Collective Agreement No. 1

Between

Sunwing Airlines Inc.

And

The Flight Crew Members

As represented by

Sunwing Pilots Association of Canada (SUNPAC)

Effective 1 December 2009 to 30 November 2012

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I. PREAMBLE

- 1.1. This document describes the basic terms on which the Company employs Flight Crew Members. In addition to these terms, Flight Crew Members shall adhere to reasonable Company policies, directives and all applicable statutes and regulations.
- 1.2. The Company and The Association expect that all Flight Crew Members share their recognition of the objective of promoting and maintaining safe air transportation, efficient and economic flight operations, while delivering the highest quality of customer service. Compliance with the terms herein and the development of a cooperative spirit among Flight Crew Members and between Flight Crew Members, The Association and the Company are essential for our collective benefit.
- 1.3. Any questions in regards to this collective agreement should be addressed to either, the SUNPAC Executive, Chief Pilot, or Vice President Flight Operations.
- 1.4. In this Article the terms strike and lockout shall mean "strike" and "lockout" as defined in the Canada Labour Code.
- 1.5. The Company agrees it shall not lock out any Flight Crew Members during the term of this Agreement.
- 1.6. The Association shall not engage in a strike during the term of this Collective Agreement.
- 1.7. All references to persons in this Collective Agreement designate both sexes, and whenever the masculine gender is used, it will apply to both male and female.

2. RECOGNITION AND MANAGEMENT RIGHTS

- 2.1. The Company recognizes The Sunwing Pilots Association of Canada (SUNPAC) as the sole bargaining agent for all Flight Crew Members in accordance with the Board Order No. 26658-C dated January 31, 2008.
- 2.2. The Company retains the exclusive control over all matters concerning the operation, management and administration of its business, and Flight Crew Members, except as may be restricted or altered by the terms and provisions of this Agreement.
- 2.3. Examples of the Company's rights shall include, but not be limited to, the following:
 - a) Select, hire, transfer, furlough and promote Flight Crew Members, and demote, discipline, or discharge Flight Crew Members with just and reasonable cause (other than probationary Flight Crew Members, that can be discharged in accordance with section 18), and to require Flight Crew Members to observe reasonable rules and regulations which may be promulgated by the Company, provided such rules are not inconsistent with the terms and provisions of this Agreement;
 - b) Maintain order, discipline, and efficiency;
 - Determine and change the service and business of the Company, and the schedules with respect to same;
 - d) Determine and change the location where the Company's business is carried on;
 - e) Determine and change the methods of carrying out the Companys' business and service; and
 - f) Determine reasonable standards for the performance of work.

3. ASSOCIATION AFFAIRS

3.1.

- a) All Flight Crew Members by virtue of employment by Sunwing Airlines, shall become and remain members of the Association and shall pay membership dues. The obligation to maintain membership in the Association is satisfied by payment of regular monthly membership dues.
- b) The Company shall deduct from all Flight Crew Members (including Management Flight Crew Members) regular monthly Association dues or the equivalent thereof.
- c) The Association shall notify the Company in writing from time to time as may be required, of the amount of its regular monthly dues.
- d) Deductions shall be made from Flight Crew Members' pay each pay period and shall be remitted to the Association no later than fifteen (15) days following the end of the month in which the deductions were made.
- e) The Company shall provide to the Association when remitting Association dues, a list identifying Flight Crew Members for whom dues have been deducted and remitted and the amount of dues deducted and remitted for each Flight Crew Member. The Company shall also identify those Flight Crew Members whose employment has ceased during the period. When a new Flight Crew Member is placed on the list for the first time, the Company will include the address of the new Flight Crew Member. The list shall also contain the names of Flight Crew Members for whom no deductions were made.
- f) The Association agrees to indemnify and save harmless the Company against any claims of liability arising or resulting from the operation of this Article 3.1.
- 3.2. The Company recognizes the Executive of the Association, comprised of the President, Vice-President, and Secretary-Treasurer, as duly elected representatives of the Association.
- 3.3. The Executive of the Association may establish committees at its discretion, however, only members recognized in the paragraph above, or Chairperson of the respective Committees, shall communicate with the Company on Association business. Individual Flight Crew Members may communicate with the appropriate Company personnel at any time, with regards to matters of a personal and/or singular nature.

- 3.4. Effective on the date of ratification of this agreement, the Company shall grant The Association 125 time bank credit hours annually, plus 40 bank credit hours during a contract negotiations year as Association Administration time. This time bank may be used by The Association Executive and their designated representatives. The time bank shall be administered by The Association Executive.
- 3.5. The Association may, with the permission of the Vice President of Flight Operations, post notices upon Company designated bulletin boards wherever Association members are based. Such notices will contain Association related matters. The Association understands the requirements to conduct its affairs in a professional and business-like manner.
- 3.6. The Association may distribute Association mail to Flight Crew Members via Company mail and through use of Flight Crew Members' mail slots provided at Company bases. The Company will bear no responsibility for delays or other distribution problems.
- 3.7. The Company will permit the use of its photocopy machine to reproduce Association notices and correspondence, provided it does not interfere with normal office activities. However, excessive photocopying will not be permitted.

