by 6% contributions by the Company.

25.3.5 The minimum contribution is 4% which the Company matches. Anything over 4% is considered voluntary and will be matched by the Company in accordance with 25.3.2, 25.3.3 and 25.3.4 provided the Employee contributes this amount.

25.3.6 Contributions will be monthly, by payroll deduction and shall be matched by the Company on a monthly basis.

Vesting - 2 year.

25.4 SICK LEAVE and PERSONAL LEAVE

25.4.1 Definition

Sick Leave- For the purpose of this Article, sick leave shall mean the period of time during which a FCM (FCM) is unable to report for duty as a result of sickness or injury.

Personal Leave shall be as defined in the Canada Labour Code.

25.4.2 Entitlement

FCMs who have been continuously employed for 12 months are entitled to a maximum of twelve (12) sick days for a twelve-month period commencing every June 1st and ending on May 31st of the following year. FCMs who have been continuously employed for less than 12 months are entitled to the proration of 12 sick days based on one sick day entitlement per calendar month of employment. Unused sick days shall not be carried over from year to year.

Notwithstanding the twelve (12) sick days provided in this section, an FCM shall be entitled to the additional personal days provided under the Canada Labour Code, which, for clarity, entitles the FCM to five (5) personal days per year, three (3) of which are paid and two (2) of which are unpaid.

Example of sick day pro-ration: a new employee who starts on November 30th would be entitled to six (6) sick days between the start date of employment and May 31st of the following year.

25.4.3 Booking Off / Draw Down

FCMs are required to notify Dispatch or Crew scheduling that they are sick or injured and are unfit to fly with as much notice as possible. The FCM will remain on sick leave status until he calls dispatch/ crew scheduling to book back on.

Sick days will be calculated by drawing down one sick day per 24-hour period of creditable activity missed or portion thereof beginning at the time the FCM was required to report for duty and ending at the time the FCM calls to notify Dispatch/ Crew Scheduling that they are fit for duty. A minimum of one sick day will be drawn down for each continuous period of scheduled activity missed. Book off days will not be counted as sick days if the FCM is not scheduled for any creditable activity on those particular days.

Examples of Sick Day/Credit Calculations:

Example 1:

M	T	W	T	F
	23:30L 51 62 03:26L 13.6		23:30L 51 62 03:26L 13.6	

Book off occurs on Monday morning, book back on occurs at 1500 local on Friday.

- Sick days used: $1.2 + 1.2 = 2.4$ days. (27.9 hrs divided by 24)
- Sick leave credit earned: $3 \times 2.4 = 7.2$ credits.
- If insufficient sick bank (pay deduction): $2.4 \times 4/86 \times \text{Monthly Salary}$.

Book off occurs on Monday morning, book back on occurs at 1700 local on Tuesday.

- Sick days used: 1 day.
- Sick leave credit earned: $3 \times 1 = 3$ credits.

Book off occurs on Monday morning, book back on occurs at 2300 local on Thursday.

- Sick days used: $1.2 + 1 = 2.2$ days (Note: book on occurred after the phone-in check-in with Dispatch, and the FCM could not be used for his scheduled flight).
- Sick leave credit earned: $3 \times 2.2 = 6.6$ credits.

Example 2:

M	T	W	T	F
	04:08L 50/68 09:07L 4		04:08L 50/68 09:07L 4	13:30L R2 21:30L 2

Book off occurs at 1700 local on Monday, book back on occurs at 1730 local on Friday.

- Sick days used: 3 days.
- Sick leave credit earned $(3 \times 2) + (2 \times 1) = 8$ credits.

Example 3:

T	F	S	S	M
02:25L 62	54	YMX	RES	53 54 23:59L 31

Book off occurs on Wednesday afternoon book back on occurs at 0900 local on Tuesday.

- Sick days used: 4.9 days. (117.6 hrs divided by 24)
- Sick leave credit earned: $3 \times 4.9 = 14.7$ credits.

Book off occurs on Wednesday afternoon, book back on occurs at 1400 local on Sunday.

- Sick days used: 3.5 days. (84 hrs divided by 24)
- Sick leave credit earned: $3 \times 3.5 = 10.5$ credits.

25.4.4 Booking On

When a FCM is fit to fly, they shall advise dispatch as soon as possible. The company may reassign the FCM for other duty at any time after booking back on.

25.4.5 Sick Leave Credits

Sick days drawn upon by any FCM will generate the lesser of scheduled credit hours or 3 credit hours for each sick day or portion thereof taken.

Example 1: A FCM who was scheduled and books off for flight activity amounting to 12.5 credits over 36 hours would be awarded $36/24 \times 3 = 4.5$ credits instead of 12.5 on their month-end credit summary.

Example 2: A FCM who was scheduled for and books off for reserve activity amounting to 2 credits would be awarded 2 credits on their month-end credit summary.

25.4.6 Insufficient Sick Bank

Where a FCM is sick or injured and has insufficient sick days banked to cover their absence, their monthly salary shall be reduced by $4/86$ for each day or part thereof that they were scheduled for any creditable activity. For clarity, this same principle shall apply for unpaid personal leave once an FCM's paid personal leave bank has been exhausted.

