COLLECTIVE AGREEMENT

Between

MTU MAINTENANCE CANADA LTD.

And

INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS

TRANSPORTATION DISTRICT 140

as certified by the

LABOUR RELATIONS BOARD (BRITISH COLUMBIA)

AGREEMENT NO. 9

Effective: May 2, 2024 to May 1, 2027

Table of Contents

DEFINITIONS 1

ARTICLE 1 Preamble 2

ARTICLE 2 Scope of the Agreement 4

ARTICLE 3 Hours of Service 6

ARTICLE 4 General Holidays 10

ARTICLE 5 Overtime 12

ARTICLE 6 Minimum Rates of Pay 20

ARTICLE 7 Qualifications of Employees 25

ARTICLE 8 Training 36

ARTICLE 9 Filling of Vacancies and Temporary and AOG Assignments 38

ARTICLE 10 Probation 44

ARTICLE 11 Sub-contracting Provisions 45

ARTICLE 12 Temporary Employees 47

ARTICLE 13 Seniority 48

ARTICLE 14 Layoff and Recall 54

ARTICLE 15 Layoff / Redundancy Pay 60

ARTICLE 16 Union Representation 64

ARTICLE 17 Complaint Resolution Process 68

ARTICLE 18 Vacations 78

ARTICLE 19 Leaves of Absences 84

ARTICLE 20 General 92

ARTICLE 21 No Strike, No Lockout 99

ARTICLE 22 Health and Safety 100

ARTICLE 23 Employee Benefits 108

ARTICLE 24 Workplace Conduct 120

ARTICLE 25 Deduction of Dues 123

ARTICLE 26 Renewal and Termination 125

APPENDIX

APPENDIX A Rates of Pay 126

APPENDIX B Table of Ratios for Working Days to Rest Days 132

APPENDIX C Schedule of Benefits 133

LETTERS OF UNDERSTANDING

LOU 1 Administrative Matters 144

LETTERS OF INTENT

LOI 1 Introduction of Other Classifications into the Bargaining Unit 145

LOI 2 Introduction of New Skills and Functions 146

LETTERS OF AGREEMENT

LOA 3 Assignments Outside the Territorial Limits of Canada 147

LOA 4 Employment Insurance Premium Reduction Savings 154

MEMORANDUMS OF AGREEMENT

MOA 1 Letter of Preference Process 155

AGREEMENT NO. 9

DEFINITIONS

1. Calendar Day - the twenty-four (24) hour period from midnight to midnight.

2. Functional Work Area - a distinct functional area of work.

3. Qualified - to be considered qualified, the employee must be familiar with and able to perform the required work in an expeditious, economical and safe manner at an acceptable level of quality with a minimum of supervision. Must possess the necessary license(s) and/or endorsement(s) and have successfully completed any required training. Must be able to work effectively in a team environment.

4. Position - a category of employees within a classification listed in Article 13.

5 International Assignment - a work assignment performed, or, training received or performed outside the territorial limits of Canada.

ARTICLE 1

PREAMBLE

PRINCIPLE STATEMENT:

The Company and the Union agree to work together in accordance with this Agreement in an atmosphere characterized by mutual trust and cooperation for the benefit of both the Company and the employees. The parties agree, furthermore, that it is in the best interest of all employees to strive for continuous improvement in quality, productivity, and cost reduction to produce a highly competitive organization which has the flexibility to respond effectively to varying customer demands. In order to promote a healthy, safe and productive work environment, the parties are committed to discuss any matters of concern that may arise during the term of this Agreement, including those that may relate to Company Policies or Plans.

1.01 This Agreement is made and entered into by and between MTU Maintenance Canada Ltd. hereinafter referred to as the "Company" and the International Association of Machinists and Aerospace Workers, Transportation District 140, hereinafter referred to as the "Union," and employees delineated in this Agreement under Article 13 as represented by the Union.

1.02 Where a reference to gender occurs in this Agreement, any gender shall apply equally.

1.03 In the event the Company changes ownership, merges with another Company, or changes its corporate identity, this Agreement will remain in full force and effect and the certificate issued by the British Columbia Labour Relations Board then in effect shall not be affected in any way except as otherwise governed or directed by the Board. The Company further agrees to enter into negotiations with the Union relative to the protection of

employee seniority and other conditions of the Agreement. Failing settlement, the British Columbia Labour Code shall apply.

1.04 Should any part or provision of this Agreement be rendered invalid by reason of any existing or subsequently enacted legislation by the Government(s) of British Columbia and/or Canada, such invalidation of any part or provision of this Agreement shall not invalidate the remaining portions thereof, and they shall remain in full force and effect.

ARTICLE 2

SCOPE OF AGREEMENT

2.01 The Company recognizes the International Association of Machinists and Aerospace Workers and its committee of representatives as the sole bargaining agent for those employees listed in classifications identified in Article 13. The Company further recognizes that the Union, as the certified bargaining agent, has the exclusive authority to bargain for the employees in the bargaining unit.

2.02 Hours of work, wages and other conditions of employment as governed by this Agreement apply only to those employees within the territorial limits of Canada and to those classifications listed in Article 13, and any other job classification which may hereinafter be established and included by agreement between the representatives of the Company and the Union.

2.03 When employees are sent on assignments outside the territorial limits of Canada, they shall be covered by an Individual Letter of Contract. This standard form shall be developed by the Company and the Union. The form shall be flexible enough to enable the incorporation of specific work rule applications that are appropriate for the assignment to remain cost-effective.

2.04 (a) Management shall not engage in work which is normally accomplished by personnel covered by this Agreement. Where the urgency of a particular situation warrants, the Company will approach the Union for consideration of a temporary waiver of this restriction until the identified urgency is eliminated. In the event of a dispute arising from the application of this provision, either Party may refer the issue directly to Step 2 of Clause 17.02.

(b) Article 2.04(a) shall be applicable to personnel involved in the Junior Executive Training Program and to Students working for the Company.

(c) The Company shall notify the Union in writing, not less than thirty (30) calendar days prior to the expected commencement of any assignment pertaining to a Student, a foreign/exchange worker or a person involved in the Junior Executive Training Program (or, if the Company is not aware of the expected commencement date thirty (30) calendar days prior to the commencement of the assignment, then as soon as practicable after the expected commencement date is known to the Company), of the name of the individual, the expected commencement date of the individual's assignment at the Company's workplace, and to whom the individual will report.

(d) With respect to a foreign/exchange worker, the written notice provided by the Company to the Union pursuant to paragraph (c) above shall also set out:

(i) the estimated duration of the individual's assignment; and
(ii) a description of the individual's expected duties.

The Company will request the Union's agreement for foreign/exchange workers to perform bargaining unit work. The Union agrees it shall not unreasonably withhold its agreement.

2.05 The management of the operation and direction of the workforce is vested exclusively in the Company, providing this will not be used to contravene any of the provisions in this Agreement. It is understood that any matter not specifically set forth in this Agreement remains within the reserved rights of the Company.

ARTICLE 3

HOURS OF SERVICE

PREAMBLE:

This agreement on working hours regulates the mutual interests of employees and the Company in an understanding based on cooperation and mutual trust. All Company policies, processes and regulations are considered part of a continuous process of improvement and as such must adapt to the changing needs of employees and the Company. This Article contemplates that, in principle, the Company has a twenty-four (24) hour operation.

3.01 (a) Eight (8) consecutive hours of service, inclusive of all paid rest and meal periods, shall constitute a day's work/shift for all employees except as otherwise provided herein.

(b) The standard shift schedule shall be five days of work followed by two consecutive days of rest except as otherwise provided in Clause 3.01 (c) below.

(c) Locally affected employees, their elected representatives, and the Company may discuss and mutually agree to implement alternative hours of work arrangements to those detailed in Article 3. Such arrangements:

- must be detailed in writing (identifying any amended clause(s)) and copied to the Union and Human Resources
- must enable the Company to operate as cost-effectively as the standard Article 3 provisions
- must ensure first consideration is given to meeting customer needs and delivering contractual requirements
- may be implemented within a functional work area

- must indicate the period of time the shift arrangement is intended to apply
- may be canceled by the Company or the Union upon two weeks' notice

3.02 STANDARD WORKING WEEK

The standard working week shall be one that averages forty (40) hours, inclusive of paid rest and meal periods.

3.03 Shift Starting Times

Day shifts:	will commence between 0600 – 0800 inclusive
Afternoon shifts:	will commence between 1200 – 1600 inclusive
Night shifts:	will commence between 2100 – 0001 inclusive

3.04 In accordance with Article 3 Preamble, the workload may require one or more employees to transfer from one start time and/or stop time to another, or one set of rest days to another. In such cases, the Company will provide as much notice as possible, but not less than seventy-two (72) hours written notice, to employees within the affected functional work area(s) who must ensure operational requirements are effectively and economically met.

3.05 (a) One paid thirty (30) minute meal period shall be included in each shift and, wherever practicable, such meal period shall commence at the two-thirds (2/3rd) point of the shift unless otherwise agreed with the Union.

(b) The following shall apply, where, due to operational requirements, an employee commits to work in one of the specific circumstances:

(i) In excess of ten (10) hours up to twelve (12) hours in a shift, the employee will be granted an additional paid rest period of fifteen (15) minutes to be taken between the expiration of eight (8) hours and ten (10) hours of work; or

(ii) In excess of twelve (12) hours in a shift, the employee will be granted an additional paid rest period of thirty (30) minutes, to be taken at the expiration of ten (10) hours of work unless otherwise agreed with the Union.

3.06 One paid thirty (30) minute rest period shall be included in each shift. Such rest period shall commence at the one-third (1/3rd) point of the shift unless otherwise agreed with the Union.

3.07 Employees within each position, in a functional work area will select their rest days by classification seniority. Rest days shall be rebid once per year or more frequently as required or in accordance with the terms of any Clause 3.01 (c) agreement in effect.

3.08 The value of a day when applied to vacation days, general holidays (if not worked), floating holiday, sick day accrual, days for bereavement leave, parental leave, etc. is eight (8) hours.

3.09 Time lost by employees due to arriving late or leaving work before the completion of shift shall be computed to the nearest minute.

3.10 When work or training requirements necessitate the reassignment of an employee's regular rest days off duty, they may be required to work six (6) days on with two (2) rest days off duty on the first assignment and four (4) days on with two (2) rest days off duty on the second reassignment of their rest days providing that the cycle

has been completed within a period of twelve (12) weeks, otherwise overtime rates will apply.

3.11 When work requirements necessitate the reassignment of an employee's regular rest days off duty, the reference found in Appendix B will apply for determining the days worked to days off ratio.

ARTICLE 4

GENERAL HOLIDAYS

4.01 For all employees, the following twelve (12) specified days shall be observed as general holidays:

New Year's Day
Family Day
Good Friday
Victoria Day
Canada Day
BC Day
Labour Day
National Day for Truth and Reconciliation
Thanksgiving Day
Remembrance Day
Christmas Day
Boxing Day

The above list of recognized General Holidays will automatically be amended to include any new legislated Provincial Statutory Holidays during the life of the Agreement.

If a General Holiday falls on a Saturday or Sunday, the following Monday will be designated as the day in lieu of he General Holiday. Any further change to days that General Holidays will be observed must be jointly agreed between the parties and communicated to employees, by November 1st of the preceding calendar year.

4.02 (a) An employee is not entitled to pay for a general holiday that occurs in their first thirty (30) days of employment if the employee does not work on that day, but if they are required to work on the general holiday they shall be paid or bank the time worked at a rate at least equal to double time (2.0X) their regular rate of wages for the time worked by them on that day, unless they are employed in a continuous operation in which case they are entitled to their regular wages for the time worked by them on that day.

(b) If an employee, not covered by clause 4.02(a), is scheduled to work on a general holiday, they may either elect to be paid or bank the hours worked at the rate of double time (2.0X) their regular rate of wages for the time worked by them on that day. The latter option is available provided the employee will not exceed the maximum allowable in their Time Bank.

(c) In the event the recognized general holiday falls on an employee's assigned rest day, eight (8) straight time hours will be placed in the employee's Time Bank.

4.03 (a) One (1) additional day will be granted to permanent employees. This day off will be determined by agreement within the functional work area. If the vacation allotment is not filled, the employee's request shall not be denied.

(b) If no agreement can be reached in clause 4.03(a) above, the unused floating general holiday will be deposited in the employee's Time Bank at straight time rates.

ARTICLE 5

OVERTIME

PREAMBLE:

To meet fluctuating operational requirements and consistent with the principles cited in Article 1 Preamble, overtime shall be cost-effective and kept to a minimum.

5.01 Overtime rates will be paid or banked in the Time Bank in the following circumstances:

(a) At the rate of time and one half (1 1/2X) for:

(i) time worked in excess of eight (8) hours in a shift
(ii) time worked on one of the employee's two rest days up to eight (8) hours
(iii) time worked for the first two (2) hours when an employee is called back to work after having left the premises and after having completed eight (8) hours of work on their normally scheduled shift

(b) At the rate of double time (2X) for:

(i) time worked in excess of eleven (11) hours in a shift
(ii) time worked on the employee's second or subsequent rest day(s) providing they have also worked on their first rest day
(iii) time worked on a general holiday
(iv) time worked on a rest day beyond eight (8) hours with a minimum of six (6) hours straight time pay for four (4) hours of work or less
(v) time worked in excess of the first two (2) hours when an employee is called back to work after having left the premises and after having

completed eight (8) hours of work on their normally scheduled shift

(c) An employee who, by direction of management, commences work on their regular shift without the minimum prescribed rest period, as outlined in Clause 5.02 (a) will be compensated at the rate of double time (2X) in total for those hours worked prior to the expiration of the ten (10) hour rest period.

(d) It is understood that in the administration of clause 5.01 (a), (b) and (c) above, such hours may be placed in the Time Bank provided the bank will not exceed the maximum allowable hours identified in clause 5.07(a). Any hours in excess of the maximum allowable hours will automatically be paid out.

5.02 (a) An employee shall have ten (10) consecutive hours off duty in each twenty-four (24) hour period from the completion of their previous shift to the commencement of their next shift.

(b) Except in cases where the customer may be seriously impacted and by specific management request, an employee shall not report to work for the commencement of their scheduled shift when they do not meet the minimum rest requirement of Clause 5.02(a).

(c) The Company shall not require or allow an employee to work excessive hours or hours harmful to the employee's health or safety.

Accordingly, subject to Clause 5.04(a)5, no employee may volunteer or be considered eligible to work more than one hundred and thirty-six (136) hours of overtime within each annual quarter, commencing January 1st of each calendar year.

5.03 No work which generates overtime rates shall be worked except by direction of management.

5.04 The opportunity to work overtime, including overtime opportunities on a day of rest, shall be distributed equitably among the qualified employees in accordance with paragraph (a) below. Distribution of overtime shall be done by means of a local overtime sign-up list to be posted in the Functional Work Area on a weekly basis, except as provided for in Clause 5.04 (a) 4.

(a) Overtime will be distributed in the following order, unless mutually agreed otherwise between the Senior Steward and the Company.

1. Distributed to employees, from within the Functional Work Area where the overtime is being offered, who volunteered by indicating their availability on the sign-up list and who meet the following factors:

(i) Employee(s) from within the required classification performing the work; and
(ii) Employee(s) qualified and available to perform the work; and
(iii) Employee(s) having worked the least amount of overtime hours in the quarter, and who will not exceed the maximum quarterly overtime hours worked per Clause 5.02(c).

Where the above factors are equal, the overtime will be distributed in Classification seniority order.

2. Where there are insufficient employees volunteering to work overtime from within the Functional Work Area, under the process in point (1) above, the overtime will be distributed to employees who volunteered by indicating their

availability on the sign-up list, from all other Functional Work Areas combined, and who meet the following factors:

(i) Employee(s) from within the required classification performing the work; and
(ii) Employee(s) qualified and available to perform the work; and
(iii) Employee(s) having worked the least amount of overtime hours in the quarter, and who will not exceed the maximum quarterly overtime hours worked per Clause 5.02(c).

Where the above factors are equal, the overtime will be distributed in Classification seniority order.

3. Where there are insufficient employees volunteering to work overtime after exhausting the processes in points (1) and (2) above, the overtime will be distributed to all employees, outside of the required classification performing the work, who volunteered by indicating their availability on the sign-up list from all Functional Work Areas combined, and who meet the following factors:

(i) Employee(s) qualified and available to perform the work; and
(ii) Employee(s) having worked the least amount of overtime hours in the quarter, and who will not exceed the maximum quarterly overtime hours worked per Clause 5.02(c).

Where the above factors are equal, the overtime will be distributed in Company seniority order.

4. Where there are insufficient employees to perform the work after exhausting the processes

in points (1), (2) and (3) above, the overtime will be offered to employees who did not volunteer by indicating their availability on the sign-up list, from all Functional Work Areas combined, and who meet the following factors:

(i) Employee(s) from within the required classification performing the work; and
(ii) Employee(s) qualified and available to perform the work; and
(iii) Employee(s) having worked the least amount of overtime hours in the quarter, and who will not exceed the maximum quarterly overtime hours worked per Clause 5.02(c).

Where the above factors are equal, the overtime will be offered in Classification seniority order.

Employees may elect to decline any solicitation of overtime by advising the Company and the Union in writing on a form mutually agreed upon between the Parties.

5. Where there are insufficient employees to perform the work after exhausting the processes in points (1), (2), (3) and (4) above, the overtime will be distributed to employees, who volunteered by indicating their availability on the sign-up list, under the combined processes in points (1) and (2) above, and who meet the following factors:

(i) Employee(s) from within the required classification performing the work; and
(ii) Employee(s) qualified and available to perform the work; and
(iii) Employee(s) who would exceed the maximum quarterly overtime hours worked

per Clause 5.02(c) by the least amount of hours.

Any hours worked by any employee, in excess of the maximum quarterly overtime hours as stipulated in Clause 5.02(c), will be paid at the applicable overtime rate plus an additional one times (1x) the employee's regular hourly rate in effect.

(b) Notwithstanding the above, an employee who has commenced a job during their regular working hours which will continue as overtime work will be entitled to perform the applicable overtime provided the time within which the job will be complete is reasonably anticipated to be two (2) hours or less from the end of the employee's regular working hours.

(c) Opportunities to work overtime will not be available to temporary or probationary employees at any step of the process in Clause 5.04(a) (1), (2), (3), (4), or (5) unless first distributed/offered to all of the indicated employees specified in each respective step of the process.

(d) Should an employee be incorrectly bypassed for overtime, the Company will pay that employee 50% of unearned overtime wages for each missed opportunity. The Union and Company will work together to determine whether an incorrect bypass has occurred. Employees must raise potential bypass concerns with the Company at the earliest opportunity (e.g. when the employee becomes aware of a potential bypass even if this is before overtime is worked). Failure to do so will disqualify the employee from compensation for the bypass. Where the Company is made aware of the potential bypass in advance of the overtime to be worked and fails to correct the bypass, the Company will pay that

employee 100% of that employee's unearned overtime wages.

For example, if an employee is incorrectly by passed for an eight (8) hour overtime shift, and does not become aware of the bypass until after the overtime is worked, that employee shall be paid four (4) hours at overtime rates.

5.05 Each month, the Company and the Union shall review total hours of overtime worked, any irregularities or concerns associated with the solicitation processes of Clause 5.04(a), and assess the forecast workload in order to determine if staff levels require adjustment.

