

Letter of Understanding
Between
Jazz Aviation LP
And
UNIFOR LOCAL 2002 Airports
RE: Phase Out

WHEREAS the parties agree there is a mutual benefit to having an option for employees considering retirement to participate in a reduced work schedule, and

WHEREAS the parties agree that such type of work arrangement will be defined by the term "retirement phase out program (Phase Out)".

NOW THEREFORE, the following agreement sets forward the conditions, eligibility requirements, scheduling parameters, and related employment matters for the "phase out" program.

1. The Company will create a new "Phase Out" status of employee for scheduling purposes. Full time or Part time employees who elect to move to this status will be moved to Part Time status and scheduled according to the "Core Lines" language in L1.02 of the Collective Agreement with the following modifications:
 - a. Core lines created for the purpose of the Phase Out program will not be offered to all Part Time employees in seniority order. The core lines created for this purpose will be offered in seniority order only to those employees on Phase Out status and may be assigned. L1.02.04 will not apply.
 - b. Employees on Phase Out status will be guaranteed a core line for the duration of their participation in the phase out program.
 - c. Phase out program participants will not be permitted to accept a LOT.
 - d. Phase out program participants will not be permitted to hold a training position.
 - e. Phase out program participants will not be permitted to hold a permanent lead or senior lead status.

2. The Company will amend the pension plan for Airports employees and create a new class of employee that allows a member in this class the option to cease participation in the plan (one time option only) when they move to this "phase out" program status. This will allow them to transfer their balance out of the plan on a locked-in basis.

- a. Employees considering the phase out program are strongly advised and encouraged to seek guidance from a financial advisor prior to considering participation in the phase out program. The necessity or requirement to seek advice from a financial advisor will rest solely with the employee.
 - b. Once an employee chooses upon entering the program to either continue to participate or cease participation in the pension plan, that decision will not be able to be changed for the duration of the Phase Out program.
3. Once an employee is accepted into the phase out program, their participation in the program cannot be retracted or rescinded.
4. The Phase Out program will commence effective the completion and signing of this LOU. The implementation of the phase out program schedules will be contingent on the Company and the Union agreeing on the actual start date for the program.
5. The Company will determine the actual number of Phase Out program participants; and the Company will determine which base or bases can be offered the phase out program based on operational requirements and staffing levels. The Company commits to reviewing and consulting with the Union on the number of program participants; and which bases will be considered; and the building of the phase out employee schedules; however, the final determination will rest with the Company.
6. Employees who participate in the phase out program will be a minimum age of 55 years old, with a minimum of 25 years of service with Jazz at the time of applying to the program.
7. The employee will declare, at the time of application, the term/duration of their participation in the phase out program. Eligible employees who participate in the phase out program will commit to a maximum of two (2) years. At the end of this period, the employee will be ineligible for continued employment and their employment with Jazz will cease (administrative termination of employment).
8. Employees in the phase out program will be considered as part time for the purpose of the scheduling of hours of work.
9. At the end of the phase out program participants will be eligible to convert unused sick time based on their status (FT or PT) prior to entering the phase out program. Per article 11.10.09 and 11.10.10.
10. Time bank and vacation purchase timebank per the Collective Agreement will remain status quo for phase out program participants.

11. Vacation entitlement will be per the Collective Agreement. However, phase out program participants will have their paid vacation entitlement prorated based on the actual number of part time hours worked.
12. Phase out program participants will maintain eligible benefits. Benefits for phase out program participants will be consistent, under the Collective Agreement, with the established part time employee parameters, calculations, and provisions.
13. Phase out program participants will retain all travel privileges, subject to the right of Air Canada to amend the terms and conditions of the employee travel privilege program.

All other terms and conditions of the Collective Agreement will continue to apply except as expressly modified by this LOU.

Entered into this 23 day of April 2024.

For the Company:



Marnie King
VP Airports

For the Union:



Shayne Fields
UNIFOR National



Matthew Stacey
General Manager, Customer Service



Lucie Lapierre
UNIFOR Local 2002 Bargaining Chairperson



Stephen Boa
Manager Labour Relations