

COLLECTIVE AGREEMENT

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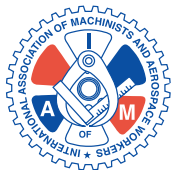
Between:

AMERICAN EAGLE AIRLINES INC. (OTTAWA)
(The “Company”)



And:

**THE INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS**



Represented by:

DISTRICT LODGE 140 & LOCAL LODGE 2413
(The “Union”)

February 19, 2014 - April 30, 2015

ARTICLE	TOPIC	PAGE
1	Purpose	1
2	Recognition.....	1
3	Rights of Management	2
4	Union Dues and Union Membership	4
5	Strikes and Lock-outs.....	8
6	No Discrimination	9
7	Specific Performance.....	11
8	Union Representation and Safety.....	1
9	Complaints, Grievances and Disputes.....	15
10	Arbitration	20
11	Probation.....	22
12	Seniority	23
13	Lay-off and Recall.....	26
14	Leave of Absence	28
15	Job Posting	32
16	Posting Notices.....	33
17	Hours of Work and Shift Arrangements.....	33
18	Overtime	36
19	Statutory Holidays.....	38
20	Jury Duty and Crown Witness.....	40
21	Annual Vacation	40
22	Benefits & Insurance Plans	44
23	Classification of Employees.....	45

24	Uniforms.....	47
25	Sick Days.....	48
26	Pay Cheque.....	49
27	Parking.....	50
28	Miscellaneous	50
29	Wages and Premiums	51
30	Renewal, Amendment and Termination	52
Annex A	Rules and Regulations.....	54

ARTICLE 1 PURPOSE OF AGREEMENT

1.01 The purpose of this Agreement is to define the relationship between the Company and the Union, the wages and working conditions of employees of the Company represented by the Union, to secure the efficient operation of the Company's business without interference or disruption of work, and the means by which complaints, grievances and disputes shall be disposed of promptly and equitably.

ARTICLE 2 RECOGNITION

2.01 The Company recognizes the Union as the sole and exclusive bargaining agent for all employees of the Company employed at the MacDonald - Cartier International Airport in Ottawa, excluding supervisors and those above the rank of supervisor (CIRB File 30000-C).

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

2.03 **Status** – means the status of full-time or part-time employment.

- 2.04 Should any part or provision of this Agreement be rendered invalid by reason of legislation enacted by the Government of Canada, such invalidation of any part of the provisions of this Agreement will not invalidate the remaining portions thereof, and they will remain in full force and effect.
- 2.05 **Union** – means the International Association of Machinists and Aerospace Workers (IAM&AW), represented by Transportation District Lodge 140 and Local Lodge 2413.
- 2.06 The Company will not utilize non bargaining unit employees to perform the duties of any employee covered by this agreement except due to unforeseen operational requirements or where a situation requires immediate action, which could not be planned for or reasonably predicted. The use of supervisors shall not result in the layoff of a regular or part time employee nor shall it result in the reduction of hours for members of the bargaining unit or a loss of overtime for bargaining unit employees.

ARTICLE 3 RIGHTS OF MANAGEMENT

- 3.01 The Management of the Company and the direction of its employees are vested exclusively in the Company

and shall not in any way be abridged except as specifically restricted in this Agreement.

3.02 The Union acknowledges that it is the exclusive right of the Company:

- (a) To maintain order, discipline and efficiency, and to establish and enforce reasonable Company rules, and to discipline, suspend and discharge non-probationary employees for just cause.
- (b) To hire new employees, classify, direct, promote, demote, transfer, assign shifts and increase and decrease the work force from time to time.
- (c) The Company and Union agree that, where discipline is appropriate, such discipline shall be imposed in accordance with the Company's Peak Performance Through Commitment Policy.
- (d) When an employee is to be suspended from work as a disciplinary measure, the action will be given within a reasonable period of time, unless otherwise mutually agreed, after the circumstances giving rise to the suspension came to the attention of the Company. As used in this Section, the term "working days" shall mean actual days worked by the employee involved.

(e) Generally to manage the enterprise in which the Company is engaged and, without restricting the generality of the foregoing, to establish the schedules of work, the right to determine the number and types of employees needed by the Company at any time, the kinds of machines, tools and equipment to be used and to establish Company policy and procedures required for the efficient conduct of its business.

3.03 The Company agrees to give a written notice fourteen (14) calendar days before it implements any change in written Rules and Regulations and to give a copy of the proposed change to the Union. The Union acknowledges that it has been provided with a list of existing Rules and Regulations which are presently in force and which appear in Annex “A” of the present collective bargaining agreement.

3.04 The Company agrees that its exclusive functions provided by this Agreement shall be exercised in a manner consistent with all provisions of this Agreement.

ARTICLE 4 UNION DUES AND UNION MEMBERSHIP

4.01 Subject to the provisions of the Canada Labour Code, it is agreed that all employees covered by this Agreement

shall become members and shall remain members of the Union in good standing as a condition of employment. This article may not be used to deprive an employee of his/her employment.

- 4.02 (a) Membership in the Union shall be available to any employee eligible under the constitution of the Union on payment of initiation or re-instatement fees uniformly required of all other such applicants by the Union Local. Membership shall not be denied on the basis of any prohibited ground under the applicable human rights legislation.
- (b) New employees shall make application for membership in the Union at the time of their hiring and shall become members of the Union after they have paid the required initiation fee prescribed in the Unions bylaws. They must remain in good standing as a condition of employment. Such completed applications shall be sent to the Secretary-Treasurer of the Local Lodge forthwith.
- (c) At the earliest opportunity, the employee's immediate supervisor shall introduce the new employee to his/her Chief Steward or designee. Where more than one employee has been hired in a period of time the meeting will include all new hires. The Chief Steward or designee will

provide him/her with a copy of the Collective Agreement and will ensure Union applications are completed by such new hires and forwarded to the appropriate Union office.