Example: A flight crew member with a monthly salary of 5000.00 who has used up all of their sick days and then books off for a scheduled activity amounting to 1.4 sick days would have their pay reduced by: $1.4 \times 4/86 \times 5000 = \325.58 .

25.4.7 Doctor's Certificate

Sick days in excess of three (3) days will, at the request of the Company, require a Doctor's certificate.

ARTICLE 26 – PRISONER OF WAR, HOSTAGE, HIJACKING, INTERNMENT OR MISSING

26.1 Method of Payment:

A FCM who, during the course of employment with the Company, is captured, taken prisoner, confined or held hostage, or who is missing in action, is paid to a 100% of his salary in effect at the time of the incident, until such time as he is released or recognized as legally deceased. In any case, if the FCM is not found and no proof of death is established within a period of 12 months following the disappearance, the payment of the base monthly salary will be discontinued by the Company.

26.2 Remuneration

The basic monthly salary mentioned in Article 26.1 is deposited in the personal account of a FCM without interest, and must be distributed by the Company in whole or in part, according to the written instructions provided by the FCM. It will not be deposited to the benefit of a FCM who has been placed under arrest by an authority recognized by

the government of Canada or who is accused of a crime which in Canada would be prosecuted as a criminal offence.

26.3 Alternative to Payment

As a alternative to the payment provided for in Article 26.1, the Company can pay the difference between this payment and the amount of all compensation which may be provided for by the Law, dealing with persons captured, taken prisoner, confined taken hostage or missing in action following acts of war.

26.4 Request for Instruction

The Company must ask newly hired FCM to provide his instructions which respect to this Article in accordance with the Instruction Request form set in Appendix C. The Company must ask all FCM's currently in its employ, to fill in the aforementioned form, which must be returned as soon as possible to the Company.

ARTICLE 27 - DURATION

27.1 This Agreement shall be in effect from June 1, 2020 and shall continue in full force and effect until its expiry date on March 31st, 2027. Either party hereto may serve notification in writing to re-open this Agreement, such notification to be served not earlier than One-Hundred and Twenty (120) calendar days and not later than Sixty (60) calendar days prior to the expiry date. Bargaining must commence within 30 days of either party giving notice. The Agreement shall remain binding until its expiry date, and thereafter until a new agreement is entered into or results from an interest arbitration award issued in accordance with this Article.

27.2 Interest Arbitration Upon Expiry of Collective Agreement #1

27.2.1 The Company and the Association agree that it is preferable for the parties to reach a mutual agreement on all terms without reference to a Neutral. The Parties agree to bargain collectively in good faith and make every reasonable effort to conclude a new collective agreement #2 prior to expiry of Collective Agreement #1.

27.2.2 When either party believes negotiations towards a new collective agreement #2 have reached an impasse, it will given written notice to the other that it is referring all unresolved issues in dispute to arbitration. The parties expressly agree that the arbitration process will be the sole means of resolving an impasse in bargaining of Collective Agreement #2, and replaces the ability of the Company to lockout and the ability of the Association and the employees to strike in the negotiation of Collective Agreement #2.

27.2.3 Within 15 days of either party giving written notice to the other under Article 27.2.2, the parties will agree on the name of an arbitrator to settle the unresolved issues. If the parties are unable to agree on the selection of an arbitrator within this timeframe, either party may notify the Minister responsible for the Canada Labour Code, and request that the Minister appoint the arbitrator.

- 27.2.4 Within 30 days of the appointment of an arbitrator (or other mutually agreed date), the arbitrator will meet and hear such evidence as the parties may wish to present and assure a full and fair hearing. If both parties agree, the arbitrator may begin by attempting to mediate a resolution to the outstanding issues.
- 27.2.5 If the arbitrator is unable to resolve all of the outstanding issues through mediation then, within 30 days of hearing the evidence, the arbitrator shall issue an arbitration award in writing. The award is final and binding upon the parties and upon any employee affected by it.
- 27.2.6 The expense of the arbitrator shall be shared equally by the parties.
- 27.2.7 This Article 27.2 shall automatically expire upon the entering into of Agreement #2 as provided in Article 27.1 and will not form part of collective agreement #2. For clarity, the Parties shall not be required to bargain 27.2 out of the contract. Instead, the provision for arbitration shall only be applicable to the negotiation of agreement #3 if that is mutually agreed to by the parties.

IN WITNESS WHEREOF the parties hereto have signed this Agreement.

Morningstar Air Express Inc.