4. DEFINITIONS

- 4.1. The following definitions apply to this Agreement:
 - Anniversary Date means the day after the initial PPC check-ride was completed.
 - ii. Association means the Sunwing Pilots Association of Canada (SUNPAC)
 - iii. Base means a geographical area designated by the Company as a base of operations.
 - iv. Block means a series of pairings, reserve days and time off awards that have been assigned to a Flight Crew Member in a given monthly bid period.
 - v. Book Off means a withdrawal of a Flight Crew Member from duty for medical reasons. A Flight Crew Member will remain on book off status until he books back on.
 - vi. Check In means the time the Flight Crew Member is required to report for duty.
 - vii. Check Out means the recorded "In" time of the final flight of the duty period plus fifteen (15) minutes.
 - viii. Company means Sunwing Airlines Inc.
 - ix. Crew Rest means a period of time free from all duty with the Company.
 - x. Date of Hire means the date a newly hired Flight Crew Member commences training.
 - xi. Day means a twenty-four hour period commencing at 0300L and terminating at 0259L.
 - xii. Deadheading means the traveling of a non-operating Flight Crew Member from one location to another by air or ground transport.
 - xiii. Drafted Short Term Deployment means any assignment of a Crew Member to a deployed base for a period of 31 or less consecutive days.
 - xiv. Duty Period means the elapsed time during which a Flight Crew Member is continuously on duty from scheduled reporting time (or actual reporting time, whichever is later) until time of release from duty, and which is not broken by a minimum rest period.
 - xv. Flight Crew Member means a person holding a seniority number on the Flight Crew Member master seniority list.

- xvi. Flight Duty Time means the time during which the Flight Crew Member operates in an aircraft as a member of its crew. It commences at the required report time at the beginning of a Duty Period and finishes fifteen minutes after the final flight in the Duty Period.
- xvii. Flight Time means the period of time starting from when push back is requested at the beginning of a flight to the setting of the parking brake and/or chocking of the wheels at the end of a flight. If the aircraft does not require push back then the Flight Time starts when the Flight Crew is given clearance to start engines.
- xviii. Furlough means temporary lay off of Flight Crew Members due to reduction in work force.
- xix. Grey Day means the period of time from 0300 to 0259 local at his base during which a Flight Crew Member is not scheduled for any of the following:
 - a) Flight duty,
 - b) Guaranteed day off,
 - c) Vacation,
 - d) Training,
 - e) Reserve duty
 - f) Meetings, or
 - g) Any other form of work for the Company.
- xx. Guaranteed Day Off (GDO) means the period of time from 0300 to 0259 local at his base during which a Flight Crew Member is not scheduled for any of the following:
 - a) Flight duty,
 - b) Grey day,
 - c) Vacation,
 - d) Training,
 - e) Reserve duty
 - f) Meetings, or
 - g) Any other form of work for the Company.
- xxi. Home Base means the Flight Crew Member's base of operations.
- xxii. Layover means the time spent off duty away from home base.
- xxiii. Long Term Deployment means any deployment of a Flight Crew Member to a base other than his permanent base for a period of 32 or more consecutive days.

- xxiv. Management Flight Crew Member means a Flight Crew Member that is not eligible to bid using the Pilot Bid System. Such as:
 - a) VP of Flight Operations,
 - b) Chief Pilot,
 - c) Assistant Chief Pilot,
 - d) Manager of Training and Standards,
 - e) Project Development Manager, or
 - f) Director of Safety
- xxv. Minimum Monthly Guarantee means the minimum number of hours that constitutes a monthly block.
- xxvi. Minimum Rest Period means the minimum number of hours, free from all Company duty.
- xxvii. Month means a complete calendar month commencing the first day of the month, except for the months of January, February, and March, which shall be divided into three monthly periods of 01 January to 30 January inclusive, 31 January to 01 March inclusive, and 02 March to 31 March inclusive.
- xxviii.Pairing means a pre-arranged combination of one or more duty periods and/or reserve days.
- xxix. Per Diem means a payment to a Flight Crew Member to cover living expenses while on a pairing where no suitable meal is provided, and/or while deadheading on other than Sunwing Airlines Aircraft.
- xxx. Permanent Home Base means the base to which the Flight Crew Member is permanently assigned. When not deployed the Flight Crew Member's home base will be his permanent home base.
- xxxi. Re-assignable means a Flight Crew Member who is eligible for re-assignment due to a cancellation from his assigned pairing or pairings.
- xxxii. Report Time means the time designated for the Flight Crew Member to report for duty.
- xxxiii.Reserve means a time period during which a Flight Crew Member so assigned must be available for duty.
- xxxiv.Seasonal Gateway means a geographic area where Sunwing flights originate and/or terminate, where Flight Crew Members are able to bid for an assignment, on a seasonal basis.
- xxxv. Sick Day means any day where a Flight Crew Member is unavailable for a scheduled duty day due to sickness.