- 4.03 The Company agrees that all employees covered by this agreement shall have monthly dues deducted from their wages as a condition of employment. The deduction of Union dues shall commence from the first day of employment, beginning with the first pay, and each pay thereafter, from all Union employees. The full deduction will be split evenly over 26 pays in each calendar year.
- 4.04 The Company agrees to deduct Union Dues in the amount prescribed by the Union to the Employer in writing from time to time. Such deductions shall be remitted by cheque or electronic fund transfer to Transportation District Lodge 140 of the Union by the fifteenth (15th) day of the month following the month in which the deductions were made. The Union will notify the Company in writing of the name of the Union Official to whom the money so deducted shall be sent. The monies so deducted are deemed to be trust monies belonging to the Union.
- 4.05 If the wages of an employee payable on a pay date are insufficient to permit the deduction of the full amount

- of dues, no such deduction shall be made from the wages of such employee by the Employer in such pay period.
- 4.06 Deductions from wages except those required by this Agreement and the Law and repayment of payroll errors shall be made only on written authority of the employee. All deductions will be shown on the pay voucher.
- 4.07 Payroll deductions required by Law, deductions of money due or owing to the Company including repayment of payroll errors and deductions for Medical and Group Insurance shall take precedence over the deduction of Union Dues when the wages payable are insufficient to permit the deduction of Union Dues.
- 4.08 The Company will, at the time of making each remittance hereunder to the Secretary-Treasurer of the Union supply a statement showing the following information from whose pay deductions have been made;
- (a) All monthly dues for members to be submitted in alphabetical order by name with hire date, classification, hourly rate, dues deducted and employment status;

(b) The Company further agrees that it will supply all such information by way of electronic mail (e-mail) and a hard copy, if so requested by the Union.

4.09 The Employer will show the amount of the dues deducted on T-4 slips issued to employees.

4.10 When requested in writing, the Employer will provide to the Union within ten (10) calendar days a list of member's names and wage rates.

4.11 The Union shall indemnify and save harmless the Company, its agents and/or employees acting on behalf of the Company from any and all claims, demands, actions, or causes of action, arising out of or in any way connected with the collection of such dues and initiation fees for Union members only.

ARTICLE 5 STRIKES AND LOCK-OUTS

5.01 (a) Strikes - It is hereby agreed that it is the intention of the parties hereto to prohibit strikes in any form, for any reason, during the term hereof. Therefore, the Union, on behalf of itself and the employees it represents, expressly waives the right to engage in any type of strike, including but not limited to, sympathy strikes, unfair labour practice strikes, or any slowdown or intentional

restriction of output by an individual employee or a group of employees.

- (b) In addition, during the term of the Collective Agreement or negotiation for its renewal, there shall be no lock-outs by the Company.

ARTICLE 6 NO DISCRIMINATION

- 6.01 The Union and its officials and members shall not use coercion or intimidation or discriminatory action in persuading any employees of the Company to participate in Union activities.
- 6.02 No employee shall be discriminated against by the Company nor suffer any loss of employment because of membership or activity in the Union so long as such activities are not carried on during working hours except as explicitly permitted by this Agreement.
- 6.03 Where the word “he” is used in this Collective Agreement, it also means “she”.
- 6.04 The Company agrees to abide by the Canadian Human Rights Act and that no employee shall be discriminated against by the Company, or the Union, on the basis of any prohibited ground under applicable human rights legislation.

- 6.05 (a) Every employee has the right to work in an environment of mutual respect, free from discrimination and harassment including sexual harassment. Harassment included demeaning and abusive behaviour and includes any unwelcome physical contact, comments, gestures, body language, posting or distributing of material, or other behaviour which has the purpose or effect of interfering with an employee's work performance or creating a hostile or offensive work environment.
- (b) Harassment is not to be construed as properly discharged supervisory responsibilities including the delegation of work assignments, or the assessment of discipline. This policy is not meant to inhibit free speech or interfere with normal social relations which are not in violation of the harassment policy.
- (c) Action contravening this policy will constitute grounds for discipline.
- (d) Where harassment complaints are determined to be frivolous, vindictive or vexatious, action may be taken against the complainant or appropriate parties.

6.06 An employee subjected to discrimination including harassment may file a written complaint with the General Manager or his/her designate who shall advise the President of the Local Union. If necessary, the Company and the Union will commence a thorough joint investigation. If unresolved, the Union may appeal the decision to arbitration.

ARTICLE 7 SPECIFIC PERFORMANCE

7.01 The waiver of any of the provisions of this Agreement or the breach of any of its provisions by any of the parties shall not constitute a precedent for any further waiver or for the enforcement of any further breach.

ARTICLE 8 UNION REPRESENTATION AND SAFETY

8.01 The Union shall submit the name of the Chief Steward and Union Stewards to the Company in writing.

8.02 The parties agree to have quarterly labour relations meetings on Company time, if necessary. The necessity for such meeting shall be identified by either party submitting an agenda of matters to be discussed. The General Chairperson of District 140 may be present at the meeting with the Company.

8.03 The Union shall designate and the Company shall recognize a Chief Steward and a Steward. The Union shall also designate Alternate Stewards and the Company will recognize the Alternate Stewards in the absence of regular Stewards. The Union will endeavour to appoint employees who are on different shifts as its stewards so that a steward is available to assist employees when required. The Company shall be kept informed of the name of each Union Steward and the shift for which he has responsibility. The parties agree to increase the number of Stewards in the event the Company substantially increases the current number of employees.

8.04 The Company recognizes that the necessity for performance by a Steward of the functions described in Article 9 hereof for settlement of a complaint or grievance which can commonly arise during his regularly scheduled working hours and agrees that, as reasonably permitted by the operational requirements of the company, he shall be permitted the necessary time off without loss of pay to perform such functions. Before leaving his regular Company duties to attend to such matters, the Steward shall obtain permission of his immediate Supervisor, such permission will not be unreasonably withheld. He shall report to the Supervisor when resuming his regular duties.

