

COLLECTIVE AGREEMENT

BETWEEN



AND



Canadian Union of Public Employees (CUPE) Local 4053

FLIGHT ATTENDANTS

Agreement expires: December 31, 2014

PREAMBLE

This Agreement is made and entered into by and between CANADIAN NORTH INC., hereinafter referred to as the COMPANY and the FLIGHT ATTENDANTS in the employ of the Company, as represented by the CANADIAN UNION OF PUBLIC EMPLOYEES, Airline Division (CUPE Local 4053), hereinafter referred to as the UNION.

The purpose of the Agreement is, in the mutual interest of the Company and the Flight Attendants, to provide a safe, efficient high level of customer service with the flexibility necessary to meet customer needs, and the continuation of employment under conditions of reasonable hours, compensation and working conditions.

It is recognized by this Agreement to be the duty of the Company, the Union and the Flight Attendants to co-operate fully, both individually and collectively, for the advancement of this purpose.

INTENTION

The intention of this agreement is to maintain amicable relations between the Company and Flight Attendants covered by this Agreement and to set out terms and conditions of employment applying to these Flight Attendants.

COMPLIANCE

For the purpose of this agreement, the parties undertake to comply fully with the procedures set out in this agreement and the Canada Labour Code with respect to the peaceful settlement of disputes.

DISCRIMINATION

There shall be no discrimination on the basis of any prohibited ground set out in the Canadian Human Rights Act, nor for membership in the Union or participation in Union functions and activities, nor for the proper exercise of a Flight Attendant's rights, responsibilities, and obligations under the Canadian Aviation regulations (C.A.R.'s).

ARTICLE 1 - DEFINITIONS

As used in this Agreement and in the Letters of Understanding appended hereto, the following terms shall have the following meanings unless otherwise specified.

1.01 AGREEMENT

Means the Collective Agreement and Letters of Understanding negotiated between the Company and the Union including amendments thereto or interpretations thereof agreed upon and covered by agreements or written amendments signed by both the appropriate Union Officers and Company Officials.

1.02 BASE

Means a geographical location designated by the Company as a Flight Attendants Base. All Flight Attendants shall have a designated Base. The current Bases are Calgary and Edmonton.

1.03 CALENDAR DAY

Means a twenty-four hour consecutive period beginning at 0001 hours unless otherwise specified.

1.04 COMPANY

Means CANADIAN NORTH INC.

1.05 DEADHEAD/POSITION

Means to travel by air or surface transportation at the Company's request to meet the requirements of service.

1.06 DUTY

Duty includes but is not limited to: time in the aircraft, training, and any other task as assigned by the Company.

1.07 FEMININE/MASCULINE USAGE

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

1.08 FLIGHT

Operations by Canadian North or its designate, on an aircraft between airports and/or stations.

1.09 FLIGHT ATTENDANT

Means Flight Attendants who perform or assist in the performance of all in-flight and ground duties required by the Company.

1.10 FLIGHT TIME

Means the elapsed time between main cabin door closure and re-opening upon arrival.

1.11 GUARANTEED DAY OFF (GDO)

Means an unbroken period of twenty-four (24) hours commencing at 00h01 hours at the Flight Attendant's home base and where the Flight Attendant is free from all work-related responsibilities and duties. GDO's are the days attached to either side of your scheduled vacation and count as part of your total days off in a month.

1.12 MONTH

Means a calendar month, January shall be the period from January 1 to January 30th, February shall be the period from January 31st to March 1st and March shall be the period from March 2nd to March 31st.

1.13 OPEN FLYING

Means flights or pairings that are unassigned to Flight Attendants.

1.14 PAIRING

A series of flights starting with a flight, positioning flight or deadhead that takes Flight Attendants away from their home base and that ends with a flight, positioning flight or a deadhead that brings Flight Attendants back to their home base.

1.15 POSITIONING FLIGHT

Means a flight, without revenue passengers, used to position the aircraft.

1.16 RESERVE

Means a period of time during which a Flight Attendant must be available (on call).

1.17 REST PERIOD

Means a period of time a Flight Attendant is free from all duties with the Company.

1.18 TRAINING

Means a period of time in which a Flight Attendant receives specific instruction and/or completes written examinations as required by Transport Canada or any other Government Department or Agency, or the Company – including but not limited to in class or online.

1.19 UNION

Means the CANADIAN UNION OF PUBLIC EMPLOYEES – Local 4053, Airline Division.

ARTICLE 2 – UNION RECOGNITION & DUES

2.01 BARGAINING AGENT

The Company recognizes the Union as the sole and exclusive bargaining agent for all Flight Attendants employed by the Company, not including Directors, Managers, Supervisors and Onboard Product personnel in accordance with the certification issued by the Canada Industrial Relations Board under the provisions of the Canada Labour Relations Code which reads: *'All Cabin Personnel employed by the Company excluding Director, Manager and Supervisor of Inflight Services.'*, (also excluding Onboard Product personnel) unless directed otherwise by the Board from time to time.

The Union shall have the right to have assistance of Representatives of CUPE (Airline Division) when dealing with any matters arising out of this Agreement.

The Company will recognize Union representatives appointed or elected by the Union to represent Flight Attendants and matters associated with the administration of this Agreement and related responsibilities.

The Union will be given the opportunity to address new Flight Attendants during initial training.

Up to three Union representatives shall be allowed time off work with pay for attending bargaining for the Collective Agreement.

2.02 EXCLUSIONS

This Agreement does not apply to Flight Attendants who are in initial training up to and including line indoctrination, nor to any other staff outside the bargaining unit.

Persons whose jobs are not in the bargaining unit shall not work on a job which is included in the bargaining unit except for the purpose of instruction, a disaster or an emergency.

Excluded Personnel listed in 2.01 shall be permitted to perform in-Flight duties in the following situations:

- a) Where Flight Attendant training is required, or
- b) Where a line-check is to be done, or
- c) Where no Flight Attendants are available due to last minute book-offs, or
- d) Scheduled for currency.

Where a Flight Attendant is displaced as a result of any of the above, the Flight Attendant shall not be subject to reassignment and shall receive the Blocked credits for the flight.

Notwithstanding Articles 2.01 and 15.03, when a Flight Attendant accepts a position within the Company outside the bargaining unit, they maintain their Flight Attendant

seniority upon return to the bargaining unit but will not accrue any seniority for time outside the bargaining unit exceeding twelve (12) months.

2.03 UNION DUES

All Flight Attendants (eligible as per Union certification) employed by Canadian North Inc. shall be required to pay union dues CUPE Local 4053 as a condition of employment. Union dues will be deducted from the wages earned by Flight Attendants commencing the first pay period following commencement of employment at a rate set by CUPE Local 4053.

The Company shall deduct, every month, from wages due and payable to each Flight Attendant coming within the scope of this Agreement, an amount equivalent to monthly Union dues in such amount as may be decided by the Airline Division of CUPE bylaws. The current rate of union dues will be 1.5% of base salary. Union dues may change from time to time and the Company agrees to deduct the new amount from Flight Attendant's wages after receiving written notice from the Union.

Only payroll deductions now or hereafter required by law, and deduction of monies due or owing the Company, shall be made from wages prior to the deductions of dues.

Where an error occurs in the amount of any deduction of dues from a Flight Attendant's wages, the Company shall adjust it directly with the Flight Attendant. In the event of any mistake by the Company in the amount of remittance to the Union, the Company shall adjust the amount in a subsequent remittance. The Company's liability for any and all amounts deducted shall terminate at the time it remits the amount deducted.

Union dues shall be paid monthly to the Union within 15 calendar days of the following month. The statement of dues deductions from individuals will list the following: pay period, Flight Attendant's name, number, base, gross earnings and dues deducted.

The Union shall indemnify and save harmless the Company, including its agents and employees from any and all claims or actions brought by a Flight Attendant arising out of or in any way related to the deductions made in accordance with the Article.

ARTICLE 3 - MANAGEMENT RIGHTS

3.01 GENERAL RIGHTS

Except to the extent provided in this agreement, this Agreement in no way restricts the Company in the management and direction of the business.

The Company acknowledges that it shall exercise its' management rights and responsibilities in a fair and reasonable manner.

3.02 COMPANY POLICIES

Flight Attendants shall be governed by written policies adopted by the Company as publicized on bulletin boards, or by distribution to Flight Attendants, provided that such policies are not in conflict with the specific provisions of this Agreement or the applicable laws of the Canada Labour Code. A copy of all Company policies shall be provided to the Union.

ARTICLE 4 – RATES OF PAY AND BENEFITS

4.01 BASE AND PREMIUM RATES

Increase – 2% - January 2012

Increase – 2% - January 2013

Increase – 2% - January 2014

FA Months of Service	2011 Monthly Salary	2012 Monthly Salary	2013 Monthly Salary	2014 Monthly Salary
00-06 months	\$2,536.55	\$2,587.28	\$2,639.03	\$2,691.81
07-12 months	\$2,630.69	\$2,683.30	\$2,736.97	\$2,791.71
13-24 months	\$2,927.62	\$2,986.17	\$3,045.90	\$3,106.81
25-36 months	\$3,253.68	\$3,318.75	\$3,385.13	\$3,452.83
37-48 months	\$3,722.79	\$3,797.25	\$3,873.19	\$3,950.65
49-60 months	\$3,850.83	\$3,927.85	\$4,006.40	\$4,086.53
>60 months	\$3,952.83	\$4,031.89	\$4,112.52	\$4,194.77
FA Months of Service	2011 Hourly Overtime Rate	2012 Hourly Overtime Rate	2013 Hourly Overtime Rate	2014 Hourly Overtime Rate
00-06 months	\$47.55	\$48.50	\$49.47	\$50.46
07-12 months	\$49.33	\$50.32	\$51.32	\$52.35
13-24 months	\$54.89	\$55.99	\$57.11	\$58.25
25-36 months	\$61.01	\$62.23	\$63.47	\$64.74
37-48 months	\$69.80	\$71.20	\$72.62	\$74.07
49-60 months	\$72.20	\$73.64	\$75.12	\$76.62
>60 months	\$74.11	\$75.59	\$77.10	\$78.65
Premium for Training Flight Attendant	Add 4%			
FAM/Line-Indoc	\$75.00 per day			

Pay Increments will be given annually on the Flight Attendant's anniversary date of their date of hire, except where otherwise stated. All approved leaves of absence (refer to chart 10.10) – with or without pay will not affect the anniversary date or the date of hire.