- xxxvi.Short Term Deployment means any deployment of a Flight Crew Member to a base other than his permanent base for a period of 31 or less consecutive days.
- xxxvii.Suitable Accommodation means a single-occupancy bedroom that is subject to a minimal level of noise, is well ventilated and has facilities to control the levels of temperature and light, or where such a bedroom is not available, an accommodation that is suitable for the site and season, is subject to a minimal level of noise, and provides adequate protection from the elements.

xxxviii.Sunwing Base – means a permanent home base or Seasonal Gateway.

- xxxix.Vacation Day means the period of time from 0300 to 0259 local at his base during which a Flight Crew Member is not scheduled for any of the following:
 - a) Flight duty,
 - b) Grey day,
 - c) GDO,
 - d) Training,
 - e) Reserve duty,
 - f) Meetings, or
 - g) Any other form of work for the Company.
- xl. Vacation Year means the period commencing 01 May through to 30 April of subsequent year.

5. SENIORITY

5.1. General

- 5.1.1. The Company will maintain and publish a Master Seniority List and a Captain Seniority List at least twice a year (in April and October) to include any additions, deletions or changes. A copy of the most recent list will be posted within seven days of the respective date above.
- 5.1.2. A Flight Crew Member will be permitted a period of thirty days after issuance of the Master Seniority List or Captain Seniority List to protest to the Company any omission or error affecting their seniority.
- 5.1.3. A Flight Crew Member transferred to non-flying or supervisory duty at the request of the Company, will retain his seniority and accrue credit for length of service.
- 5.1.4. A Flight Crew Member returning from a supervisory position will be able to return to the line status his seniority will allow him to hold.

5.2. Master Seniority

- 5.2.1. When two or more Flight Crew Members are employed on the same date, they will be placed on the Master Seniority List by drawing lots. A SUNPAC member will be present during the draw.
- 5.2.2. Master Seniority will govern all Flight Crew Members in cases of furlough and re-employment following furlough.

5.3. Captain Seniority

5.3.1. When two or more Flight Crew Members are awarded upgrades on the same bid, Master Seniority will determine their positions on the Captain Seniority List.

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6. HIRING AND BID AWARDS

6.1. General

- 6.1.1. Company policy is to promote/upgrade from within. To this end, all efforts will be made to fill vacant positions with qualified Company Flight Crew Members.
- 6.1.2. If it becomes necessary to hire Direct Entry Captain(s), all qualified upgradeable First Officers in Sunwing will have a respective slot blocked off on the Captains Seniority list and all Direct Entry Captains hired during the hiring period will be inserted below this block. If the Flight Crew Member fails to demonstrate the required proficiency during the upgrade training, then the respective slot will be deleted.
- 6.1.3. Before hiring any Direct Entry Captain(s), the Company will advise the Association of its intentions and, if the Association so desires, review a list of all First Officers who have the Seniority and Minimum Upgrade Qualifications to bid for an upgrade with the Association. All of these First Officers will be evaluated by the Company in accordance with section 6.4. The Company will discuss all First Officers who are being bypassed for an upgrade with the Association prior to rendering a final decision on whether to deny the First Officer an upgrade.

6.2. Bid Awards

- 6.2.1. When a position vacancy occurs, the Company will issue a bid to all Flight Crew Members specifying the positions open and minimum qualifications applicable.
- 6.2.2. Base Bid awards will be awarded based on the respective seniority list and qualifications.
- 6.2.3. Upgrade Bid awards will be awarded based on:
 - a) Master Seniority,
 - b) Minimum Upgrade Qualifications, and
 - c) Evaluation by the Flight Department
- 6.2.4. Aircraft Transfer Bid awards will be awarded based on seniority.
- 6.2.5. Flight Crew Members who are assigned or transition to a new aircraft type will be frozen on type for a period of two years.
- 6.2.6. Flight Crew Members transferring to a new type, either by bid award or by forced assignment, will not be required to sign a new training bond.

6.3. Minimum Upgrade Qualifications

- 6.3.1. To qualify for initial upgrade training to Captain on type, a Flight Crew Member should meet the following minimums:
 - a) A current Airline Transport Pilot License, AND
 - b) 5,000 hours Total Flight Time, AND
 - c) 2,000 hours Total Flight Time on Jets over 100,000 lb., <u>OR</u> 1,000 hours PIC Flight Time on Jets over 100,000 lb.

NOTE:

For each year on type with the Company, a Flight Crew Member may reduce his total flight time requirements by five hundred hours. The total reduction will not exceed one thousand hours.

6.4. Evaluation by the Flight Department

- 6.4.1. Prior to approving a Flight Crew Member for initial upgrade training to Captain, the Company will, in conjunction with the Association where so desired by the Association and in addition to any other evaluative methods, conduct the following Evaluation:
 - The Flight Crew Members file will be reviewed to determine if past performance reports support what is expected of a Captain
 - 2) Written reports from Captains and Check Captains with whom the candidate has flown will be obtained to assess the candidate's suitability for the upgrade
- 6.4.2. If the senior candidate is bypassed, that decision together with specific reasons for denial of his bid will be conveyed in writing, by the Chief Pilot, or his designate, to the candidate within ten (10) calendar days of the posting of the bid award. The written report is for professional development purposes only. Should a grievance be filed with respect to a candidate being bypassed, the Chief Pilot's decision may only be reversed where the decision was arbitrary, discriminatory or made in bad faith.