- 8.05 The Union Negotiating Committee member who is scheduled to work shall be granted time off with pay necessary to conduct direct negotiations with the Company for a new Collective Agreement. The Union Negotiating Committee member who is not scheduled to work when conducting direct negotiations with the Company for a new Collective Agreement shall be entitled to take a mutually agreed paid day off in lieu.
- 8.06 Any time consumed on union business or activities that has been authorized by the Company or agreed to under this Collective Agreement, excluding Articles 8.00 & 9.00 will be paid by the Company and charged to Local Lodge 2413, plus a ten (10) per cent administration fee. The Local Lodge will provide the Company with the respective time clearance request and will reimburse the Company by month end.
- 8.07 The Chief Steward shall have super seniority for the purposes of lay-off only.
- 8.08 The Company will determine the hours of work and shift schedules. Prior to effecting a schedule change, the Company will review the schedule with the Union Chief Steward prior to posting the schedule and shall give the Union Chief Steward an opportunity to present his/her views of any such proposed changes prior to management making its' final decision.

8.09 Health and Safety

- (a) The Company will take all necessary precautions to maintain healthy and safe conditions at all work places. Health and Safety matters are important and all employees and Company personnel have an obligation to perform their work in a safe manner and to bring any situation which represents a hazard to health and safety to the attention of the Company and/or Health and Safety Committee. The provisions of Part II of the Canada Labour Code and all other applicable legislation will govern the conduct of the Company, the Union and employees in matters related to occupational health and safety.
- (b) A Health and Safety Committee, consisting of at least one (1) member appointed by the Company and at least one (1) member appointed by the Union will be established in the base. The Committee will meet as required to fulfil the requirements of the applicable provisions of the *Canada Labour Code*. The Company shall post and keep posted the names of all the members of the Health and Safety Committee in a conspicuous place or places where they are likely to come to the attention of the employees.

- (c) The Union Health and Safety Committee Members are entitled to such time from his/her work as is necessary to carry out his/her functions as a representative. Any time spent by him/her carrying out those functions, for the purposes of calculating wages owing, will be deemed to have been spent at his/her work.

- (d) With advance notice and the permission of the General Manager, the District Lodge 140 National Health and Safety Coordinator shall have access to all work areas and staff covered by this agreement. Such permission shall not be unreasonably withheld.

- (e) Where the nature of the work or working conditions so require, employees will be supplied, at Company expense, the necessary protective clothing as outlined in Article 24 of the agreement, safety equipment and other protective devices, which will be maintained and replaced, where necessary, at Company expense. Employees are required to use these items where necessary.

ARTICLE 9 COMPLAINTS, GRIEVANCES AND DISPUTES RESOLUTION

9.01 The parties hereto desire that every complaint shall be

dealt with as it justly deserves as quickly as possible and that adjustment of every justified complaint shall be promptly made. An employee who has cause for complaint shall discuss it with the immediate supervisor (first step grievance procedure hereunder) within seven (7) calendar days of the cause of complaint or right to grieve shall be deemed waived.

9.02 An employee who has a complaint shall discuss it with the General Manager and if the employee requests, with his Shop Steward with a view to prompt and fair adjustment.

9.03 During the discussion of a grievance, if it is mutually agreed that witnesses would aid in settling the grievance, they may be requested to attend. Should the employee not receive satisfaction from his supervisor in regards to the complaint, he may state his grievance in writing on the appropriate form and the Chief Steward or Shop Steward will present it to the General Manager.

The General Manager will render their decision within seven (7) calendar days.

9.04 Grievance Procedure - Second Step

Should the decision made at Step 1 be unsatisfactory

the Union may appeal to the Company's Regional Managing Director with a copy to the Human Resources Manager, within seven (7) calendar days. Within seven (7) calendar days, the Regional Managing Director and/or Human Resource Manager shall meet with the Chief Steward or his designee and General Chairperson to discuss the matter. The Regional Managing Director and/or Human Resource Manager shall deliver his/her answer in writing to the Union within ten (10) calendar days, following the meeting.

9.05 Any time limits provided by this Article 9.00 may be extended or curtailed by mutual agreement.

9.06 Unsettled Disputes

Any matter discussed by the Company and the Union pursuant to Section 8.02 hereof which is not adjusted to the satisfaction of both parties and any dispute over the settlement of a grievance at the Second Step may be required by either party to be submitted to arbitration provided that it shall be deemed to be settled or abandoned if, within seven (7) calendar days after a final decision has been announced neither party shall have given written notice of intent to submit the matter to arbitration.

- 9.07 Any time limits provided by this Article 9.00 may be extended or curtailed by mutual agreement.
- 9.08 Within seven (7) calendar days, all non probationary employees shall be given written reasons for discipline or dismissal and copies shall be supplied to the Union.
- 9.09 (a) Wherever possible and reasonable, the Company will advise the Union in advance of suspending or dismissing an employee. In such cases, the employee will be given an opportunity to speak with his Steward or Peer Representative in advance of leaving the workplace. The Union recognizes that there may be situations (including but not limited to physical violence, aircraft damage, an immediate safety hazard or theft) where it would not be possible or reasonable to advise the Union prior to suspending or dismissing an employee. The Company shall not discipline or dismiss employees except for just cause.
- (b) Whenever an employee is involved in an accident, the Company will contact a Shop Steward or a Union Member of the Health & Safety Committee to ensure such representative is on the scene as integral to the investigation. If none are available, any other union member that the employee is agreeable to. Nothing in this clause

shall be construed to prevent the Company from suspending an employee with pay, pending a hearing.