5.06 An employee who, after having left the facility upon completion of their last regular shift or assignment, returns to work not continuous with their next shift, shall be paid a minimum of three (3) hours pay at the appropriate overtime rate. Where the employee is required to return to work in relation to correcting paperwork, that the employee had previously carried out or failed to complete as required, shall only be paid for time worked.

5.07 The purpose of the Time bank is to provide the necessary flexibility in staff levels to accommodate our customer requirements in the most cost effective manner possible. Employees must work together in a team environment to ensure each individual contributes fairly to addressing the workload. Where work is available, negative banks will not be permitted to increase**.**

(a) All overtime hours worked will, at the employee's option, and at the time of each overtime occurrence, be credited to a time bank at the applicable overtime rates to a maximum of one hundred and fifty (150) hours or will be paid in accordance with this Article. When the time bank is at its' limit, any further

overtime worked will be paid out on the subsequent pay period.

(b) The employee may at any time request the Company to pay out all or part of the wages credited to the time bank.

(c) An employee whose time bank balance stands at forty hours or more may, once per calendar year, advise the Company in writing by October 1st of the preceding year that the required number of hours are to be debited from their time bank and set aside as an additional one (1) week of vacation which shall be taken in accordance with Clause 18.07 (d).

(d) Time bank may be taken as time off at the employee's written request and at a time mutually agreed to by the Company. If the vacation allotment is not filled, the employee's request shall not be unreasonably withheld.

(e) Each employee shall receive a statement of their time bank balance and activity on every pay cheque stub.

(f) When a permanent employee works additional or less hours than is indicated on their shift schedule they will automatically contribute to or draw from a time bank that will enable them to go up to one hundred and fifty (150) hours positive in their bank and down to forty (40) hours negative. Any employee who is required or requested to utilize their negative time bank and is subsequently laid off for a period greater than six (6) months, shall not be required to reimburse the employer.

Note: When a permanent employee has a negative time bank balance, all overtime hours worked will be paid in accordance with the overtime provisions in Article 5.01.

ARTICLE 6

MINIMUM RATES OF PAY

6.01 The rates of pay set out in Appendix A reflect the general increases effective on the dates specified:

Effective May 2, 2024 – Increase of seven and one half percent (7.50%) across the board.

Effective May 2, 2025 – Increase of three percent (3%) across the board.

Effective May 2, 2026 – Increase of three and one half percent (3.5%) across the board.

6.02 Where applicable, advancement in pay within each pay scale shall be automatic on the first day of the pay period following that in which the employee has completed the required service.

6.03 The Company may, at its discretion, pay an employee, a rate higher than the established minimum within the applicable wage scale for the position, in Appendix A.

6.04 Employees will receive longevity pay as indicated below effective with the beginning of the pay period following completion of the required years of service in classifications covered by this Agreement:

Completion of ten (10) years of service: ten (10) cents per hour
Completion of fifteen (15) years of service: fifteen (15) cents per hour
Completion of twenty (20) years of service: twenty (20) cents per hour

6.05 A permanent employee who is assigned to assume the duties of an employee in a higher position will be paid at the rate of the higher position for all hours worked. They will be notified of such assignment in writing, with a copy to the Union. The rate of pay of a permanent employee shall not be reduced when they are assigned to temporarily perform work normally associated with a lower-rated position. A monthly report will be generated by the Employer and provided to the Senior Steward within a reasonable time following the end of each calendar month. The report will document all temporary assignments for that period including names, positions, rates of pay, commencement date and completion date.

6.06 If, due to a reduction in the work force, a permanent employee is retained in a lower position in the exercise of his seniority, they shall only be entitled to the rate of pay of that position.

6.07 (a) Employees shall be paid by automatic bank deposit every second Friday. Should the regular pay day fall on a general holiday, deposit will be made on the banking day preceding the regular pay day. Where there is a shortage equal to one day's pay or more in the pay of an employee, a cheque will be issued to cover the shortage as soon as possible.

(b) Recovery of pay errors shall be limited to those errors within a timeframe not exceeding the twelve (12) calendar month period immediately preceding the discovery of the error. When the error involves a failure to make a required deduction or an overpayment to an employee which is being recovered by the Company, the parties will meet to agree upon the repayment schedule. If the error involves underpayment or a deduction in excess of the amount required (e.g. overtime, premiums, upgrades, longevity pay etc.), the employee shall

notify the Company of such error and provide any pertinent facts in writing. The Company shall verify or dispute the claim in writing within fourteen (14) calendar days and if verified, a correction shall be input prior to cut-off for the following pay period. Regular earnings shall be governed by the provisions of clause 6.07 (a).

6.08 SHIFT PREMIUMS

(a) For all hours worked on scheduled shift commencing between:

	Shift Premium per hour:
1200 and 1600 inclusive	.60 cents
2100 and 0001 inclusive	.90 cents

or

For all hours worked on scheduled shifts terminating between:

	Shift Premium per hour:
0200 and 0600 inclusive	.90 cents in lieu of any other shift premium except as provided in 6.08(b)

(b) Should the Company unilaterally initiate an independent fixed night shift, the shift premium shall be four dollars ($4.00) per hour worked, inclusive of any premium under 6.08(a).

(c) A shift premium equivalent to that applicable to the employee's preceding regular shift shall be paid for all overtime hours worked, except where such overtime work occurs on a regular rest day, in which case the shift premium applicable to the overtime hours worked on that day will apply.

6.09 SHOP CERTIFICATION AUTHORITY AND SKILL PREMIUMS

(a) Machinist mechanics who are CNC qualified shall receive, in addition to their base wage;

(i) $2.00 per hour if CNC qualified for one machine, or $4.00 per hour if CNC qualified for more than one machine.

(b) Records or Materials Controllers who were formally covered under Collective Agreement No. 8 and are air brake qualified shall receive $0.35 per hour worked in addition to their base rate. New employees who were not covered by Collective Agreement #8 will not receive this premium, unless they are directed to perform which work which requires air brake qualification.

6.10 Leads shall receive a premium of three (3) dollars per hour. If an employee voluntarily accepts a permanent non-lead position (including positions within the same classification) they shall forfeit their lead premium. Employees receiving a lead premium at the date of ratification of Collective Agreement No. 9 are grandfathered as long as they remain in their current position.

6.11 The various scopes, engine types, values and special machines and tools associated with the shop certification authority license identified in Article 6 shall be reviewed

on a regular basis by committees established by the TLC. These committees shall also ensure that new technology (which includes artificial intelligence and 3D technology) is introduced into the rating system in a manner that fairly reflects the value of the associated present and future tasks. The TLC will ensure that the review committee(s) are guided by the Cultural Values stated at the beginning of this Agreement.

ARTICLE 7

QUALIFICATIONS OF EMPLOYEES

PREAMBLE:

All employees shall be expected to carry out the duties of their own classification and perform or assist with the duties of other classifications provided they possess the required skills and/or capabilities. All employees must be prepared to provide on the job training as required and to share their knowledge and experience with other employees.

All positions named within this article shall be held responsible for the requirements listed under the Roles and Responsibilities specified in the Company's Maintenance Policy Manual (MPM or equivalent) which shall not be changed by the Company prior to providing the Union with at least one (1) weeks written notice of the proposed change. However, in no event shall the changes contravene the provisions of Article 7, unless required by a Government Regulatory Authority. The Company and the Union shall ensure that any changes to roles and responsibilities contained in the MPM are communicated to all employees

7.01 For positions identified in Clauses 7.02, 7.03, 7.05, 7.06, 7.07, 7.15, 7.16, 7.17, and 7.18 within six (6) months in the position and after receiving applicable training employees must have demonstrated and proven their ability to fulfill their duties in a satisfactory manner. Failure to prove their ability will result in employees being returned to their former position. The six-month qualifying period may be extended by mutual agreement between the Company and the Union.

7.02 QUALITY ASSURANCE INSPECTOR:

Must possess the qualifications of a Gas Turbine Engine Mechanic or Component Mechanic, and must have

previously held the position of Line Inspector for a minimum of two (2) years, and have the ability to provide certification for the required engine types. The individual must hold any currently effective Transport Canada and/or Company licenses that are required and also have the ability to ensure that approved standards of Quality Assurance are maintained.

Quality Assurance Inspectors must meet the qualifications for their assignments as set forth above and, within six (6) months of filling the position, must have successfully passed the Company's applicable examination(s).

7.03 LINE INSPECTOR:

Must possess the qualifications of the Gas Turbine Engine Mechanic or Component Mechanic, and have a minimum of four (4) years' experience, with not less than two (2) years in the position. The individual must hold a certification capability for the functional work area in which the inspection is required, and have the ability to ensure that approved standards of Quality Assurance are maintained.

Line Inspectors must meet the qualifications for their assignments as set forth above and, within six (6) months of filling the position, must have successfully passed the Company's applicable examination(s).

7.04 MILLWRIGHT:

The individual must have completed a recognized apprenticeship program as a millwright and hold a provincial/inter-provincial Millwright Trade Qualification (TQ). They must possess the ability to carry out any work in their trade with the aid of engineering specifications, manuals or drawings.

7.05 LEAD:

Must have been employed with the Company for a minimum of two (2) years. The Lead is a working member of the team, is the spokesperson for the team and is the primary point of contact for the Team Leader and other teams. Must have process and technical knowledge to carry out the responsibilities of the position. Must possess excellent leadership skills, organizational ability and problem solving skills. The Lead will not participate in formal disciplinary action resulting from action under Article 17.11.

7.06 SHOP TECHNICIAN:

Must possess the qualifications of a Mechanic and have a minimum of five years' experience in the position with the Company. Must have the ability to act as a technical advisor and provide technical support to others. Must be capable of troubleshooting machine, repair, or production processes, inclusive of program adjustments. The individual must be capable of developing work plans, instructions for new equipment, tooling, and processes. Must be able to participate in first article inspections.

Must meet the qualifications for their assignments and, within six (6) months of filling the position, must have successfully passed the Company's applicable examinations.

7.07 SUPPLY CHAIN COORDINATOR:

The individual must have experience or knowledge of material planning, inventory and purchasing concepts as well as familiarization with engine overhaul or manufacturing environment. They must have the ability to liaise with other Company personnel, and outside agencies, including the negotiation of contracts with

vendors and suppliers, in a positive and professional manner. Must possess the qualifications of a Mechanic or hold a relevant Logistics/Supply Chain diploma or certification (e.g. CPIM, CSCP or SCMP), with not less than four (4) years of experience in either field or a combination thereof. Must be able to perform the duties of Buyer and Material Planner as required. They must have leadership skills and the ability to direct a team of Buyers and Material Planners as well as Administrative Assistants and the ability to effectively carry out the duties of the position with a minimum of supervision.

7.08 NON-DESTRUCTIVE TESTING MECHANIC:

Must possess the qualifications of and have a minimum of three (3) years of experience as a Mechanic in the Company, or, have equivalent experience outside the Company.

Note: The Company commits to ensuring the required training as governed by the Canadian General Standards Board (CGSB) is provided in a timely manner to enable the employee to complete the program within twelve (12) months from their start date in the position. This training will consist of courses provided by the Company, to CGSB standards, with an accredited CGSB training organization, as well as OJT training under a qualified NDT technician. The Company also commits to provide a CGSB Workshop, offered concurrent with the certification exam.

Failure to successfully complete any one of the NDT Technician I exams and allowable re-examination(s) in accordance with CGSB requirements or to successfully demonstrate acceptable ability to perform the work following the twelve (12) months of training will result in the

employee being returned to their former Mechanic position.

7.09 NON-DESTRUCTIVE TESTING TECHNICIAN:

Must possess the qualifications of a Non-Destructive Testing Mechanic. A Non-Destructive Technician will commence receiving the associated rate of pay on the date they become qualified for the disciplines specified as follows:

NDT Technician I – holds any one of the following Level II ratings: Magnetic Particle Testing (MT) or Penetrant Testing (PT) or Ultrasonic Testing (UT) or Eddy Current (ET) based on the current CGSB standards for these particular disciplines.

NDT Technician II – holds any two of the following Level II ratings: MT, PT, UT, or ET based on the current CGSB standards for these particular disciplines.

NDT Technician III – holds any three or more Level II ratings: MT, PT, UT, or ET based on the current CGSB standards for these particular disciplines.

The NDT Technician must possess the ability to provide practical training, direct the work of others and effectively carry out the duties of the position with a minimum of supervision.

Notes: 1) Appropriate non-destructive training and certification standards for NDT positions must be in accordance with the provisions set by the CGSB and OJT established by the Training and Licensing Committee (TLC).

2) The Company will provide NDT Technicians with training. This training will consist of

courses provided by the Company, to CGSB standards, with an accredited CGSB training organization, including any available CGSB Workshop(s), offered concurrent with the recertification exam.

3) The Company will provide familiarization training for NDT Mechanics and Technicians when new equipment is introduced into their functional work area.

7.10 ALL MECHANIC POSITIONS:

(i.e. Gas Turbine Engine Mechanic, Machinist, Welder, Component Mechanic) Must have served a recognized apprenticeship with the Company to Transport Canada standards or to standards otherwise specified by airworthiness authorities, or have equivalent experience outside the Company. Must possess the ability and qualifications to carry out any work in their trade with the aid of engineering specifications, manuals or drawings.

7.11 GTE & COMPONENT MECHANIC APPRENTICES:

Apprentices shall be required to serve an apprenticeship with the Company or may be granted credit for equivalent experience or training as established by the Company after consultation with the TLC. Must possess Transport Canada accredited schooling qualifications for the appropriate classification. They must also pass the required qualifying exam(s) at the completion of their apprenticeship; or, if they fail in their first attempt, they must pass the exam(s) on their second attempt within six (6) months of their first attempt in order to qualify as a Mechanic.

7.12 ADMINISTRATIVE ASSISTANT:

Must possess the ability to perform routine to complex clerical duties and demonstrate proficiency in spelling, punctuation and grammar as well as an ability to work in a methodical and orderly manner. Must complete a suitable standardized skills assessment, involving navigating an operating system, word processing, spreadsheet use, calendar and email use, browsing the internet and file system management.

7.13 MATERIAL CONTROLLER:

Must complete a suitable standardized skills assessment, involving navigating an operating system, word processing, spreadsheet use, calendar and email use, browsing the internet and file system management, possess a valid provincial (Class 5 or 7) driver's license and have a working knowledge of the standards, practices, methods, materials and equipment used in providing material handling and delivery services. Must possess the ability to perform work on computer systems with close attention to detail and accuracy in the preparation, issuing and the finalization of documentation for engine parts tracking, documentation and entering data into the system. Must also have the ability to pass course examinations and recurrent annual examinations where required on receiving procedures, shipping procedures, dangerous goods shipping, WHMIS and related MSDS documentation and forklift operations. All employees must be able to qualify for the Transport Canada Air Cargo Security Program security check.

7.14 RECORDS CONTROLLER:

Must possess the qualifications of a Materials Controller and have a minimum of two (2) years' experience in the position. Must have analytical and organizational skills,

the ability to accurately perform work on computer systems with close attention to detail and accuracy in the preparation, verification, reporting, collection and monitoring of engine event documentation and data. Must have the ability to carry out the duties of the position with minimum supervision.

7.15 BUYER:

Must have Grade 12 education or equivalent plus formal training at a recognized institution or equivalent experience in an aerospace or purchasing environment. Must have a minimum of three (3) years' experience in and practical knowledge of materials management and handling systems or material or production planning processes. In addition, must possess the ability to analyze inventory requirements using Company computer systems. Must also have the ability to research and analyze procurement data and develop alternate sources. Must have the ability to communicate accurately both verbally and in writing, including a professional telephone manner. Must be capable of carrying out the duties of the position with minimum supervision.

7.16 MATERIAL PLANNER:

Must possess the qualifications of a Buyer. In addition the individual must possess five (5) years' experience in material management, inventory MRP or an equivalent inventory related position. Must be able to demonstrate: the ability to analyze inventory requirements from Company produced reports, administrate inventory replenishment controls and generate requests to purchasing, perform MRP forecasts and have practical knowledge of aircraft or engine related parts, documentation, and work processes.

7.17 WORK PLANNER:

Must possess the qualifications of a Mechanic and have a minimum of five (5) years' experience in the aircraft engine shop environment; or, an equivalent combination of relevant education and experience. Must have experience in production and/or repair processes and have the ability to provide technical advice to others. They must be familiar with technical documentation, manuals and instruction processes, and have the ability to perform work on computer systems using standard Electronic Data Processing (EDP) software programs.

7.18 PROCESS PLANNER:

Must have knowledge of aircraft engine related parts, shop areas, production planning, shop and production planning processes. Must have proven analytical and organization skills. Must have a minimum of five (5) years' experience in an aircraft engine shop environment or an equivalent combination of relevant education and experience. Must have the ability to carry out the duties of the position with a minimum of supervision.

7.19 TECHNICAL LIBRARIAN:

Must possess the ability to work with various EDP systems used in the preparation, issuing and the revision and control of customer specific, OEM and Company technical documentation. Must demonstrate proficiency in the use of these EDP systems in the applicable functional work area, possess excellent organizational skills with close attention to detail and accuracy and complete a suitable standardized skills assessment, involving navigating an operating system, word processing, spreadsheet use, calendar and email use, browsing the internet and file system management.

7.20 PROCESS CLEANER:

Must have a minimum grade twelve (12) education and preferably have completed Grade 12 Chemistry. Must have knowledge of cleaning processes within an aircraft engine shop environment or equivalent combination of relevant education and experience. Ability to follow technical instructions to enter data on computer systems, to liaise with other Company personnel in a positive manner, and to work effectively in a team environment.

7.21 REFURBISHER TECHNICIAN:

Must have a minimum grade twelve (12) education. Demonstrated manual dexterity. Ability to follow technical instructions to enter data on computer systems, to liaise with other Company personnel in a positive manner, and to work effectively in a team environment.

Completed training for Refurbisher Technician tasks including basic chemical cleaning, application of surface coatings, ultrasonic thickness measuring, wet abrasive blasting, vapor blasting, blade recontouring, and chemical stripping of surface coatings of parts.

7.22 MACHINIST, MILLWRIGHT OR WELDER APPRENTICE:

Must have successfully completed the relevant Pre-Apprentice Program at an approved technical college recognized by the Provincial Regulatory Authority, and all regulatory authorities. When an Apprentice attends formal schooling as required by the provincial apprenticeship authority beyond the Pre-Apprentice Program, they will continue to be paid at the current hourly rate.

Note: Upon Successful completion of the Machinist Apprenticeship to the Provincial Regulatory Authority

standards, the employee will receive the Mechanic 2 rate of pay.

7.23 FACILITY WORKER:

Must possess the ability to perform minor building and equipment maintenance work. Must be able to work in an orderly and timely manner. Must possess a valid provincial (Class 5 or 7) driver's license and have the ability to pass a forklift operators exam.

7.24 In determining qualifications for classification purposes, the Company, at its discretion, may credit a new employee with previous experience and training acquired outside the Company service, provided such experience and training is equivalent in value to the Company to the experience called for in the positions identified in Article 7. The Company will discuss the matter with the Union prior to establishing such credit.

7.25 RATIO: In order to ensure an operationally effective blend of Apprentices and Mechanics is maintained, the Company will employ a maximum of one (1) Apprentice for every five (5) Mechanics in the applicable classification. In the event there are insufficient Mechanics in a particular classification available in the marketplace to meet production requirements, exceptions to the foregoing may be made with the approval of the TLC.