Flight Attendants will be paid a minimum of base salary for 85 hours of duty. All hours exceeding 85 hours will be paid at the overtime hourly rate.

Incentive Program – The Union agrees to participate in any value sharing program that the Company offers.

4.02 PAY ADMINISTRATION

- a) **Pay Days** – Flight Attendants will be paid twice per month on the 10th and the 25th. On the 10th of each month, the Company will pay half of the monthly salary earned the month prior, plus all earned overtime and expenses for that month. On the 25th of each month, the Company will pay half of the monthly salary only.

A paystub will be available to each Flight Attendant with a full listing of all pay items.

- b) There shall be no deductions from wages unless authorized by the Flight Attendant, statute, court, arbitrator award or this Agreement.
- c) Any pay or expense discrepancies, for which the Company is at fault (less than three hundred dollars (\$300.00)) will be paid on the next regular pay. Any discrepancies over three hundred dollars (\$300.00) will have a separate cheque (or electronic banking) issued within seven (7) days of the discovery of the discrepancy.
- d) In cases of an overpayment repayment arrangements may be arranged by mutual agreement between the Flight Attendant and the Company. Where the Flight Attendant is terminated or resigns, the balance of the overpayment will be deducted from their final pay cheque.

4.03 BENEFITS

- a) Flight Attendants shall have the right to participate in the Company's benefit plans under the terms and conditions not less than stipulated in Company policy of April 2009, and the insurance provider's benefit booklet.
- b) Notwithstanding the above, the benefits and cost-sharing arrangements of these plans shall not be less than other Company Personnel.
- c) When the Company requires a Flight Attendant to be inoculated, such inoculation shall be one hundred percent (100%) paid by the Company.

- d) A Flight Attendant shall be reimbursed the cost of an annual flu vaccination upon submission of a receipt to the Company.
- e) Where a Flight Attendant is unable to obtain coverage from a public health plan, the Company will reimburse the cost of a TB test once per calendar year, upon submission of a receipt.

4.04 FLIGHT ATTENDANTS TRAVEL BENEFITS

Flight Attendants shall receive Company travel benefits in accordance with the Company's policy and regulations established by the Company. These privileges can be changed from time to time at the sole discretion of the Company.

4.05 FLIGHT ATTENDANTS GROUP PENSION PLAN

(a) Each member of the bargaining unit participates in the Company's defined contribution Pension Plan.

(b) Once eligible for the Plan contributions shall be in accordance with the following:

Company portion	4% per month
Flight Attendant portion	4% per month

(c) The contribution paid by the Flight Attendant and the Company is based upon the Flight Attendant's regular earnings. The Flight Attendant may contribute, through payroll deductions, a percentage amount in excess of the four (4) percent, but the Company does not match that excess amount.

(d) The Company will establish policies and rules concerning the Plan.

ARTICLE 5 – HOURS OF WORK/ SCHEDULING/ PAY CREDITS

5.01 HOURS OF WORK AND SCHEDULING

5.01.01 CREDIT DAY

Flight Attendants shall be credited for any day worked by the greater of either:

- a. A minimum of four (4.0) hours credit. Also known hereafter as a "Min Day".
- b. Actual flight hours flown.
- c. 1/3 of the Flight Attendant's duty day, in credit hours, from time of check in to check out with the assumption the Flight Attendant is operating all or part of the flight. (i.e. Excludes days involving Deadheading only)

- 5.01.02 Flight Attendant blocks will be built for each base. Flight Attendants will state preferred days off for the month. Blocks/Reserve will then be bid on a seniority basis. Preference bidding for up to two (2) Iqaluit eight (8) day pairings will be permitted however, operational requirements will be a factor in selection. Eight (8) day pairings will be bid and awarded by seniority. If the operational requirements are not met, the pairings will be scheduled in reverse seniority.
- 5.01.03 Flight Attendants will be scheduled to a maximum of 85.0 credit hours and/or eighteen (18) days in a 30 day month or (19) days in a 31 day month.
- 5.01.04 Blocks will be built with a maximum of six (6) consecutive days of duty except for the Iqaluit eight (8) day pairings. For scheduling purposes flight/credit hours for a sector are to be determined by realistically scheduled flight time.
- 5.01.05 Flight Attendants will submit monthly bid requests by the fifteenth (15th) of every month. The Company will issue the schedule by the 25th of every month. In the event of unforeseen scheduling issues, beyond the Company's control, the schedule may be delayed or re-issued without penalty.
- 5.01.06 At home base, Flight Attendants shall not be scheduled or required to report for a duty period more than once per calendar day, excluding deadheading. (This rule does not apply to more than one check-in within the same pairing.)
- 5.01.07 If a Flight Attendant operating a pairing, originally scheduled to terminate prior to 00:00 local time (at the Flight Attendant's base), and subsequently extends into the next calendar day (and that day is not already a day of work) the Flight Attendant shall be deemed to have worked an additional day and shall be paid accordingly.
- 5.01.08 For all scheduled single Duty Period flights, that span over two (2) consecutive Calendar Days, the Company shall give credit at the greatest of:
- a) One-third (1/3) of the Flight Attendant's Duty Day, in credit hours, from time of check-in to time of check-out for the duration of the Duty Period.
 - b) Actual credit hours flown.
- 5.01.09 The Company shall block both days as days of work, counted towards the monthly maximum as follows:
- (a) For any multi-day pairings that contains a single duty period over two calendar days, the minimum credit for the pairing shall not be less than the total days of the pairing times (4) four hours. A pairing which is only one single duty period over 2 calendar days shall not be considered a multi-day pairing.

(b) Standup flight calculations will be credited as one third of duty time when the duty day is over fourteen (14) hours, but less than fifteen (15) hours.

5.02 HOURS OF SERVICE

- 5.02.01 The maximum scheduled duty period will be fourteen (14) hours with the exception of Standup flights which are covered under 5.01.09(b).
- 5.02.02 The minimum scheduled rest period at a Flight Attendant's home base will be twelve (12) hours.
- 5.02.03 The minimum rest period when a Flight Attendant is away from home base will be ten (10) hours.
- 5.02.04 Normal check-in time is 60 minutes (75 minutes where aircraft repositioning is required and 90 minutes if US customs pre-clearance is required) at the airport/crew room at home base, or at the hotel away from home base. When away from home base, the Captain has the discretion to adjust the check-in time for the entire crew but must ensure that all pre-flight duties can be completed within the adjusted check-in time. The union must be consulted and agree to any schedule change or deviation from the normal check-in time, except as provided for in this section.
- 5.02.05 A Flight Attendant who reports for a flight that does not operate or who performs any flight or other duty will not be subject to further duty on that day. Refer to 'Reassignment' – Article 5.10.

5.03 MIN DAY

- 5.03.01 A min day includes any day a Flight Attendant is required to spend her time, at the request of and on behalf of the Company, including but not limited to reserve and in person Company required training. This shall be equal to four (4.0) hours of credit. On-line training time will be determined on a course by course basis mutually agreed between the Company and the Union.
- 5.03.02 A Flight Attendant representing a committee (e.g. health and safety, scheduling, or other such committees), as required by the company, shall be credited a four (4.0) hour credit per day.

5.04 DEADHEADING

- 5.04.01 Crew deadheading which involves "deadheading only" shall be paid a Min Day, four (4.0) credit hours for such a day.
- 5.04.02 The total duty day ending in a deadhead shall be no greater than seventeen (17) hours.

5.05 NOCTURNAL FLYING

- 5.05.01 Any pairings starting or operating through the hours 23:00 and 03:00 local time (city of departure) will be considered a nocturnal flight and scheduled to a maximum of five (5) sectors.
- 5.05.02 In the event of crews being scheduled for multi-night pairings they will receive a minimum of 30 hours off after arrival at their home base.

Example: (all times local)

Mon Morning: Deadhead to YWG

Mon Evening: Operate YWG – YYT – YOW – YWG (depart 2310; arrive 1045)

Wed Morning: Operate YWG – YDF – YYT – YOW – YWG (depart 0020; arrive 1245)

Thurs Morning: Deadhead to YEG (arrive 0730)

The next available check in time will be on Friday afternoon at 1330.

- 5.05.03 In the event of a check-in occurring between the hours of 23:00 and 03:00 Mountain Time, the minimum subsequent rest period will be increased to fourteen (14) hours at home base, eleven (11) hours away from base or ten (10) hours for a deadhead out.
- 5.05.04 If a pairing requires a deadhead in to a location followed by a rest period for nocturnal flying, then that rest period shall be scheduled at not less than twelve (12) hours.

5.06 SECTORS

- 5.06.01 The maximum number of scheduled sectors during any 24 hour period will be limited to eight (8).

5.07 SHIFT TRADES

- 5.07.01 Flight Attendants shall be allowed to trade shifts after the release of the monthly schedule, OCC must be advised and approve the change. These approvals will not be unreasonably withheld.

5.08 CREW TRAVEL

- 5.08.01 All Crew shall remain on their scheduled pairings including all deadhead movement; there shall be no manipulation of deadhead travel without the expressed authorization from OCC. Any Flight Attendant that is requesting any deviation from the published pairing must make the request for permission from OCC. Reasonable requests to cancel deadheads at the conclusion of the Flight Attendants pairing will not be refused by OCC.

There are only 2 exceptions to the above:

- a) If a Flight Attendant lives in a location other than where the flying commences the Flight Attendant is solely responsible for their own

transportation to the commencement point should she choose not to travel on the scheduled deadhead from her base of employment.

b) If a Flight Attendant lives in a location other than where the flying terminates the Flight Attendant is solely responsible for her own transportation to where she lives should she choose not to travel on the scheduled deadhead to her base of employment.

5.08.02 Flight Attendants who make their own arrangements to travel to/from must be in compliance with the required rest rules and the following:

a) Flight Attendants may not arrange to deadhead to a pairing which affords less than 10 hours upon their arrival to begin the pairing or creates a situation where they have a longer duty day than the rest of the crew.

b) For Flight Attendants that live in the city in which the flying commences or terminates (away from the base of employment) they must be able to be contacted by OCC while within the times of the scheduled pairing.

5.08.03 Shift trades involving Air Canada deadheads will only be processed within 3 (three) days of the flying blocks being issued.