- 9.10 An employee with seniority who feels that he has been unjustly suspended or dismissed may present a grievance and the same shall be entered at the Second Step of the Grievance Procedure provided by Article 9.04 hereof, provided that the right to grieve shall be deemed to be waived if a grievance has not been presented within seven (7) calendar days after the separation of employment or aforesaid disciplinary action.
- 9.11 Failing settlement by the said grievance procedure, a grievance regarding discipline or dismissal may be submitted to arbitration as provided by Article 10.00 hereof, and the arbitrator shall make such settlement as he deems just.
- 9.12 (a) An employee must be advised of any written report on his personnel file and shall have the right to reply within seven (7) calendar days to such written report. Such reply shall become a part of the employee's personnel file so long as such written reports remain in the file. Employee shall have the right to see their personnel file upon request.

- (b) Disciplinary letters shall be removed from an employee's personnel record after a period of twenty four (24) months from the date of issue and shall not be used in any disciplinary matters including arbitration, once such letters are removed.

- (c) Employees receiving written disciplinary letters on their personnel files shall be made aware of such by the Company. The Chief Steward will be copied on all such correspondence.

ARTICLE 10 ARBITRATION

- 10.01 Any matter or question arising from the interpretation, application, administration or an alleged violation of this Agreement, including the question of whether a matter is arbitrable, may be submitted to arbitration by the parties hereto as herein provided.

- 10.02 No matter shall be submitted to arbitration by the parties hereto unless and until they shall have attempted to arrive at a settlement by the means provided by Section 8.02 and Article 9.00 hereof.

- 10.03 Within fifteen (15) calendar days after notice of intention to arbitrate has been given as provided in Section 9.06 hereof, the Company and the Union shall attempt to jointly name an arbitrator. No person shall

- be named as an arbitrator who has participated in an attempt to settle the grievance or dispute.
- 10.04 The parties hereto shall jointly, in writing, stipulate the matter to be arbitrated to the arbitrator.
- 10.05 If the parties fail to reach agreement on an arbitrator within ten (10) calendar days or within such longer period as they may mutually agree upon, the Federal Minister of Labour shall appoint an arbitrator.
- 10.06 Such arbitrator shall not have any authority to add, subtract, alter, amend or extend the provisions of the agreement. However, such arbitrator in cases of employment suspension, discipline or dismissal shall have the right to uphold, amend or rescind the Company's decision if he finds them unjustified.
- 10.07 The proceedings of the arbitration shall be expedited by the parties hereto.
- 10.08 The decision of the arbitrator shall be final and binding upon the parties hereto and upon any employee concerned in or affected by the said decision.
- 10.09 The parties shall each pay one-half of the expenses of the arbitrator.

ARTICLE 11 PROBATION

11.01 The first one hundred and eighty (180) calendar days of an employee's employment shall be the probationary period during which the Company will assess whether a new employee, who has been evaluated, is suitable to be retained and, if so, where in the Company's operations he may best be employed. It is understood that such new employee, who sees his employment terminated during the probationary period for just cause, is not entitled to the grievance procedure. When probation has been completed, seniority will be counted from the initial date of hire which is the first day of training or first date of work for which an employee is paid.

For employees hired on the same day the procedure as per Article 12.08 will be followed.

11.02 Any person re-employed by the Company after having separated from its employment shall, when re-employed again, be a probationary employee as herein provided. A laid off employee who retains seniority, as provided by Article 13.00 hereof, or an employee on leave of absence, as provided by Article 14.00 hereof, shall not be deemed to have separated from employment and shall not again be a probationary employee should he return to work.

ARTICLE 12 SENIORITY

12.01 Definition

For the purpose of this agreement and unless otherwise stipulated, "seniority" shall mean the length of service with the Company and shall govern vacation entitlement, scheduling, lay-offs, recalls and when employees bid for a posting as per Article 15.02. The Company will prepare and maintain a seniority list, revise and publish it on the Company's information system. A copy shall be supplied to the Chief Steward and to the Local or District Union office upon request.

12.02 Notwithstanding article 12.01, for the purposes of scheduling only, "seniority" shall include an employee's service with Worldwide Flight Services.

12.03 The seniority list of all employees presently in the bargaining unit has been agreed to by both parties and may not be modified except as provided for in this article.

12.04 Any employee shall have thirty (30) working days to challenge the accuracy of the seniority list. Thereafter, the list will be deemed to be correct subject to clarification of the challenge. Employees on vacation leave and those on Leave of Absence at the time of

posting will have fourteen (14) calendar days from their return to work to seek corrections.

12.05 Termination of seniority and employment

Employee employment and seniority shall both terminate when an employee:

- (a) voluntarily terminates his employment;
- (b) is discharged for cause and not re-instated;
- (c) retires, with or without a pension;
- (d) fails to report for work after termination of leave of absence;
- (e) uses a leave of absence for a purpose different from the purpose for which it was granted;
- (f) is absent for three (3) consecutive scheduled working days without notifying the Company of such absence and without providing satisfactory reason to the Company, except when circumstances beyond the employee's control make it impossible to give such notice;

(g) fails to report to the Company after being recalled from layoff within seven (7) calendar days of receipt of notice of recall in line with Article 13.04. Such notices to be sent by registered mail to the employee's last known address with the Company.

12.06 An employee who has been laid off shall retain but not accrue seniority as per Article 13.03 (b).

12.07 Any employee performing temporary functions outside the scope of this Agreement for a period exceeding six (6) months per year will have his seniority frozen after that period of time. At the end of such temporary assignment, the employee shall return to his previous position.

12.08 Same Day Hiring

The seniority of employees hired on the same day (relative to the other employees hired on the same day) will be determined by the last three digits of the social insurance number (or the last four digits, in the event of two employees having the same last three digits), the lower number being the more senior.