7.26 For the purpose of qualifications, any reference to "mechanic" includes the positions defined in Clauses 7.08, 7.09 and 7.10.

ARTICLE 8

TRAINING

TRAINING & LICENSING COMMITTEE:

PREAMBLE:

The purpose of this Training and Licensing Committee (TLC) is to discuss training and licensing related matters, and contribute to the enhancement of the overall effectiveness and quality of training.

8.01 The TLC shall be composed of two (2) members nominated by the Company and two (2) members nominated by the Union.

8.02 The TLC will review training and licensing issues and make recommendations to the Company. If the Company decides not to implement a recommendation made to it by a majority of the TLC members, then the Company will respond in writing to the TLC as to why it decided not to implement the recommendation.

8.03 The Committee shall develop and determine the contents of the Training Manual which shall not be revised unless agreed by the TLC or required by a Government Regulatory Authority.

8.04 Meetings of the TLC will be established by the Committee members and shall be convened no less than each quarter to review On the Job Training (OJT) or any other related training or licensing issues. No employee shall suffer any loss of pay in the performance of legitimate activities of the TLC.

8.05 The TLC shall establish school equivalency and shall assess technical qualifications of apprentices and

employees entering trade classifications. The Company shall ensure that Apprentices receive all the training contained in the Training Manual. Apprentices shall not be adversely affected if they do not receive the appropriate training through no fault of their own.

Note: Other articles referencing or involving the TLC include: Articles 6.11, 7.09, 7.11, 7.26, 10.02, and 16.11.

CRITERIA GOVERNING SELECTION FOR TRAINING:

8.06 Selection for training within a position shall be carried out in a fair and equitable manner, subject to the following conditions:

- Possession of any relevant prerequisite qualifications
- Availability of the employee to attend training at the scheduled time
- Whether the employee has previously failed a related exam within the previous twelve (12) month period
- Classification seniority order where other factors are equal
- The efficient operation of the Company and maintaining of contracts, subject to prior consultation with the Union.

ARTICLE 9

FILLING OF VACANCIES
and
TEMPORARY AND AOG ASSIGNMENTS

PREAMBLE:

With the basic premise to select the most suitable candidate for the vacant position, it is recognized that the intent is to fill vacancies and promote from within whenever practical. Due consideration will be given to technical qualifications, seniority, experience, training, education, and interpersonal skills.

9.01 Vacancies will be filled in the following order:

(i) Employees holding recall rights to the position in classification seniority order;
(ii) Filled in accordance with Clauses 9.02 and 9.03;
(iii) Temporary employees or outside hires (i.e. employees hired from outside the Company) with first preference to qualified applicants who are laid off from other IAM&AW Transportation District 140 bargaining units.

9.02 All vacancies exceeding seventy (70) calendar days shall be posted internally for ten (10) calendar days. Employees desiring to bid on vacancies shall file their applications and resumes with the designated Human Resources representative during the posting period or in accordance with the provisions of 9.05. All vacancy advertisements will indicate the number of positions required, closing date, award date, and commencement date in the position, which shall serve as the effective date for pay purposes and seniority, if applicable. If a medical examination is required, this shall be stated in the advertisement and the expense shall be borne by the Company. Temporary vacancies of seventy (70) calendar

days or less will be specified in writing with a copy to the Union.

9.03 For advertised vacancies, qualified candidates shall be interviewed and evaluated by a panel consisting of a management representative, a Human Resources representative, and an employee representative identified by the Union. The successful candidate will be selected from among the most qualified bidders. In the event two or more candidates are relatively equal in ability and qualifications, the employee with the greater Company seniority shall have preference.

Where the Company and the Union agree that an applicant for a vacancy has legitimate cause for concern regarding the objectivity of the employee representative assigned to take part in the interviews, the Company and the Union shall determine an appropriate substitute employee representative who shall carry out these responsibilities.

9.04 Nothing in the Agreement shall prevent the Company from canceling vacancy advertisements prior to the awarding of the vacancy or vacancies.

9.05 An employee may file a letter with the designated Human Resources representative and copy the Union prior to going on vacation, stating those vacancies, in order of priority that they wish to bid on should they be advertised. These letters are to be considered a bid on the vacancy concerned and shall be valid for the period of vacation or assignment.

9.06 Where an employee fills a vacancy in another classification, except as provided in Clause 7.01, an observation period of sixty (60) days of actual work will apply in order to give the employee an opportunity to assess the new position and the Company the opportunity

to assess and verify their skills, ability and experience to perform the work required.

If at any time during or at the conclusion of the observation period, it is determined that the employee does not possess the ability to do the work required in a satisfactory manner, or the employee determines that they wish to return to their previous position, they shall be permitted to exercise their seniority to return to their previous position and wage level.

9.07 TEMPORARY ASSIGNMENTS AT HOME BASE

(a) A temporary assignment (as per Clause 9.07 (b) below) may not exceed seventy (70) consecutive calendar days unless otherwise locally agreed between the Company and the Union. Temporary assignments will be specified in writing with a copy to the Union.

(b) Employees may be assigned from one functional work area to another to provide temporary assistance to meet operational requirements with no loss of regular wages but it will not be required on a regular or consistent basis. Written notification of the assignment will be provided to the employee with a copy to the Union where the assignment is greater than five (5) days in duration.

(c) Temporary positions outside the scope of this Agreement that have been filled by employees identified in Article 13 shall not exceed ninety (90) days per calendar year.

9.08 TEMPORARY ASSIGNMENTS AWAY FROM HOME BASE

(a) For temporary assignments away from home base, travel time will be at straight time rates. Two (2) hours for North American flights or three (3) hours before International flights departure time will be considered as travelling time. Travel time will deem to have ceased when the employee reaches their destination accommodation. Employees who are expected to report to work prior to boarding a transcontinental or international flight shall be paid at applicable overtime rates.

(b) In cases where a customer has an AOG (Aircraft on Ground) situation or other similar, urgent event requiring a Mobile Repair Team, all parties must make every effort to assist and ensure a qualified team is assembled and dispatched as expeditiously as possible. To this effect, the following provisions shall apply to AOG assignments.

(i) The Company will post a notice on its' employee bulletin boards on October 1st of each year (or on the first Monday after October 1st if it falls on a Saturday or Sunday). Employees will have a two (2) week period within which to advise the Company of their desire to be part of the AOG Team.

(ii) Selection of employees for an AOG assignment will be subject to qualifications, necessary language requirements, and various Customs, Immigration and Employment requirements appropriate to the country of assignment. Additionally, the employee must be capable of representing the Company's interests in the

environment of an overseas assignment, e.g. public relations.

(iii) Opportunities for AOG assignments will be offered on a rotational basis to all the qualified employees who have advised the Company of their desire to be part of an AOG Team pursuant to point (i) above. The AOG rotational list will be posted and updated after each AOG assignment.

(iv) An employee who is offered, and declines an opportunity for an AOG assignment shall be placed on the bottom of the AOG rotational list.

(v) Where there is no one available from the established AOG Team as identified in point (i) and (ii) above, the Company may approach anyone in the position who possesses the qualifications to perform the assignment in classification seniority order.

(vi) Where there is less than four (4) hours' notice before required departure time, the selection of the employees for the AOG assignment may be made from on duty qualified employees with first preference to those qualified employees who have advised the Company of their desire to be part of an AOG Team pursuant to point 1 above.

(vii) When an employee is engaged in an AOG assignment, those provisions in Letter of Agreement #3, which may be applicable in the circumstances of the particular assignment, will apply.

(viii) Where the AOG assignment requires waivers to existing Agreement provisions in order to meet

the customer's requirements and/or to remain cost effective, the parties will endeavour to seek any reasonable means to achieve this objective.

(c) Employees temporarily assigned away from home base shall be reimbursed for incurred expenses in accordance with the Corporate Expense Policy and Letter of Agreement #3.

ARTICLE 10

PROBATION

10.01 All new employees shall be required to serve a probationary period of six (6) months which must include a minimum of one hundred and twenty (120) days worked. In the event that such new employee is absent from work for any reason, excluding regularly scheduled days off, for more than fourteen (14) calendar days during the six-month probationary period, the Company may extend such new employee's probationary period by the number of days such employee is absent in excess of fourteen (14) days. The Company agrees to notify the Senior Steward when a new employee's probationary period has been extended as provided herein.

10.02 The Company reserves the sole right to make any decision regarding the suitability of a probationary employee for retention. During probation, seniority rules shall not apply, but seniority, when established, shall commence from the last date of hire. The Training and Licensing Committee will be given an opportunity for input into the technical qualifications assessment of probationary employees, prior to a final decision concerning the retention, extension, or dismissal of such employees.

10.03 If a temporary employee subsequently becomes a permanent employee and, if they have complied with the requirements of clause 10.01 during their temporary period of employment and, if their service is unbroken, they shall not be required to serve a further probationary period, provided that the work to which they are assigned as a permanent employee is not substantially different from the work they were assigned as a temporary employee.

ARTICLE 11

SUB-CONTRACTING PROVISIONS

PRINCIPLE STATEMENT:

It is recognized that it is mutually desirable that work normally performed by a classification identified in Article 13 or work suitable for incorporation into the bargaining unit not be sub-contracted.

11.01 The Company will advise the Union in writing of its' intent to sub-contract, a minimum of fourteen (14) calendar days prior to the actual sub-contracting when the decision changes the business model affecting the IAM membership. Written notification will be given to the Senior Steward. Where full details are available this advisement will contain such information as number of units, services involved, anticipated duration and reasons for the sub-contract, as applicable. Furthermore, a representative of the Union is permitted to attend the daily production meeting in accordance to Clause 16.05.

The Company agrees to share with the Union any cost benefit analysis information done in conjunction with any sub-contract and to provide the Union with the opportunity to present submissions in support of retaining the work within the bargaining unit.

11.02 The Company agrees that the sub-contracting of work, other than to other MTU companies, normally performed by classifications in positions covered by this Collective Agreement constitutes a technological change. Accordingly, the provisions outlined in Clause 20.08 will be applied for those permanent employees affected by the sub-contract.

11.03 The Company further agrees that prior to any layoff, the Union will be allowed to review all sub-contracting situations with a view to reassessment of the practicability of performing the work within the bargaining unit.

ARTICLE 12

TEMPORARY EMPLOYEES

12.01 A temporary employee is a person who is normally employed on a continuous full-time working basis with the Company for more than one (1) week, but not more than six months duration, unless extended by mutual agreement between the Company and the Union, to cover work of a temporary nature. In the case of combined Maternity and Child-Care/Adoption leaves of absence beyond six (6) months, the period of employment for the temporary employee back-filling such absence may be automatically extended as per the applicable legislative provisions without the temporary employee achieving permanent status. The Company will provide the Union with a copy of a temporary employees' hiring letter, which will include the temporary employees' name, position, wage rate, assignment duration and commencement date, as well as the reason for temporary hiring.

12.02 The time bank referenced in Clause 5.07 does not apply to temporary employees.

12.03 A temporary employee who becomes a permanent employee and successfully completes his probationary period shall receive seniority credit for the period of their continuous employment from their last date of hire as a temporary employee.

12.04 No temporary employees will be employed within a classification while any employees are laid off in that classification unless mutually agreed between the Company and the Union.

ARTICLE 13

SENIORITY

13.01 Company seniority shall be the length of service with the Company regardless of classification.

Company seniority shall govern:

- vacation entitlement
- any other matter mutually agreed between the parties

Company seniority shall be taken into account with respect to:

- personal leave of absence (in accordance with Article 19.01)

13.02 Classification seniority shall be the length of service within an employee's classification and is not transferable from one classification to another. Classification seniority shall govern:

- layoff and recall
- displacement rights
- filling of vacancies (in accordance with Clauses 9.01, 9.02 and 9.03)
- rest day selection (in accordance with Clause 3.07)
- selection for training
- selection for vacation

13.03 Classifications consist of:

(a) Gas Turbine Engine Mechanic classification which shall consist of: Quality Assurance Inspectors; Line Inspectors; Mechanics; Apprentices

(b) Machinist Mechanic classification which shall consist of:

Machinist Mechanics; Machinist Apprentices

(c) Welder Mechanic classification which shall consist of:

Welder Mechanics; Welder Apprentices

(d) Component Mechanic classification which shall consist of:

Quality Assurance Inspectors; Line Inspectors; Mechanics; Apprentices

(e) Non-Destructive Testing (NDT) Mechanic classification which shall consist of:

Non-Destructive Testing Technicians; Non-Destructive Testing Mechanics

(f) Millwright classification which shall consist of: Millwrights and Millwright Apprentices

(g) Work Planner classification which shall consist of:

Work Planners, Shop Technicians

(h) Process Planner classification which shall consist of:

Process Planners

(i) Supply Chain Coordinator classification which shall consist of:

Supply Chain Coordinators

(j) Material Supply classification which shall consist of:

Material Planners and Buyers

(k) Documents Controller classification which shall consist of:

Records Controllers and Material Controllers

(l) Administrative Assistant classification which shall consist of:

Administrative Assistants

(m) Technical Librarian classification which shall consist of:

Technical Librarians.

(n) Refurbisher classification which shall consist of:

Refurbisher Technicians

(o) Process Cleaner Classification which shall consist of:

Process Cleaners

(p) Facility Worker classification which shall consist of:

Facility Workers

Note: A Lead as identified in Clause 7.05 may come from any classification or position contained in this clause. In the event that a reduction of Leads is required, an employee's ability to displace is limited to like positions within the operation. Recall to the position of Lead is also limited to like

positions within the operation, however, they also must meet the requirements of Clause 14.07 (b).

13.04 In the event more than one employee has the same classification seniority date, the employee with the greater Company seniority will appear first on the classification seniority list. In the event more than one employee has the same Company seniority date, placement will be determined by random selection with a Union representative present.

13.05 (a) When an employee accepts a permanent position in the Company that is outside the scope of the Agreement, the employee shall continue to accrue seniority for six (6) calendar months. If the employee returns to the scope of the Agreement within this six (6)-month period, they will return to the highest automatic progression attained in their former position and classification. After completion of the six (6)-month period, they will forfeit all classification seniority.

(b) Employees who accept a permanent position outside the scope of the bargaining unit may return after they have forfeited classification seniority only if the following terms and conditions are met:

(i) the Union is satisfied that the employee has a valid reason to return

(ii) the employee returns with zero classification seniority

(iii) the Union is satisfied no other employee is adversely affected at the time of their return

(iv) Company seniority shall be maintained

13.06 (a) When an employee is displaced or laid off in accordance with the provisions of Article 14 and subsequently accepts work in another classification, they shall continue to accrue seniority in both classifications until such time as they are recalled to their previous classification. At that time, the employee shall have the option of remaining in their present position or returning to their previous classification. If the employee chooses to return to their former classification, they shall retain but not accrue seniority on a credit list in the classification not chosen. If they choose to remain in their present position, they shall retain but not accrue seniority in their former classification and continue to accrue seniority in their present classification.

(b) When an employee is reclassified in accordance with the provisions of Article 9 from one classification to another as defined in Clause 13.03, the employee shall continue to retain and accrue seniority in their previous classification for an additional six (6) calendar months from the date of reclassification. However, once this period has been completed, the employee shall continue to retain but not accrue seniority in their previous classification and the retained seniority shall appear on a credit list.

13.07 An employee resigning from the Company or discharged for just cause shall lose all seniority rights accrued to the date of resignation or discharge.

13.08 Employees who take an authorized Leave of Absence to pursue accredited school studies associated with the classifications/positions detailed in Article 13.03 shall continue to accrue seniority providing they obtain prior approval from the Union.

13.09 The Company shall, on January 15 of each year, post on its bulletin boards, where employees covered by the terms of this Agreement are located, a complete Seniority List which shall reflect both Company and classification seniority as referred to in this Article, as of November 1 of the preceding year.

Seniority lists shall remain posted on bulletin boards until January 15 of the following year.

13.10 Employees shall have ninety (90) calendar days after the posting of such seniority list in which to protest in writing to Human Resources any alleged omissions or errors affecting their seniority. The Union shall receive a copy of the protest.

In the event that an employee does not file a written protest with the Company within the time limits stipulated above, they shall not be entitled, upon subsequent correction of the seniority list, to any retroactive application on a position bid and filled in the interim period unless by agreement between the Company and the Union.

13.11 While on Company assignment, including Employer initiated training, employees shall maintain and continue to accrue seniority, as well as service for pay purposes, during the period in which they are missing, interned, a hostage or prisoner of war.

13.12 Employees transferring into the NDT department will retain and continue to accrue seniority in their previous classification.

ARTICLE 14

LAYOFF AND RECALL

LAYOFF

14.01 (a) Except as provided in paragraph (b) below, the Company will layoff by reverse order of classification seniority within a position. This shall not prevent the Company from transferring employees from one functional work area to another. Employees will be given as much advance notice of the layoff as practically possible but not less than fourteen (14) calendar days.

(b) In the event the Company determines to layoff an employee from the Mechanic position in either the Gas Turbine Engine Mechanic classification or the Component Mechanic classification, the layoff will be by reverse order of classification seniority among the employees in the Mechanic and in the Line Inspector positions with each respective classification.

14.02 To mitigate layoffs, the employer, shall offer leaves of absence without pay or may offer V. S. I. P. opportunities in accordance with Clause 15.05 (Voluntary Separation Incentive Program).

14.03 An employee laid off from their current permanent position may exercise their seniority to bump the most junior employee in any other position they have previously held on a permanent basis, provided they have sufficient seniority to do so, or, they may elect to take layoff to the street.

14.04 An employee who has received notice of layoff must advise the Company with respect to their choice provided

in Clause 14.03 above within seven (7) calendar days of the date of such notice.

14.05 An employee who is being laid off shall, at the time of layoff, file their current address and phone number with the Company. Thereafter, the employee must keep the Company informed of any change to their address or phone number by registered mail to the Human Resources Department within five (5) days of the change. Should the employee plan to be temporarily away from their address or phone number for more than three (3) days, they shall verbally advise Human Resources and the Senior Steward of the duration of such absence and an alternate address and phone number at which they may be contacted for recall. This information must be contained in all layoff notices.

14.06 Subject to the provisions of this Article, during a period of layoff, an employee will continue to accrue Company and classification seniority.

14.07 The Company and the Union recognize that there is a difference between a "laid off employee" and an employee who holds "laid off status":

(a) A "laid off employee" is one who has been laid off from a position within a classification covered by this Agreement and who is not employed in any capacity in a classification covered by this Agreement. Such employee retains recall rights and continues to accrue seniority in the classification from which they were laid off.

(b) An employee on "laid off status" is one who has been laid off from a position within a classification covered by this Agreement, but who has retained employment in another position within the same classification or another classification covered by the

Agreement. Such employee continues to accrue seniority in the classification from which they were laid off plus seniority in their current classification and, subject to Clause 14.05 and 14.10(b), shall retain recall rights to the position in the functional work area from which they were laid off.

Note: Reference Article 23 for benefit coverage while on layoff.

RECALL

14.08 Employees shall be advised of recall by telephone with confirmation of such recall forwarded by registered mail or courier to the last address filed by the employee with the Company, with a copy to the Senior Steward. Attempts to contact the employee for recall shall be made over a period of three (3) consecutive days excluding general holidays. The employee shall advise the Human Resources representative of their intention to accept or decline recall within forty-eight (48) hours of notification of recall. The employee must return to work within fourteen (14) days of upon acceptance of recall unless otherwise agreed between the Company and the employee.