6.6. Contract Training Flight Crew Members

- 6.6.1. The Company will only hire Contract Training Flight Crew Members during the introduction of a new aircraft type.
- 6.6.2. The hiring of Contract Training Flight Crew Members will be subject to the following conditions:
 - Contract Training Flight Crew Members will not be paid less than first year Captains hourly rate when flying as Pilot-in-Command;
 - b) Each Contract Training Flight Crew Member must wear a uniform consistent with his status;
 - c) Contract Training Flight Crew Members will only be in the employ of the Company for a maximum of six (6) months.

6.7. Seasonal Contract Flight Crew Members

- 6.7.1. The Company will only hire Seasonal Contract Flight Crew Members subject to the following conditions:
 - Seasonal Contract Flight Crew Members will not be used when any full time Flight Crew Member is furloughed;
 - b) Seasonal Contract Flight Crew Members will be subject to the scheduling rules of this Agreement;
 - c) At any time, the Company shall not submit a bid requesting more Seasonal Contract Captains than Seasonal Contract First Officers:
 - d) Each Seasonal Contract Flight Crew Member must wear a uniform consistent with his status:
 - e) Seasonal Contract Flight Crew Members will only be in the employ of the Company for a maximum of seven (7) months.

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7. REDUCTION IN FORCE, FURLOUGH, AND RECALL

7.1. <u>Downgrades</u>

- 7.1.1. When there is a downgrading from Captain to First Officer status, such downgrading will be in reverse order of seniority according to the Captain's Seniority List.
- 7.1.2. A downgraded Captain shall remain on the Captain's Seniority List, accrued captains length of service shall not be forfeited.
- 7.1.3. Reinstatement of Captain status will be in order of the Captain's Seniority List.

7.2. Furloughs

- 7.2.1. When there is a furloughing of Flight Crew Members, such furloughing will be in reverse order of seniority according to the Master Seniority List.
- 7.2.2. The Company shall provide at least two (2) weeks written notice to a Flight Crew Member prior to his being furloughed, or two (2) weeks pay in lieu of such notice.
- 7.2.3. A copy of all furlough notices will be sent to the Association.
- 7.2.4. A furloughed Captain shall remain on the Captain's Seniority List and the Master Seniority List.
- 7.2.5. A furloughed First Officer shall remain on the Master Seniority List.
- 7.2.6. A furloughed Flight Crew Member will not accrue length of service for pay and vacation purposes. Vacation and statutory holidays earned but not yet received will be paid out in accordance with the Canada Labour Code. Accrued length of service shall not be forfeited.
- 7.2.7. A Flight Crew Member who is furloughed but wishes to return to service with the Company, will file his address with the VP of Flight Operations (or his designate) and promptly advise of any change in address.
- 7.2.8. A furloughed Captain will retain the right to reinstatement to his previous status according to the Captain's Seniority List.
- 7.2.9. In the event of a furlough the affected Flight Crew Members shall have all unused sick days carried forward to recall.

7.3. Recalls

7.3.1. Flight Crew members will be recalled in order of the Master Seniority List.

- 7.3.2. A Flight Crew Member offered recall shall respond within fourteen (14) days of the issuance of a recall notice and return to the service of the Company within thirty (30) days, or such longer period as maybe mutually agreed upon, after notice has been received by registered mail with the last address filed with the Company. If the Flight Crew Member fails to respond to the Company and/or return to service as outlined above he will be considered to have resigned his position and will be removed from the Master Seniority List.
- 7.3.3. A furloughed Captain offered recall shall have the option to bypass such offer, provided that there are Captains junior to him on the Captains Seniority list that are still on furlough.
- 7.3.4. A furloughed First Officer offered recall shall have the option to bypass such offer, provided that there are First Officers junior to him on the Master Seniority list that are still on furlough.
- 7.3.5. A Flight Crew Member shall have the right of recall for four (4) years from the date of furlough.

8. PERSONNEL PRACTICES

8.1. Appearance

8.1.1. Flight Crew Members are expected to present an appearance that is a credit to the Company and to their profession. Clean uniforms, shined shoes and neatly trimmed hair are required. For safety and appearance reasons beards are not authorized.

8.2. Uniforms

- 8.2.1. Uniforms must be maintained according to standards described by the Company.
- 8.2.2. The Flight Crew Members will each pay 50% of the cost of their initial uniform allotment up to a maximum of five hundred (\$500) dollars.
- 8.2.3. Flight Crew Member will have the option of paying for this within 30 days of employment, or paying in installments over a ten-month period. A form will be provided for tax purposes.
- 8.2.4. The uniform will consist of:
 - One jacket,
 - Three trousers,
 - Two ties,
 - Six shirts,
 - Two wings,
 - One pair of epaulettes,
 - · One overcoat,
 - One reflective vest.
 - One carry-on bag.
- 8.2.5. The Company will pay Flight Crew Members an allowance of fifty dollars (\$50) per month for the maintenance of uniforms and for other miscellaneous items. For Flight Crew Members choosing to pay for their uniform by installments, this allowance will be set off against the installment payments for ten months.
- 8.2.6. Uniform pieces will be replaced as necessary, at Company expense.