ARTICLE 13 LAY-OFF AND RECALL

- 13.01 Should any circumstance including fire, flood, explosion, Act of God, work stoppage by employees of an airline serviced by the Company, or circumstances beyond the control of the Company make it necessary to reduce the workforce, the employees affected thereby shall be laid-off according to Company Seniority with forty-eight (48) hours notice. In the event of a partial resumption of operations, the employees affected shall be recalled according to Company Seniority.
- 13.02 (a) The Company has the right to lay-off employees to the extent it determines to be necessary. In the event of a lay-off, the Company shall lay-off according to Company Seniority.
- (b) The Company agrees to meet the Union in the event of a lay-off to discuss methods that may assist in minimizing the numbers of employees to be laid off.
- (c) Recalls from such lay-offs shall be according to Company Seniority.
- (d) In the event of major operational changes, the parties agree to meet and review the status of full-

time and part-time positions prior to any lay-off.

- 13.03 (a) The Company shall notify the Union as soon as possible prior to any lay-off or when the Company reduces the number of full time employees. All employees shall receive at least ten (10) days notice of any lay-off, except in the case of lay-off as defined in 13.01.
- 13.03 (b) An employee who has been laid off shall retain but not accumulate seniority. He shall be listed according to seniority after the date of layoff and remain on the seniority list for recall for a maximum of twenty four (24) months. If not recalled to work during the applicable period, the employee's name shall be removed from the seniority list and his status as an employee terminated.
- 13.04 Employees, when laid off, must file their address and telephone number with Human Resources and must advise Human Resources in writing of any subsequent change. Recall shall be by registered mail and phone call by the Company with a Union Steward or Union member present. Employees will be given seven (7) days to respond to a recall request. If no response is received, the Company will make a second phone call,

and will allow the employee twenty-four (24) hours to respond to the second recall request.

- 13.05 An employee who fails to respond to a recall request as required in Article 13.04 shall lose all seniority and his name shall be removed from the seniority list and employment will then be considered terminated. If an employee fails to return to work or to have satisfied the Company that he is unable to return because of accident or illness or other sufficient cause, he too shall lose all seniority and his name shall be removed from the seniority list and employment will then be considered terminated.

13.06 Severance Pay

An employee who is laid off for longer than twelve (12) months can elect to abandon his recall rights and receive the severance pay provided by the Canada Labour Code.

ARTICLE 14 LEAVE OF ABSENCE

- 14.01 (a) When the requirements of the Company permit and upon successful completion of the probationary period, a leave of absence without pay may be considered by the Company upon two (2) weeks written notice except in special circumstances for

a period of not less than one (1) week and not exceeding ninety (90) calendar days. Such leave when granted shall be without loss of accrued seniority.

(b) The granting of such personal leave is at the sole discretion of the Company. The employee may maintain insured benefit coverage by paying the employee's cost of the premium.

(c) The Company will indicate its decision regarding the leave in writing including commencement and termination dates. The Company shall give its written reply within fourteen (14) calendar days of receipt of a request and shall copy the Chief Steward with its decision. Such leave cannot be cancelled unless by mutual agreement.

14.02 Upon at least seven (7) days written request from the Union, the Company shall not unreasonably deny a leave of absence, without pay, to officials of the Union or their delegates for such transaction of Union business provided that such leaves of absence shall not exceed an aggregate of ninety (90) days in any calendar year for any such employee and provided the efficient operating of the Company is not compromised. In any event, such leave of absence shall be restricted at any one time to a maximum of two (2) employees.

The duration of such Union leave of absence shall not exceed one (1) week at any given time, unless mutually agreed upon.

14.03 Maternity Leave/Parental Leave

The Company shall grant maternity and parental leave in accordance with the Canada Labour Code and shall post these regulations on their JetNet system for employees to access.

14.04 Bereavement Leave

- (a) In the event of a death in the employee's immediate family, he will receive the next three (3) scheduled working days off with pay at his normal rate of pay. Additional days may be deducted from vacations. As well, employees may request additional days without pay. In addition, if the employee is notified while at work of death in his immediate family, he shall be relieved from duty for the balance of that work day. The employee may be required to provide proof of death by way of a doctor's certificate, death certificate, or other evidence satisfactory to the Company. In the event the death in the immediate family is outside Canada, the employee may have an additional seven (7) days Leave of Absence, without pay, to

attend the funeral. Failure to return after such leave for the employee's next scheduled shift will place the employee's employment status at risk.

- (b) the employee will not be paid for this time if they have not completed three (3) consecutive months of employment with the Company.

Immediate family means: legal spouse/common law partner, same sex partner, child, spouse's/partner's child, mother/stepmother, father/stepfather, sister, brother, mother-in-law/mother of partner, father-in-law/father of partner, employee's grandparents, employee's grandchildren or any relative of the employee who permanently is with the employee or with whom the employee permanently resides.

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

14.05 Compassionate Care Leave

The Company agrees to abide by the Compassionate Care Leave provisions in the Canada Labour Code and shall post these regulations on their JetNet system for employees to access.

ARTICLE 15 JOB POSTING

- 15.01 When a permanent vacancy occurs within a classification covered by this agreement, the Chief Steward will be notified and the vacancy will be posted on the Company's on-line tool. Employee's shall apply on-line. The Company considers skills, experience, and competence of the applicants, and where, in the opinion of the Company, they are equal, seniority shall govern.
- 15.02 All Bargaining Unit vacancies will be posted for a period of seven (7) calendar days on Company bulletin boards. If no suitable applicants are brought forward by this posting within the seven (7) calendar days specified, the Company will fill the vacancy by such other means as it may deem fit.
- 15.03 Prior to going on vacation or any other authorized Leave of Absence, employees will notify their respective Department Manager in writing, of any position they wish to apply for in the event a job is posted during the period of the employees absence.
- 15.04 The Company will transfer successful bidders to their new position within thirty (30) calendar days of the award date, unless otherwise agreed between the Union and the Company.