Should the Company be unable to contact the employee within the three (3) day period for recall to a position estimated to last less than six (6) months, the employee shall be deemed unavailable for that recall and the next appropriate individual may be recalled. Such employee shall remain on the seniority list for subsequent recalls but shall not be entitled, on this occasion, to displace the junior employee recalled in their place. Employees who fail to advise the Company of their intention to accept or decline recall within forty-eight (48) hours of first contact, shall be deemed to have declined recall.

Note: The notification timelines of this clause exclude Saturdays, Sundays and Statutory Holidays.

14.09 (a) Employees shall be recalled to the position(s) from which they have been laid off in order of classification seniority.

(b) Employees who have been laid off from a position and have been unable to retain employment in other positions previously held on a permanent basis will have recall rights to all such positions.

(c) Recall shall be for a period of five (5) years. Where an employee is not recalled within five (5) years their record shall be closed.

(d) Should there be a significant downward fluctuation in workload where layoffs are imminent, the Company may approach the Union for consideration regarding use of negative Time Bank referenced in Article 5.07 below forty (40) hours as a means of mitigating the need for layoffs.

14.10 (a) A laid off employee who does not accept a recall to a position from which they were laid off, which is estimated to last six (6) months or more, will forfeit recall rights to that position. Should the employee hold recall rights to only one position and they fail to accept recall, which is estimated to last six (6) months or more, the employee's record shall be closed.

(b) An employee on laid off status who does not accept a recall to a position from which they were laid off, estimated to last six (6) months or more, will forfeit recall rights to that position. If the position declined is not in the classification in which they are currently

active, they shall retain but not accrue seniority in the former classification.

14.11 Where there are laid off employees and/or employees on laid off status in a classification, the Company will offer temporary recall to such employees in classification seniority order prior to resorting to the provisions of Article 12. The normal period of temporary recalls will not be greater than six (6) months nor less than fourteen (14) calendar days unless this period of time is reduced by agreement between the Company and the Union. The duration of recall will be detailed in the recall notification letter as being either from fourteen (14) days up to ninety (90) days or from ninety (90) days up to six (6) months as applicable.

It is understood between the parties that temporary recalls of less than fourteen (14) calendar days in duration will be filled in the following manner:

a) Offered to those employees holding recall to the position, who meet the provisions of Clause 14.07 (b).

b) Offered to those employees that possess the required skills and/or capabilities provided for in Article 7.

14.12 When a laid off employee is recalled, they will be entitled to benefit coverage as outlined below:

Group Life Insurance	- effective date of return
Medical / Dental	- effective first of the month following date of return
Extended Health Plan	- effective first of the month following date of return

Disability Plan	- effective date of return providing the period of layoff has not exceeded twelve (12) months. If the period of layoff has exceeded twelve (12) months, coverage will be effective on the first of the month following three (3) months' active service.

In the event an employee is recalled and their coverage in one or more of the above categories is still active (i.e. has not lapsed), they will continue to receive benefit coverage from the date they return to work so that there will be no interruption of coverage.

ARTICLE 15

LAYOFF/REDUNDANCY PAY

15.01 A permanent employee covered by this Agreement who has completed one (1) year of continuous service under this Agreement immediately prior to being laid off through no fault or action of their own, including layoff resulting from merger, shall receive layoff pay as provided in Clause 15.02, subject to the limitations and conditions set forth herein, but they shall receive no layoff pay if any one or more of the following conditions exist:

(a) They exercise their seniority in order to remain in the employ of the Company and is successful in doing so.

(b) They accept any other employment with the Company or refuse to accept a job in their own or comparable work and pay classification under this Agreement.

(c) They fail to exercise their seniority, which would enable them to remain in the employ of the Company.

(d) The layoff is caused by an act of God, a national war emergency, revocation of the Company's operating certificates or certificate.

(e) The layoff is caused by a strike, or lockout or picketing of the Company's premises.

(f) They are on leave of absence on the effective date of layoff. In the case of an employee on leave of absence due to illness on the date of layoff for their seniority position, these layoff provisions will become

effective on the date that they are able and report for work following termination of such leave of absence.

(g) Their service is terminated as a result of discipline, retirement, correctable medical reasons or resignation other than as a direct result of, or during layoff.

Note: The service requirement referenced in Clause 15.01 includes service at Canadian Airlines International Ltd. for those individuals who became employees of the Company at the time the Company was formed.

15.02 The amount of layoff pay due under this Article shall be based on the length of actual straight-time continuous service with the Company under this Agreement and shall be computed on the basis of the employee's regular straight-time weekly rate at time of layoff.

Employees shall receive one (1) week of layoff pay for every completed year for the first eight (8) completed years of service, and two (2) weeks of layoff pay for every completed year of service thereafter, to a maximum of thirty (30) weeks' pay. For partially completed years, layoff payment will be based on the number of completed months rounded to the nearest tenth of a year and paid on a pro-rated basis, e.g. if the employee has completed two (2) years and six (6) months of service at the time of layoff, they will be entitled to receive 2.5 weeks of layoff pay.

15.03 The employee eligible for layoff pay shall receive such pay starting at the time of layoff, and payments for the amount due shall be at regular pay periods and continue until all layoff pay credit is used, except that in no event shall any such pay be due after the effective date of recall by the Company.

15.04 In the event that a laid off employee is recalled or obtains other employment with the Company without having used all their layoff pay, the unused time will be credited to their account; however, service for additional layoff pay credits will only be accumulated from their date of recall to a position covered by this Agreement.

15.05 The Voluntary Separation Incentive Program (VSIP) is intended for employees who may wish to retire or otherwise voluntarily separate from employment with the Company in order to mitigate the layoff of surplus employees.

1. Initial selection for acceptance for VSIP will be made from employees in the affected position where the surplus has been identified. If sufficient volunteers cannot be found from the affected position, the Company may consider volunteers from all other positions in the classification.

2. Acceptance will be in order of classification seniority.

3. Determination of acceptance of applications for VSIP will be solely at the discretion of the Company. The release date will be based on operational requirements.

4. Employees who voluntarily sever, will mitigate a layoff (thus preserving employment for another employee) and will be eligible for Unemployment Insurance in accordance with Unemployment Insurance regulations.

5. The amount of VSIP will be calculated on the basis of one (1) week's pay for each completed year of service up to a maximum of twenty (20) weeks' pay.

6. For purposes of VSIP calculation, a completed year of service shall be defined as including any lost time due to those leaves identified in Article 19 with the exception of Clause 19.01 (Personal Leave of Absence).

7. Employees who are participants in the IAM pension plan and who would reach a pension milestone of either 70 points, 80 points, or age 55, may elect to participate in VSIP and remain on the payroll for payment of severance monies associated with the program until the milestone is reached. Once the milestone is reached, the remaining monies shall be paid out in a lump sum.

8. Employees who elect to remain on the payroll to reach a milestone will be eligible for all benefits at 100% employee cost except for STD, LTD and WCB, which are not available.

9. Employees who are within forty (40) weeks of normal retirement who are accepted for VSIP will be limited in lump sum payment to one half the weeks left to retirement, e.g. if an employee has thirty (30) weeks until retirement, VSIP will be equivalent to fifteen (15) weeks' pay.

ARTICLE 16

UNION REPRESENTATION

16.01 The Union will select and designate from the hourly employees such representative(s) as may be necessary for the purpose of representing the hourly employees under the terms of this Agreement

16.02 The Union shall advise the Company of the names of its representatives. The Company shall advise the Union of the names of its representatives who serve on any joint committees.

16.03 The Union acknowledges that the stewards and Union officials will continue to perform their regular duties on behalf of the Company and that they shall report to their Team Leader or Manager and obtain permission before leaving their jobs for the purpose of Union business, including the investigation or settlement of grievances. Such permission shall not be unreasonably withheld.

16.04 A Shop Steward or any member of the executive is a representative of the Union when dealing with the Company unless they specifically state that they are unable to act as such in a particular situation.

16.05 Union appointed personnel, who by prior agreement with the Company are requested by the Company to meet with them, will not suffer a loss of pay as a result of such meeting. Nor shall they suffer any loss of pay related to the investigation or settlement of grievances during their regularly scheduled shift. It is agreed to release one Shop Steward for every ten (10) members for one (1) hour per month of production time per Shop Steward, which will be billed to the Union based on actual attendance at the monthly Shop Steward's Meeting. In the event that there is an operational requirement that may prevent the

release of any or all of the elected Shop Stewards in a functional work location, the Team Leader is required to consult with the Senior Steward in advance of denying any release. It is further agreed that the Stewards will have the ability to adjust their scheduled shifts to attend monthly Shop Stewards meetings provided prior permission has been approved for the shift adjustment by the employees Team Leader or Manager. Permission shall not be unreasonably withheld.

16.06 The parties recognize the desirability of maintaining adequate opportunities for Union representatives, specifically the Senior Shop Steward(s), the Senior Safety Representative and members of the Local Executive (excluding Trustees and Sentinels), to communicate with the Company and their membership during corporate working hours. Therefore, individuals occupying the above positions will have day shift with weekends off. This clause will be revisited if the structure of the Local changes to significantly impact the operation of the Company.

16.07 (a) The Company will grant full-time Union paid representatives' leave of absence without pay.

(b) Employees serving as Local Officers, Executive Board and ILIP Trustees, shall be granted Union paid release for the purpose of attending to Union business, provided a minimum of forty-five (45) days of written notice is given prior to the required release. If less than forty-five (45) days written notice is provided, the Company may grant the Union paid release, subject to operational requirements. Such requests will not be unreasonably denied.

Approved Union paid release shall not be cancelled by the Company, except in unexpected and urgent

circumstances, and providing not less than forty-eight (48) hours written notice is given to the Union.

Approved Union paid release that requires travel outside of the province shall not be cancelled, except in extraordinary and emergency circumstances, and if cancelled the Company will reimburse the Union and/or the employee for any costs incurred, which cannot otherwise be recovered.

16.08 The Company will continue to pay the monthly normal straight time salaries of three (3) designated employees who are members of the IAM&AW Negotiating Committee while engaged in direct Collective Agreement negotiations with the Company.

16.09 The Joint Grievance Review Committee shall consist of three (3) designated members from salaried employees and three (3) representatives from hourly employees. The hourly representatives shall include the Senior Steward and two (2) representatives elected by the employees.

16.10 The Company and the Union shall meet every two (2) months to review issues of major concern other than collective agreement issues. The Union will designate three (3) members one of whom will be the Senior Steward.

16.11 The joint Training and Licensing Committee (TLC) shall be comprised in accordance with Clause 8.01.

16.12 The Senior Union Safety Representative shall be a member of the Joint Health and Safety Committee. This committee may put forward recommendations to change the Health and Safety Policy Manual to the Health and Safety Policy Committee comprised of the Senior Shop Steward and a designated management representative.

No changes shall be made by the Health and Safety Policy committee to the Health and Safety Policy Manual without first consulting the Joint Health and Safety Committee.

16.13 The position of Senior Steward shall be provided five and one-half (5 1/2) hours per day to conduct Union business. The Senior Steward shall be a member of the Joint Grievance Review Committee, the Health and Safety Policy Committee and will be standing member attending meetings between the Company and the Union in accordance with article 16.10. The Senior Steward shall become a full time position, funded by the Company when the bargaining unit membership reaches three hundred (300) active employees. A second full time position, funded by the Company, will be established when the bargaining unit membership reaches six hundred (600) active employees.

It is recognized that on occasion more than five and one-half (5 1/2) hours per day may be required for a specific purpose. In that event the Company will not withhold permission unreasonably for additional time off with pay as required.

ARTICLE 17

COMPLAINT RESOLUTION PROCESS

For the purpose of this Agreement, a grievance is defined as any difference between the Company and the Union and/or those parties on whose behalf this Agreement was entered into concerning the interpretation, application, administration or alleged violation of this Agreement.

The parties recognize that in the best interests of the employees, the Union and the Company, the emphasis in this Article should be placed on resolving complaints at the lowest possible level and in an expedited manner.

17.01 INDIVIDUAL/GROUP GRIEVANCES

Individual or group grievances arise when an employee, or employees, believe their rights, as set out in the Collective Agreement, have been violated.

STEP ONE:

A meeting to resolve the issue will be held between the Shop Steward, employee(s), and the Company within five (5) days after the occurrence or awareness of the situation causing the complaint. If the parties are unable to resolve the complaint, a grievance form will be filed with a joint written summary of the Company's and the Union's positions prior to the end of the meeting.

All documentation will be forwarded immediately to the Joint Grievance Review Committee.

STEP TWO:

Within ten (10) days of receipt, the Joint Grievance Review Committee will meet for potential resolution.

If resolved to the satisfaction of all three parties, the grievance shall be concluded, in writing, at that meeting.

If the parties are unable to resolve the grievance, another joint written summary of positions will be created at that meeting and forwarded immediately to Transportation District 140 and Human Resources along with all relevant documentation.

STEP THREE:

Within ten (10) days of receipt of the compiled summaries, Transportation District 140 will advise the Company whether the grievance is to be discontinued or will proceed to arbitration.

Transportation District 140 and the Company will have five (5) days to schedule an arbitration.

17.02 POLICY GRIEVANCES

Any matters affecting the Union, or matters of interpretation, or any subject in which the Union or Company may have an interest, could be the subject of a policy grievance.

STEP ONE:

A meeting to resolve the issue will be held between the Senior Steward and the Company. If the parties are unable to resolve the issue at this meeting, a joint written summary of positions will be created and forwarded immediately to Transportation District 140 and Human Resources.

STEP TWO:

A meeting will be held between Transportation District 140 and Human Resources within ten (10) days of receipt.

If the parties are unable to resolve the issue, a grievance will be filed. Transportation District 140 and Human Resources will have fifteen (15) days in which to schedule an arbitration.

17.03 DISCIPLINE GRIEVANCES

Discipline grievances arise when an employee feels that they have been unjustly disciplined.

STEP ONE:

A meeting to resolve the issue will be held between the Senior Steward or designate, the Company, and the employee within five (5) days of the imposed discipline. If the parties are unable to resolve the issue, a grievance form will be filed with a joint written summary of the Company's and the Union's positions and relevant documents prior to the end of the meeting. This will be forwarded immediately to the Joint Grievance Review Committee.

STEP TWO:

Within five (5) days of receipt, the Joint Grievance Review Committee will meet to attempt to resolve the issue.

If resolved to the satisfaction of all three parties, the grievance shall be concluded, in writing, at that meeting.

If the parties are unable to resolve the grievance, another joint summary of positions is created at that meeting

which will then be forwarded immediately to Transportation District 140 and Human Resources.

STEP THREE:

Within ten (10) days of receipt of the compiled summaries, Transportation District 140 will advise the Company whether the grievance is to be discontinued or will proceed to arbitration. Transportation District 140 and the Company will have five (5) days to schedule an arbitration.

17.04 Grievances arising from discipline as a result of action taken under the Joint Harassment Policy, shall be forwarded immediately to the Transportation District 140 for processing.

17.05 All time limits mentioned in this Article will be full calendar days and exclude Saturday, Sunday and General Holidays.

17.06 The parties may extend the time limits by written agreement. If an extension is requested, the time limits will be frozen until such time as a response is received. The Company's Director of Human Resources and Transportation District 140 may waive any step in the grievance procedure by mutual written agreement. The settlement requested must be in keeping with the provisions of the Collective Agreement and, if there is a dispute, the settlement would be subject to review by an arbitrator.

17.07 If the parties cannot reach agreement on a settlement of the dispute at the final step of the grievance procedure, the case may be referred to arbitration per the following:

(a) Submit the dispute to a single Arbitrator per Clause 17.08, or

(b) Agreement between the parties to submit the dispute to an Expedited arbitration process as follows:

1) Grievances shall be presented by a designated representative of the Union and a designated representative of the Company (i.e. not outside representatives such as lawyers).

2) All presentations are to be short and concise with:

(i) Comprehensive opening statement dealing with the facts and provisions of the Collective Agreement upon which reliance is placed.

(ii) Limited use of precedential authorities.

(iii) Parties endeavouring to conclude cases within one (1) day.

Nothing in the foregoing limits either party from introducing all the evidence they believe relevant to this case.

3) Decisions will be:

(i) Rendered verbally to parties within three (3) days of hearing.

(ii) Confirmed, in writing, within two (2) calendar weeks of hearing.

(iii) The written decision shall set forth a brief explanation of the facts and the terms of the Agreement and/or law, relied upon for the decision.

(iv) Without precedent or prejudice to future proceedings unless otherwise agreed by the parties.

(v) Binding on both parties.

(vi) Consistent with the terms of the Agreement.

4) Fees and expenses of the arbitrators shall be shared equally by the parties.

(c) It is understood that changes to this procedure may be made at any time by agreement between the parties. Additionally, the hearings will be governed by the following guidelines, which can be amended by agreement between the parties at any time:

(i) A brief of pertinent documents will be jointly presented to the Chairperson.

(ii) If possible, a statement of agreed to facts will be jointly presented to the Chairperson.

(iii) Responses to opening statements will cover any facts which are in dispute and any additional facts available.

(iv) The hearing will be conducted in an informal manner with limited objections by the parties and without concern for procedural irregularities.

(v) Hearsay evidence and extrinsic evidence will be allowed to be entered without objection from the opposing party and given the appropriate weight by the Chairperson.

(vi) Witnesses will only be used to enter evidence relative to facts in dispute or for expert explanations and their testimony will be guided to the issues of fact.

(vii) Arguments will be presented only to points in issue.

(viii) Case authorities will be kept to a minimum and will go only to points at issue.

(ix) Mediation of the issue by the Chairperson will be permitted if the parties both agree, but the parties must have authority to settle the issue at the table.

17.08 (a) The parties shall endeavour to agree to the selection of a single Arbitrator within fourteen (14) days of the referral of the dispute to arbitration. Failing agreement on the selection of a single Arbitrator within that time period, or such other time as may be mutually agreed to, either party may apply to the Director of the B.C. Collective Agreement Arbitration Bureau to appoint a single Arbitrator.

(b) The decision rendered by the Arbitrator shall be final and binding on both parties.

(c) The Arbitrator's award shall be stated in writing and furnished to the Company and the Union. The Arbitrator shall not have jurisdiction to establish new provisions or to change by its decision, in whole or in part, any provision of the existing Agreement.

(d) Witnesses who are deemed by the Union to be essential to their case presentation, excluding the arbitration hearing, and whose participation will not unduly interfere with the service of the Company, will

be granted time off with pay for a time sufficient to permit them to participate.

(e) At any arbitration hearing, the Union may have the assistance of the employee, or employees, concerned and any necessary witnesses and they will be granted the necessary time off without pay.

(f) The fees and expenses of the Arbitrator shall be shared equally by the parties.

17.09 All meetings between Company representatives and representatives of the Union shall normally be scheduled to commence between 0800 and 1600 without loss of time to representatives of the Union. If the Union representatives call such meetings, overtime will not be paid.

A Union representative or their deputy must be present when an employee is required to make statements at hearings on matters affecting the Agreement, Company working rules, compensation, and/or accidents or incidents from which discipline may arise. The Union representative will be chosen by the employee from the shop stewards on duty, barring any conflict of interest. Upon request, the employee will provide an explanation of the nature of any alleged conflict of interest to Human Resources.

The same Union representative will attend all related hearings/meetings with the employee, unless doing so would cause undue delay, in which case the Senior Steward or their designate will attend.