FLIGHT CANCELLATION CREDIT

Flight Attendants who cancel scheduled deadhead flights (excluding Company flights) will receive a credit of fifty dollars (\$50.00) per flight cancelled. Flights must be cancelled a minimum of four (4) hours prior to departure of the deadhead and cancellation credit must be confirmed with OCC.

5.9 RESERVE

5.09.01 The Flight Attendant shall only be contacted between the hours of 03:00 and 21:00 for a reserve pairing, which will be printed on their schedule.

5.09.02 The normal rest period is defined as 21:01 to 02:59 or the Flight Attendant shall be given a minimum of 10 hours notice of their assignment and shall not be assigned any duty for these 10 hours to enable adequate rest prior to duty.

5.09.03 Where the Company is unable to provide a Flight Attendant with a rest period as detailed above and the Flight Attendant is notified to report for flying duty or the reporting time occurs between 21:00 and 03:00 local time:

a) The maximum flight duty time shall be 10 consecutive hours; and

b) The subsequent minimum rest period shall be increased by at least one-half (1/2) the length of the preceding flight duty time.

- 5.09.04 Check-in will be ninety (90) minutes from the time the Flight Attendant is contacted unless mutually agreed upon by both parties.
- 5.09.05 The maximum scheduled days of reserve in a row is six (6).
- 5.09.06 When a reserve day is preceded by a day off a Flight Attendant will be required to contact OCC by 21:00 local time to determine if the Flight Attendant is required to fly the next day.
- 5.09.07 The Flight Attendant will not be expected to work into a calendar day off following a reserve day unless mutually agreed upon by both parties.
- 5.09.08 If a Flight Attendant works into a calendar day off she will be compensated at the standard overtime rate.
- 5.09.09 Any time a Flight Attendant on reserve is assigned flight or other duty he/she shall receive a ten (10) hour rest period prior to commencing a subsequent reserve period or flight.
- 5.09.10 All Flight Attendants with a full month of reserve (i.e. no scheduled flying) will be blocked with a maximum of 17 days on in a 30 day month or 18 days on in a 31 day month in a bid period.
- 5.09.11 If a Flight Attendant's scheduled day of work is cancelled she shall remain on reserve for length of pairing. Any subsequently assigned flying for that day will be subject to the following conditions:
- a) Subject to SECTION 5.09.07, above, at the Company's discretion any subsequently assigned flying may begin up to five hours (credited as first three hours as block growth and remaining time as overtime) before the Flight Attendant's original check-in time or may continue up to five hours (credited as first three hours as block growth and remaining time as overtime) past the Flight Attendant's original check-out time (for the purposes of clarity, the total time before and/or after cannot exceed a total of 5 hours);
 - b) If mutually agreed between the Company and the Flight Attendant, the new check-in time for any subsequently assigned flying for that day may be earlier and the check-out time may be later than the five hour window referred to in 5.09.11 (a).
 - c) The Flight Attendant will be paid overtime and applicable credits for any hours in excess of the three hours of the five hour window referred to in 5.09.11 (a). Note a "Min Day" or "Block Growth" is not applicable during this period.
 - d) The Flight Attendant will receive "Block Growth" during the first three (3) hours of the five (5) hour period referred to in 5.09.11 (a) above.

e) For any multi-day pairings that are cancelled, the company must define in advance all rest periods and work periods during any subsequently assigned flying and there will be at least 10 hours between any check-out and check-in.

f) For any multi-day pairings that are cancelled, any days after the first day and before the last day of the original pairing will, at the Company's discretion, be treated as either a regular reserve day or will be dealt with under the terms of the Reserve Length of Pairing.

5.09.12 A Flight Attendant on reserve who reports for a flight that does not operate or who performs any flight or other duty will not be subject to further reserve or duty on that day.

5.09.13 In order to eliminate open flying mixed blocks will be issued. A mixed block is defined as a combination of reserve and scheduled flying days. Note: Reserve shall be assigned in increments of not less than 4 calendar day blocks. One (1), Two (2) or three (3) day reserve blocks may be assigned at the Company's discretion. The Company will not assign a Flight Attendant on reserve, consecutive days of blocked open flying coverage with less than 12 hours between assignments. Furthermore, the Company will endeavour to provide 12 hours free from duty (at the Flight Attendant's home base) should a regular scheduled pairing be preceded or followed by a reserve day.

5.09.14 If a Flight Attendant is issued a mixed block the following proration will apply with regard to maximum days on:

a) 1 to 9 days of Reserve will be a maximum of 18 days in a 30 day month; 19 days in a 31 day month.

b) 10 days or more of Reserve will be a maximum of 17 days in a 30 day month; 18 days in a 31 day month.

5.10 REASSIGNMENT

If a Flight Attendant's scheduled day of work is cancelled she must be reassigned immediately subject to the following conditions otherwise RESERVE SECTION 5.09.11 will apply.

a) At the Company's discretion any subsequent assigned flying check-in may begin up to five hours (credited as first three hours as block growth and remaining time as overtime) before the Flight Attendant's original check-in time or may continue up to five hours (credited as first three hours as block growth and remaining time as overtime) past the Flight Attendant's original check-out time ((for the purposes of clarity, the total time before and/or after cannot exceed a total of 5 hours);

b) If mutually agreed between the Company and the Flight Attendant, the new check-in time for any subsequently assigned flying for that day may be earlier and the check-out time may be later than the five (5) hour window referred to in (a).

c) The Flight Attendant will be paid overtime and applicable credits for any hours in excess of the first three hours of the five hour window referred to in (a). Note a "Min Day" or "Block Growth" is not applicable during this period.

d) The Flight Attendant will receive "Block Growth" during the first three (3) hours of the five (5) hour period before the Flight Attendant's original check-in time or after the Flight Attendant's original check-out time.

5.11 DRAFTING

Both Canadian North and the Union are committed to not cancelling flights due to lack of flight crew. In keeping with this commitment a draft shall be considered as an option of last resort. Drafting is to be used only after all other options have been exhausted.

Prior to any Flight Attendant being drafted the following call-out order shall be used by OCC:

- a) Flight Attendants who are subject to re-assignment; then,
- b) Available Flight Attendants on reserve; then,
- c) Flight Attendants who have volunteered to work on scheduled days off

Duty on a scheduled day off shall be voluntary, however if no Flight Attendant is available on a voluntary basis then the following draft procedure shall apply:

- a) The pairing or portion thereof will be assigned to the most junior eligible Flight Attendant available on that month's schedule unless the draft occurs less than three (3) hours prior to the departure of the flight, in which case any eligible Flight Attendant may be drafted.

No Flight Attendant will be drafted more than three (3) times in a calendar year up to a maximum of 4 days total.

For example a Flight Attendant will be ineligible to be drafted after:

- 1) A Flight Attendant is drafted for three (3) single days.
- 2) A Flight Attendant is drafted for one (1) four day pairing.
- 3) A Flight Attendant is drafted for two (2) single days and one (1) two day pairing.

A Flight Attendant will not be drafted on a scheduled day off consecutive with vacation (including GDOs).

Flight Attendant who is drafted will be paid overtime, applicable credits and receive additional day(s) off, in lieu, to be taken in the following month (unless the schedules have been released for that month, in which case it would be the following month). The additional day(s) in lieu will be noted on a Flight Attendants schedule with 4 hours credit.

At the end of each month the Company shall supply the Union with a record of all cases where Flight Attendants were drafted. Should more than three (3) Flight Attendants be drafted in any given month – an investigation will take place between the parties to review the excessive use of draft and rectify the terms of this Article.

5.12 REDUCED BLOCK PROGRAM

The program objectives are:

At Company's discretion, to offer an alternative to full-time employment for: Canadian North Flight Attendants who are nearing retirement and desire a partial or "phased retirement" schedule rather than complete termination of employment; and/or Canadian North Flight Attendants who desire either greater flexibility with scheduled work hours, or reduced work hours overall, in order to achieve a better balance between work and family priorities.

To provide an avenue for Canadian North Inc. to retain the experience, talent and maturity of senior Flight Attendants within employee ranks while facilitating more flexible part-time schedules for those who choose to access this option.

The following conditions shall apply:

- a. Flight Attendants may choose a reduced working schedule of three-quarters (.75), two-thirds (.667) or one-half (.50) block. The reduced block calculation will be based on the monthly average number of days and credit hours for each respective month, for Flight Attendants at the Flight Attendant's base.
- b. The agreement may be terminated at any time with the mutual agreement of both parties.
- c. Pay will be prorated based on the proportion of time the Flight Attendant is working, three-quarters (.75), two-thirds (.667) or one-half (.50) block of the Flight Attendant's regular monthly salary.
- d. Overtime will be paid based on three-quarters (.75), two-thirds (.667) or one-half (.50) of the Flight Attendant's regular monthly salary as applicable. Overtime will be offered to Flight Attendants working a regular scheduled (non-reduced) block prior to overtime being offered to Flight Attendants on a reduced block. A maximum of two days of overtime will be allowed for Flight Attendants participating in this program, however further overtime may be permitted subject to mutual agreement by the Flight Attendant, the Company, and the Union.
- e. The benefits package/coverage and the sharing of premium costs will remain unaffected, with the exception of the items listed below.
 - Life Coverage
 - Accidental Death and Dismemberment

With the reduction of block hours each of the above benefits will be a flat rate of \$25,000 as per the Sun Life Financial Contract. With mutual agreement between the Flight Attendant, the Company and the Union additional Life Coverage will be paid

for by the Company through an alternate provider, such as; "The Professional Flight Attendants Insurance Plan" or similar. The mechanism will be via a monthly expense claim submitted by the Flight Attendant.

f. In the event of a Company requested reduced block normal vacation accrual remains unaffected. When the reduced block is Flight Attendant requested the vacation allotment will be prorated.

EXAMPLE: For a Flight Attendant participating in the program with a 75% flying block:

- 1) Wage will be reduced by 25%.
- 2) Schedule will be reduced by 25% (60.1 credit hours to 63.7 credit hours), or a minimum of 75% of the average number of days worked by the rest of the Flight Attendants at that base (e.g., if average days worked = 16, then this Flight Attendant will be blocked to a maximum of 12 days). If the number is not evenly divisible, the days will be adjusted accordingly. (e.g., based on an average month of 15 days: $15 \times .75 = 11.25$; therefore the Flight Attendant would work 11 days per month for 3 months, and 12 days in the 4th month).
- 3) For Purposes of determining the credit for the blocking window the following windows will apply:
 - a) 75% Flying Block- 60:00-64:00 Credit Hours
 - b) 66 2/3% Flying Block 53:00-57:00 Credit Hours
 - c) 50% Flying Block 39:00-43:00 Credit Hours

Note: if the fraction is not even, it will be rounded down to the nearest 1/4 percentage (e.g., 12.9 days would become 12.75).