8.3. Conduct

8.3.1. While wearing the Company uniform, all Flight Crew Members must conduct themselves in a manner that will enhance the image of the Company. Under no circumstances will a Flight Crew Member consume alcoholic beverages while in Company uniform. For the purpose of this paragraph, the white shirt and black slacks without Company insignia, lanyard and epaulettes does not constitute a Company uniform.

8.4. Smoking Rules

8.4.1. While in Company uniform, Flight Crew Members must not smoke in view of the public or smoke in a confined space that would cause their clothing to smell of smoke.

8.5. <u>Deadheading / Travel for Company Business</u>

8.5.1. While traveling on deadhead transportation, or jump seating on Company Aircraft, either Company uniform or business casual dress must be worn.

8.6. Physical Exams

- 8.6.1. The Company medical standards for physical examinations will be no more restrictive than those standards set forth in the Transport Canada Regulations as being required to maintain an Airline Transport Pilot License, including any waiver policies adopted by Transport Canada.
- 8.6.2. The cost of the periodic physical and electrocardiogram examinations required for license endorsement will be borne by the Company. The Company will reimburse the reasonable cost of the medical at an Aviation Medical Examiner (AME).

8.7. Physical / Mental Conditions

8.7.1. A Flight Crew Member is expected to use good judgment relative to obtaining adequate rest prior to reporting for flight or other duty. When under serious mental stress or fatigue, a Flight Crew Member should evaluate his ability to perform flying duties. In the event a Flight Crew Member so removes himself from flying duties, he will contact the Chief Pilot as soon as practical.

8.8. Alcoholic Beverages

- 8.8.1. Alcoholic beverages will not be consumed under the following circumstances:
 - a) While on duty,
 - b) Twelve hours prior to scheduled report time,
 - c) While in uniform,
 - d) If listed on crew manifest.

8.9. Medication

8.9.1. Although many private physicians can properly advise the Flight Crew Member, most physicians are not trained in aviation medicine; therefore, it is mandatory to clear all medication use with an AME.

8.10. Off Duty Flying

- 8.10.1. Flight Crews will not be permitted to fly commercial non-Company aircraft while actively employed by Sunwing Airlines.
- 8.10.2. For exceptional circumstances, the Vice President Flight Operations or the Chief Pilot may give special authorization.

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9. VACATION AND STATUTORY HOLIDAYS

9.1. Statutory Holidays

- 9.1.1. Nine Statutory Holidays will be allowed per year. The Statutory Holidays recognized by the Company are:
 - New Years' Day
 - Good Friday
 - Victoria Day
 - Canada Day
 - Labour Day
 - Thanksgiving Day
 - Remembrance Day
 - Christmas Day
 - Boxing Day
- 9.1.2. In order to accumulate a Statutory Holiday a Flight Crew Member must be available for work for fifteen or more days during the thirty day period immediately proceeding the Statutory Holiday or work on the Statutory Holiday
- 9.1.3. Flight Crew Members will accumulate Statutory Holidays at the rate of one day for each month of their employment during which a Statutory Holiday falls.

9.2. Vacation Days

9.2.1. Flight Crew Members are entitled to a set number of Vacation Days per calendar year and will accumulate these days for each month of their employment during a calendar year based on length of service as follows:

Length of Service	Vacation Entitlement	Earned at a Rate of Days/Month of Service
1-3 years	10 days (2 weeks)	.83 days/month
4-9 years	15 days (3 weeks)	1.25 days/month
10 years +	20 days (4 weeks)	1.67 days/month

9.3. Work On a Vacation Day

9.3.1. Flight Crew Members may be requested to work on a Vacation Day or awarded Statutory Holiday day, but are not obligated to do so.

9.3.2. This policy does not apply to mutual switches or at any other time when the Flight Crew Member volunteers for extra flying.

9.4. Vacation and Statutory Holiday Bidding

- 9.4.1. Annual Vacation and Statutory Holiday bids must be submitted in writing to Crew Scheduling prior to a date to be set by the Company. Bids will be awarded based on Seniority.
- 9.4.2. The Company, based on operational requirements, reserves the right to limit Vacation and Statutory Holiday availability in any period.
- 9.4.3. Vacation & Statutory Holiday periods must be taken in blocks of five days except where a Flight Crew Member has an annual entitlement that is not evenly divisible by five. In that case, one block will be for the remainder of days outstanding. Two GDOs will be assigned before and after a vacation or a statutory holiday block of five days or more. If the vacation or a statutory holiday block is less than five days, then one GDO will be assigned before and after the vacation or a statutory holiday block.

9.5. Vacation and Statutory Holiday Carry Over

9.5.1. Vacation Days and Statutory Holidays can be carried over to the next vacation year period, up to a maximum of five (5) days. All days in excess of five (5), which are not used during the current vacation calendar period, will be paid out by the Company.

10.

TRAINING

10.1. General Training

- 10.1.1. Training includes, but is not limited to, initial and recurrent ground school, simulator and flight training.
- 10.1.2. The Company will endeavour to give at least forty-eight (48) hours advance notice for all training flights and evaluation flights including PPC and IFR renewal flights.