17.10 Nothing in this Article shall be construed to prevent the Company from suspending, with pay, an employee pending a hearing. Notice of such suspension shall be in writing by hand-delivered letter or, if necessary, by

registered mail to the employee's home. The Union shop steward must be handed a copy of such letter forthwith.

17.11 No disciplinary action shall be taken by the Company prior to giving the employee the opportunity to have their case presented at a hearing. Notification of such hearing shall be given in writing within ten (10) days of the time when the Company became aware of the incident. The notification shall outline the nature of the incident and be given to the employee and the shop steward; except that in the absence of the employee, such notification shall be given to the shop steward and a copy mailed to the employee's last known address.

17.12 An employee will be informed of any correspondence of a disciplinary nature against the employee which the Company wishes to place on their employee record, subject to their rights under this Article. When a notation of discipline is made against the record of an employee, they will be furnished with a copy and a copy will be sent to the Union. Disciplinary letters will be removed from an employee's record after eighteen (18) months from date of origin. An employee may peruse their record not more than twice annually. Only the pertinent material and information contained in the record under the jurisdiction of the Human Resources Department will be used in disciplinary action against the employee.

17.13 All hearings shall be scheduled to commence between the hours of 0800 - 1600 on weekdays (i.e. Monday to Friday inclusive) and every reasonable effort will be made to schedule such hearings during the employee's scheduled working hours. Exceptions to the above will be made when the employee is unavailable due to assignment, sickness, vacation, etc.

17.14 It is agreed that employees covered by this Agreement will not be required or allowed to impose formal

disciplinary action, arising from action under clause 17.11, upon other employees covered by this Agreement. However, employees are expected to give relevant evidence at hearings and investigations.

17.15 If it is found that an employee has been unjustly suspended, such employee shall be reinstated with full pay for all time lost. If it is found that a penalty of suspension or discharge has been imposed which is too severe in light of the circumstances, the employee may be completely exonerated or given a lesser suspension or given a lesser disciplinary measure such as a letter of warning or letter of reprimand.

ARTICLE 18

VACATIONS

18.01 For the purpose of calculating and recording annual vacations, a "vacation year" has been established. The year begins January 01 and ends December 31.

18.02 Vacation entitlement listed below will be increased by one (1) day for each general holiday that occurs during their vacation period to be taken at the end of their vacation period unless mutual agreement has been made to obtain a day in lieu:

During the vacation year in which the employee begins	The employee will be entitled to	With the following pay applicable (subject to Clause 23.10)
YEARS OF SERVICE	**TIME ENTITLEMENT**	**PAY ENTITLEMENT**
1	None	(per Clause 18.04)
2	(per Clause 18.03); plus 1 week (7 calendar days) after twelve (12) months' service	(per Clause 18.03)
3 - 5	3 weeks (21 calendar days)	3 weeks regular earnings or the provisions of the British Columbia Employment Standards Act whichever is greater

6 - 10	4 weeks (28 calendar days)	4 weeks regular earnings
11 - 15	5 weeks (35 calendar days)	5 weeks regular earnings
16 & over	6 weeks (42 calendar days)	6 weeks regular earnings

Notes:

1) Notwithstanding the provision that all vacation earned in one vacation year is to be taken in the following vacation year, it is recognized that the employees formerly covered by the CPAL/IAM&AW Collective Agreement No. 26 are currently taking one week vacation in the year in which it is earned. It is agreed that this practice will continue for those employees but will not be instituted for any employees who were not covered by Agreement No. 26.

2) Notwithstanding the above, employees will be granted vacation entitlement and vacation pay based on current wages or the provisions of the British Columbia Employment Standards Act, whichever is greater.

3) An employee's vacation week shall be defined as forty (40) hours, inclusive of paid rest and meal periods.

4) Employees with at least three (3) weeks' vacation entitlement may elect to split one (1) week of their entitlement into sections of one or more days. Such vacation will be selected after all full-week vacation

rounds have been completed. (Reference clause 18.07).

18.03 Employees with less than one (1) year of service shall be entitled to fourteen (14) calendar days free of duty in the following vacation year. Wages for this period shall be four percent (4%) of total wages during the year in which the vacation was earned.

18.04 Employees leaving the service of the Company who have completed thirty (30) days but less than one (1) year of continuous service with the Company, excluding any layoff period or authorized leave of absence, shall be entitled to four percent (4%) of total wages earned during their period of employment as vacation pay.

18.05 Employees leaving the service who have completed one (1) year of continuous service with the Company, excluding any layoff period or authorized leave of absence (at a time when an unused period of vacation stands to their credit), shall be paid the amount due them in lieu of vacation calculated to the date of their leaving the service as provided for above.

18.06 Employees within the same position in each functional work area shall be given preference for vacation selection by classification seniority, in accordance to the existing practice.

18.07 (a) A vacation list will begin circulation by November 1 in every year within each functional work area. All employees within each functional work area will be required to indicate their first choice by no later than November 15th, their 2nd choice by no later than November 30th, their 3rd choice by no later than December 15th and their 4th choice and subsequent choices by December 31st. The approved vacation list shall be posted by no later than January 15th of

the following year. Employees who have not made their choice in each selection round, shall forfeit such choice and following the last selection round, the unbid vacation may be assigned after March 31st.

(b) Employees may split their vacation entitlement into minimum one (1) week segments.

(c) Bid vacation periods will not be altered after having been approved without local agreement between the Company and the Union. Requests to alter bid vacation periods occurring between July 1 and August 31 must be submitted not less than thirty (30) calendar days prior to the commencement of the vacation period.

(d) The Time Bank week of vacation referenced in clause 5.07(c) shall be second choice extended vacation. Time set aside for this extended vacation provision will not be used for any other purpose, and the flex time bank may again be built up to a maximum of one hundred and fifty (150) hours.

18.08 No employee shall have more than four (4) calendar weeks off as annual vacation during the period starting July 1 ending August 31.

18.09 An employee who is unable to commence or complete their scheduled vacation period due to injury or illness, including Workers' Compensation, shall be awarded a new vacation period upon return to duty. The employee must provide a doctor's certificate to verify all absences under this article. However, if the employee does not return to duty on or before December 1 of any year, they shall have the option to receive the pay in lieu of the vacation earned but not taken.

18.10 Employees will be permitted to defer one (1) week of annual vacation to the following year should they have insufficient hours in their time bank on October 1st to request extended vacation (ref 5.07c). Deferred vacation shall be bid at the same time and with the same priority as extended vacation in accordance with Clause 18.07(d). Employees will not be allowed to work through any vacation period and receive the vacation pay credits due to them.

18.11 The number of employees permitted on vacation at any one time within each position in each functional work area will be governed by the following table of ratios:

Total number of vacation weeks of entitlement under Clause 18.02 per position in the functional work area:	Number of employee permitted on vacation at any one time within the position in the functional work area:
1 - 30	1
31 - 50	2
51 - 70	3
71 - 90	4
91 - 110	5
111 - 130	6
131 - 150	7
151 - 170	8
171 - 190	9
191 - 210	10
211 - 230	11
231 - 250	12
251 - 270	13

Note: The ratio will continue to increase by twenty week increments.

18.12 (a) An employee who moves voluntarily to a new functional work area after the vacation list is posted shall not be allowed to exercise their seniority to disrupt the list but shall accept an open vacation period. This Clause shall not prevent the employee

from requesting and the employer from granting vacation in excess of the vacation ratio if operational requirements permit.

(b) An employee who is bumped or assigned to a new functional work area shall retain their vacation selection.

ARTICLE 19

LEAVES OF ABSENCE

19.01 PERSONAL LEAVE OF ABSENCE

(a) Consistent with work schedule requirements, an employee, upon written request, may be granted personal leave of absence, including for education purposes, without pay for a period not to exceed thirty (30) days. This period may be extended by mutual consent of the Company and the Union.

(b) When such leave is granted, the employee shall retain their seniority rights. In no case shall personal leave of absence be given to an employee for the purpose of working for another employer or for self-employment.

19.02 (a) BEREAVEMENT/EMERGENCY LEAVE

(i) The Company shall pay for lost time of three (3) working days occasioned by a death or life-threatening illness/injury in the employee's immediate family.

(ii) A period of leave in excess of three (3) days, necessitated by the distance to be traveled, shall be allowed for out-of-town travel on the basis of one (1) additional day with pay for travel in excess of one hundred and sixty (160) kilometers or, two (2) additional days with pay when travel outside of British Columbia is required.

(b) COMPASSIONATE LEAVE

An employee will be granted time free of duty up to three (3) calendar days with no loss of pay when

there are legitimate compassionate grounds involving their immediate family. If additional time off is required for this purpose, such time may be withdrawn from the employee's Time Bank (subject to the allowable minimum), his Sick Bank (to the extent of their credits), or taken without pay at the employee's option.

Note: For the purposes of Article 19, immediate family is defined as husband, wife, common-law spouse, children, parents, legal guardian, brother, sister, grandparents, grandchildren, person lawfully in loco parentis, parent-in-law.

(c) Domestic or Sexual Violence Leave

The parties agree that the Domestic or Sexual Violence Leave provisions in Section 52.5 of the B.C. Employment Standards Act, as may be amended from time to time, shall be applicable to the employees covered by the Collective Agreement.

19.03 MATERNITY, CHILD, PARENTAL AND ADOPTION LEAVE

Every employee is entitled to apply for and shall be granted a leave of absence and the following rules shall apply for maternity, parental, adoption and child care leave. Such leave shall be in accordance with applicable legislative provisions.

(a) The Company shall not dismiss, suspend, layoff, demote, discipline, nor deny promotion or training because the employee has applied for leave under these Clauses.

(b) No employee can be laid off while on leave under these Clauses 19.04, 19.05, 19.06 and 19.07.

However, this shall not prevent the Company from laying off active employees who are senior to them during their leave of absence under this Clause.

(c) Every employee who intends to take a leave of absence under these Clauses 19.04, 19.05, 19.06 and 19.07 shall:

(i) Give at least four (4) weeks' notice in writing to the Company unless there is a valid reason why such notice cannot be given.

(ii) Inform the Company in writing of the length of leave intended to be taken.

Note: Nothing in the foregoing shall prohibit the employee from returning to work prior to the expiration of the leave of absence provided the employee supplies four (4) weeks' written notice to the Company of their intended date of return to work.

(d) The Company must inform in writing, every employee who takes leave under these Clauses (19.04, 19.05, 19.06 and 19.07) of every employment bid, promotion or training opportunity for which the employee is qualified. The employee must request this in writing and ensure the Company has a current address for the employee.

(e) Every employee who takes leave under these Clauses (19.04, 19.05, 19.06 and 19.07) is entitled to be reinstated in the position that that employee occupied when the leave commenced. If for a valid reason, the Company cannot reinstate an employee in that position, the Company shall reinstate the employee in a comparable position with not less than

the same wages, benefits, and same location or awarded a position as per 19.03(d) above.

(f) The pension, health and disability benefits and the seniority of any employee who takes or is required to take a leave of absence from employment under this Clause shall accumulate during the entire period of the leave.

(g) Where monetary contribution is normally required of an employee for the employee to be entitled to a benefit referred to in 19.03(f) above, the employee is responsible for and must, within a reasonable time after commencing the leave, pay that monetary contribution. Disability premiums must be paid concurrent with the Plan provisions, commencing at the start of the leave in order to maintain coverage as outlined in the Plan. Accordingly, it shall be the responsibility of the employee to provide the Company with the required monthly premium at least five (5) business days prior to the start of the calendar month for which the required premium is due. Once received the Company will remit it to the benefit provider in accordance with Article 23.08. An employee who fails to pay the monetary contribution required, with respect to disability benefits, will be required to re-qualify for benefits upon the employee's return to work, in accordance with the Plan provisions.

(h) For the purposes of calculating the pension and health benefits of an employee who fails to pay the monetary contribution required by 19.03(g) above, employment on the employee's return to work shall be deemed to be continuous with employment before their absence.

(i) For the purposes of calculating benefits of an employee who takes or is required to take a leave of absence from employment under this Clause, other than benefits referred to in 19.03(f) above, employment on the employee's return to work shall be deemed to be continuous with employment before their absence.

19.04 MATERNITY LEAVE

(a) Where an employee is pregnant, that employee is entitled to apply for and shall be granted a leave of absence in accordance with applicable legislative provisions.

(b) An employee applying for leave under this Clause, shall provide the Company with a medical certificate stating expected confinement date.

(c) The Company shall not require an employee to take a leave of absence because the employee is pregnant; however, if an employee is unable to perform an essential function of their job and no appropriate alternative job is available for that employee, that employee may be required by the Company to take the leave but the burden of proving this rests with the Company.

(d) If an employee is unable to work because of an illness, whether or not it is related to their pregnancy, they shall be allowed to use their sick leave under this Agreement. This shall not be construed to mean that they shall be allowed sick leave while on Maternity or Child Care Leave.

(e) Employees who have completed six (6) months employment will receive full pay for the one (1) week EI waiting period and a supplemental amount to equal ninety-five percent (95%) of the employee's normal weekly earnings when combine with EI benefits for the one (1) week following the waiting period.

19.05 CHILD CARE LEAVE

Where an employee has or will have the actual care and custody of a new born child, that employee is entitled to and shall be granted a leave of absence in accordance with legislative provisions.

(a) In the case of a female employee:

- on the expiration of any leave of absence taken by her under Clause 19.04.
- on the day the child is born, or
- on the day the child comes into her actual care and custody, and

(b) in the case of a male employee:
- on the day the child is born, or
- on the day the child comes into his actual care and custody.

(c) The combined amount of leave of absence from employment that may be taken by two (2) employees of this Company under this Clause shall not exceed the maximum entitlement in accordance with legislative provisions.

19.06 ADOPTION LEAVE

(a) Where an employee commences legal proceedings under the laws of a province to adopt a child or

obtains an order under the laws of a province for the adoption of a child, the employee is entitled to and shall be granted a leave of absence from employment in accordance with applicable legislative provisions.

(b) The combined amount of leave of absence from employment that may be taken by two (2) employees of this Company under this clause shall not exceed the maximum entitlement in accordance with legislative provisions.

19.07 PARENTAL LEAVE

An employee shall be paid at their regular rate of pay for four (4) working days due to the absence of that employee or their spouse due to the birth of their child or an adopted child coming into their care and custody. This Clause will not apply during any approved absence from work.

19.08 WEDDING DAY

An employee will be granted a leave of absence with pay for the wedding day of the employee or a member of their immediate family.

19.09 ATTENDING COURT

When attending court as a witness for the Company, employees shall continue to receive the applicable wage as though working. Necessary expenses incurred by the employee will be reimbursed by the Company on a receipted basis.

19.10 JURY DUTY OR SUBPOENAED WITNESS

An employee required to perform jury duty, appear for jury selection or appear as a subpoenaed witness will

continue to receive their normal straight-time wages. They shall turn over to the Company all monies received from the court for such service, excluding payment for meals, lodging, transportation and parking.

Note: It is understood that when subpoenaed as a witness, the employee will take all reasonable steps to claim payment of wages from the party requesting the subpoena. The Company will provide a suitable form letter for this purpose.

ARTICLE 20

GENERAL

20.01 RETURN TO WORK AFTER WCB-RELATED ABSENCE

Employees who return to work after a job-related injury or illness covered by Workers' Compensation and find, upon medical advice by a qualified medical practitioner, that they can no longer carry out the duties of their previous job, will be given such light work as they are able to perform, if such work is available, or allowed the reasonable opportunity to qualify for other work covered by this Agreement. In this circumstance, the employee will retain their current rate of pay until such time as the rate of pay in the newly assigned position catches up to their current rate.

20.02 MODIFIED RETURN TO WORK PROGRAM AND THE DUTY TO ACCOMMODATE

Recognizing the benefits of a formal rehabilitation program for employees who have been injured on the job or are recuperating from personal injury or illness, the Company and Union commit to work together proactively in accordance with and for the purposes of achieving the objectives of the Company's Modified Return to Work Program. No employee shall suffer any loss of wages or benefits during the transition into a modified return to work agreement, provided that they have fulfilled all of their obligations in accordance with the Modified Return to Work Program.

20.03 DOCTOR'S APPROVAL

Employees shall be permitted to return to work when approved by a doctor satisfactory to both the Company and the employee without signing any release pending

the disposition or settlement of any claim for damage or compensation.

20.04 WCB OR INDEPENDENT DOCTOR

If the Company does not agree with the decision of a WCB doctor regarding an employee's ability to resume their duties, the Company, the Union and the employee will select an independent doctor to give a binding decision.

20.05 WCB HEARINGS

Employees required by the Workers' Compensation Board to attend WCB hearings will continue to receive the applicable wage as though working.

20.06 TOOL KITS

The Company will reimburse an employee who is required to have a tool kit in the performance of their duties for the loss or damage of such tool kit, or major portion thereof, subject to the following:

(a) Any reimbursement will not exceed the replacement value of tools.

(b) Each employee shall submit an identifiable inventory of the contents of a tool box. Each tool box shall have a lock and shall be left locked at a place designated by the Company.

(c) The inventory form referred to in paragraph (b) shall contain the following information:

1) Quantity
2) Description
3) Identifying mark
4) Signed by:

Employee Company

Distribution: Employee
Employee Record

(d) An employee will not be entitled to the reimbursement provided in this Article when the loss or damage is caused by negligence or wrongdoing by the employee.

20.07 ORDERS IN WRITING

All orders to an employee notifying them of promotion, demotion, layoff, leave of absence, recall, and change in pay or classification shall be stated in writing with a copy to the Union and such employee shall be given as much advance notice as possible. The Employer acknowledges the requirement to provide such notice to the Union in writing in a timely manner.

20.08 TECHNOLOGICAL CHANGE

(a) The Company and the Union acknowledge the requirement to comply with the following provisions applicable to Technological Change.

(b) Technological change means:

(1) The introduction by the employer into his work, undertaking, or business, of equipment or material of a different nature or kind than that previously utilized by him in the operation of the work, undertaking or business; and

(2) A change in the manner in which the employer carries on the work, undertaking or business

that is directly related to the introduction of that equipment or material.

(c) (1) Where the Company proposes to effect a technological change and such action results in the displacement of employees who have completed their probationary period or necessitates new job classifications and wage rates, the Company shall give notice to the Union not less than one hundred and twenty (120) days prior to the date on which the technological change is to be effected.

(2) The notice referred to in (1) above shall be in writing and shall state:

(i) the nature of the technological change;
(ii) the date upon which the employer proposes to effect the technological change;

(iii) the approximate number and type of employees likely to be affected by the technological change;

(iv) the effect that the technological change is likely to have on the terms and conditions or security of employment of the employees affected;

(v) such other information as may be required by regulations.

(3) A meeting shall be scheduled with the Union within fourteen (14) days after the notice referred to in Clause 20.08 (c) (1) above has been issued for the purpose of discussing and negotiating such conditions which result from

the proposed changes as may affect employees. If the parties are unable to reach an agreement as to the applicable conditions the matter shall, at the request of either party, be submitted to mediation/arbitration within ten (10) working days following the last meeting on the matter.

(d) (1) Where technological change may require additional knowledge and skill on the part of employees, such employees shall be given the appropriate training where practical, to qualify employees to retain their employment. A reasonable time will be afforded to employees in which to qualify. Any instruction or training shall be done at the employees regular rate and during scheduled working hours.

(2) If by reason of technological change the employee cannot be retrained in accordance with Clause 20.08 (d) (1) above, the employee shall:

(i) be given an opportunity to fill any vacancy for which he is qualified in accordance with Article 9, or

(ii) follow the procedure as outlined in Article 14.