15.05 The Company can fill a position without prejudice during the posting process due to operational requirement.

ARTICLE 16 POSTING NOTICES

16.01 The Union may post notices concerning the Union meetings and activities at specific places on the Company premises, subject to Company approval.

16.02 The Company shall supply at least one (1) lockable Bulletin Board of a suitable size for Union Notices only. While the content of the Notices shall be at the sole discretion of the Union, they shall not contain notices that are illegal, abusive, libellous, of a defamatory nature, or that could be contrary to good customer relations. The Union will provide the Company with an advance copy of any posting, other than those of a routine nature. The Chief Steward shall have a key to such Bulletin Board(s).

ARTICLE 17 HOURS OF WORK & SHIFT ARRANGEMENTS

17.01 It is recognized the Company may operate a continuous operation (24 hours a day, 7 days a week, 365 days a year). As such, the Company needs to schedule employees to meet those demands.

17.02 (a) The standard work week for full-time employees shall be forty (40) paid hours per week with two (2) consecutive rest days. The standard working day for full-time employees will be eight (8) and a half hour unpaid meal break. The Company reserves the right to introduce modified work schedules with the agreement of the Union.

(b) Part-time employees shall be scheduled no less than twenty (20) hours in a work week.

(c) Part-time employees will be scheduled a minimum of four (4) hours per day.

17.03 The Company will determine the hours of work and shift schedules. The Company will review the schedule with the Union Chief Steward prior to posting the schedule (as per Article 8.08).

17.04 Employees will be given at least twenty-one (21) days notice of a new shift bid, if possible. The new shift bid will be posted for seven (7) days prior to the bid. The new shift bid will be finalized at least seven (7) days prior to implementation of the new shift schedule.

17.05 (a) Shifts will be bid by qualified employees in order of seniority. Employees who do not exercise their bidding rights will be assigned shift lines.

(b) The Company shall not alter an employee's scheduled days off unless it is operationally necessary. Except in cases of highly unusual circumstances including fleet grounding, aircraft accidents and terrorism, the employee will be given five (5) days notice in writing with a copy to the Union.

17.06 The shift bid may include relief lines. Employees bidding relief lines will be advised of their schedules seven (7) days in advance and shall bid on the relief lines by seniority.

17.07 Vacancies on existing bids which occur between shift bids may be filled by the Company until the next shift bid.

17.08 Meal Breaks

Shifts in excess of five (5) hours shall have a thirty (30) minute unpaid meal break. In the event an employee misses his meal break due to unexpected operational requirements, he shall be paid the (30) minutes at his regular hourly rate or at time and one half (1 ½) if his hours exceed eight (8) in the day.

17.09 Additional Hours - Planned

In the event of unanticipated circumstances, the Company may offer additional hours to cover

operational requirements and the following shall apply:

- (a) Additional hours will be posted by the Company at least ten (10) days in advance, if possible. Employees who wish to work the additional hours will sign up by the closing date. Hours will be assigned at least three (3) days in advance.
- (b) Additional hours will be offered by seniority to qualified employees who have signed up to work to a maximum of eight (8) hours per day.
- (c) Additional hours shall be filled by extending shifts of part-time employees on shift that day in reverse order of seniority, failing that, among the remaining part-time employees in reverse order of seniority. However, consideration should be given to the employee's prior commitments when making such assignments.

ARTICLE 18 OVERTIME

18.01 The Union recognizes the necessity of overtime work in the airline industry and agrees to cooperate with the Company in this respect.

- 18.02 No overtime shall be worked except by direction of the proper supervisory personnel or in the absence of the General Manager, the Lead Agent. Any employee who has not been notified by the General Manager or Lead Agent that he is required to work overtime will leave at his normal quitting hour.
- 18.03 The Company will notify employees of overtime requirements in advance, whenever possible, two (2) hours before the end of shift, and two (2) hours in advance of call-in.
- 18.04 Employees shall be compensated for authorized overtime worked in excess of eight (8) hours in a day or in excess of 40 hours in a week as follows:
- (a) All authorized overtime will be calculated at time and one-half (1.5) the employees regular rate of pay.
 - (b) Overtime does not apply to a shift trade unless the employee works in excess of eight (8) hours in a day.
 - (c) Training hours are paid at straight time and shall be considered hours worked for the purpose of paragraph (a).

- 18.05 The Company agrees to provide a half hour unpaid rest period every 5 hours worked.
- 18.06 (a) Overtime will be offered to qualified employees, by seniority within the work group (i.e. Lead Agents, Station Agents) on shift that day as equitably as practical.
- (b) An employee who has completed his regular shift and has clocked out, and is then recalled to work extra time, shall receive a minimum of four (4) hours of work at the applicable rate.
- 18.07 Except for unforeseen operational emergencies no employee will be allowed to work more than sixteen (16) hours in any twenty-four (24) hour period. The Union will be advised prior to such action to allow time for any alternate arrangements to be made.

ARTICLE 19 STATUTORY HOLIDAYS

- 19.01 The following Statutory Holidays shall be observed:
- | | |
|----------------|------------------|
| New Year's Day | Labour Day |
| Good Friday | Thanksgiving Day |
| Victoria Day | Remembrance Day |
| Canada Day | Christmas Day |
| Civic Holiday | Boxing Day |

- 19.02 Employees who are required to work on a Statutory Holiday shall be paid, in addition to their regular wages for the day, one and one-half times their regular rate of pay for hours worked on the holiday. Alternatively, at the employee's option, the employee may be granted a day off with pay as the holiday at a later date convenient to both the employee and the Company.
- 19.03 If a Statutory Holiday falls on an employee's regularly scheduled day off, the employee's next scheduled work day becomes the holiday and the employee will be paid in accordance with Article 19.02.
- 19.04 Full-time and part-time employees scheduled to work on the Statutory Holiday and who have had their request granted to have the day off will be paid straight time for their scheduled hours.
- 19.05 Should a Statutory Holiday fall within an employee's vacation, such vacation period may be extended by one (1) working day for each such Statutory Holiday, if operations permit. If operations do not permit, the employee's next scheduled workday becomes the holiday and is paid as described above.