10.2. Failure to Qualify - IFR/PPC Renewal

- 10.2.1. A Flight Crew Member who fails to demonstrate the required proficiency on an IFR/PPC renewal will be subject to the following:
 - a) He will be given reasonable additional training in the sequence that the required proficiency was not demonstrated followed by the appropriate IFR/PPC renewal.
 - b) In the training referred to above, the Flight Crew Member will have the option of having any additional training conducted by a different Qualified Simulator Instructor if available.
 - c) The scheduling of the second attempt will be established by the Company following examination of the reasons for the initial failure and discussions with the Flight Crew Member.
- 10.2.2. If the Flight Crew Member fails a second time, the Chief Pilot or his designate will review his case and he will be advised in writing of his current and future status with the Company within ten (10) calendar days of the failed check ride.

10.3. Failure to Qualify Conversion/Status or Equipment

- 10.3.1. A Flight Crew Member who fails to demonstrate the required proficiency will be subject to the following:
 - a) He will be given reasonable additional training in the area in which the required proficiency was not demonstrated, followed by the appropriate evaluation ride.
 - b) A Flight Crew Member who still does not demonstrate the required proficiency may be returned to his former status. The Flight Crew Member will remain in his former status and equipment for a period of not less than twelve (12) months before he is eligible to re-bid a change in status.

10.3.2. If the Flight Crew Member fails a second time, the Chief Pilot or his designate will review his case and he will be advised in writing of his current and future status with the Company within ten (10) calendar days of the failed check ride.

11. CREW SCHEDULING

11.1. Pilot Bidding System

- 11.1.1. The Company shall provide a computerized Pilot Bidding System.
- 11.1.2. The Pilot Bidding System will allow a Flight Crew Member to bid on all available flying at his assigned base.
- 11.1.3. The bid award shall be based on Seniority.

11.2. Scheduling Committee

11.2.1. The SUNPAC Flight Crew Scheduling Chairman, or his representative, shall have the right to meet with the Company for the purpose of advising and consulting with regards to scheduling issues and problems as they arise from time to time and as otherwise provided in this agreement.

11.3. Report Times

- 11.3.1. Minimum report time prior to departure is as follows:
 - a) One hour and thirty minutes (1:30) at Sunwing bases with an off airport crew room location;
 - b) One hour and fifteen minutes (1:15) at all other bases; or
 - c) Thirty (30) minutes for ground transportation

11.4. Minimum Rest Period

- 11.4.1. The Company shall provide a period of time in which a Flight Crew Member is free from all duty, and is provided with an opportunity to obtain not less than eight uninterrupted consecutive hours of sleep in suitable accommodation, plus travel time to and from the rest facility provided by the Company, and time for personal hygiene and meals.
- 11.4.2. The minimum rest periods will be:
 - ◆ Sunwing Base 11 hours and 15 minutes (11:15) from check out to check in.
 - ♦ Away from Sunwing Base 10 hours and 30 minutes (10:30) from check out to check in.
- 11.4.3. Regardless of the above a Flight Crew Member shall be guaranteed the opportunity to obtain eight (8) hours of undisturbed prone rest.

11.4.4. It is a Flight Crew Member's responsibility to check out with Crew Scheduling after completion of a flight that terminates at a Sunwing Base.

11.5. Booking Off & On

11.5.1. When a Flight Crew Member is unfit to fly, he will notify Crew Scheduling with as much notice as possible to book off. The Flight Crew Member will remain on book off status until he calls to book back on. To book on for the next scheduled pairing, a call to Crew Scheduling by 1200L the day prior is required.

11.6. Re-assignable

11.6.1. When a Flight Crew Member has been displaced, he will be classified as Re-assignable. Flight Crew Members are Re-assignable on their originally scheduled pairing or grey days.

11.7. Unassigned Flying

- 11.7.1. Within twelve (12) hours of the scheduled report time unassigned flying shall be awarded in the following order:
 - a) Flight Crew Members on Reserve;
 - b) Flight Crew Members on Grey Days;
 - c) Flight Crew Members on GDOs;
 - d) Flight Crew Members on Vacation or Statutory Holidays;
 - e) Management Flight Crew Members.
- 11.7.2. All other unassigned flying shall be awarded in the following order:
 - a) Flight Crew Members on Grey Days;
 - b) Flight Crew Members on Reserve;
 - c) Flight Crew Members on GDOs:
 - d) Flight Crew Members on Vacation or Statutory Holidays;
 - e) Management Flight Crew Members.

11.8. Guaranteed Days Off (GDOs)

- 11.8.1. A Flight Crew Member will be entitled to receive a minimum of eleven (11) GDOs in each month at his Home Base.
- 11.8.2. Flight Crew Members may be requested to work on a GDO, but are not obligated to do so.

11.8.3. If the Duty Period prior to a GDO ends after 0000 local time on the calendar day of the GDO and the day after the GDO includes a Duty Period, the Duty Period will not start prior to 1200 local time on the day after the GDO.

11.9. Work On a GDO

11.9.1. If a Flight Crew Member is called to work on a GDO during the initial line indoctrination period above, the GDO will be replaced.