Any vacancy created as a result of the above shall then be filled in accordance with Article 9.

(e) (1) A permanent employee laid off as a result of technological change who wishes to maintain his Company relationship in accordance with Article 14, will be entitled to the provisions of Article 15.

(2) A permanent employee laid off as a result of technological change and who no longer desires to maintain employment with the Company will be paid severance pay equal to two (2) weeks' salary for each year of service to a maximum of forty (40) weeks.

Note: If, during the life of this Agreement, there is a requirement for the use of metric tools and/or equipment, the matter will be handled under the procedure outlined in this Article.

20.09 BULLETIN BOARDS

Places shall be provided where proper notices of direct interest to employees may be posted by the representatives of the Union. Such notices shall bear the signature of one of the members of the Executive Board.

20.10 PRINTING AND DISTRIBUTION OF COLLECTIVE AGREEMENT

Within three (3) months of notice of ratification, the Parties will arrange for the printing of this Agreement at a unionized printer and supply all employees with a copy at no cost to the employee. Costs associated with the printing of the Agreement shall be shared equally between the Company and the Union.

20.11 ELECTRONIC SURVEILLANCE

(a) Information gathered through any form of electronic surveillance, i.e. computer terminals, workload statistics, telephone systems record, shall not be used to measure productivity for disciplinary

purposes against any member of the bargaining unit unless substantiated by other evidence.

(b) Notwithstanding the above, where there are unforeseen circumstances related to a breach of security, the Company will enter into discussions with the Union prior to determining what, if any, special security measures should be activated.

ARTICLE 21

NO STRIKE - NO LOCKOUT

21.01 The parties agree that there shall be no strike or lockout as defined under the British Columbia Labour Code during the term of this Agreement.

21.02 Should any legal labour disruption occur in another Company that directly impacts the operation of the Company, the Union and employees will uphold their respective obligations under the British Columbia Labour Code and under this Agreement. In these circumstances, employees shall continue to perform all work that was already under contract prior to the dispute.

21.03 It is agreed that neither the Company nor the Union will discriminate against any employee who crosses or refuses to cross a legal picket line in order to carry out their work assignment.

ARTICLE 22

HEALTH AND SAFETY

PREAMBLE:

The Company will take all necessary precautions to protect the health and safety of its employees and will comply with all provisions concerning the health and safety of employees as governed by all applicable legislative and regulatory authorities.

22.01 Where in the interests of safety, the Company requires the wearing of protective footwear, the Company will reimburse the employee, on receipt of proof of purchase or repair, the cost of same up to a maximum of two hundred and fifty dollars ($250.00) once every twenty-four (24) months. If, as a result of work related conditions, an employee's protective footwear becomes unserviceable, and it must be replaced, the Company will pay to the employee the benefit outlined above, prior to the expiration of the twenty-four (24)-month period.

The areas where such footwear is required will be determined by the Company Safety Representative in consultation with the Union Safety Representative.

22.02 The Company shall supply on a continuous return basis up to six (6) coverall, shirt and pant combinations or smocks at no cost to the employee. In addition to the foregoing, employees employed in the NDT or Process Cleaner Classifications will be supplied on a continuous return basis with four (4) additional coverall, shirt, and pant combinations or smocks at no cost to the employee. Employees who are required to work outdoors will be provided with jackets suitable to the weather conditions at no cost to the employee. The Company will arrange to launder and repair such clothing.

Employees holding a permanent position in the specified positions below, will be provided with a new personal jacket suitable to the weather conditions, at no cost to the employee. The employee is responsible to launder and repair this item. If, as a result of work related conditions, an employee's personal jacket becomes unserviceable, the Company will provide a new personal jacket to that employee.

- Facility Workers
- Millwrights
- Process Cleaners
- Material Controllers (excluding Kitting & Receiving)
- Any position in the GTE Mechanic Classification permanently assigned to work at the Test Cell

22.03 Ear-muff type hearing protectors will be made available to all employees on a return basis at work locations where required by the applicable legislation. Where an employee requests not to use ear-muff type hearing protection, custom molded hearing protectors will be provided.

22.04 All employees in a functional work area where the maximum noise tolerance is exceeded, as specified by the applicable legislation, will be given an annual hearing test.

22.05 Individual lockers will be provided for each employee required to wear Company supplied clothing and special safety devices.

22.06 A pregnant employee who is concerned that working with chemicals or with Video Display Terminals may be injurious to their unborn child or to themself by reason of their pregnancy and provides a medical certificate attesting to their concern, the Company shall make every reasonable attempt to modify either the employee's job or

workplace to alleviate their concern. If this is not practical, then the employee may elect one of the following options:

(a) Pre-natal extended leave of absence without pay.

(b) Exchange of positions with another employee in the same classification on a voluntary basis until the pregnant employee commences maternity leave.

(c) Transfer to a vacancy covered by this Agreement for which they are qualified. They will be paid the rate of pay applicable to the new position.

(d) Exchange positions with the junior employee in the same classification employed at a work site not having such exposure on a displacement basis.

22.07 If an employee has a particular and adverse reaction to continuous and consistent exposure at a workplace to certain hazardous chemical substances and provides a medical certificate attesting to their concern, the Company shall modify either the employee's job or workplace to alleviate their concern. If this is not practical, then the employee may elect one of the following options:

(a) Exchange of positions with another employee in the same classification on a voluntary basis.
(b) Exchange of positions with the junior employee in the same classification employed at a work site not having such exposure on a displacement basis.

(c) Transfer to any vacancy covered by the Collective Agreement for which they are qualified. they will be paid the rate of pay applicable to the new position.

(d) Leave of absence without pay.

22.08 Where the Company requires the wearing of safety eyewear, non-prescription safety goggles will be provided by the Company for all employees. Where an employee prefers to wear prescription safety glasses they must inform their Team Leader. As per the "Work Instruction - Safety Glasses", the Company will provide a list of available optometrists, reimburse the employee for the cost of the eye exam, and reimburse the employee to a maximum of two hundred dollars ($200.00) once every 2 years for the prescription safety glasses.

22.09 HEALTH AND SAFETY COMMITTEE

(a) A Joint Occupational Health and Safety Committee ("Joint Committee") will be established, composed of:

(i) Fourteen (14) members, one-half of which shall be selected by the Union from the elected Area Safety Representatives, and one-half of which shall be selected by the Company. The member's term on the Joint Committee shall be for two (2) years, which can be renewed by the Union or Company as the case may be.

(ii) The Joint Committee members shall be selected from different work locations within the Company's operation, wherever possible.

(iii) There shall be two (2) Co-Chairs, one shall be the Senior Union Safety Representative, and one selected by the Company's representatives. Each Co-Chair will alternate chairing scheduled meetings.

(b) The Company shall post a list of the names and work locations of the members of the Joint Committee at one or more locations where it will be visible to the entire workforce.

(c) The Joint Committee will meet at least once a month during regular working hours. Additional meetings may be held on an urgent basis, as a result of an emergency or other special circumstances. All meetings of the Joint Committee shall be scheduled by the agreement of the Co-Chairs. Five (5) members of the Joint Committee, at least half of which will be Union members, shall constitute a quorum.

(d) The Joint Committee shall fulfill the duties and functions in accordance with applicable legislative provisions.

(e) Minutes of all Joint Committee meetings shall be prepared, which must be approved and signed by the Co-Chairs before being released for distribution. The Company shall post the approved minutes from the three (3) most recent Joint Committee meetings at one or more locations where they will be visible to the entire workforce. The Company must retain a copy of the minutes in its records for at least two (2) years from the date of the Joint Committee meeting to which they relate.

(f) A member of the Joint Committee will be granted time off from their work as is required to attend meetings of the Joint Committee and/or that is reasonably necessary to carry out any other functions and duties of the Committee as may be assigned by both Co-Chairs. Any such time spent by a member of the Joint Committee shall be considered as time worked, and shall be paid at their regular rate of pay.

(g) The Company shall provide any occupational health and safety training to the members of the Joint Committee that may be required to be provided by the Company in accordance with the applicable legislative provisions. Any such time spent by a member of the Joint Committee shall be considered as time worked, and shall be paid at their regular rate of pay.

22.10 FIRST AID ATTENDANTS

(a) The Parties acknowledge the performance of First Aid Attendant duties at the Company's operations shall be work performed by members of the bargaining unit and excluded employees. The parties will work together to ensure an acceptable prompt response to any incident by qualified First Aid Attendants and to provide the necessary first aid care and attention to any injured or ill employee. A list of all certified First Aid Attendants is available on the Electronic Technical Library System (ETLS).

(b) The Parties agree that the following determinations shall rest solely with the Joint Occupational Health and Safety Committee:

(i) the total number of First Aid Attendants required at the Company's operations, will be maintained at three percent (3%) of the workforce, subject to any applicable legislative provisions, whichever is greater;

(ii) the Company's facilities where First Aid Attendants will be required, and the number of First Aid Attendants required during the applicable shift at those facilities, subject to any applicable legislative provisions;

(iii) the Level of First Aid Certification required (Basic or Intermediate), and the number of First Aid Attendants required by the Company at each Level, subject to any applicable legislative provisions; and

(iv) the number of First Aid Attendants required by the Company which will be filled by persons not in the bargaining unit and/or by bargaining unit employees.

(c) In the event the Joint Occupational Health and Safety Committee determines there is a vacancy for a First Aid Attendant which will be filled by a bargaining unit employee, the following provisions shall apply:

(i) The First Aid Attendant vacancy and training opportunity shall be posted by the Company internally for ten (10) calendar days. The posting shall indicate the Company's facility and applicable shift where the vacancy exists, and the Level of training offered (Basic or Intermediate Certification).

(ii) Bargaining unit employees desiring to bid on a First Aid Attendant vacancy shall file their application with Human Resources during the posting period specific in (i) above, and shall also provide a copy to the Union.

(iii) Selection by the Company from among the bargaining unit applicants under (ii) above for the First Aid Attendant training opportunity shall be based on the following conditions:

- possession of any relevant pre-requisites;

- the employee is assigned to the facility and applicable shift where the vacancy exists; and
- the employee is available to attend the required training at the scheduled time.

In the event that the above conditions are equally applicable to two or more bargaining unit applicants, then Company seniority among the applicants shall prevail.

(d) The Company will offer the opportunity for the training necessary for recertification of a bargaining unit employee who is performing First Aid Attendance duties, provided that the employee continues to meet the conditions set out in paragraph (c) (iii) above.

ARTICLE 23

EMPLOYEE BENEFITS

23.01 PENSION PLANS

The MTU Pension Plan is established as a continuing policy by MTU Maintenance Canada Ltd. for the terms and conditions of which are set out in the pension plan for employees of MTU Maintenance Canada Ltd. and shall not be amended except in accordance with the rules outlined therein.

The Company will maintain a Defined Benefit Pension Plan (The "MTU Maintenance Canada Ltd. Pension Plan") to cover those employees of the Company covered hereunder who previously participated in the Pension Plan for Technical Services and Clerical employees as represented by the International Association of Machinists & Aerospace Workers of Canadian Airlines International Ltd. (the IAM/CAI Pension Plan); or the Pension Plan for Management employees of Canadian Airlines International Ltd. (MGMT/CAI Pension Plan) who elect to participate in the MTU Maintenance Canada Ltd. Pension Plan. The Company will ensure the Plan is funded to a solvency basis at all times as per the BC Pension Standards Branch Act.

The Company shall, subject to the Income Tax Act, provide adjustments to the amount of retirement otherwise payable under the Plan to eligible retirees, former members and the surviving spouses of deceased members or retirees. Ad hoc increases shall be subject to the conditions detailed in Article 23.02.

When the Plan is in a state of solvency of less than ninety eight percent (98%) based on a snapshot date of December 31st of each year, the funds which otherwise

would have been paid out as ad hoc adjustments will be paid into the Plan. This snapshot calculation will be based on an estimate using criteria agreed between the parties.

The retirement income formula set forth in the subparagraphs of Section 3.3.02(a) of the Defined Benefit Plan Document shall be amended as follows and used in the calculation of the retirement income in respect of a Member under the Defined Benefit Provision and the amount derived there from shall be the basis on which the actual amount of retirement income will be determined in accordance with the application provisions of the Plan.

I. 2.0% of their Final Average Earnings, multiplied by his Pensionable Service prior to January 1, 1996 and
II. The sum of 1.5% of the lesser of the Final Average Yearly Maximum Pensionable Earnings (YMPE) and their Final Average Earnings and 2% of the excess of their Final Average Earnings over the Final Average YMPE, multiplied by their Pensionable Service on and after January 1, 1996 but before November 1, 2014, and
III. The sum of 1.75% of the lesser of the Final Average Yearly Maximum Pensionable Earnings (YMPE) and their Final Average Earnings and 2% of the excess of their Final Average Earnings over the Final Average YMPE, multiplied by their Pensionable Service on and after November 1, 2014.

The Company shall also establish a Defined Contribution Retirement Savings Plan (the “D.C. Plan”) to cover employees commencing employment on or after November 09, 1998, and to cover any other employees who currently do not participate in the IAM/CAI Pension Plan (the “Eligible Employees”) applicable to both union and non-union employees. The D.C. Plan will contain

provisions regarding contributions from both the Company and the Eligible Employees. Information regarding any proposed changes to the D.C. Plan available investment funds will be provided to the Pension Communication Committee prior to being provided to the employees in the bargaining unit.

The contribution formula set forth in Section 2.2.01 of the Defined Contribution Plan Document shall be amended as follows, effective November 2, 2014.

YEARS OF SERVICE	COMPANY CONTRIBUTIONS
Less than five (5) years	Four percent (4%) of earnings
Completion of five (5) years but less than ten (10) years	Five percent (5%) of earnings
Completion of ten (10) years but less than fifteen (15) years	Six percent (6%) of earnings
Completion of fifteen (15) years but less than twenty (20) years	Seven percent (7%) of earnings
Completion of twenty (20) years or more	Eight percent (8%) of earnings

The Company will provide investment and retirement seminars on a yearly basis.

23.02 The Company shall, subject to the income tax act, provide adhoc adjustments to the amount of retirement income otherwise payable under the Plan to eligible retirees, former members, and the surviving spouses of deceased members or retirees. The following conditions shall apply to these increases:

a. The Plan must be in a state of solvency of no less than ninety eight (98%) based on a snapshot date of December 31st of each year based on an estimate using criteria agreed between the parties. The estimate will be provided to the Pension Committee by January 31st of each year and adjustments shall be May 1st of each year.

b. Once granted under the plan, such adhoc adjustments shall remain in effect for the remaining life time of the recipient and shall be payable in the same form of lifetime retirement income elected by the pension recipient for their other pension benefits under the Plan.

c. To be eligible for an increase, a retiree, former member, or surviving spouse, must as of the effective date of the increase be in receipt of monthly pension under the defined benefit provisions of the Plan and, for a retiree or former member only, must be at least age 60 on the first retirement income payment date following or coincident with the effective date of the increase.

d. Each adhoc adjustment shall be an increase to the recipient's pension equal to 50% of the lesser of 8% and the annual percentage increase in the average monthly Consumer Price Index for Canada during the calendar year prior to the effective date of the increase compared to the previous calendar year.

e. However, if the retiree, former member, or surviving spouse commenced receipt of pension payments within the 12 month period preceding the first retirement income payment date following or coincident with the effective date of the increase, the adhoc adjustment shall be prorated to reflect the number of months of retirement to the first retirement

income payment date following or coincident with the effective date of the increase.

These amendments will, subject to the income tax act and provincial legislation be incorporated in to the plan text for the life of Collective Agreement No. 9.

23.03 WCB CLAIMS

Except as provided elsewhere in this Article, an employee who files a WCB claim will be paid directly by the Provincial Workers' Compensation Board once it is accepted. In those cases where the employee has met their onus with respect to proper and timely submission of the correct forms, or cases where the adjudication of the claim is delayed due to the complexity of the claim or as a result of the Company not providing the necessary information in a timely manner, the employee will receive the WCB benefit directly from the Company for a maximum of sixty (60) days or until the employee's claim has been adjudicated, whichever comes first. This period may be extended by mutual agreement between the parties. In these cases, the employee will immediately reimburse the Company the amount owing.

23.04 MEDICAL SERVICES PLAN

If the Province of British Columbia re-implements Medical Services Plan premiums, the Company will assume one hundred percent (100%) of the cost of these premiums. It is understood by both parties that this participation by the Company will not be compounded by any compulsory Provincial or Federal medical plan, either in existence or introduced at a later date.

23.05 DENTAL PLAN

(a) The Company will assume one hundred percent (100%) of the cost of a Group Dental Plan. It is understood by both parties that this participation by the Company will not be compounded by any compulsory Provincial or Federal Dental Plan, either in existence or introduced at a later date.

(b) It is further understood by both parties that the Company shall have full trusteeship of the Dental Plan and that the present benefit level will be maintained.

(c) Effective the first of the month following three (3) months of service, Dental Plan benefits will be paid in accordance with the Dental Association fee schedule of British Columbia.

(d) Payment by the Dental Plan described above for benefits listed under Plan “A” will be one hundred percent (100%).

(e) Payment by the Dental Plan described above for benefits listed under Plan “B” will be seventy-five percent (75%).

(f) The maximum annual benefit per employee and per listed beneficiary, under Plan “B” described above, will be three thousand, five hundred dollars ($3,500.00).

(g) Payment by the Dental Plan described above for benefits listed under Plan “C” will be fifty percent (50%). The lifetime maximum benefit per covered member will be three thousand dollars ($3,000.00).

"Orthodontic Treatment" means treatment by a dentist for the correction of malposed teeth. Services for purely cosmetic purposes will not be covered. Benefits do not include replacement costs for lost or stolen appliances.

23.06 EXTENDED HEALTH BENEFIT PLAN

(a) The Company will assume one hundred percent (100%) of the cost of an Extended Health Plan. It is understood by both parties that this participation by the Company will not be compounded by any compulsory Provincial or Federal Medical Plan, either in existence or introduced at a later date.

(b) It is further understood by both parties that the Company shall have full trusteeship of the Extended Health Benefit Plan and that the present benefit level will be maintained.

(c) The Extended Health Benefit Plan will provide coverage for corrective lenses in accordance with the provisions of the vision care rider. The maximum amount claimable during any consecutive twenty-four month period will be five hundred dollars ($500.00). The employee will be reimbursed for the cost of eye exam once per calendar year.

23.07 GROUP LIFE INSURANCE

(a) Group Life Insurance coverage for employees coming within the scope of the Agreement will be based on three (3) times annual salary. The Company will pay one hundred percent (100%) of the premiums up to a maximum of $50,000.00. The cost of coverage in excess of $50,000.00 will be assumed by the employee.

(b) Employees may elect to increase their life insurance by an additional one (1) times their annual salary.

Employees may elect to change their previous election at any time. Any employee electing this increased coverage following a period without such coverage must submit an Evidence of Insurability document at his own expense. The Insurance Underwriter will have the power of decision regarding the applicant's insurability.

100% of the premiums will be paid by the employee so electing, however the premiums will be variable on the basis of smoker and non-smoker, age related rates.

(c) Group Life Insurance coverage of five thousand dollars ($5,000.00) shall be established for spouses of permanent employees coming within the scope of the Agreement, with the Company paying one hundred percent (100%) of the premiums.