ARTICLE 20 JURY DUTY AND CROWN WITNESS

20.01 Employees who are summoned to serve as a juror must immediately notify the Company and present their summons. Employees will be paid for scheduled hours on workdays. Employees are required to notify their supervisor as soon as they receive a request to report for jury duty, or to appear as a witness for the Crown. An employee who received jury duty fees on a scheduled work day(s) will have the fees deducted from their pay. Employees must obtain a statement of fees from the Court and provide it to the Company.

20.02 Employees who must appear in court for reasons other than those mentioned in Article 20.01 shall be granted local leaves of absence without pay provided they supply the proof or verification for such attendance.

ARTICLE 21 ANNUAL VACATION

21.01 All employees shall receive vacations with pay in accordance with the following provisions:

- (a) Employees who, at the time in which the vacation is to be taken, have more than one (1) year of service, shall receive two (2) weeks vacation with pay equal to four percent (4%) of his total earnings with the Company during the year ending

the preceding December 31st or 2 weeks pay, whichever is greater.

- (b) Employees who, at the time in which the vacation is to be taken, have more than five (5) years of service, shall receive three (3) weeks vacation with pay equal to six percent (6%) of his total earnings with the Company during the year ending the preceding December 31st or 3 weeks pay, whichever is greater, or
 - (c) Employees who, at the time in which the vacation is to be taken, have more than fifteen (15) years of service, shall receive four (4) weeks vacation with pay equal to eight percent (8%) of his total earnings with the Company during the year ending the preceding December 31st or 4 weeks pay, whichever is greater.
 - (d) Annual vacations will be taken January through December each year.
- 21.02 (a) Vacation pay shall be paid for vacations not taken to an employee who quits, is dismissed, or is terminated. An employee who has been temporarily laid off, as provided in Article 13.01 hereof, may request to receive vacation pay at the

time of his scheduled vacation or on the next pay period immediately following the layoff.

- (b) An employee who becomes ill before the scheduled vacation may take the vacation at a later date that is mutually agreed upon by the employee and the Company.

21.03 Vacation Scheduling

The following vacation scheduling system will apply, unless mutually agreed otherwise by the parties to the agreement:

- (a) Employees shall bid on their vacation selection twice per calendar year.
- (b) On November 1st and May 1st the Company will post a vacation selection calendar for the benefit of the employees. Employees who wish to bid their vacation shall have twenty-one (21) calendar days to register their vacation preference in order of seniority. Employees who do not register their choice within this time period may indicate their preference at a later date and will be assigned remaining vacation subject to operational requirements within that vacation year.

- (c) The vacation selection calendar will be based on the vacation entitlement of all employees with the available weeks determined by operation requirements. There will be no embargo of vacation weeks except during peak periods as determined by the Company.
- (d) The Company will post the approved vacation schedule not later than December 1st and June 1st each calendar year. Once assigned, vacation cannot be changed without mutual consent of the Company and the employee.
- (e) Employees are restricted to bidding only two (2) weeks vacation each from mid June to Labour Day and the three (3) weeks around Christmas.
- (f) Employees will be required to use their full annual entitlement.
- (g) Vacation will be taken in no less than one week increments and will be scheduled Saturday through Friday.
- (h) When all employees in the classification have indicated by bid their vacation choice, employees who fail or choose not to bid by the deadline can select their vacation on remaining weeks available.

21.04 The amount of vacation is reduced for leave of absences in excess of 89 days with the exception of maternity, parental and compassionate care leave of absences as indicated in the following table:

Years of Seniority	Less than 5	5 to 14	15 to 19	20 or more
# of Days on LOA	Number of Vacation Days Reduced			
Up to 89	0	0	0	0
90-119	1	1	2	2
129-149	2	3	4	5
150-179	3	4	6	7
180-209	4	6	8	10
210-239	5	7	10	12
240-269	6	9	12	15
270-299	7	10	14	17
300-329	8	12	16	20
330-359	9	13	18	22
360+	10	15	20	25

ARTICLE 22 BENEFITS AND INSURANCE PLANS

The Company agrees to provide the various benefit and insurance plans including Life, Accidental Death and Dismemberment, Dependant Life, Vision Care, Short Term Disability, Long Term Disability, Extended Health Care, Prescription Drugs and Dental.

Details of the insurance plan shall be as contained in the Manulife Insurance Plan Company Policy # G0077835.

To be eligible an employee must:

- Be employed with the Company for 30 days.
- An employee must work twenty (20) hours per week.
- To be eligible for Short Term Disability an employee must work twenty five (25) hours per week.

The Company further agrees to provide a summary of benefit and insurance plans to employees.

The Company reserves the right to substitute another reputable insurance carrier for the current one at its sole discretion as long as the overall employee benefits remain comparable. The Company agrees to consult with the Union at the District level prior to implementing changes to the current plan. Employees who are enrolled in the plan shall be furnished with a copy of the benefit book upon enrolment.

ARTICLE 23 CLASSIFICATION OF EMPLOYEES

23.01 Every employee covered by this Agreement shall be classified under a job title and job description appropriate to the work he normally performs.

23.02 The following job classifications will be covered by this agreement:

(a) Station Agent & Lead Agent

23.03 To provide for introduction of new work or where there has been substantial change in the work assignment of an existing job description, the Company shall revise an existing job description, or prepare a new job description under a new job title. Such new or revised job descriptions and the wage rate therefore shall be subject to agreement between the parties hereto and may be referred to the Grievance and Arbitration procedure for settlement. The wage rate for such revised or new job description shall be based on the relationship it bears to the job description and wage rates listed in Annex “B”

23.04 Should the matter of job description and wage rate for a new classification be referred to the Grievance and Arbitration procedure, until a decision is reached the Company may classify employees therein and pay the tentative wage scale.