Airline Pilots Association, International

B. McGoey

[signature/title]

G. Fowler

[signature/title]

L. Moster

[signature/title]

[signature/title]

[signature/title]

[signature/title]

APPENDIX A – SALARIES

NARROW BODY JET

Agreement Year: **Year 1** **Year 2** **Year 3** **Year 4** **Year 5** **Year 6** **Year 7**
Effective Date: **01-Apr-20** **01-Jun-21** **01-Jun-22** **01-Jun-23** **01-Jun-24** **01-Jun-25** **01-Jun-26**
Annual Increase: **2.25%** **3.00%** **3.00%** **3.00%** **3.00%** **3.00%**

B757 Captain	CA1	\$130,353	\$133,286	\$137,285	\$141,403	\$145,645	\$150,015	\$154,515
	CA2	\$138,308	\$141,420	\$145,663	\$150,032	\$154,533	\$159,169	\$163,944
	CA3	\$146,371	\$149,664	\$154,154	\$158,779	\$163,542	\$168,449	\$173,502
	CA4	\$154,861	\$158,345	\$163,095	\$167,988	\$173,028	\$178,219	\$183,565
	CA5	\$163,146	\$166,816	\$171,821	\$176,975	\$182,285	\$187,753	\$193,386
	CA6	\$171,874	\$175,741	\$181,013	\$186,444	\$192,037	\$197,798	\$203,732
	CA7	\$181,069	\$185,143	\$190,697	\$196,418	\$202,311	\$208,380	\$214,632
	CA8	\$190,756	\$195,048	\$200,900	\$206,927	\$213,135	\$219,529	\$226,114
	CA9	\$200,962	\$205,483	\$211,648	\$217,997	\$224,537	\$231,273	\$238,212
	CA10	\$208,704	\$213,400	\$219,802	\$226,396	\$233,188	\$240,183	\$247,389
B757 FO	FO1	\$82,828	\$84,692	\$87,232	\$89,849	\$92,545	\$95,321	\$98,181
	FO2	\$86,969	\$88,926	\$91,594	\$94,342	\$97,172	\$100,087	\$103,090
	FO3	\$91,318	\$93,373	\$96,174	\$99,059	\$102,031	\$105,092	\$108,244
	FO4	\$95,884	\$98,041	\$100,982	\$104,012	\$107,132	\$110,346	\$113,657
	FO5	\$100,678	\$102,943	\$106,032	\$109,212	\$112,489	\$115,863	\$119,339
	FO6	\$105,712	\$108,090	\$111,333	\$114,673	\$118,113	\$121,657	\$125,306
	FO7	\$110,997	\$113,495	\$116,900	\$120,407	\$124,019	\$127,739	\$131,572
	FO8	\$116,547	\$119,170	\$122,745	\$126,427	\$130,220	\$134,126	\$138,150
	FO9	\$122,375	\$125,128	\$128,882	\$132,748	\$136,731	\$140,833	\$145,058
	FO10	\$124,822	\$127,631	\$131,460	\$135,403	\$139,465	\$143,649	\$147,959

TURBOPROP

Agreement Year:	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Effective Date:	01-Apr-20	01-Jun-21	01-Jun-22	01-Jun-23	01-Jun-24	01-Jun-25	01-Jun-26
Annual Increase:		2.25%	3.00%	3.00%	3.00%	3.00%	3.00%

ATR Captain	AC1	\$89,697	\$91,715	\$94,467	\$97,301	\$100,220	\$103,226	\$106,323
	AC2	\$94,182	\$96,301	\$99,190	\$102,166	\$105,231	\$108,388	\$111,639
	AC3	\$98,891	\$101,116	\$104,149	\$107,274	\$110,492	\$113,807	\$117,221
	AC4	\$103,835	\$106,172	\$109,357	\$112,638	\$116,017	\$119,497	\$123,082
	AC5	\$109,027	\$111,480	\$114,825	\$118,270	\$121,818	\$125,472	\$129,236
	AC6	\$114,479	\$117,054	\$120,566	\$124,183	\$127,908	\$131,746	\$135,698
	AC7	\$120,203	\$122,907	\$126,594	\$130,392	\$134,304	\$138,333	\$142,483
	AC8	\$126,213	\$129,052	\$132,924	\$136,912	\$141,019	\$145,250	\$149,607
	AC9	\$132,523	\$135,505	\$139,570	\$143,757	\$148,070	\$152,512	\$157,088
	AC10	\$139,149	\$142,280	\$146,549	\$150,945	\$155,474	\$160,138	\$164,942
ATR FO	AF1	\$58,798	\$60,121	\$61,925	\$63,782	\$65,696	\$67,667	\$69,697
	AF2	\$61,738	\$63,127	\$65,021	\$66,971	\$68,981	\$71,050	\$73,181
	AF3	\$64,825	\$66,283	\$68,272	\$70,320	\$72,430	\$74,602	\$76,841
	AF4	\$68,066	\$69,598	\$71,685	\$73,836	\$76,051	\$78,333	\$80,683
	AF5	\$71,469	\$73,077	\$75,270	\$77,528	\$79,854	\$82,249	\$84,717
	AF6	\$75,043	\$76,731	\$79,033	\$81,404	\$83,846	\$86,362	\$88,953
	AF7	\$78,795	\$80,568	\$82,985	\$85,474	\$88,039	\$90,680	\$93,400
	AF8	\$82,735	\$84,596	\$87,134	\$89,748	\$92,441	\$95,214	\$98,070
	AF9	\$86,871	\$88,826	\$91,491	\$94,236	\$97,063	\$99,974	\$102,974
	AF10	\$88,609	\$90,603	\$93,321	\$96,120	\$99,004	\$101,974	\$105,033
C208 Captain	CC1	\$65,133	\$66,598	\$68,596	\$70,654	\$72,774	\$74,957	\$77,206
	CC2	\$68,390	\$69,928	\$72,026	\$74,187	\$76,413	\$78,705	\$81,066
	CC3	\$71,809	\$73,425	\$75,628	\$77,896	\$80,233	\$82,640	\$85,120
	CC4	\$75,400	\$77,096	\$79,409	\$81,791	\$84,245	\$86,772	\$89,375
	CC5	\$79,170	\$80,951	\$83,379	\$85,881	\$88,457	\$91,111	\$93,844
	CC6	\$83,128	\$84,998	\$87,548	\$90,175	\$92,880	\$95,666	\$98,536
	CC7	\$87,284	\$89,248	\$91,926	\$94,684	\$97,524	\$100,450	\$103,463
	CC8	\$91,649	\$93,711	\$96,522	\$99,418	\$102,400	\$105,472	\$108,636
	CC9	\$96,231	\$98,396	\$101,348	\$104,389	\$107,520	\$110,746	\$114,068
	CC10	\$101,043	\$103,316	\$106,416	\$109,608	\$112,896	\$116,283	\$119,772