23.08 INCOME LOSS INSURANCE PLAN

The employee will assume one hundred percent (100%) of the cost of the Salary Continuation Plan premium. The Company agrees to provide payroll deduction of these premiums in trust, which shall be submitted to the benefit provider within two (2) weeks of each deduction. It is further agreed that the Union will have full trusteeship of this Plan.

23.09 SICK LEAVE

(a) A permanent employee absent from work due to illness or injury (other than illness or injury covered by Workers' Compensation) will be allowed sick leave with pay as outlined below.

(b) An employee's entitlement to sick leave will be as follows:

i. An employee will be credited with one day of sick leave for each month worked in any year.

ii. An employee will be advanced twelve (12) sick days at the beginning of each calendar year, pro-rated to minimum amounts in applicable legislation for partial years of employment.

For example, an employee who starts work in February will be advanced eleven (11) days. Someone who begins working in November will be advance five (5) days, which is the current statutory minimum.

iii. If an employee's employment ends during the calendar year, for any reason, and the employee has used ore that what they have earned in accordance with (i) above and more than the minimum sick days they are entitled to under applicable legislation, they will be liable to pay back the days used in excess of their entitlement.

(c) An occurrence is defined as any absence exceeding the duration of one-half (1/2) day's scheduled shift. Absences of one-half (1/2) day or less of an employee's scheduled shift will not constitute an occurrence.

(d) Sick leave will be accumulated to a maximum of seventy-two (72) days.

(e) The Company may require a doctor's certificate in support of any absence due to sickness or injury in excess of three (3) days. In the event the Company requires such a certificate it must so advise the employee in time to enable them to consult with a doctor during their illness and such certificates will be at Company expense upon presentation of a valid receipt.

23.10 GRACE PERIODS

For the purpose of automatic wage progression and vacation pay the following will apply:

(a) Grace for the duration:

- occupational injury
- Union leave of absence
- jury duty
- maternity leave
- child care leave

(b) Seventy (70) calendar day grace period:

- authorized sick leave
- non-occupational injury

(c) No grace period:

- layoff
- suspension
- personal leave of absence

23.11 BENEFIT COVERAGE DURING ABSENCES

In the event an employee is absent due to illness or non-occupational injury, the Company will continue to pay medical premiums for a maximum of six (6) months.

Further, the Company will continue to pay Group Life Insurance premiums for 24 months. However, if the employee is declared permanently and totally disabled, the Company will pay the Group Life Insurance premiums for the duration of the absence. The Company will continue to pay 100% of the premiums for dental and extended health benefit plans for the first 12 weeks of illness or non-occupational injury. After the 12 weeks, the employee is responsible for and must, within a reasonable time, pay 100% of the dental and extended health premiums, unless at the commencement of the absence, the employee notified the Company that they do not wish to continue contributions after the 12 weeks. The employee may continue participation in the pension plan upon payment of normal contributions.

In the event that an employee is absent due to occupational injury, all benefit plans, i.e. pension, Group Life, medical, dental and extended health will continue to be paid by the Company for the duration of treatment and rehabilitation under WCB unless the employee does not pay the employee's contributions, if any, within a reasonable time.

In the event an employee is absent due to personal leave of absence, layoff, or suspension, the employee may, at their option, continue in all benefit plans at 100% cost to the employee for duration of absence.

In the event an employee is absent due to maternity or child care leave, all benefit plans, i.e. pension, medical, dental and extended health will be paid by the Company for the duration of the absence, unless the employee does not pay the employee's contributions, if any, within a reasonable time.

When an employee is on jury duty, the benefits will be maintained with the current cost sharing arrangement between the Company and the employee.

Continued coverage in the Disability Plan may be maintained at 100% cost to the employee during approved leaves or suspension not pending termination, in accordance with the Plan provisions. It shall be the responsibility of the employee to provide the Company with the required monthly premium at least five (5) business days prior to the start of the calendar month for which the required premium is due. Once received, the Company will remit it to the benefit provider in accordance with Article 23.08. An employee who fails to pay the monetary contribution required, with respect to disability benefits, will be required to re-qualify for benefits upon the employee's return to work, in accordance with the Plan provisions.

If an employee is absent for any of the above reasons and does not wish to continue any of their contributions during that period, they must notify the Company. For the purposes of calculating the benefits in this case, the employment on return to work shall be deemed to be continuous with employment before the employee's absence, except for Disability benefits.

23.12 Provided that the Company fulfills its responsibility to pay its share of the premiums for applicable benefit coverage, the Company cannot be held responsible or liable for the rejection of any claim by the carrier(s).

ARTICLE 24

WORKPLACE CONDUCT

24.01 (a) The Company and the Union recognize the right of employees to work in a harassment-free environment and are committed to providing a workplace that is supportive of the dignity, self-esteem and contribution of all employees.

(b) The Parties agree to adopt the definition of workplace "harassment and violence" from the "Respectful Workplace Policy" or as otherwise prescribed in legislation.

24.02 (a) Any such complaints shall be processed in accordance with the policies that have been jointly developed and/or modified by the Company and the Union. A copy of the "Respectful Workplace Policy" is available on the electronic library.

(b) If the Company has reasonable cause to believe that there is an occurrence which poses an immediate danger to the health and safety of an employee, or that there is a threat of such an occurrence, the Company will immediately take steps to respond to that occurrence or threat of occurrence.

24.03 (a) A Respectful Workplace Committee shall be established consisting of two (2) Members – the Company's Director of Human Resources and the Union's General Chairperson.

(b) The Committee shall meet annually or, if agreed to by the two Members, more frequently if needed.

(c) Either Member shall be entitled to invite one (1) other representative to attend the Committee meeting on behalf of the Company or the Union, respectively.

The Member inviting a representative to attend the Committee meeting shall advise the other Member, in advance of the date of the meeting, of the name of the invited representative.

(d) The two Members may agree to request a third party independent investigator, as agreed upon by the Members, to attend any of the Committee meetings. The cost of the third-party independent investigator shall be paid by the Company.

(e) The following items shall be dealt with at the annual Committee meeting:

(i) Review of the Company's policies and procedures regarding workplace bullying, harassment and discrimination.

(ii) Review of any training of employees in the bargaining unit conducted by the Company with respect to workplace bullying, harassment and discrimination.

(iii) Review of any workplace bullying, harassment and discrimination complaints brought by or involving employees in the bargaining unit, which review shall include:

1. the procedure used for the reporting of the complaint,
2. the investigation process that was conducted with respect to the complaint, and
3. the resolution of the complaint and any corrective action that may have been taken.

(iv) Any recommendations by the two Members of potential revisions to the Company's policies

and procedures regarding workplace bullying, harassment and discrimination.

(v) Any other item as may be agreed to by the two Members.

(f) The Parties agree that complaints of workplace bullying, harassment and discrimination involve confidential and sensitive matters. Accordingly, any person in attendance at a Committee meeting where a workplace bullying, harassment and discrimination complaint is being reviewed, pursuant to paragraph (e)(iii) above, must maintain the confidentiality of any information they receive about the complaint during the course of the meeting.

ARTICLE 25

DEDUCTION OF DUES

25.01 Membership in the Union shall be available to any employee eligible under the constitution of the Union.

25.02 The Company shall deduct from the pay period which contains the twentieth (20th) day of the month, from wages due and payable to each employee coming within the scope of the Collective Agreement an amount equivalent to the uniform monthly union dues of the Union, subject to the conditions and exceptions set forth hereunder.

25.03 Deductions shall commence on the first pay period which contains the twentieth (20th) day of the month in the month employment last commences in a position covered by this Agreement or such other date as may be mutually agreed to by the Company and the Union, subject to the provisions of Clause 25.04.

25.04 Only payroll deductions now or hereafter required by law, deduction of monies due or owing the Company, pension deductions and deductions of provident funds shall be made from wages prior to the deduction of dues. If the remaining monies are insufficient to permit the deduction of the full amount of dues, no such deductions shall be made and the Company shall not carry forward and deduct from any subsequent wages the dues not deducted.

25.05 The amounts of dues so deducted from wages, accompanied by a statement of deductions from individuals, shall be remitted by the Company to the Union not later than twenty-one (21) calendar days following the pay period in which the deductions are made.

25.06 Employees covered by Clauses 9.07(c) and 13.05(a) shall continue to pay Union dues.

25.07 The Company shall not be responsible, financially or otherwise, either to the Union or to any employee, for any failure to make deductions or for making improper or inaccurate deductions of remittances. However, in any instance in which an error occurs in the amount of any deduction of dues from an employee's wages, the Company shall adjust it directly with the employee. In the event of any mistake by the Company in the amount of its remittance to the Union, the Company shall adjust the amount in a subsequent remittance. The Company's liability for any and all amounts deducted pursuant to the provisions of this Article shall terminate at the time it remits the amounts payable to the Union.

25.08 The question of what, if any, kind of compensation shall be paid to the Company by the Union in recognition of services performed under this Article shall be left in abeyance subject to reconsideration at the request of either party on fifteen (15) days' notice in writing.

ARTICLE 26

RENEWAL AND TERMINATION

26.01 This Agreement shall become effective as of May 2, 2024, and shall continue in full force and effect until May 1, 2027, and shall renew itself without change each succeeding May 02 unless written notice of intended change is served by either party hereto not less than sixty (60) days, nor more than one hundred and twenty (120) days, prior to May 02 in any year.

26.02 In the event of notice as provided in Clause 26.01, this Agreement shall remain in full force and effect while negotiations are being carried on for the arrangement of a further Agreement.

26.03 There shall be no retroactive application of the terms of the Agreement to employees not on the payroll as of the date of ratification.

APPENDIX A – WAGE SCALE – MAY 2, 2024		
POSITION	**SCALE**	**GWI – 7.5% EFFT. MAY 2, 2024**
QA Inspector	1st 52 weeks	$51.46
	2nd 52 weeks	$53.80
	3rd 52 weeks	$54.95
Line Inspector	1st 52 weeks	$45.30
	2nd 52 weeks	$45.78
	3rd 52 weeks	$46.24
NDT Mechanic		Wage Prior to posting into NDT Mechanic
NDT Technician I		$46.49
NDT Technician II		$47.27
NDT Technician III		$48.21
Material Planner		$43.49
Technical Librarian		$35.74
Shop Technician		$49.88
Supply Chain Coordinator	1st 52 weeks	$48.68
	2nd 52 weeks	$50.00
	3rd 52 weeks	$51.46
Mechanic	1st 52 weeks	$36.39
	2nd 52 weeks	$37.68
	3rd 52 weeks	$38.32
	4th 52 weeks	$41.93
	11th 52 weeks	$42.76
Apprentice	1st 26 weeks	$27.79
	2nd 26 weeks	$29.41
	3rd 26 weeks	$31.64
Buyer	1st 26 weeks	$34.50
	2nd 26 weeks	$35.89
	3rd 26 weeks	$37.27
	4th 26 weeks	$38.78
	5th 26 weeks	$40.28
Material Controllers	1st 26 weeks	$28.06
	2nd 26 weeks	$29.64
	3rd 26 weeks	$31.73

	4th 26 weeks	$33.69
	5th 26 weeks	$35.73
Records Controllers	1st 26 weeks	$29.16
	2nd 26 weeks	$30.81
	3rd 26 weeks	$32.99
	4th 26 weeks	$35.05
	5th 26 weeks	$37.16
Administrative Asst.	1st 26 weeks	$28.69
	2nd 26 weeks	$30.84
Facility Worker	1st 26 weeks	$27.11
	2nd 26 weeks	$28.70
Refurbisher Technician	1st 26 weeks	$27.11
	2nd 26 weeks	$30.33
Process Planner	1st 52 weeks	$44.28
	2nd 52 weeks	$45.53
	3rd 52 weeks	$46.84
Process Cleaner	1st 26 weeks	$28.70
	2nd 26 weeks	$30.36
	3rd 26 weeks	$32.12
	4th 26 weeks	$33.99
	5th 26 weeks	$35.95
Millwright	1st 52 weeks	$39.35
	2nd 52 weeks	$40.69
	3rd 52 weeks	$41.39
	4th 52 weeks	$45.23
Welder	1st 52 weeks	$39.35
	2nd 52 weeks	$40.69
	3rd 52 weeks	$41.39
	4th 52 weeks	$45.23
Work Planner	1st 52 weeks	$47.11
	2nd 52 weeks	$48.45
	3rd 52 weeks	$49.88
Machinist, Welder or Millwright Apprentice	Level 1*	$29.41
	Level 2*	$31.64
	Level 3*	$36.39
	Level 4*	$36.39

*Advance to next level on successfully completing apprentice exam.

APPENDIX A – WAGE SCALE – MAY 2, 2025			
POSITION	**SCALE**	**GWI – 3% EFFT. MAY 2, 2025**	**Roll in SCA Premium**
QA Inspector	1st 52 weeks	$53.00	$53.40
	2nd 52 weeks	$55.42	$55.82
	3rd 52 weeks	$56.60	$57.00
Line Inspector	1st 52 weeks	$46.66	$47.06
	2nd 52 weeks	$47.16	$47.56
	3rd 52 weeks	$47.62	$48.02
NDT Mechanic		Wage Prior to posting into NDT Mechanic	
NDT Technician I		$47.89	$48.29
NDT Technician II		$48.69	$49.09
NDT Technician III		$49.66	$50.06
Material Planner		$44.80	
Technical Librarian		$36.82	
Shop Technician		$51.38	$51.78
Supply Chain Coordinator	1st 52 weeks	$50.14	$50.54
	2nd 52 weeks	$51.50	$51.90
	3rd 52 weeks	$53.00	$53.40
Mechanic	1st 52 weeks	$37.48	$37.88
	2nd 52 weeks	$38.81	$39.21
	3rd 52 weeks	$39.47	$40.00
	4th 52 weeks	$43.18	$43.60
	11th 52 weeks	$44.05	$44.60
Apprentice	1st 26 weeks	$28.62	
	2nd 26 weeks	$30.29	
	3rd 26 weeks	$32.59	
Buyer	1st 26 weeks	$35.53	
	2nd 26 weeks	$36.97	
	3rd 26 weeks	$38.39	
	4th 26 weeks	$39.94	
	5th 26 weeks	$41.49	
Material Controllers	1st 26 weeks	$28.90	
	2nd 26 weeks	$30.53	
	3rd 26 weeks	$32.69	

	4th 26 weeks	$34.70	
	5th 26 weeks	$36.80	
Records Controllers	1st 26 weeks	$30.04	
	2nd 26 weeks	$31.73	
	3rd 26 weeks	$33.98	
	4th 26 weeks	$36.10	
	5th 26 weeks	$38.28	
Administrative Asst.	1st 26 weeks	$29.55	
	2nd 26 weeks	$31.77	
Facility Worker	1st 26 weeks	$27.92	
	2nd 26 weeks	$29.56	
Refurbisher Technician	1st 26 weeks	$27.92	$28.32
	2nd 26 weeks	$31.24	$31.64
Process Planner	1st 52 weeks	$45.61	
	2nd 52 weeks	$46.89	
	3rd 52 weeks	$48.24	
Process Cleaner	1st 26 weeks	$29.56	$29.96
	2nd 26 weeks	$31.27	$31.67
	3rd 26 weeks	$33.08	$33.48
	4th 26 weeks	$35.01	$35.41
	5th 26 weeks	$37.03	$37.43
Millwright	1st 52 weeks	$40.53	
	2nd 52 weeks	$41.91	
	3rd 52 weeks	$42.63	
	4th 52 weeks	$46.58	
Welder	1st 52 weeks	$40.53	$40.93
	2nd 52 weeks	$41.91	$42.31
	3rd 52 weeks	$42.63	$43.03
	4th 52 weeks	$46.58	$46.98
Work Planner	1st 52 weeks	$48.52	$48.92
	2nd 52 weeks	$49.90	$50.30
	3rd 52 weeks	$51.38	$51.78
Machinist, Welder or Millwright Apprentice	Level 1*	$30.29	
	Level 2*	$32.59	
	Level 3*	$37.48	
	Level 4	$37.48	

*Advance to next level on successfully completing apprentice exam.

APPENDIX A – WAGE SCALE – MAY 2, 2026		
POSITION	**SCALE**	**GWI – 3.5% EFFT. MAY 2 2026**
QA Inspector	1st 52 weeks	$55.27
	2nd 52 weeks	$57.77
	3rd 52 weeks	$59.00
Line Inspector	1st 52 weeks	$48.71
	2nd 52 weeks	$49.22
	3rd 52 weeks	$49.70
NDT Mechanic		Wage prior to posting into NDT Mechanic
NDT Technician I		$49.98
NDT Technician II		$50.80
NDT Technician III		$51.81
Material Planner		$46.37
Technical Librarian		$38.11
Shop Technician		$53.59
Supply Chain Coordinator	1st 52 weeks	$52.31
	2nd 52 weeks	$53.71
	3rd 52 weeks	$55.27
Mechanic	1st 52 weeks	$39.21
	2nd 52 weeks	$40.58
	3rd 52 weeks	$41.40
	4th 52 weeks	$45.13
	11th 52 weeks	$46.16
Apprentice	1st 26 weeks	$29.62
	2nd 26 weeks	$31.35
	3rd 26 weeks	$33.73
Buyer	1st 26 weeks	$36.77
	2nd 26 weeks	$38.26
	3rd 26 weeks	$39.73
	4th 26 weeks	$41.34
	5th 26 weeks	$42.94
Material Controllers	1st 26 weeks	$29.91
	2nd 26 weeks	$31.60
	3rd 26 weeks	$33.83

	4th 26 weeks	$35.91
	5th 26 weeks	$38.09
Records Controllers	1st 26 weeks	$31.09
	2nd 26 weeks	$32.84
	3rd 26 weeks	$35.17
	4th 26 weeks	$37.36
	5th 26 weeks	$39.62
Administrative Asst.	1st 26 weeks	$30.58
	2nd 26 weeks	$32.88
Facility Worker	1st 26 weeks	$28.90
	2nd 26 weeks	$30.59
Refurbisher Technician	1st 26 weeks	$29.32
	2nd 26 weeks	$32.74
Process Planner	1st 52 weeks	$47.21
	2nd 52 weeks	$48.53
	3rd 52 weeks	$49.93
Process Cleaner	1st 26 weeks	$31.01
	2nd 26 weeks	$32.78
	3rd 26 weeks	$34.66
	4th 26 weeks	$36.65
	5th 26 weeks	$38.74
Millwright	1st 52 weeks	$41.95
	2nd 52 weeks	$43.38
	3rd 52 weeks	$44.12
	4th 52 weeks	$48.21
Welder	1st 52 weeks	$42.36
	2nd 52 weeks	$43.79
	3rd 52 weeks	$44.54
	4th 52 weeks	$48.63
Work Planner	1st 52 weeks	$50.63
	2nd 52 weeks	$52.06
	3rd 52 weeks	$53.59
Machinist, Welder or Millwright Apprentice	Level 1*	$31.35
	Level 2*	$33.73
	Level 3*	$38.79
	Level 4*	$38.79

*Advance to next level on successfully completing apprentice exam.

APPENDIX B
TABLE OF RATIOS FOR WORKING DAYS TO REST DAYS

This chart reflects the shifts commonly entertained for discussion pursuant to Clause 3.01(c).

