Hodges Arbitration Settlement re: AIRPORTS

Letter of Understanding

Between Jazz Aviation LP and Unifor LOCAL 2002

Under the Jurisdiction of

Arbitrator: Tom Hodges

WHEREAS: Tom Hodges issued an award on July 17th, 2013 with respect to the interest arbitration between Jazz Aviation LP and the Unifor Local 2002 Airports division, and;

WHEREAS: The issue of Vacation Entitlement for a 5th week at 15 years was awarded in favour of the Union submission, and;

WHEREAS: The arbitrator has concluded that the vacation is retroactive to January 1st, 2013, and;

WHEREAS: The Company and the Union agree that the timing of implementing an additional week of vacation in 2013 may be impractical;

NOW THEREFORE: The Company and the Union agree that the additional week of vacation for 2013 for employees who have 15 (fifteen) years or more of service as of December 31st, 2013 will be offered to eligible employees as the following option:

- 1) Employees may bid the additional week in the current calendar year (2013) if there are open slots of vacation remaining in their base.
- 2) Employees may elect to have the week of vacation converted to 40 hours of time bank. Part time employees will have their vacation entitlement prorated accordingly.
- 3) Employees may elect to have the additional week of vacation entitlement paid out.
- 4) Notwithstanding the foregoing, employees may designate up to 40 hours vacation to be bid at a later date in accordance with article 15.03.11.

The Company and the Union agree that the purpose of item (4) is not to increase the overall vacation obligation or entitlement of those employees who are in receipt of the additional week of vacation in 2013.

This Letter of Understanding shall come into force upon execution. Arbitrator Hodges will retain jurisdiction should there be any dispute with respect to any aspect of the implementation of this LOU.

All other provisions of the Collective Agreement will continue to apply, except as expressly modified by this Letter of Understanding.

IN WITNESS THEREOF, the parties have signed this AGREEMENT, this

9th day of fipt, 2013.

For the Company:

Kirk Newhook, Director Labour Relations

Marnie King, Director Airports

Stephen Boa, Manager Labour Relations

For the Union:

Joe Fournier, Unifor National Representative

Jose Genois, Unifor Bargaining Representative