Year 1 Pay Levels:

- For Year 1, FCMs shall remain at their respective pay levels, except for FCMs at pay level 9 who have ten (10) or more years of service in their current seat position. Such FCMs will be slotted into pay levels 9 or 10 in accordance with their years of service in their current seat position. Examples:

- A Captain at current pay level CA3 Narrow Body Jet Captain would be slotted into new pay level CA3.
- A First Officer at current pay level FO9 with 10 years of service as Narrow Body Jet First Officer would be slotted into new pay level FO10.
- A Captain at current pay level CA9 with more than 10 years of service as Narrow Body Jet Captain would be slotted into new pay level CA10.

APPENDIX B – MINIMUM HOUR REQUIREMENTS

Type	Captain	First Officer
Narrow Body Jet	4500 hrs Total Time 500 hrs On Type Valid ATPL	2000 hrs Total Time Valid CPL Valid IFR IATRA exams written and passed within the previous 2 yrs. Combined with 2000 hrs
ATR42/72	3000 hrs Total Time AND 1500 hrs Multi AND Valid ATPL Then one of: 300 hrs On Type OR 500 hrs PIC large turboprop, or B757 1000 hrs FO large turboprop, or B757	1500 hrs Total Time Valid CPL Valid IFR IATRA exams written and passed within the previous 2 yrs.
C208	2000 hrs Total Time OR 1500 hrs Total Time With 500 hrs On Type. Valid CPL Valid IFR	

NOTE: Large turboprop is aircraft over 12,500 lbs (e.g. DHC7, DHC8, ATR, B1900)

Any of the above requirements can be altered at the discretion of the Director of Flight Operations or his designee. Article 13.4 of the Contract will apply. Consideration will be given to candidates with quality time in reference to PIC (multi engine and/or jet), and a good IFR background.

APPENDIX C – PRISONER OF WAR, HOSTAGE, HIJACKING, INTERNMENT OR MISSING

FORM LETTER

TO: Morningstar Air Express Inc.

DATE: _____

You are hereby directed to pay all monthly compensation allowable to me, from Morningstar Air Express Inc. under the terms of Article 26 of the Agreement (Prisoner of War, Hostage, Hijacking, Internment or Missing) to those designated as follows:

_____ percent of such Compensation to:

(Name and Address)

as long as living and thereafter to:

(Name and Address)

as long as living.

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

Letter signed by the undersigned may modify the foregoing direction from time to time and any such modifications shall become effective upon receipt of such letter by you.

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

SIGNATURE: _____

WITNESS: _____

LETTER OF UNDERSTANDING #1 B757 INITIAL/UPGRADE TRAINING

The Company and Association agree that Article 14 - Hours of Service, was not intended for initial/upgrade training events and acknowledge the training constraints placed on the Company and the FCMs as a result of training facility resource limitations.

The following parameters are agreed to, in order to successfully conduct B757 initial/upgrade pilot training:

1. **Training Term:** The 'Training Term' will be inclusive of the following dates: 6 days prior to commencement of B757 Training up to and including 6 days after successful completion of the PPC. Travel days to and from the training location may occur during these 6-day periods.
2. **Days Off During the Training Term:** During the Training Term, there will be one break of 6 days total where no training events are scheduled and the crewmember will be airlined home for days off. The 6 days off will include travel time to and from MEM. Airline flights will be booked so as to accommodate as much time at home as possible. (I.E.: travel home immediately after simulator wherever possible, and travel down as late as practically possible so as to be in position for the training the next day). This will usually occur during a convenient 'mid-point' in the course.
3. **48's and/or GDO's:** During the Training Term, there will be no 72's/48's or GDO's awarded and this will not result in a 72/48 or GDO payout. In the period prior to and immediately after the Training Term, 72's/48's and/or GDO's will be awarded based on the pro-rated month. Example: B757 training date (SYS 1) starts on the 17th of the month. The Training Term is deemed to commence on the 11th. The crewmember will position to MEM on the 16th. Example on a 31-day month: the required number of 48's prior to the 11th is 2. $(11/31 * 6 [48]'s) = 2 [48]'s$. (Rounded to the nearest whole number). Example on a 30-day month (or less): the required number of 48's prior to the 11th is 1. $(11/30 * 4 [48]'s) = 1$ (Rounded to the nearest whole number) and the required number of 72's prior to the 11th is 0. $(11/30 * 1 [72]) = 0$ (Rounded to the nearest whole number).
4. **Living Expenses:** In accordance with **Article 24**, FCMs will be reimbursed for living expenses as follows:
 - A) Per Diem: Crewmembers will be paid per diems in accordance with **Article 24** of the Collective Agreement for the entire duration of the training course while away from home base.
 - B) Accommodation: Crewmembers will be provided individual accommodation with a swimming pool in close proximity to the training facility.
 - C) Rental Car: Crewmembers will be provided a shared rental car (with their training partner) while on course.
5. **Credits (If applicable):** The B757 Upgrade Training Course consists of 18 training modules; the B757 Initial Training Course consists of 24 training modules (Upgrade to Captain candidates may be paired with initial FO candidates if appropriate, in which case they would undergo the full 24 training modules). Credits for all training modules are accrued at the rate of 4 credits per training module. (No credits for turbo-pilots attending the initial course are