SHIFT:	RATIO:	
	DAYS WORKED:	DAYS OFF:
4 ON/3 OFF	1	1
(.75)	2	2
	3	2
	4	3
5 ON/2 OFF	1	1
(.4)	2	1
	3	1
	4	2
	5	2
5 ON/3 OFF	1	1
(.6)	2	1
	3	2
	4	2
	5	3
4 ON/2 OFF	1	1
(.5)	2	1
	3	2
	4	2
6 ON/4 OFF	1	1
(.66)	2	1
	3	2
	4	3
	5	3
	6	4
4 ON/4 OFF	1	1
(1.0)		
3 ON/4 OFF	1	1
(1.33)	2	3
	3	4

M.T.U. MAINTENANCE CANADA LTD.

SCHEDULE OF BENEFITS

BASIC LIFE INSURANCE

Eligibility Period

Full time and Part time Employees	immediately upon date of employment
Temporary Employees	1st of the month following 3 months employment

Benefit Amount	3 times annual earnings rounded to the next higher $500 if not already a multiple thereof
Maximum Benefit	$500,000
Qualifying Period for waiver of Premiums	6 months
Conversion Privilege	Included
Termination Age	The benefit amount shall reduce by 50% at age 65, and terminates at age 70 or retirement, whichever is earlier.

SPOUSAL LIFE INSURANCE

Eligibility Period

Full time and Part time Employees	immediately upon date of employment
Temporary Employees	1st of the month following 3 months of employment

Benefit Amount	$5,000
Waiver of Premium Benefit	Included
Termination Age	The earlier of attainment of your 70th birthday or retirement or the date the spouse no longer meets the definition of spouse.

EXTENDED HEALTH CARE

Eligibility Period

Full time and Part time	1st of the month coincident with or next following your date of employment
Temporary Employees	1st of the month following 3 months of employment

Deductible $50 per person or family each calendar year

Reimbursement:

In-Province eligible expenses	80%
Out-of-Province Non-Emergency Eligible expenses:	80%
Out-of-Province Emergency Eligible expenses	100%
Medi-Assist Basic	Included

*After $1,000 has been paid for a person in a calendar year, further eligible expenses submitted by on behalf of that person within the calendar year will be reimbursed at 100% subject to the maximums stated below and within the policy.

Summary of Eligible Expenses:

Including oral contraceptives, fertility drugs (to a lifetime maximum of $9,000) and drugs that must be injected and syringes for self administered injections of covered drugs. Excluding any drug that does not have a DIN, vaccines used to prevent disease and drugs used to treat erectile dysfunction.

Hospital	Semi-private or private accommodation

Private Duty Nursing Care	Unlimited, included in the overall plan maximum.

EXTENDED HEALTH CARE (continued)

Acupuncture	$700 per person per calendar year
Chiropractor	$700 per person per calendar year, plus $15 for x-rays
Massage Practitioner	$700 per person per calendar year
Naturopath	$700 per person per calendar year (excluding x-rays)
Podiatrist	$700 per person per calendar year, plus $15 for x-rays
Psychologist	$700 per person per calendar year (including Clinical Counselors and Social Workers)
Speech Language Pathologist	$700 per person per calendar year
Orthopaedic Shoes	2 pair per person in a calendar year
Orthotics	2 pair per person per 36 months
Hearing Aids	$400 per person per 5 years Including batteries, tubing, and ear molds at the time the hearing aid is purchased)
Diabetic	blood - glucose monitoring included machines
Smoking Cessation Products	$500 per person per lifetime

Stump Socks	Unlimited per person per calendar year
Surgical Stockings	$250 per person per calendar year
Mastectomy Brassieres	$250 per person per calendar year
Wigs and Hairpieces	$500 per person per lifetime
Vision Care	$500 per person per 24 months Plus an additional benefit of $200 every 2 years for contact lenses when prescribed for severe corneal astigmatism, severe scarring, keratoconus, or aphakia or when vision in the better eye cannot be corrected to the 20/40 level of glasses. Eye exams, once per calendar year
Survivor Benefit	24 months
Plan Maximum	Out of country lifetime maximum – unlimited. All other expenses - $100,000 per insured person
Termination Age	Termination upon cessation of employment

DENTAL CARE

Eligibility Period

Full time and Part time Employees	1st of the month coincident with or next following 3 months of employment
Temporary Employees	1st of the month following 3 months of employment

Deductible Nil

	Plan A Basic/ Supplementary Services	**Plan B** Major Restorative Services	**Plan C** Orthodontics
Reimbursement	100%	75%	50%
Financial Limit	Unlimited	$3,500 per calendar year	$3,000 per lifetime

Summary of Eligible Services:

Services covered by the Plan are those services that are routinely performed in the offices of general practicing dentists. Covered services are those services listed in the applicable Fee Schedules and are reimbursed as specified within those Fee Schedules. Please note there may be further limitations in the Fee Schedules than those listed here. We suggest contacting the carrier for any limitations regarding Dental services prior to having services performed.

Oral Examinations:	Complete	1 per 3 year period
	Recall	Once every 6 months
X-rays	Complete Mouth Series	1 per 2 year period
Preventative Services:		
	Polishing	Once every 6 months
	Topical Fluoride	Once every 6 months

Survivor Benefits 24 months

Termination Age Termination upon cessation of employment

OPTIONAL LIFE INSURANCE

Plan	Employee/Spouse
Benefit Amount	Multiples of $10,000 as selected, to a Maximum of $300,000
Non Evidence Limit	Medical evidence will be required for all Amounts of insurance.
Termination	Employee Insurance terminates at age 70 or earlier retirement.

OPTIONAL DEPENDANT CHILD LIFE INSURANCE

Benefit Amount	$5,000
Waiver of Premium Benefit	Included
Termination Age	The earlier of attainment of your 70th birthday or retirement or the date the dependent child no longer meets the definition of dependent.

OPTIONAL AD&D

Plan 1 – Employee Only

You may select any amount of benefit in units of $50,000 with a minimum of $50,000 and to a maximum of $300,000.

Plan 2 – Family Plan

You may select any amount of benefit in units of $50,000 with a minimum of $50,000 and to a maximum of $300,000 and your family will be insured for the following:

Spouse	Your spouse will be insured for either 50% of the benefit if you have dependent children or 60% of the benefit if you do not have dependent children.
Children	Each dependent child will be insured for either 10% of the benefit if there is a spouse of 25% of the benefit if there is no spouse.

Termination Age

The earlier of attainment of your 70th birthday or retirement.

LETTER OF UNDERSTANDING NO. 1

ADMINISTRATIVE MATTERS

During negotiations for Agreement No. 9, the Union and the Company acknowledge that certain matters may have been overlooked.

For the term of Agreement No. 9, the parties agree to meet and attempt to jointly resolve such matters without the intervention of a third party.

In the event the parties, after making their best efforts, are unable to find an agreeable resolution, then either or both parties may refer the matter to an independent third party for assistance in identifying a binding resolution.

LETTER OF INTENT NO. 1

SUBJECT: <u>Introduction of Other Classifications into the Bargaining Unit</u>

This will confirm the Company's and the Union's intent to discuss classifications not already specified in Article 13, which either party may consider to be appropriate to consider for incorporation into the bargaining unit. In the event the parties determine one or more additional classifications are appropriate for inclusion in the bargaining unit, the parties will establish any appropriate terms including amendments, or additions, or deletions to the existing language to provide for effective incorporation of the classification(s) into this Agreement.

LETTER OF INTENT NO. 2

SUBJECT: Introduction of New Skills and Functions

The Company and the Union will meet to discuss the introduction of new skills and functions into the Company e.g. CNC VTL. Such discussions will occur prior to the introduction with the intent to identify the appropriate assignment of the work to be performed and training required.

LETTER OF AGREEMENT NO. 3

BETWEEN
MTU MAINTENANCE CANADA LTD.
AND
INTERNATIONAL ASSOCIATION OF MACHINIST
& AEROSPACE WORKERS
TRANSPORTATION DISTRICT 140 & LOCAL 764

ASSIGNMENTS OUTSIDE THE TERRITORIAL LIMITS OF CANADA

This Letter of Agreement is entered into for the purpose of establishing an individual letter of contract form in accordance with Article 2.03 of the Collective Agreement for employees who are sent on assignments outside the territorial limits of Canada. The terms and conditions for employees who are sent on such assignments will be in accordance with the collective agreement with the following exceptions:

1. **Hours of Service:**

   Employees will work hours established at the location to which they are assigned. Where such hours exceed 8 hours in a day, or more than 5 days in a week without 2 consecutive days of rest, the employee shall be paid overtime in accordance with the Collective Agreement. The Team Leader in the location of assignment must approve the overtime.

2. **Training:**

   Where the employee is out of country specifically to take training, the employee will be paid 8 hours per day. No overtime will be paid in this case.

3. General Holidays:

- Where a holiday occurs in the country of assignment but not in the collective agreement, the employee will receive the day off with holiday pay.

- Where a holiday occurs in the collective agreement but not in the country of assignment, the employee will receive straight time pay and 8 hours in their time bank. If the employee was able to take the day off, then the employee will only receive holiday pay.

- Where a holiday occurs in the collective agreement and in the country of assignment, the employee will receive the day off with holiday pay.

- Employees will have the option of taking November 11th off.

4. Recording Time:

Employees will be asked to record all hours worked and have the Team Leader in the location to which they have been assigned approve this time, prior to returning to Canada. Employees will submit any overtime incurred upon their return to Canada.

5. Vacation:

Where an employee wishes to take vacation while assigned out of country, they should receive approval from their host and home Team Leader to do so. The employee will be responsible for hotel and rental car charges and no travel allowances will be paid during the vacation period.

6. Travel Documents:

It is the employee's responsibility to ensure they have the appropriate travel documents and to cooperate in obtaining the applicable work permits as listed by the Company to enter the country to which they are assigned.

7. Expenses - Reimbursement:

Reimbursement is based on MTU-C's travel policy, with the following exceptions:

(a) The per diem rate for any location will be a minimum of seventy-five dollars Canadian ($75.00 Cda.). The per diem rate may be reduced on travel days as per MTU-C's travel policy.

(b) The employees will be advanced one hundred percent (100%) of the anticipated per diem allowance by way of electronic transfer to the employee's bank account. There shall be no withholding or reduction from the advanced per diem allowance.

(c) Provided that the employee's assignment has been confirmed at least one (1) week prior to the date of departure, the per diem allowance will be advanced to the employee not less than three (3) business days prior to the assignment.

8. Vaccinations:

The Company will inform the employee of any vaccinations required prior to entering the country of assignment. Should the Medical Services Plan not cover the cost of the required vaccination, the Company will reimburse the employee for the cost of such vaccination.

9. Legal Matters:

It is the responsibility of the employee to obey all laws in place in the country to which they have been assigned. The employee will be responsible for all costs incurred in the event that laws are broken. The Company shall bear all legal costs for any matters arising from the performance of the normal job duties of the employee.

10. Representation:

The International Association of Machinists and Aerospace Workers Transportation District 140 will continue to represent the employee while they are on the out of country assignment.

11. Accommodation:

Reasonable single occupancy accommodation will be provided including their own bathroom and a telephone. In the event that single occupancy accommodation is unavailable, the employee has the right to refuse the out-of-country assignment.

12. Transportation:

Reasonable transportation will be provided on a shared basis.

13. Labour Disputes:

In the event of a labour dispute at the assignment location beyond the employee's control, the employee will continue to be paid 8 hours per day.

14. Airfare for Assignments exceeding 90 days:

This clause applies for out-of-country assignments that exceed 90 days. For each consecutive 90-day period that the employee is on the out-of-country assignment, the Company will provide one economy class ticket, which can be used by the employee to return to Vancouver, or for the employee's spouse to travel from Vancouver to the employee's out-of-country assignment location. The Travel Coordinator must arrange for this airfare. This airfare may not be redeemed for a cash equivalent.

15. Seniority:

While on the assignment employee seniority will be governed in accordance with Article 13.11.

16. Sickness or Injury:

An Employee who becomes sick or injured as a result of having been or being outside of Canada on Company business, due to causes related to their occupation or to the living and health conditions peculiar to the countries in which they performed services, shall be properly hospitalized and treated at Company expense. The Company will recover all allowable costs from the applicable Medicare and Extended Health Plans.

If the sickness or injury necessitates treatment or convalescence's in Canada, such employee shall be returned by the Company to Canada and settlement leave shall not commence until the employee is declared fit for duty. This same provision shall apply to recurrences of the same sickness or injury as long as the employee remains an employee of the Company.

If it is mutually desirable and advantageous to both the Company and the employee in the case of a long

convalescence, the employee's settlement leave and/or earned vacation leave may be deferred to allow the employee to return to work. The deferred time off would then be taken later at a mutually agreed upon time.

An employee who becomes sick or injured while on assignment away from home base shall receive their normal basic home salary until compensation liability has been established. Once compensation is established any monies paid by the Company to the employee after the effective date of compensation will be reimbursed to the Company by the employee.

17. Compensation When Absent:

Any employee who, engaged in the Company's operations, is interned, captured held as hostage or a prisoner of war, shall receive their normal basic home base salary until released. If such employee becomes involuntarily missing because of an act of aggression or war they shall receive their normal basic home base salary until proof of their death is established in fact or until there is reasonable presumption of death, in which event the Company shall, in addition to the above compensation, be paid the applicable death benefits provided under Article 23 of Collective Agreement No. 9, and if applicable point No. 19 below, This compensation will be paid to the beneficiary or beneficiaries designated in writing by the employee prior to their disappearance as outlined in the Payroll & Benefit Continuation Plan letter.

As an alternative to paying compensation in accordance with the rate of pay provided for in the proceeding paragraph, the Company may pay the difference between the amount of such compensation and the amount of any compensation provided for by any law in respect of persons interned, captured, held as a prisoner or hostage of war, or missing as a result of an act of war.

18. Payroll & Benefits Continuation Plan:

Before embarking, the employee would be required to complete and sign the letter entitled Payroll & Benefit Continuation Plan. The compensation allowable under the proceeding paragraphs to an employee who is missing shall be credited to such employee on the books of the Company and shall be disbursed by the Company in accordance with the Payroll & Benefits Continuation Plan letter on the employees file.

Any payments due to an employee under this letter of agreement which are not covered by the Payroll & Benefits Continuation Plan letter on the employees file shall be held by the Company for any such employee and in the event of their death shall be paid to the legal representative of their estate.

19. Personal Insurance:

It is recognized that employees' private life insurance policies may be invalid under certain conditions such as in a war zone or a hostile zone. In this event the Company will guarantee payment of the total amount of such private insurance policies up to a maximum of one hundred thousand dollars $100,000.00 if the employee is killed on Company assignment.

LETTER OF AGREEMENT NO. 4
BETWEEN
MTU MAINTENANCE CANADA LTD.
AND
INTERNATIONAL ASSOCIATION OF MACHINIST & AEROSPACE WORKERS
TRANSPORTATION DISTRICT 140 & LOCAL 764

EMPLOYMENT INSURANCE PREMIUM REDUCTION SAVINGS

The Company will utilize the Employment Insurance Premium Reduction Savings (the "EI Reduction") to fund a Company-wide Employee Assistance Program (EAP). The Union will be provided an opportunity, on an annual basis, to give its' input to the Company regarding the level of service(s) offered by an Employee Assistance Program (EAP), including the selection of the service provider.

By the end of February in each calendar year, the Company will:

1. Advise the Union of the overall Company-wide EI Reduction which the Company had received during the previous calendar year.

2. Advise the Union of the overall Company-wide cost it incurred to fund the EAP during the previous calendar year; and

3. Pay to the Union sixty-six and two-thirds percent (66 2/3%) of the difference, if any, between the overall EI Reduction in (i) above and the cost of the EAP in (ii) above.

Any payments provided to the Union under (iii) above shall be held in trust by the Union to be utilized to the benefit of the employees in the bargaining unit.

MEMORANDUM OF AGREEMENT NO. 1
BETWEEN
MTU MAINTENANCE CANADA LTD.
AND
INTERNATIONAL ASSOCIATION OF MACHINIST
& AEROSPACE WORKERS
TRANSPORTATION DISTRICT 140 & LOCAL 764

SUBJECT: Letter of Preference Process

This Memorandum of Agreement is entered into for the purpose of establishing a Letter of Preference (LOP) process to assist in the voluntary movement of permanent employees, who have completed their probationary period, within a position in a classification between Functional Work Areas (FWAs). Unless otherwise stated herein, the terms and conditions of Agreement #8 shall apply.

The Parties agree as follows:

1. The LOP form, as mutually agreed upon between the parties, will be available to employees on the intranet electronic library.

2. Permanent employees, who have completed their probationary period, may submit an LOP form to express their interest to voluntarily move within their position and classification between FWAs. Employees shall submit their completed LOP form electronically with Human Resources, and shall also provide a copy of their form to the Union. Upon submission Human Resources will acknowledge receipt of the form to the employee and the Union. The database of LOP forms submitted to Human Resources shall be made accessible electronically, in a read-only format, to the Senior Steward.

3. (i) Subject to sub-paragraph (ii) below an employee shall identify on their LOP form only one alternate FWA in

which the employee wishes to express an interest to voluntarily move within their position and classification.

(ii) For the 2025, 2026, and 2027 calendar years, an employee may submit their LOP form identifying a maximum of two (2) (non-ranked) alternate FWAs in which the employee wishes to express an interest to voluntarily move within their position and classification.

4. The employee may submit an LOP form, pursuant to paragraph 2 above, only once per calendar year. The employee shall be entitled to submit their LOP form for a calendar year starting on December 15th of the previous calendar year and thereafter at any time in the applicable calendar year.

5. An LOP form submitted by an employee will expire on the earliest of:

   (i) the employee being moved by the Company within their position and classification to an alternate FWA as specified in the employee's LOP form;

   (ii) the employee submitting electronically with Human Resources a written revocation of their LOP form, and shall also provide a copy of their written revocation to the Union; or

   (iii) January 1st of each year.

6. Prior to

   (i) the posting of a permanent vacancy in a position and classification within a FWA, and/or

   (ii) the permanent reassignment of an employee to a position and classification within an FWA, and/or

(iii) the recall, for a period which is intended to last six (6) months or more, of a laid off employee to a position and classification in another FWA than the position and classification in the FWA from which the employee to be recalled was laid off, the Company agrees to first consider any LOP on file with Human Resources from employees within the applicable position and classification in another FWA.

7. If the consideration pursuant to paragraph 6 above results in the Company transferring an employee pursuant to their filed LOP, the Company shall notify the employee in writing of their transfer, with a copy provided to the Union.

8. Where, in any of the circumstances referred to in paragraph (6)(i), (ii) or (iii) above,

   (i) an LOP form has been submitted by one or more employees to Human Resources with respect to the position and classification within the applicable FWA, and

   (ii) the position and classification within the applicable FWA was filled by an employee who had not submitted an LOP form for that position and classification, then an employee referred to in (i) above may request the Company to provide an explanation as to why the employee was not transferred to the position and classification in the applicable FWA.

9. The Parties agree that any result arising from the Company's consideration, pursuant to paragraph 6 above, of any filed LOP (such as, whether or not to transfer any employee who had filed an LOP with respect to the position and classification within the applicable FWA; and/or if a transfer is effected by the Company pursuant to paragraph 7 above, which employee was

transferred; and/or any explanation which may be provided by the Company to an employee pursuant to paragraph 8 above) shall rest solely within the Company's discretion, and shall not be the subject of any grievance brought by the Union, unless contrary to the B.C. Human Rights Code.

Any matters arising out of the application or interpretation of this Memorandum of Agreement will be discussed and mutually agreed to by the Parties.



District 140