ARTICLE 6 - EXPENSE ALLOWANCES AND UNIFORMS

6.01 GENERAL

Flight Attendants, when away from Base on Flight duty or when Deadheading under orders from the Company, or while on an authorized trip on Company business other than flying duties, shall be allowed reasonable and necessary expenses as detailed below.

6.02 PER DIEM EXPENSES

- (a) Flight Attendants will be provided with a meal per diem of \$2.80 (1st of the month after ratification in 2012) and \$2.85 (Jan 1, 2013) on the Boeing and \$4.00 on the Dash per each duty hour scheduled from check in to check out;
- (b) Per diems will not be paid for vacation Days, Training Days at home Base, or reserve Days where a Flight Attendant is not used;
- (c) Flight Attendants on a layover with no scheduled Flight duty shall receive the meal per diem as detailed in (a) above; and

- (d) In order to be eligible for the meal per diem, Flight Attendants must have shown for work on that day

6.03 NORTHERN CREW ACCOMODATIONS

- a) Flight Attendants working northern rotation schedules shall be provided with accommodation, at Company expense, comparable to that provided by the Company to other crew members also working northern rotation schedules. (*See Letter of Understanding on Iqaluit Accommodation*).

6.04 TRANSPORTATION

- a) Ground transportation from layover accommodation to airport or from airport to layover accommodation will be arranged and provided by the Company.
- b) The rate for Flight Attendants who are approved to use their own vehicle on Company business is current company rate per kilometre.
- c) At home Base, the Company shall provide Flight Attendants with free parking and transportation to and from the departure facility, where applicable. The Employer at their discretion where practical, will provide winterized/electrical plug-ins.
- d) The Company will reimburse airport improvement fees, when Flight Attendants are required to pay while travelling on Company business, provided that receipts and an expense claim are submitted.

6.05 UNIFORMS

- a) Uniforms will be worn and maintained according to standards prescribed by the Company. The Company will notify the Union prior to implementing any changes in the dress code.
- b) The Company shall provide and assume one hundred percent (100%) of the cost of the following initial basic uniform. All pieces will be new.

FEMALE		MALE		DEEMED LIFE (YEARS)
2	Blazer	2	Blazer	4
3	Skirts/Pants/ Dress	3	Pants	2
5	Blouses	5	Shirts	1
1	Vest	1	Vest	2
2	Insignia Pins	2	Insignia Pins	5
2	Jabeau	2	Neck Ties (or clip on)	2
	Satchel/luggage		Satchel/luggage	3

1	Overcoat	1	Overcoat	3
1	Parka/snow pants	1	Parka/snow pants	5

- c) Extra pieces may be purchased with points. Points will be accrued as per 'Deemed Life' schedule. The points balance will be available upon request. Points have no cash value.
All accessory items, as defined by the Company in its Uniform Guidelines, are to be paid for one hundred percent (100%) by the Flight Attendant.
- d) If any uniform item is damaged as a result of normal usage (beyond normal wear) while on duty, the Company shall replace or repair the item at the cost of the Company.
- e) When the Company requires a Flight Attendant to purchase a new uniform or part thereof, as per b) above, as a result of a change in style, materials or components, the items shall be provided at one hundred percent (100%) cost to the Company.
- f) Where a Flight Attendant's employment is terminated for any reason, she shall return all corporate identification and the following shall apply to the uniform:
- i) Where the Flight Attendant has received uniform pieces paid one hundred percent (100%) by the Company, all pieces must be returned to the Company. The full depreciated value of any uniform pieces not returned to the Company shall be deducted from the Flight Attendant's final pay cheque.
- g) Every effort will be made by the Company to ensure that the initial fittings for new uniforms will be done at home Base. If the Flight Attendant must be away from home Base for her fitting, this will be done on a working Day with no loss of pay to the Flight Attendant.
- h) The CUPE Union pin may be worn on the uniform.
- i) The Company shall assume the cost of all alterations for all new uniform pieces as per the uniform standard policy.
- j) The Company will provide each Flight Attendant with a monthly allowance of sixty dollars (\$60.00) for dry cleaning.
- k) Flight Attendants will receive one hundred dollars (\$100.00) per calendar year for footwear.

6.08 LOST/THEFT LUGGAGE

In the event of a temporary loss of her luggage while away from her home Base, the Company will reimburse reasonable expenses upon submission of receipts.

Company issued luggage will be replaced by the Company at no cost to the Flight Attendant or their accrued points.

ARTICLE 7 - VACATION ENTITLEMENT AND STATUTORY HOLIDAYS

7.01 VACATION YEAR

The vacation year shall commence January 1st in any year and terminate on December 31st of the same year.

7.02 ENTITLEMENT

Flight Attendants shall be entitled to annual vacations with pay according to the following schedule:

- (a) After completion of zero (0) to three (3) years of service (0-36 months), Flight Attendants shall be entitled to ten (10) working days with pay.
- (b) After completion of three (3) to ten (10) years service (37-120 months), Flight Attendants shall be entitled to fifteen (15) working days with pay.
- (c) After completion of ten (10) to twenty (20) years service (121-240 months), Flight Attendants shall be entitled to twenty (20) working days with pay.
- (d) After completion of twenty (20) years or more of service (241 months or more), Flight Attendants shall be entitled to twenty five (25) working days with pay.

7.02.01 The Company agrees to make available a minimum of three (3) slots per week in Edmonton and one (1) slot per week in Calgary in each month of the year towards a Flight Attendant vacation.

7.03 ANNUAL VACATION

7.03.01 Each Flight Attendant will "earn and burn" the vacation in the same year.

7.03.02 Each week of vacation carries five (5) working days totalling 20 credit hours towards the Flight Attendant's monthly schedule.

7.03.03 Vacation must be taken in a minimum of one (1) week (five (5) day) blocks.

Three (3) examples below are for clarification:

- (a) A Flight Attendant who starts with the company on July 01 will earn and be entitled to take one (1) week (five (5) working days) before December 31 of the same year.
- (b) A Flight Attendant who attains three (3) years full service on April 01, the Flight Attendant's vacation entitlement for that year will be based on three twelfths (3/12) of two (2) weeks and nine twelfths (9/12) of three (3) weeks of vacation.

- (c) A Flight Attendant who attains ten (10) years of service on November 01, the Flight Attendant's vacation entitlement for that year will be based on ten twelfths (10/12) of three (3) weeks and two twelfths (2/12) of four (4) weeks of vacation.

7.04 VACATION BIDDING

- 7.04.01 Flight Attendants shall bid their vacation in order of seniority. Bidding will be broken down into two (2) rounds starting with vacation first and stats second. In the first (1st) round of bidding a Flight Attendant will not be able to bid both summer (July, August) and Christmas (which includes any block(s) of vacation that encompass the last two (2) bid periods of December simultaneously).
- 7.04.02 A Flight Attendant is entitled to bid a maximum of four (4) GDO's per bid period with no more than two GDO's attached to one (1) side of the vacation period.
- 7.04.03 If GDO's are desired, the Flight Attendant must specify this in the Flight Attendant's monthly bid.

7.05 VACATION ASSIGNMENT FOLLOWING LEAVES

Flight Attendants returning from STD, LTD and benefit eligible LOA (including Maternity Leave) who had vacation that was scheduled within the period of the leave shall be given a list of available open vacation periods at their base. Should there be no slots available or the Flight Attendants fail to advise the Company of their preference, their vacation will be assigned immediately following their date of return.

7.06 BID AWARD PROCEDURES

- a) Flight Attendants shall bid for vacation and vacation shall be awarded in order of CUPE seniority, by base.
- b) Flight Attendants who fail to fill in their preference will be assigned to the remaining vacation periods.
- c) Vacation will be awarded to start on any day of the week.

7.07 MUTUAL VACATION SWITCHES

Flight Attendants may request mutual vacation switches as follows:

- a) Flight Attendants may switch with any unbid vacation period available (On or before the 25th of every month, a document called "2012 Open Vacation" will be posted on the intranet in a folder called Vacation. This document will show you which slots are currently available for the rest of the year.
 - If you wish to change your vacation slot you will be required to email a

vacation change form to crewvacation@canadiannorth.com. The deadline for submitting a change request will be 5th of every month.
- This email will be checked at that time and all vacation changes will be awarded by the 10th. ***Vacation changes will be done based on seniority***), or

- b) Employees may switch vacation with another Employee providing the mutual switch does not impact on operational needs or cause an increased financial impact on the Company. The switch shall be submitted to the Company for approval. Such request shall not be unreasonably denied.

7.08 OPEN VACATION SLOTS

Any available vacation period(s) that become open will be posted at all bases for 72 hours. Available vacation period(s) will be awarded on the basis of CUPE seniority and base.

7.09 STATUTORY HOLIDAYS

Flight Attendants shall be entitled to ten (10) recognized statutory holidays with pay per calendar year as listed in the Company Policy Manual.

ARTICLE 8 - SICK LEAVE

8.01 DEFINITION

Sick Leave means a period of one (1) or more days during which a Flight Attendant was scheduled to work or was on Reserve and was unable to report due to illness or injury.

8.02 SICK BANK ADMINISTRATION

Sick leave is calculated by credit hours. 60 credit hours will be given annually. Up to 30 credit hours can be carried over to the next year to a maximum of 90 credits in a Flight Attendant's sick bank.

8.03 DOCTOR NOTES

A Doctor's note may be required for any period of illness or injury, however, for any absence of less than three (3) consecutive days such request will not be made unreasonably.

8.04 NOTIFICATION

A Flight Attendant shall advise the Company of her illness with as much notice as possible.

8.05 SICK BANK RECORD

A record of sick leave taken in each sick bank shall be recorded on each Flight Attendant's monthly pay sheet. The number of hours remaining are available upon request.

ARTICLE 9 - MEDICAL REVIEW PROCEDURES

9.01 INITIATION

Where the Company Physician makes a declaration regarding the fitness for Flight duty of any Flight Attendant that is contrary to the position of the Flight Attendant's personal physician, the Flight Attendant may initiate the medical review procedure, as set forth in Clause 9.02, within seven (7) Days of receipt of this declaration by so notifying the Director of Cabin Safety and Onboard Product in writing.