11.10.<u>Reserve</u>

- 11.10.1.A reserve period will be eleven (11) hours in duration.
- 11.10.2.A reserve Flight Crew Member will be considered on call at all times during his reserve period. Two hours is the minimum advance notice to report for duty. Crew Scheduling will make every effort to contact and assign duty to Flight Crew Members on reserve as far in advance as possible and the Flight Crew Member will make every effort to report for duty in less than two hours if required.
- 11.10.3. When a reserve Flight Crew Member is assigned duty, his duty period will begin during the reserve period. When flights are assigned to Flight Crew Members sitting reserve, priority will be given to those with the least amount of monthly credit hours.
- 11.10.4.A Flight Crew Member on Reserve will provide Crew Scheduling with a telephone number at which he may be reached at all times. He may also indicate a temporary alternate number, including pager, where he may be reached. This number may be changed as he goes from one location to another. A Flight Crew Member will remove this temporary alternate number once it is no longer valid.
- 11.10.5.It is the Flight Crew Member's responsibility to return Crew Scheduling telephone calls as promptly as possible. Any Flight Crew Member, who could not be reached at his designated telephone number after two (2) calls from the Company, no less than fifteen (15) minutes apart, will be considered unavailable for duty. The Chief Pilot or his designate shall be notified.

11.11. Mutual Switches/Giveaways

- 11.11.1.Flight Crew Members may trade pairings, including reserve/standby, GDO's and Vacation with other Flight Crew Members holding the same base or gateway and status, with at least forty-eight (48) hours notice to crew scheduling. If positioning on another carrier is involved, then seventy-two (72) hours notice is required. Under exceptional circumstances (e.g. family emergency, etc.) an exchange may be approved without the above advance notice.
- 11.11.2. Switches and giveaways must be legal in all aspects: minimum crew rest, flight time limitations, acclimatisation based upon the most lenient chart, etc. Crew rest cannot be forfeited.
- 11.11.3.A switch will not be approved if it creates overtime credits.
- 11.11.4.It is the responsibility of each Flight Crew Member involved in a switch to contact Crew Scheduling to determine if the switch has been approved or disapproved.
- 11.11.5.Once a switch is approved, it forms part of each Flight Crew Member's block.

11.12. Planned Duty Period

11.12.1.At no time will a planned duty period exceed seventeen (17) hours. This shall include all deadheads and positioning before and after a pairing.

11.13. Augment Pilot

- 11.13.1. Augment pilots may be used to plan a duty period of up to fifteen (15) hours provided an aisle seat is reserved in the rear of the cabin for a Flight Crew Member.
- 11.13.2.Effective the 1st of December, 2010, the augmented flight crew shall consist of two (2) Captains and one (1) First Officer, or one (1) Captain and two (2) First Officers, of which at least one (1) First Officer is qualified to occupy the Captains Seat at a flight altitude above 10,000ft.

11.14.<u>Pairings</u>

11.14.1.The Company will use commercially reasonable efforts to build pairings that are no greater than seven (7) days in length and will not build pairings greater than ten (10) days in length. The Company will provide the Association with an opportunity to review and provide input into any pairing greater than seven (7) days in length prior to publishing the pairing.

11.15. Deadheading

- 11.15.1.A Flight Crew Member shall not be planned to deadhead in the flight deck; however, they may be required to do so in unusual circumstances. Where there are repeated requirements for deadheading on the flight deck, the Company and the Association will discuss it with a view to minimizing such future requirements.
- 11.15.2.A Flight Crew Member deadheading in the passenger cabin of a Sunwing Aircraft will not be restricted to non-reclining seats.
- 11.15.3.If positioning on a carrier that permits pre-booking of seats and the flight time is between three (3) hours and six (6) hours per sector, the Company shall book bulkhead or exit row, window or aisle seats if the cost of such booking is \$20 or less per sector.
- 11.15.4.If positioning on a carrier that permits pre-booking of seats and the flight time is six (6) hours or more per sector, the Company shall book bulkhead or exit row, window or aisle seats if the cost of such booking is \$60 or less per sector.
- 11.15.5.When deadheading using ground transportation, the Company will provide safe, comfortable transportation in a vehicle that is suitable for the length of the trip, road conditions and the number of people being transported. On deadheads of more than five (5) hours, the Company will use commercially reasonable efforts to deadhead by air transportation.

11.16. Management Flying

- 11.16.1.Management Flight Crew are as per the definitions.
- 11.16.2. Nothing in this Agreement shall restrict the Company's rights to transfer Flight Crew Members to non-flying or management duties with their concurrence or the right to withdraw Flight Crew Members from such non-flying or management duties.
- 11.16.3.A Management Flight Crew Member shall notify the Company of his intention to resign his non-flying or management position, prior to returning to a line flying position.
- 11.16.4.A Flight Crew Member employed in a non-flying or management position or a Flight Crew Member who resigned from such duties will be permitted to exercise his seniority to bid on a vacancy in the same manner as Line Flight Crew Members, in order to return to line flying duties.