awarded until after successful completion of the Line Indoctrination). LMS: Approximately 40 hours of home study prior to arrival in Memphis is required FOR INITIAL TRAINING ONLY using FedEx's 'Learning Management System (LMS). LMS can be accessed from any computer with Internet access. FCMs will be provided with their login IDs two months prior to commencing training. An additional 2 [GDO]s will be awarded in each of the two months preceding the month in which the FCM begins initial training. For clarity, layover credits (1 for 6) will not be accrued while on B757 Initial or Upgrade Training. Credits only accrue for training events.

6. This letter of understanding is without prejudice or precedent and applies only to the B757 Initial/Upgrade Training.

IN WITNESS WHEREOF the parties here to have signed this Agreement.

Morningstar Air Express Inc.

Airline Pilots Association, International

B. McGoey

[signature/title]

G. Fowler

[signature/title]

L. Moster

[signature/title]

[signature/title]

[signature/title]

[signature/title]

LETTER OF UNDERSTANDING #2 FLIGHT DATA MONITORING

Notwithstanding the existing Article 19.9 language, the Company and the Association agree that the content of this Letter of Understanding (LOU) shall be understood to form an addendum to Article 19.9 and shall outline the provisions under which a Flight Data Monitoring program jointly managed by the Company and the Association shall be established and operated.

1. Definitions

- i. **“FDM” – Flight Data Monitoring is the proactive, non-punitive controlled use of Operational Flight Data, which may include the use of de-identified Germane Information, obtained from routine flight operations to improve aviation safety.**
- ii. **“Raw Data”:** is any digital data (binary or encrypted) acquired, transmitted, recorded, stored or downloaded by use of, but not limited to:
 - **Flight Data Recorder (FDR)**
 - **Quick Access Recorder (QAR)**
 - **Digital Flight Data Recorder (DFDR)**
 - **Digital Flight Data Acquisition Unit (DFDAU)**
 - **Digital Flight Data Management Unit (DFDMU)**
 - **Flight Data Acquisition and Management Units (FDAMS)**
 - **Cockpit Voice Recorder (CVR)**
 - **Video Recorder (C208 only)**
 - **Personal Computer Memory Card International Association (PCMCIA) Card**
 - **Aircraft Communications Addressing and Reporting System (ACARS) and Server (onboard & external) or any other form of telemetry or recording device.**
- iii. **“FDM Data”:** is De-Identified Raw Data (excluding CVR data and C208 video data) generated during routine line operations which is collected and analyzed to provide greater insight into flight operations for the purpose of enhancing flight safety. Raw Data is processed to become FDM data.
- iv. **“Identifying Data”:** Any data or combination of data which allows recorded, collected or stored Raw Data to be associated with a specific FCM.
- v. **“De-Identified Data”:** is FDM Data from which all information capable of identifying a FCM has been irretrievably stripped (removed).
- vi. **“Germane Information”:** is relevant information that shall include transcripts, reports, papers, memos, statements, studies, charts, graphs, flight animation or any other description, analysis or compilation of data collected by any means.
- vii. **“Aggregate (trend) Data”:** is FDM data, which may include the use of Germane Information, that has been analyzed, reviewed by the Event Review Team (ERT), and provides useful information relating to flight safety.
- viii. **“Exceedance Event”:** An event, as determined by recorded data, indicating that an aircraft was operated outside of the normal agreed upon flight operations envelope or tolerances.
- ix. **“Exceedance Event Set”:** A list of events (triggers) pertaining to each specific aircraft type in the Company fleet that is derived from the Master Event Set and is maintained by the ERT.