9.02 THIRD PARTY EXAMINATION

Where the opinion of either physician is that the results of their respective examinations are inconclusive or conflicting in nature, the Flight Attendant may request that a mutually agreed upon qualified medical specialist (Civil Aviation Medical Examiner) be appointed to undertake a further examination. The medical specialist shall conduct her examination and shall furnish a written report of her decision of the Flight Attendant's fitness to fly (without medical detail) with the prognosis of return to both the Company and the Flight Attendant.

The decision of the medical specialist, based on the results of her examination, shall be conclusive of the issue and not subject to any further review.

9.03 EXPENSES

All costs for all company requested examinations and reports required under this Article that are not covered by provincial or territorial health benefits or the Company's medical insurance program shall be borne by the Company.

9.04 FIT DECLARATION

Where a Flight Attendant originally declared unfit for Flight duty is declared fit for Flight duty under Clause 9.02 above, the following shall apply:

- a) Reinstatement: She shall be reinstated to her former position and status with full seniority and service credit.
- b) Compensation: She shall receive retroactive compensation based on the amount she would have earned had she operated from the time the qualified

medical specialist declared her fit for Flight duty, less any net amount paid to her under any Company or Government income protection program to the time back on the active duty schedule.

9.05 UNFIT DECLARATION

Where a Flight Attendant originally declared unfit for Flight duty is declared unfit for duty under Clause 9.02 above, they shall be treated as having been unfit for duty since the initial declaration and shall continue to be considered unfit until such time as the qualified medical specialist declares her fit for Flight duty.

ARTICLE 10 - LEAVES OF ABSENCE

Requests for personal leaves of absence without pay shall be submitted to the Company for approval as far in advance of the requested leave as possible. Such requests will be dealt with at the sole discretion of the Company in consultation with the Union.

Flight Attendants shall continue to accrue seniority during such leaves but that period will not be credited towards a Flight Attendant's service with the Company for the purpose of pay progression and vacation accrual – unless otherwise stated (refer to chart – Article 10.10).

10.01 SENIORITY

- a) Seniority with respect to pay increments, vacation service credits, CUPE seniority, Statutory Holidays, and Sick Leave credits will be given in accordance with Clause 10.10, while an Employee is on a leave of absence.
- b) Benefits while on a leave of absence will be given as per the Benefit Provider and the Employee Policy Manual.

10.02 BEREAVEMENT LEAVE

The purpose of bereavement leave is to provide paid time off for employees who have a death in the immediate family. Canadian North recognizes that personal adjustment is necessary in this event. The definition of an immediate family member for this purpose is:

The employee's spouse or common-law partner

The employee's parents and the parents of the spouse or common-law partner

The employee's children and the children of the employee's spouse or common-law partner

The employee's grandchildren

The employee's brothers and sisters

The employee's grandparents

The parents of the employee's spouse or common-law partner and the spouse or common-law partner of the parents

Any relative who resides permanently with the employee or with whom the employee permanently resides

In the event of the death of an employee's spouse or child, the employee will be granted seven (7) consecutive calendar days (working or non-working days) leave without loss of pay, immediately following the date of death.

In the event of the death of an employee's mother, father, brother, sister, grandchild, grandparent, the parents of the employee's spouse as defined above, or any relative with whom the employee resides, the employee will be granted five (5) consecutive calendar days leave without loss of pay immediately following the date of death.

If travel is required, an additional two (2) days leave may be requested.

In the event of the death of an employee's aunt, uncle or cousin, the employee will be granted one (1) day leave without loss of pay to attend the funeral.

Bereavement leave may be extended without pay on the approval of the department manager should circumstances warrant.

The employee may request to their immediate supervisor, bereavement leave for individuals other than immediate family. Time off for such leave would be without pay. In cases where a death occurs during an employee's vacation, the employee will be considered on bereavement leave for the entitlement period and the affected vacation will be carried forward.

10.03 MATERNITY LEAVE

Employees who have completed six (6) months of continuous employment with Canadian North are entitled to a leave of absence without pay for maternity purposes. A maximum of seventeen (17) weeks unpaid maternity leave will be granted to eligible employees. This leave may commence any time from eleven (11) weeks before the estimated date of delivery and end no later than seventeen (17) weeks following the date of birth.

10.04 PARENTAL LEAVE

Employees who have completed six (6) months of continuous employment with Canadian North are entitled to a leave of absence without pay for parental responsibilities. Parental leave is extended to both male and female employees.

A maximum of thirty-seven (37) weeks leave without pay will be granted to employees who have or will have the actual care and custody of a newborn or adopted child (under the laws governing the adoption in the province, in which the employee resides).

Parental leave may only be taken during the fifty-two (52) week period beginning:

In the case of a new-born child of the employee, at the option of the employee, on the day the child is born or comes into the actual care of the employee; and

In the case of an adoption, on the day the child comes into the actual care of the employee.

The aggregate amount of parental leave that may be taken by two employees under this section in respect of the same birth or adoption shall not exceed thirty-seven (37) weeks.

The aggregate amount of maternity and parental leave that may be taken by one or two employees in respect of the same birth shall not exceed fifty-two (52) weeks.

10.05 COMPASSIONATE CARE LEAVE

All employees are entitled to a leave of absence without pay for compassionate care purposes to a maximum of six (6) weeks, to provide care and support to a gravely ill family member at risk of dying within twenty-six (26) weeks.

10.06 JURY DUTY/WITNESS LEAVE

Please note: Where Jury Duty is outlined within a Collective Agreement, the terms as outlined therein will apply to the members of that bargaining unit.

An employee who is required to serve on a jury or who is subpoenaed to appear in court as a witness will be granted time off with pay for the duration provided:

- a) The employee provides a copy of the official notice to their immediate supervisor/manager. The employee remits any compensation received from the court to the Company.
- b) Employees required to attend court, an investigation, or coroner's request as a witness for the Company, or as a result of cases arising out of her employment with Canadian North will be granted time off with pay.
- c) The foregoing shall not apply to an employee who has an interest, either directly or indirectly, in the court action, nor shall it apply for those days when the employee is not required to work for the Company.
- d) Employees are expected to return to work when released from witness or jury duty during regularly scheduled hours.

10.07 SHORT TERM DISABILITY

Short Term Disability payments begin on the first working day following five (5) scheduled working days of uninterrupted total disability.

10.08 LONG TERM DISABILITY

Long -Term Disability payments begin after a total disability for an uninterrupted period of seventeen (17) weeks.

10.09 PERSONAL

The Company may upon request, at its sole discretion, grant an employee a leave of absence without pay for legitimate personal reasons provided operational requirements can be met.

Personal leaves will not generally exceed six (6) months. Request for such leaves should be made thirty (30) days in advance.

Employees on personal leave shall not, without prior written permission from the Company, engage in other employment. If the employee fails to obtain such permission and engages in other employment, the employee will be in breach of this policy and their employment with Canadian North will be terminated.

10.10 LEAVE CHART – SENIORITY

<i>TYPE OF LEAVE</i>	<i>DURATION</i>	<i>PAY INCREMENTS</i>	<i>VACATION SERVICE CREDITS</i>	<i>CUPE SENIORITY</i>	<i>STATUTORY HOLIDAYS</i>	<i>SICK LEAVE CREDITS</i>
BEREAVEMENT (IMMEDIATE FAMILY)	7 DAYS	ACCRUE	ACCRUE	ACCRUE	ACCRUE	ACCRUE
BEREAVEMENT (OTHER IMMEDIATE FAMILY)	5 DAYS	ACCRUE	ACCRUE	ACCRUE	ACCRUE	ACCRUE
BEREAVEMENT (OTHER)	1 DAY	ACCRUE	ACCRUE	ACCRUE	ACCRUE	ACCRUE
COMPASSIONATE	Up to six weeks	ACCRUE	ACCRUE	ACCRUE	ACCRUE	ACCRUE
UNION LEAVE	IN EXCESS OF ONE MONTH	MAINTAIN	MAINTAIN	ACCRUE**	MAINTAIN	MAINTAIN
PERSONAL LEAVE WITHOUT PAY	NOT TO EXCEED 6 MONTHS	MAINTAIN	MAINTAIN	ACCRUE**	MAINTAIN	MAINTAIN
MATERNITY	UP TO 17 WEEKS	MAINTAIN	MAINTAIN	ACCRUE	MAINTAIN	MAINTAIN
PARENTAL LEAVE	UP TO 37 WEEKS	MAINTAIN	MAINTAIN	ACCRUE	MAINTAIN	MAINTAIN
LEAVE TO AVOID LAYOFF	UNSPECIFIED	MAINTAIN	MAINTAIN	MAINTAIN	MAINTAIN	MAINTAIN
EXTENSIONS TO ANY OF THE ABOVE	SUBJECT TO MANAGEMENT APPROVAL	MAINTAIN	MAINTAIN	MAINTAIN	AS PER LEAVE (EXCEPT FOR COMPASSIONATE LEAVE WITHOUT PAY-MAINTAIN)	MAINTAIN
SICK LEAVE*	5 DAYS SICK LEAVE	ACCRUE	ACCRUE	ACCRUE	ACCRUE	ACCRUE
SHORT TERM DISABILITY	UP TO 17 WEEKS	ACCRUE	ACCRUE	ACCRUE	MAINTAIN	MAINTAIN
LONG TERM DISABILITY	17 WEEKS AND UP	MAINTAIN	MAINTAIN	MAINTAIN	MAINTAIN	MAINTAIN
WORKERS' COMPENSATION	NOT SPECIFIED	MAINTAIN	MAINTAIN	MAINTAIN	MAINTAIN	MAINTAIN
LAYOFF	NOT SPECIFIED	MAINTAIN	MAINTAIN	MAINTAIN	MAINTAIN	MAINTAIN

**accrue for up to six months then maintain

NOTE: WHERE THIS TABLE IS AT VARIANCE WITH THE CLAUSES OF THE COLLECTIVE AGREEMENT, THE CLAUSES IN THE AGREEMENT WILL BE APPLICABLE.

SECTION 11 DISCIPLINE OR DISCHARGE

11.01 All disciplinary or discharge actions must be for just cause.

11.02 Where disciplinary or discharge action is considered, the Flight Attendant involved may, where necessary, be held out of service pending investigation to provide the Company with sufficient time to investigate and consider all factors. This investigation will take place as soon as possible and shall not take more than fourteen (14) Calendar Days. Additional time may be granted through mutual agreement between the Company and the Union prior to the expiry of the fourteen (14) Calendar Days.