23.05 Job Descriptions

These descriptions have been designed to indicate the general nature and level of work performed by

employees within the classifications. It is not designed to contain or be interpreted as a comprehensive inventory of all duties, responsibilities and qualifications which may be required of employees assigned to this job classification. Job descriptions may be amended from time to time and are available to employees on JetNet.

ARTICLE 24 UNIFORMS

The Company will provide the following uniforms to its employees at no cost. Employees are required to be dressed in uniform for the entire shift. Any employee not wearing their uniform may be required to change.

<u>Item</u>	<u>Quantity</u>	<u>Replacement</u>
Pants/Shorts	Five (5) combination	Annually
Shirts	Five (5)	Annually
Belt	One (1)	Annually
Tie or Scarf	One (1)	Annually
Vest or Cardigan	One (1)	Annually
Rain Gear	One (1)	3 years
Winter Parka	One (1)	3 years
Knee Pads	one (1)	As required
Summer Gloves	As needed	As required
Winter Gloves	As needed	As required
Hearing Protection		

(Summer)	One (1)	As required
Hearing Protection		
(Winter)	One (1)	3 years
Safety Vest	One (1)	As required

ARTICLE 25 SICK DAYS

25.01 Sick Pay

American Eagle new hire employees are credited with 6 days (full-time - 48 hours; part-time – 24 hours) of sick pay after completion of the probationary period. After this initial credit, accrual will continue throughout the remainder of the year to be credited on December 31st of that year. In subsequent years, a maximum of six (6) days may be credited on each December 31st. A day is defined as eight (8) hours for full time and four (4) hours for part time employees. One-half (1/2) workday accrues for each month of service. Accrued Paid Sick Time accumulates to a maximum of ninety (90) workdays (720 hours).

25.02 Conversion of Accrued Sick Time

Full-time employees who have 480 hours of sick time accrued may increase their number of vacation days each year. These employees may convert forty (40) hours of sick time to five (5) days of paid vacation to be taken in one (1) week block only. (Part-time

employees who have 240 hours accrued may convert accrued sick hours to a maximum of five (5) days of paid vacation to be taken in a one- week block only.) Converted hours will be deducted from the employee's sick bank. Approval of all vacation time is subject to department policy and operational needs.

ARTICLE 26 PAY CHEQUE

- 26.01 Effective the date of ratification of this Collective Agreement, all employees will be paid every second Friday via direct deposit.
- 26.02 The payment shall include all earnings up to and including the previous Sunday. Pay slips will be available on Jetnet prior to pay day.
- 26.03 Pay slips will include a statement of all wages and deductions made for the pay period. The Employee's statement shall include the number of hours worked and the overtime pay shall be listed separately from straight time.
- 26.04 Errors in pay cheques shall be handled in the following manner:

In the event of an error on a pay cheque, the employee will advise the Company as soon as possible. If the

error is verified, it shall be corrected and paid the next pay period.

ARTICLE 27 PARKING

27.01 The Company agrees to pay for the full cost of parking and if required will provide a parking pass to each employee.

ARTICLE 28 MISCELLANEOUS

28.01 Lockers

Where space is reasonable available, employees will be provided with lockers for safe keeping of personal effects and work clothes.

28.08 Printing of Collective Agreement

The contract shall be printed at the Company's expense, in a union shop. The Company shall furnish a sufficient number of printed Agreements to the Union for distribution to each employee on the payroll as of the signing of the Agreement, as well as to employees hired during the term of the Agreement.

28.09 Employees are expected to attend at work regularly. When unable to report as scheduled, the employee shall notify the Company on the designated line as

much in advance as possible and, in any event, three (3) hours prior to the scheduled start time unless there are extenuating circumstances beyond the control of the employee.

ARTICLE 29 WAGES AND PREMIUMS

The following wages and premiums shall be applicable:

1. Tow Premium (driver and brake man)
 - Short Tows: \$10.00/per tow (no “D” license required)
 - In the event that the Company requires any employees to have “D” licenses for towing, the Company will meet with the Union to mutually agree on a suitable solution.
2. Lead Agent Premium
\$1.50/hr. for all hours worked as a lead.
(Not applicable to overtime rates)
3. Wages
The following are the minimum rates of pay:
Station Attendant

Start	\$11.01
12 months	\$11.51
24 months	\$12.01
36 months	\$12.36
48 months	\$12.71
Maximum	\$14.45

Note: Employees currently receiving a rate of pay above the grid and below the maximum shall receive an increase of .35c each year on their anniversary date.

4. The Company will pay a signing bonus in the amount of three hundred dollars (\$300.00) to every bargaining unit employee who has completed the probationary period as of the date of ratification.

ARTICLE 30 RENEWAL, AMENDMENT & TERMINATION

- 30.01 Except as otherwise provided herein, this Agreement shall be effective from February 19, 2014 until April 30, 2015 and thereafter shall continue from year to year unless either party gives notice in writing of its intention to terminate the Agreement or enter into negotiations for the purpose of amending the Agreement within a period of not less than thirty (30) days and not

more than one hundred and twenty (120) days prior to any such yearly date of termination.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year as below.


Agreement ratified: DATED at Ottawa this 19th day of February 2014.

**American Eagle
Airlines Inc.**

**International Association
Machinists and Aerospace
Workers, Transportation
District 140 &
Local Lodge 2413**



Jamie Hulme
Director, Human Resources



Michael Corrado
IAM&AW General Chairperson



Jin Zhang
Station Manager

ANNEX “A”

The Rules and Regulations referred to in subsection 3.03 are the following:

- AEROC – 4/8/09



Local 235