- x. **“3rd Party Service Provider”**: A designated company contracted or service provider for the purpose of Operational Flight Data collection and/or Storage and/or analysis and/or Flight Animation & Software and/or Risk Analysis Report preparation and/or for any other purpose agreed by the parties.
 - xi. **“Gatekeeper”**: the Gatekeeper and an alternate Gatekeeper shall be selected by the Association from FCMs specific to the aircraft type of the flight crew group. The Gatekeeper(s) have the sole ability to retrieve Identifying Data from FDM Data and Germane Information, and be the only representative(s) permitted to contact FCMs. The Gatekeeper(s) are also responsible for reporting to the parties of this Agreement that all aspects of Data Security, Transfer, Storage and Destruction (deletion) are being adhered to as per the terms and conditions set out by this Agreement.
 - xii. **“Reportable Aviation Incident”**: as per Transportation Safety Board (TSB) Regulations.
 - xiii. **“Risk Analysis”**: is a rational process used to estimate the significance of a risk; assessing the likelihood of its occurrence and considering what actions and controls need to be taken to manage it.
 - xiv. **“Event Review Team (ERT)”**: is comprised of the applicable Gatekeeper(s), the Safety Data Analyst, and a maintenance representative if required due to an aircraft structural limitation exceedance.
 - xv. **“FDM Working Group (WG)”**: is comprised of the ERT and may include other mutually agreed FCMs and Company representatives from, but not limited to, Training and Standards, Safety, and Maintenance and Engineering.
2. **Purpose**
- i. The purpose of this article is to allow the Company to conduct a Flight Data Monitoring (FDM) Program in collaboration with the Association. Data obtained from line operations for specific and agreed purposes shall be de-identified.
3. **Goals of the FDM Program**
- i. The FDM Program is intended to enhance flight safety by providing more information about, and greater insight into, the flight operations environment through controlled automated recording and analysis of flight data generated during line operations.
 - ii. The spirit and intent of any FDM Program at the Company, at both its development and operational stages, is that the Program is to be used for the sole purpose of improving flight safety by providing information to focus on training and standard operation procedures.
 - iii. This program complements Canadian and International efforts to:
 - a) improve safety within the air transportation system;
 - b) identify hazardous situations to prevent incidents and accidents; and
 - c) encourage aviation personnel to use safe practices and procedures in all aviation activities.
4. **Non-Punitive Policy**
- i. The parties agree that the Company FDM program will be non-punitive. Any information or data gathered under the investigative processes of the FDM program shall not be used for disciplinary purposes. Should any breach of this provision occur, the discipline shall be void ab initio, and such further remedy

granted as the parties, or failing agreement between the parties, an arbitrator may determine to be just and appropriate. The design of the FDM Program shall always ensure the confidentiality and anonymity of individual FCMs.

- ii. The FDM program will ensure that information obtained from FDM Data or cockpit voice and/or video (C208 only) recorder shall not be used to evaluate or monitor the judgment or performance of an individual pilot or crew.
- iii. No FCM may waive his right to confidentiality provided by the FDM Program as defined in this article without the explicit, express, written agreement of the Association. The reasons given by any FCM for this waiver will be a matter of record and shall be set out to the Association in writing by the FCM, prior to any written agreement of the Association being granted.
- iv. It is recognized that an audit trail of actions taken following FDM investigations may need to be retained. Any audit trail may be held in the Safety Management database and will not be placed on a FCM's file.

5. Outline

- i. This agreement covers the following aspects of the FDM program:
 - Collection of FDM Data
 - De-Identification of Raw Data
 - Analysis of FDM data
 - Dissemination of FDM data
 - Protection and Security of FDM data
 - Commitment
 - Implementation
 - Validity

6. Collection of FDM Data

- i. FDM Data (excluding CVR and video (C208) data) for the purposes of FDM will be regularly downloaded from Company aircraft and uploaded onto a designated server. The collection of raw data for the purpose of FDM applies to all aircraft.
- ii. For the purpose of the collection and storage of data the Company and/or 3rd Party Service Provider will meet the requirements under Appendix A.
- iii. Any FDM Data collected, stored or analyzed, may be not be used to monitor or evaluate any individual FCMs judgment, ability, performance or technique.
- iv. No Flight Data Recorders, Quick Access Recorders or video recorders or any device capable of producing Raw Data for recording, storing or transmitting from the aircraft to any ground station, not required by the CARs or other legislation or regulation, or not currently installed in the Company's aircraft, will be installed for FDM analysis, except by mutual agreement of the Company and the Association.
- v. Any changes to the contractual relation between the Company and the FDM service provider(s) will be announced to the Association for consideration.