11.03 During any investigations or hearings the Flight Attendant involved may request the presence of a Union representative(s).

11.04 Any investigations shall be held so as to best reasonably accommodate the persons concerned including the Flight Attendant, any witnesses, the Company and any representative of the Union. This may include things such as time off work and positive space transportation, and will be interpreted with the idea of taking all reasonable and cost effective steps towards a prompt and full investigation.

11.05 When disciplinary action beyond a verbal warning or discharge action is taken, the Flight Attendant will be so notified in writing, with a copy to the Union, providing both an explanation of why the action was taken, and the nature of the action taken.

11.06 Any Flight Attendant held out of service prior to such written notification shall not have her pay reduced as a result.

11.07 During the period of being held out of service, or while on a suspension, the Flight Attendant shall be entitled to bid on any positions that are posted. If as a result of being held out of service or on suspension the Flight Attendant is not available for the position as it requires, then she will not be eligible for that position, regardless of her seniority or any other factor, unless the Company and the Union otherwise agree.

11.08 A Flight Attendant who has been disciplined or discharged may file a grievance in accordance with this Agreement.

SECTION 12 GRIEVANCE AND ARBITRATION PROCEDURE

12.01 GRIEVANCE AND ARBITRATION

The Employer and the Union agree it is most desirable to resolve misunderstandings and disputes through discussion so that it is not necessary to initiate a formal grievance according to this grievance procedure.

12.02 SETTLING OF GRIEVANCES:

An earnest effort shall be made by all parties to settle grievances fairly and promptly in the following manner.

Step One:

If a Flight Attendant or a group of Flight Attendants has a formal grievance, the Flight Attendant or group of Flight Attendants will submit to the Director of Cabin Safety and Onboard Product or SDO a written statement of the grievance within thirty (30) days of the date the Grievor(s) become aware of, or reasonably should have become aware of, the alleged grievance.

The grievance when presented in writing shall contain:

- (a) A summary of circumstances giving rise to the grievance.
- (b) The provision(s) of the Agreement considered violated.
- (c) The particulars of the remedy sought.

The Director of Cabin Safety and Onboard Product, SDO or their designate shall meet with the Grievor(s) and a Union Representative within fourteen (14) days of receipt of the grievance and shall render a decision in writing within seven (7) days of this meeting.

Note: Grievances that involve a dismissal shall be initiated within the time limits and in writing will commence immediately at Step Two.

Step Two:

Failing satisfactory settlement being reached in Step One, the Union Representative(s) shall, within seven days (7) of the receipt of the decision in Step One, advance the grievance in writing to the Vice-President of Operations, Charters and Cargo. The Vice-President of Operations, Airports and Charters, with or without the Flight Attendant's manager or their designates, shall meet with the Union representative within twenty-one (21) days of their receipt of the grievance and shall render a decision in writing within seven (7) days of this meeting.

Step Three (Mediation):

Failing satisfactory settlement being reached in Step Two, the grievance may be referred by the Union to Mediation or Arbitration. The Notice of Intent to proceed to Mediation or Arbitration shall be made, in writing, within Fourteen (14) days of receipt of the decision in Step Two, to the Vice-President of Operations, Charters and Cargo or his designate.

Either Party may go directly to arbitration.

Step Four:

Failing satisfactory settlement being reached at Mediation, the grievance may be referred to Arbitration.

12.03 ARBITRATION

12.03.01 Establishment of Arbitrator

The Union will provide, along with the Notice of Intent to proceed to Arbitration, a list of proposed Arbitrators. The Company shall, within 15 days of receipt of such notice, notify the Union in writing of their response to the Union's proposed list of Arbitrators. If the parties fail to appoint an Arbitrator through mutual agreement, the appointment may be made according to appointment provisions of the Canada Labour Code.

The Company and the Union may, by mutual consent, have the grievance heard by an Arbitration Board consisting of a member appointed by the Union and a member

appointed by the Company, with the third member appointed by agreement of the appointees of the Union and the Company or, failing such agreement, be made according to appointment provisions of the Canada Labour Code. In this case the term Arbitrator, as referred to in this Agreement shall mean Arbitration Board.

12.03.02 Arbitrator Jurisdiction

The Arbitrator shall have jurisdiction to consider any grievance properly submitted to him/her under the terms of this Agreement (including whether a matter is arbitrable or not). The Arbitrator shall have no jurisdiction to alter, modify, amend or make any decision inconsistent with the terms of this Agreement.

The Arbitrator 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 Arbitrator 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.

The Arbitrator shall have the jurisdiction, at any time before rendering a final decision, to make any interim decision that it considers just and reasonable. Without limiting the generality of the foregoing, it shall have the jurisdiction to make decisions regarding the rights of the parties, the interpretation of the Agreement or the reinstatement of an employee and to reserve its jurisdiction on questions of quantum.

12.03.03 Arbitration Costs

The costs incurred by the Arbitrator or, in the case an Arbitration Board, the Board Chairman, shall be borne equally by each party. Each party shall assume the expenses incurred by its own appointee on an Arbitration Board.

12.03.04 Representation

At any hearing held throughout the Arbitration procedures, the Union and the Company shall have the right to be represented by any person whom they choose or designate.

12.03.05 Witnesses

At any hearings held throughout the Arbitration procedures, all witnesses and representatives who are employees of the Company shall be given time off and transportation on Canadian North flights if required and as appropriate. Each party shall be responsible for the pay/costs of such witnesses.

12.03.06 Arbitrator Decision

A decision by the Arbitrator shall be final and binding on the Union, the grievor and the Company.

12.04 EXTENSION

The time limits specified in both the Grievance and Arbitration procedures may be extended by the mutual agreement between the Employer and the Union. Mutual agreement to extend time limits must be in writing and signed by both parties before it will constitute mutual agreement for the purposes of this provision.

ARTICLE 13 - PROBATION

13.01 ELIGIBILITY

No Flight Attendant shall serve more than one probationary period.

13.02 DURATION

Subject to Clause 13.03, the probationary period will be twelve (12) months calculated from the date of hire.

13.03 AUTOMATIC EXTENSION

This probationary period will be extended by the length of any period of absence in excess of fourteen (14) consecutive Days.

13.04 EXTENSION

Under certain circumstances, the Company may extend the probationary period. In such cases the Flight Attendant and the Union will be advised in writing. The affected Flight Attendant shall be interviewed by the Company to discuss the reason for the extension.

A Union Representative shall be present at the option of the Flight Attendant. The Company shall provide the Flight Attendant and the Union a reasonable amount of notice prior to any such interview.

Due consideration will be given as to the reason for the extension and may involve the Company or Union assistance programs.

ARTICLE 14 - CUPE SENIORITY

14.01 COMMENCEMENT

- a) An Employee's seniority will commence on date of hire within the bargaining unit. Seniority of all Flight Attendants shall be on a system-wide basis.
- b) In the event that more than one (1) Employee commences service on the same date, a draw of names will determine who shall appear first on the seniority list.

14.02 MAINTENANCE

Flight Attendants who establish a seniority commencement date in accordance with this Agreement shall not lose that date, except as provided in this Agreement. Any Employee on layoff of more than forty-eight (48) Months, and who is not recalled, or who is dismissed from the Company and not reinstated or who resigns, shall therefore forfeit all previously accrued seniority rights and the individual's name shall be removed from all seniority lists.

14.03 APPLICATION

CUPE seniority shall govern the order all Flight Attendants are recognized where applicable in this agreement.

14.04 CUPE SENIORITY LIST

The Company shall establish and maintain a CUPE seniority list showing for each Employee listed therein:

- a) Seniority number
- b) Name
- c) Base
- d) Seniority date as Flight Attendants pursuant to Clause 14.01
- e) Company service date
- f) Employee number

14.05 SENIORITY LIST

- a) INITIAL POSTING

Prior to February 1st in each year the Company shall post, at each Base, a copy of the CUPE seniority list (system-wide) indicating the respective CUPE seniority of each Employee as of January 1st.

- b) PROTESTS

Prior to March 1st in each year, Flight Attendants may protest, in writing, to the Senior Manager or Human Resources in respect of any purported error or omission affecting her CUPE seniority as reflected in the CUPE seniority list (system-wide) posted for such year. A revised list will be posted.

- c) FINAL LIST

Prior to June 1st in each year, the Company shall post and e-mail the final CUPE seniority list (system-wide) as of January 1st of that year. The Company shall post and e-mail the final CUPE seniority list (system-wide) in December of that year as well.

ARTICLE 15 - TRANSFER TO NON FLYING/SUPERVISORY POSITIONS

15.01 SELECTION

Selection of Flight Attendants for supervisory or non-flying positions shall be done at the discretion of the Company.

15.02 DURATION

Temporary/term non-flying or temporary/term supervisory positions up to a maximum of twelve (12) months will not be subject to 15.03. Non-flying or supervisory positions in excess of twelve (12) months and permanent positions shall be governed by Clause 15.03 below.

15.03 CUPE SENIORITY

Flight Attendants transferred to a non-flying or supervisory position shall retain and continue to accrue CUPE seniority, including seniority for pay progression, for a first time transfer. Should an employee return to the bargaining unit and choose to accept a second non-flying or supervisory position, the employee will lose all CUPE seniority and their name shall be removed from the CUPE seniority lists immediately.

15.04 DUTY TO ACCOMMODATE

When a Flight Attendant is accommodated to a non-flying position, excluding LTD she shall retain and accrue seniority for pay, vacation and CUPE seniority purposes.

15.05 NOTIFICATION

The Union President shall be advised of a Flight Attendant's change in status.

ARTICLE 16 - FILLING OF VACANCIES

16.01 ORDER

The filling of vacancies at a permanent Base, shall be governed by the following priorities:

- a) Acting on bids from all current Flight Attendants, in order of CUPE seniority;
- b) Recall of Flight Attendants holding "laid-off" status at the specified Base – no new hires before the recall list has been given an opportunity;
- c) Transfer of Employee surplus to requirements in reverse order of CUPE seniority.

16.02 STATEMENT OF PREFERENCE – INITIATION

Flight Attendants who desire a Base transfer shall keep a statement of preference on file with the Company stating the Base(s) in order of preference to which they desire to transfer. The Company will acknowledge receipt of the statement of preference in

writing to the Employee and to the Union President unless the Employee requests in writing that the Union not be advised.

16.03 STATEMENT OF PREFERENCE – WITHDRAWAL

A statement of preference may be withdrawn and may be subsequently reinstated in the same manner as outlined above with a copy to the Union President unless the Employee requests in writing that the Union not be advised.

16.04 STATEMENT OF PREFERENCE

Flight Attendants, including those on layoff, are expected to keep their statements of preference current.

16.05 NOTIFICATION

Flight Attendants shall be notified in writing when their statements of preference have been actioned. A bid award shall be posted for Flight Attendants and copied to the Union President.

16.06 REQUEST FOR BIDS

When no statements of preference are on file or are received at the time the vacancy occurs, the Company will publish a request for bids from Flight Attendants willing to accept the position. If the position is not filled by bid, the qualified Employee with the least CUPE seniority may be assigned.

16.07 BASES

16.07.01 For the purpose of this Agreement, the following locations will be recognized as

Flight Attendant Bases:

a) CYEG

b) CYYC

All pairings will initiate and terminate at a Flight Attendant Base.

16.07.02 In the event Flight Attendant Bases are opened or closed, the Company and the Union will enter into discussions for the purpose of establishing terms and conditions of such.

16.07.03 In the event Flight Attendant Bases are opened or closed, positions will be dealt with in accordance with FILLING OF VACANCIES or LAYOFF, REDUCTIONS, RECALL AND LEAVES OF ABSENCE.

16.07.04 If a new Flight Attendant Base is established and no bids are received, the Company may assign the most junior qualified Flight Attendant.

16.08 BASE TRADE

16.08.01 Flight Attendants holding the same qualifications will be permitted to make a mutual exchange of Base provided:

a) The Flight Attendants concerned are entitled by seniority to hold the position at the Base of intended transfer.

b) That written approval is obtained from the Company and the Union.

c) That written approval is obtained from all Flight Attendants between the seniority numbers of the two (2) Flight Attendants trading Bases.

d) Bidding for the purpose of scheduling and vacation assignment will be in the position that the original Flight Attendant that left the base would have held. Vacation entitlement is unaffected.

e) If a vacancy occurs and is awarded at a base that can be held by one of the base trade Flight Attendants, then the base trade is cancelled.

f) A base trade may be cancelled by mutual agreement of both Flight Attendants.

16.09 BIDDING ON PERMANENT/TEMPORARY POSITIONS

16.09.01 When a Vacancy for a permanent position occurs, the Company shall post a notice for seven (7) Calendar Days as well as e-mail all Flight Attendants and send a copy to the Union. This notice shall contain at least the following information:

a) Flight Attendant Base

b) Number of vacancies (up to what is anticipated)

c) Reason for vacancy

d) Anticipated date required

e) Closing date of posting

f) Duration (for temporary positions)

16.10 AWARDING OF POSITIONS

16.10.01 All permanent/temporary positions will be filled in accordance with seniority provided that all minimum qualifications and performance requirements are met. If no applications are received from such Flight Attendants, the Company may (at its discretion) assign the most junior Flight Attendant or hire a new Flight Attendant.

16.10.02 Within fourteen (14) Calendar Days after the closing date of the posting the Company will post the bid results, inform the successful candidate(s) and advise the Union of the award(s).

16.10.03 A Vacancy arising due to incapacity of a Flight Attendant, maternity or parental leave or any vacancies of six (6) months duration or less may be filled by a temporary position. The Flight Attendant awarded this temporary position will return to her previous base/status at the end of this temporary assignment. This Flight Attendant will be eligible to bid any vacancies that may arise during the duration of this temporary

assignment. (The six (6) month provision above may be extended by mutual agreement between the Company and Union)

16.10.04 A Flight Attendant who is displaced may bump into another Base according to her seniority.

16.10.05 The Company shall provide a Flight Attendant with thirty (30) Calendar Days notice of any displacement in her permanent position, unless such displacement is the result of a failure to qualify.

16.10.06 If an awarded position is cancelled from the date of the award to the anticipated date required, the Flight Attendant will remain in his/her present position.

ARTICLE 17 - REDUCTION IN FORCES – LAYOFF AND RECALL

17.01 LAYOFF AND REDUCTIONS

17.01.01 A Flight Attendant on layoff will continue to accrue seniority but that period will not be credited towards a Flight Attendant's service with the Company for the purpose of pay progression and vacation accrual.

17.01.02 Prior to notice of layoffs being issued and with as much notice as possible, the Company shall notify the Union to enable the parties to discuss possible ways of avoiding a layoff or minimizing the adverse effect of layoffs.

17.01.03 When it is determined that there will be a reduction in the total system Positions the Company will issue a memorandum to all Flight Attendants advising of the requirement for reductions. Prior to any layoffs all surplus Flight Attendants will be first dealt with through attrition, voluntary severance options, leave of absence programs, reduced block program and any other mitigation programs as may be agreed to between the parties. If after taking this action layoffs are still required, Flight Attendant layoffs shall occur in reverse order of seniority.

17.01.04 The Company will endeavour to provide as much written notice as possible and in no case provide less than fourteen (14) days written notice to a Flight Attendant being laid off and copy the notices to the Union.

17.01.05 A Flight Attendant, shall be paid-out any outstanding Vacation or Statutory Holiday Days earned to her layoff date.

17.01.06 A Flight Attendant on layoff shall have the option of maintaining all or any benefits normally covered by payroll deduction at the Flight Attendant's expense subject to the terms and conditions of the Company's group insurance plan.

17.01.07 A Flight Attendant who is laid off shall file her address with the Company and shall thereafter promptly advise the Company of any change in address.

17.01.08 The Company will provide (Canadian North only) space available flight benefits for the duration of the layoff.

17.02 RECALL

17.02.01 When there is a vacancy in the Flight Attendant complement during the period of layoff, Flight Attendants shall be recalled in order of seniority.

17.02.02 Initial notification of recall may be given to the Flight Attendant by a telephone call or email. Official notice shall be sent to the Flight Attendant via registered mail to her last address on file and will contain the reporting date and location.

17.02.03 The Company shall give the Flight Attendant his recall notice not less than thirty (30) Days prior to her reporting date. However, a shorter reporting period may be arranged by mutual agreement between the Company and the Flight Attendant.

17.02.04 Within three (3) business days of receipt of the recall notice, the Flight Attendant shall notify the Company as to whether she will accept or waive the notice of recall. A Flight Attendant will have been deemed notified upon receipt of her registered letter.

17.02.05 If a Flight Attendant waives or does not accept her recall, the recall will be offered to the next senior Flight Attendant on layoff. However, in all cases, the most junior Flight Attendant who is on layoff shall be obliged to accept the recall or permanently forfeit her position on the Flight Attendant Seniority List.

17.02.06 A Flight Attendant who waives her recall will have no further right of recall until the next notice of recall.

17.02.07 A Flight Attendant who is obliged to report under the provisions of 17.02.05 above must report thirty (30) days after receiving notification or the required reporting date, whichever is later. However, a different reporting date may be arranged by mutual agreement between the Company and the Flight Attendant. Such agreement shall not be unreasonably withheld.

17.02.08 The Company may, at its own discretion, grant a leave of absence to any Flight Attendant who is recalled but who is unable to report for duty.

17.02.09 Should a Flight Attendant be medically unfit to return to duty she shall be placed on medical leave with compensation subject to the terms and conditions of the Company benefits plan.

ARTICLE 18 - GENERAL

18.01 ORDERS IN WRITING

All orders to Flight Attendants involving a change in location or assignment, dismissal, layoff, disciplinary action or leave of absence shall be made in writing with a copy to the Union.

18.02 PERSONNEL FILE

- a) The Company shall maintain a personal file for each Employee with a section containing all documents related to her employment performance. Upon reasonable request, the Employee may review this file with local Management present and a Union representative if requested by the Employee. Letters of discipline shall be removed from the personal file after eighteen (18) months and may not be used in subsequent discipline or discharge, provided there has been no similar incidents within the eighteen (18) month time limit. Any document used to advance discipline, which has not been seen by the Employee, will be removed from the Employee's personal file.
- b) Letters of complaint may be placed on an Employee's personal file only if they are relevant to a letter of discipline.
- c) Should an Employee wish to respond to any document placed on her personal file, the response shall be placed on the file and shall be removed along with the document at the end of the eighteen (18) months.

18.03 CREW REST FACILITIES

The following facilities will be provided for crew rest while on layovers:

- a) LAYOVERS WHERE LEGAL CREW REST CANNOT BE PROVIDED:

Over 5 hours	A single occupant accommodation.
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*An on-duty layover period shall be from "block in" to "block out".

- b) LAYOVERS WHERE LEGAL CREW REST IS PROVIDED:
Single occupant accommodation paid by the company.
- c) Company-owned housing must include all amenities as specified in the attached Letter of Understanding in Iqaluit.

18.04 HEALTH AND SAFETY COMMITTEE

- a) The Company and the Union agree to promote and encourage safety practices that will ensure the safety and health of all Flight Attendants. The SMS policies will be adhered to at all times.
- b) Accordingly, the Company agrees that Flight Attendants will be entitled to representation on the Company's Health and Safety Committee at locations where both Flight Attendants and Committees are established.
- c) The Company agrees to cover the cost of any Flight releases and transportation away from base required for the Health and Safety Committee member to attend the Joint Health and Safety Committee meetings and will ensure that the Committee member will not suffer any loss of pay as a result of completing Health and Safety tasks at the direction of the Committee.
- d) The Company agrees to pay all costs associated with the Training of any CUPE Health and Safety Representatives to attend Health and Safety Training sessions offered and mandated by the Company.
- e) The Company may release from duty, subject to operational requirements, members of the CUPE Health and Safety Committee to attend conferences or seminars, for the purposes of Health and Safety related education. The Union shall bear all costs associated with such Flight releases.
- f) The CUPE Health and Safety Chairperson or her designate may be present at the "Company debriefing" of Flight Attendants involved in an incident. "Crew debriefings" after an incident may proceed without delay.

18.05 MINIMUM CABIN CREW COMPLEMENT

Minimum cabin crew complement shall be as per Transport Canada regulatory requirements.

18.06 NEW EQUIPMENT

In the event the Company acquires a new type of aircraft, the Company will notify the Union prior to the introduction of the new aircraft.