7. De-Identification of Raw Data

- i. **Raw Data collected for the purposes of the FDM Program will always be de- identified.**
 - ii. **If a pilot files an Irregularity Report or reports the event to his manager then the data is acknowledged to be identified. Data released must be solely limited to the portion of the flight specifically relevant to the event being reported.**
8. **Analysis Of FDM Data**
- i. **Event parameters will be defined and published by the WG. These parameters will be provided to the Association prior to the implementation of the FDM program.**
 - ii. **The data will be used to exclusively provide safety related information for training, crew awareness, and to evaluate standard operating procedures.**
 - iii. **FDM data will be processed for exceedance event sets.**
 - iv. **FDM data will remain de-identified in all cases and for all purposes of analysis.**
 - v. **FDM data will be reviewed for exceedance reports for trends and derive recommendations and /or conclusions related to flight safety.**
 - vi. **If analysis reveals at any time that an event clearly warrants an Irregularity Report, but none has been filed, then the Gatekeeper will request that the pilot(s) file one. An Irregularity Report filed under these circumstances will be treated as if it was filed at the time of the event.**
9. **Protection and Security of Raw Data and FDM Data**
- i. **This Article applies only to Raw Data collected and stored pursuant to the FDM Program.**
 - ii. **FDM data shall not be used for regulatory enforcement action. This protection is provided by the "TCCA policy on the Use of Information Obtained from Voluntary FDM Programs", as published in CBAAC No 0193 (attached as Appendix B).**
 - iii. **FDM data will be protected from release through the Access to Information and Privacy Acts and, in the case of voice and video recordings, by the Canadian Transportation Accident Investigation and Safety Board Act. Transport Canada will not be provided with any raw data relevant to the FDM program. Data (identified or de-identified) shall not be released to any third party whether it is a person, an entity or a government institution unless strictly compelled to do so by law or unless it is expressly permitted by the terms of this agreement. In instances where the Company intends to release information when it believes that it is required to do so by law, it shall notify the Association of all of the relevant circumstances of the request for release of information in order to permit it to contest the disclosure should it so choose. Notwithstanding the above, Aggregate Data may be provided to Federal Express Corporation in the form of charts, written summaries or reports.**
 - iv. **The Raw Data collected for the purposes of FDM will be erased from the retrieval/storage device immediately after transfer to the Company and/or 3rd Party Service Provider(s), except where required by Federal Express Corporation and/or aircraft engine manufacturers or their designates exclusively for aircraft engine trend monitoring data collection.**
 - v. **The Company and/or 3rd Party Service Provider(s) will maintain Raw Data and FDM Data in a secure facility.**
 - vi. **The Raw Data or identifying link will be deleted by the 3rd party Service Provider(s) within forty-five (45) days of being received from the Company.**

- vii. **The Company shall ensure that each 3rd Party Service Provider who has contact with any Raw Data used in the FDM Program shall be prohibited from divulging such data to any individual other than the designated Gatekeeper(s). The only permissible exception, due to the system limitations of the Appareo/ EnVision online analytical software (C208 only) is that the Safety Data Analyst is required to view Raw Data for the C208 only in order to perform his/her job functions. To permit this exception, the Safety Data Analyst shall be required to sign a strict confidentiality agreement prohibiting disclosure of C208 Raw Data to anyone other than designated Gatekeeper(s) within the program. The Association will be provided with a copy of the confidentiality agreement.**
- viii. **No information pertaining to FDM will be released, except under the terms specified by this article, unless mutually agreed between the Company and the Association.**
- ix. **In the event it is demonstrated that any member of the Working Group or ERT has divulged any Identifying Data to any individual other than the designated Gatekeeper, such member shall immediately be removed from the Working Group or ERT as applicable. In the event of a dispute about whether an individual has disclosed such information, they shall be suspended from the WG or ERT pending resolution of the dispute.**
- x. **In the event it is demonstrated that any 3rd Party Service Provider or employee or agent of such 3rd Party Service Provider has divulged any Identifying Data to any other individual other than the designated Gatekeeper in contravention of the terms of this article, the Company will take whatever action necessary to either cease doing business with the 3rd Party Service Provider or to ensure that the employee or agent of the 3rd Party Service Provider no longer participates in the Company FDM Program.**
- xi. **Notwithstanding any other provisions in this LOU, in the event of a Reportable Aviation Incident or Reportable Aviation Accident investigation, any data (stored or transmitted) or other information from any data recorder except voice and video recorders shall be made available to the Company, appropriate Transportation Safety Board, accredited Association representatives, and the FCM(s) or their estate(s). Voice and video recorder data may be provided only to the appropriate Transportation Safety Board as required by law.**
- xii. **Any Data collected and released to the Company outside of the Event Review Team will be deemed tainted and inadmissible for any purpose. The Company will ensure that all partnerships resulting from the FDM Program maintain privacy and data security standards as prescribed in this article.**
- xiii. **The design of the FDM Program shall ensure the initial confidentiality and ultimate anonymity of individual FCMs.**
- xiv. **In the case of video recorders (C208 only), the Company and the Association agree that such recordings will only be accessed in case of accidents or incidents which are reportable to the Transportation Safety Board of Canada. In such instances, all provisions of Article 19.9 including the provisions governing the release of recordings to the general public or news media shall apply equally to video recorders (C208 only). Voice and video recordings are considered privileged according to the Canadian Transportation Accident Investigation and Safety Board Act. Non-compliance with such legislation may be considered grounds for criminal prosecution.**

10. **Implementation**

- i. **The design, implementation and operation of an FDM Program shall be a cooperative process between the Company and the Association. Any variation from this agreed-upon FDM article shall require a mutual written agreement between the parties.**
- ii. **The Company is responsible for all financial decisions pertaining to this program.**
- iii. **The Company will make the final decision regarding the selection of the 3rd Party Service Providers in accordance with the requirements of Appendix A.**
- iv. **The Company will advise the Association when the process of collecting, transferring and analyzing FDM data has commenced.**
- v. **The WG shall oversee the FDM Program and ensure compliance with the provisions of this Agreement.**
- vi. **The WG shall establish the Exceedance Event Sets (triggers, limits). The limits shall be subject to ongoing review and evaluation. The list shall be subject to review and all changes, deletion, or additions shall be approved by the Association.**

11. **Gatekeeper**

- i. **The Company and the Association agree to the following credits/allocated days for Gatekeeper duties:**

Narrow-Body Jet: 2 office days / 8 credits per month
Turboprop: 2 days per month
- ii. **The Company and the Association further agree to review the above Gatekeeper allocations no later than six (6) months following the launch of the FDM Program.**

1. Appendix A

This section pertains to the selection of persons and services that will provide and facilitate the collection

of data and analysis for the Company's FDM.