18.07 PASSPORTS

The Company shall assume the standard cost of an initial passport or renewal of a passport upon submission of receipts. The standard cost of visas and any other travel documentation required by the Company to complete a contract outside of its normal operations will be borne by the Company. It is the Employee's responsibility to ensure they have all required travel documentation to complete normal operations.

18.08 AIRCRAFT GROOMING

Flight Attendants at station stops, where groomers are unavailable will only be required to cross seat belts, pick up garbage, blankets and newspapers. It is understood that safety-related duties shall take precedence over performing these duties.

18.09 MISSING; HIJACKING; INTERNMENT; HOSTAGE; POW

General

- a) No Flight Attendant will be forced by the Company to operate into any area excluded from coverage under the Company's Insurance Policy.
- b) Any Flight Attendant who, while engaged in the Company's operations, is interned, captured, held as a hostage or as a prisoner of war, shall be maintained at full pay for her current position until she is able to resume work, her death is established in fact or her death is reasonably presumed to have occurred.
- c) With reasonable presumption of death, the Company shall ensure death benefits will be dispensed to the Flight Attendant's designated beneficiaries per Benefits Article 4.03.
- d) As an alternative to paying wages per Article 5.11 b, the Company may pay the difference between the amount of such salary and the amount of any compensation provided by other parties as a result of a law with respect to persons interned, captured, held as prisoners or hostages of war or missing as a result of an act of war.

Benefit Assignments

The monthly wages per Article 5.11b shall be credited to the Flight Attendant and shall be disbursed by the Company to the Flight Attendant's designated beneficiary.

- e) Any payments due to the Flight Attendant under this Article which has not been previously covered, shall be held by the Company for any such Flight Attendant in an interest bearing account in the Flight Attendant's name. In the event of reasonable presumption of a Flight Attendant's death, all monies shall be paid to the legal representative of her estate.
- f) Any amounts credited to the account of a Flight Attendant or paid to her beneficiary in accordance with the provisions of this Article shall not be required to be returned even if it later becomes established that such payments were made after the death of the Flight Attendant, nor shall such amounts be a charge against the estate of the Flight Attendant, provided that any such beneficiary shall have furnished the Company with any evidence indicating the death of the Flight Attendant promptly after its receipt.

- g) A Flight Attendant shall maintain and continue to accrue seniority for pay purposes during the period in which she is missing, interned, a hostage or a prisoner of war.

ARTICLE 19 - UNION-MANAGEMENT MEETINGS

19.01 PURPOSE

The Union and the Company agree to hold informal meetings as required to discuss matters of mutual interest.

ARTICLE 20 – UNION BUSINESS

The Company will provide the Union with 5 paid days per month to enable the Union to conduct Union business. Time taken by the Union over the 5 paid days per month will be billed to the Union for reimbursement.

20.01 UNION LEAVE

Where operational requirements permit, an Employee may be granted a leave of absence, without pay to accept a full time position as an Officer of the Union, or full-time or part-time CUPE representative. Such leave will be requested in writing to the Employer, and such requests for leaves will not be denied unreasonably. If such an Employee returns to a position within the scope of this Agreement, she will be entitled to a position at her last Base, subject to her seniority.

Pass privileges (Canadian North) shall be maintained for the duration of the leave and her CUPE seniority shall continue to accrue.

20.02 BILLING TO CUPE

The Company will provide the Union with a Monthly statement, itemizing costs incurred as above.

- a) The Union has fourteen (14) Days from receipt of the statement, to dispute in writing any irregularities.
- b) The Company agrees to meet with the Union to resolve any irregularities within thirty (30) Days of written notification.
- c) All invoiced amounts, not in dispute or resolved in b) above, will be paid within thirty (30) Days from the date of receipt of invoice.
- d) Any monies owed to the Company in c) above, that are not paid within ninety (90) Days from the date of receipt of invoice, will be deducted from the Union dues collected by the Company.

20.03 COMPANY MAIL BOXES/MAIL FOLDERS/BULLETIN BOARD

- a) The Union may use the Company mailboxes/mail folders to communicate with its members.
- b) A bulletin board shall be provided at each Base for the use of the Union.

ARTICLE 21 - HUMAN RIGHTS CLAUSE

21.01 DISCRIMINATION

Refer to Company Policy Manual.

21.02 HARASSMENT

Refer to Company Policy Manual.

ARTICLE 22 - LEGAL

22.01 LEGAL OBLIGATION

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

22.02 INDEMNITY

The Company agrees to provide, at no cost to the Flight Attendant in question, Legal Counsel to defend any Flight Attendant and their estate in any legal actions brought forth against them as a result of the performance of their duties on behalf of the Company, including but not limited to any damage to Company or other property, and to protect and hold them harmless from any judgment rendered thereunder. The exception to this clause being in the case of gross negligence or willful misconduct on the part of the Flight Attendant.

22.03 ESTATE SETTLEMENT

Any payment that may be due the estate and not a named beneficiary of the Flight Attendant under this Agreement, may be made by the Company by payment to such person as may furnish the Company with a court certificate evidencing his appointment as legal representative of the estate and the receipt by such person of such payment shall release the Company of any further obligation to the estate or any other person with respect to such payment.

22.04 SUCCESSOR RIGHTS

Should the Company change ownership, merge with another Company, alter its corporate legal identity in any way whatsoever, including setting up of a subsidiary or combining with one or more other airlines, sell or transfer its assets in whole or in part, this Agreement shall remain in full force and effect unless provisions to the contrary are

contained in the applicable legislation, or imposed by the Canada Industrial Relations Board.

ARTICLE 23 - DURATION OF AGREEMENT

23.01 EFFECTIVE DATES

a) The term of this Agreement shall be three (3) years retroactively commencing on January 1st, 2012 except where specified otherwise and shall continue in full force and effect until December 31st, 2014. This Agreement shall remain binding from year to year thereafter, unless notification in writing to reopen this Agreement is served by either of the parties hereto, such notification to be served not more than 120 days and not less than 60 days prior to the expiration date in any year.

b) In the event notice is given of intended changes, this Agreement shall remain in full force and effect while negotiations are being carried on for the agreement of the new Agreement. The parties agree that there shall be no strike or lockout during the term of this Agreement.

c) For the 2012 Collective Agreement:
January 1, 2012 - Retroactivity of the pay grid and overtime only – no other provisions are retroactive.
1st day of the month after ratification – new salary grid, per diems, and allowances, will apply.
1st day of the month after ratification plus 90 days – implementation of block/credit system .
Draft provisions and reassignment will be effective immediately as required for operational needs.

d) Any changes deemed necessary to this Agreement may be made by mutual agreement in writing between the Company and the Union at any time during the term of this agreement through the use of a Letter of Understanding (L.O.U) that will be attached and made part of the Collective Agreement until the expiry of the Collective Agreement.

23.02 ISSUANCE OF AGREEMENT, LETTERS OF UNDERSTANDING (LOU'S) OR AMENDMENTS

The Company shall, no later than thirty (30) calendar days after signing the Agreement, distribute the Agreement to the Flight Attendants.

The Company agrees to distribute all LOU's or amendments to all Flight Attendants within thirty (30) calendar days of their respective signing dates.

23.03 COLLECTIVE BARGAINING AGREEMENT AMENDMENTS, LOU'S/COSTS OF ISSUANCE

a) Any amendments to the Agreement, such as LOU's, agreed to during the term of this Agreement shall constitute part of the agreement between the parties.

b) Unless cancelled or otherwise specified in the amendment all such amendments to the Agreement shall remain in full force and effect in accordance with SECTION 23 DURATION OF AGREEMENT.

c) Working conditions that are not provided for in this Agreement shall be subject to negotiation and LOU. If an agreement cannot be reached within 90 days, then the matter shall be subject to arbitration, unless mutually agreed upon by the Company and Union.

d) All costs associated with the printing of the Agreement, including binders, shall be borne solely by the Company.

e) All costs associated with the printing of LOU's or amendments shall be borne solely by the Company.

IN WITNESS WHEREOF THE PARTIES HERETO HAVE SIGNED THIS AGREEMENT ON THE _____ DAY OF _____, 20__ AT _____, ALBERTA.

FOR
CANADIAN NORTH INC.

FOR CANADIAN UNION OF PUBLIC
EMPLOYEES Local 4053

LETTER OF UNDERSTANDING YFB ACCOMMODATIONS

This Letter of Understanding (LOU) addresses the joint interest of Canadian North Inc. (the "Company") and CUPE local 4053 (the "Union") regarding the provision of appropriate flight attendant accommodations in Iqaluit ("YFB").

It is understood and agreed by both parties that:

1. The Company will provide suitable accommodations for all flight crews in YFB;
2. The Company has agreed to provide accommodations in YFB for flight crews on the following terms:
 - a) Accommodations will consist of two bedroom, non- smoking apartments;
 - b) Both front and, if applicable, rear entrances to the apartments shall have a deadbolt lock and flip-lock;
 - c) Each two bedroom apartment will only have one flight crew member assigned to occupy it at any one time;
 - d) At no time will any flight crew members be required to perform custodial duties or cleaning of the apartments, except for loading the dishwasher, cleaning pots and pans and emptying the fridge;
 - e) The entire apartment complex will be non-smoking. If it is determined that a flight crew member has smoked in the accommodations they will be held financially responsible for any associated cleaning/fumigation costs.
 - f) Each room will be cleaned daily by housekeeping staff and on crew transition days, as soon as possible after the departing crew member leaves.
 - g) Each apartment will have a wired or wireless internet connection as well as cable and/or satellite television and telephones;
 - h) Each apartment will have its own thermostat or other control that will allow for heating of the apartment, as required. It is understood that if cooling (air conditioning) is an issue, the Company will address it in a mutually agreeable manner;
 - i) The flight crew members will have access to a gym/exercise facility off premises;
 - j) Upkeep or maintenance of furniture contained in the accommodation will be the responsibility of the Employer;
 - k) Blackout blinds will be installed in each accommodation bedroom.
3. The Union agrees that the accommodations referred to in paragraph 2, above are suitable accommodations.
4. Staff will receive 2 one way fares per day at the current taxi fare rate to cover to and from the current crew rest facility.

SIGNED THIS _____ DAY OF _____, 20__.

FOR
CANADIAN NORTH INC.

FOR CANADIAN UNION OF PUBLIC
EMPLOYEES Local 4053