The Association reserves the right to question and examine any service provider which collects or has the ability to examine identified data. This examination will be to ensure that standards of security and privacy are maintained to satisfaction.

The service provider shall store all information received in the FDM Program in a room with high security access control.

Service Providers will provide satisfactory assurances that data is released only to the Company through the Flight Data Manager and Event review team. Data shall be de-identified within the time frames as specified.

Members of the Association executive or their delegates may be assigned to tour or examine the facilities, security process, data storage, and de-identification system. Any such costs relating from the above will be shared equally by the Company and the Association.

2. Appendix B

3.

1. COMMERCIAL AND BUSINESS AVIATION ADVISORY CIRCULAR No. 0193

2001.11.01

Flight Data Monitoring

(FDM) Programs

INTRODUCTION

A number of Canada's national and regional air operators are becoming increasingly interested in implementing Flight Data Monitoring (FDM), a program that many see as the single most important safety initiative to occur within the aviation sector in many years. While companies engaged in FDM acknowledge the benefits of the program, those considering FDM have concerns over the integrity and accessibility of the collected data.

2. PURPOSE

This *Commercial and Business Aviation Advisory Circular (CBAAC)* outlines implemented through changes to the *Aeronautics Act* and the *Canadian Aviation Regulations (CARs)*.

3. BACKGROUND

FDM is a program whereby digital flight data generated during line operations is collected and analyzed to provide greater insight into the total flight operations environment. FDM data is used to reveal the causes of identified problems and provides a means of determining the effectiveness of corrective measures taken.

The information and insights provided by FDM can also be used to reduce operational costs and significantly enhance training effectiveness, operational procedures, maintenance and engineering procedures, and air traffic control systems and procedures. FDM is similar to Flight Operational Quality Assurance (FOQA) in the USA, and to programs at European and Asian airlines that have been ongoing for more than 30 years.

In competition for scarce resources within an airline, FDM programs need to go through the same cost-justification process as any other program. While there are clear and compelling benefits for an FDM program to identify and reduce operational risks, they are often difficult to quantify. Airlines with FDM have indicated that as they become more familiar with the program, they have discovered uses of the data that have resulted in extended engine life, more efficient routings, and in saving money in other areas. These improvements, coupled with safety enhancements, have been determined to more than justify the cost of implementing an FDM program.

4. POLICY DEVELOPMENT

Transport Canada recognizes the significant benefits that can be derived from FDM and is committed to working with operators to ensure that FDM programs are implemented. To this end, Transport Canada will abide by the following principles:

1. For the time being, Transport Canada will accept to review only de-identified data derived from voluntary FDM Programs.
2. Transport Canada will not use information derived from a voluntary FDM Program for enforcement purposes.
3. Air operators will not be required to provide FDM data to Transport Canada for analysis.

4. Transport Canada recognizes that trends revealed from aggregate, de-identified data are of far greater usefulness than data from any single flight. De-identification of FDM data is therefore viewed as an integral part of FDM where the focus on the program is identification of systemic deficiencies, both internal and external, that may affect flight safety.

5. FUTURE DISPOSITION

The *Aeronautics Act* is currently being amended and the proposed amendments include general protections of data derived from voluntary programs (such as FDM). These proposed protections should be similar to the *Canadian Transportation Accident Investigation and Safety Board Act* provisions that pertain to the use of cockpit voice recorders and flight data recorders.

6. CONCLUSION

With the *Aeronautics Act* amended it will be possible to more clearly identify these "voluntary programs" and provide more specific detail on the policies that apply to them. This will be done by amending the CARs, a task that will be undertaken by a Canadian Aviation Regulation Advisory Council (CARAC) Working Group composed of members from the aviation industry as well as government.

It is expected that these changes to the *Aeronautics Act* and the *Canadian Aviation Regulations* will be promulgated in 2002.

M.R. Preuss
Director

Commercial & Business Aviation

Commercial & Business Aviation Advisory Circulars (CBAAC) are intended to provide information and guidance regarding operational matters. A CBAAC may describe an acceptable, but not the only, means of demonstrating compliance with existing regulations. CBAACs in and of themselves do not change, create any additional, authorize changes in, or permit deviations from regulatory requirements.

IN WITNESS WHEREOF the parties here to have signed this Agreement.

Morningstar Air Express Inc.

Airline Pilots Association, International

B. McGoey

[signature/title]

G. Fowler

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L. Moster

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ADDITIONAL LETTERS OF UNDERSTANDING

[Incorporate from PDF format]