- 11.16.5.A Flight Crew Member transferred to non-flying or management duties shall retain and continue to accrue credit for length of service.
- 11.16.6.In recognition of the importance and time involved in their primary management duties and for planning pilot staffing requirements, the total revenue flying time to be operated by each Management Flight Crew Member should not be planned to exceed fifty (50) hard hours per month; however, they will not be scheduled to exceed four hundred and fifty (450) hours in a year.
- 11.16.7.If a Flight Crew Member is displaced by a Management Flight Crew Member then he shall be assigned to Reserve for all affected days.

12. CREDITS

12.1. General

- 12.1.1. It is understood and agreed that the compensation determined through the flight credit system, provides for wages on a basis other than time worked. The compensation determined by the credit system is pay for all work performed by the Flight Crew Member associated with their duties.
- 12.1.2. It is understood and agreed that there will be no changes to the manner upon which the credit system is applied and the manner for which the compensation is calculated during the term of the agreement.

12.2. Flight Credits

- 12.2.1. A Flight Crew Member shall receive credit per duty period equal to the greater of the following:
 - i. The scheduled Flight Time, or
 - ii. The actual Flight Time, or
 - iii. Four hours

Within a Minimum Pairing Guarantee of one hour for each six hours away from base.

Examples:

A Toronto based pilot is scheduled to fly to Montreal on the 1st January and return on the 5th January (5 days). All numbers below are number of hours.

	1st	2nd	3rd	4th	5th
i. The scheduled flight time per day is:	1.5	7.0	0.0	7.0	8.5
ii. His actual flight time per day is:	1.7	8.0	0.0	6.5	8.5
iii. Four Hours	4.0	4.0	0.0	4.0	4.0

He is actually away from his Toronto base for: 14, 24, 24, 24, 22 total 108/6 = 18.0

The greater of i, ii, iii per duty period is: 4.0, 8.0, 0.0, 7.0, 8.5 = 27.5 credit hours.

The Flight Crew Member would receive the greater of 27.5 and 18.0, so he would receive 27.5 credit hours.

Note: Credit calculation commences at the scheduled departure time and terminates at the scheduled return time. The trip guarantee of one in six in not linked to the calendar day, but to the scheduled departure time.

12.3. Deadhead Credits

- 12.3.1. When a duty period consists of deadheading, combined with flight duty, Flight Time will be calculated as one-half of the deadheading flight time plus the actual flight time.
- 12.3.2. When a duty period consists of deadheading only, one-half the deadheading time or four (4) credits, whichever is greater will apply.

12.4. Reserve Duty Credit

12.4.1. Flight Crew Members on reserve shall receive a credit of four hours for each period of reserve duty, or actual flight credit, whichever is greater.

12.5. Other Credits

12.5.1. Four (4) hours will be awarded per day for training (including CBT), vacation and statutory holidays, sick days, and office duties.

Note: Credits do not apply to new hires during their initial training.

12.6. Month of Credit

12.6.1. When a duty period starts in one month and ends in another (local time), it shall be credited to the month in which it started.

13. RATES OF PAY

13.1. Newly Hired Flight Crew Members

13.1.1. Newly hired Flight Crew Members, for the purposes of seniority, vacation and benefits, will be deemed hired on the first day they commence training subject to successfully completing and passing training. Salary will commence on the first day after completing PPC check.

13.2. Upgrades

- 13.2.1. Captains Pay will commence at the later of the following two dates:
 - a) The date a position becomes available, as stated in the bid.
 - b) The date of successful completion of the Line Check
- 13.2.2. Subsequently for pay purposes, the anniversary date will be the day after completion of the Flight Crew Members' Initial Captains PPC.

13.3. Pay Periods

13.3.1. Each pay period shall be fourteen days and will end on a Friday.

13.4. Minimum Monthly Guarantee

13.4.1. The following table shows the minimum number of credit hours that a Flight Crew Member will be guaranteed for each month.

January	90
February	90
March	90
April	85
Мау	80
June	80

July	80
August	80
September	80
October	80
November	80
December	85

13.5. Minimum Annual Guarantee

- 13.5.1. Flight Crew Members will be guaranteed a minimum of one thousand (1,000) credit hours per year, prorated daily for a partial year.
- 13.5.2. A Flight Crew Members minimum pay will be calculated as follows:80 hours/month guarantee * 12 months / 365 days in a year * 14 days in a pay period = 36.822 credits.
- 13.5.3. During a month where the Minimum Monthly Guarantee is greater than eighty (80), the difference will be applied in the excess pay for the month. For example, ten (10) hours will be added to January's excess pay, which is paid in February.
- 13.5.4. Credit count applicable to Article 13.4.1 will not include credit for work on a GDO, Vacation or Statutory Holiday.

13.6. Overtime

- 13.6.1. For any credit hours worked between the minimum monthly guarantee and ninety (90) credit hours per month, Flight Crew Members will be paid at their regular rate. For any credit hours worked between ninety (90) and one hundred (100) hours per month, Flight Crew Members will be paid at one and a half times (1.5) their regular rate. For any credit hours worked over one hundred (100) hours per month, Flight Crew Members will be paid at two (2) times their regular rate.
- 13.6.2. Overtime rates are not cumulative to any rates paid for work on a GDO or Vacation Day.
- 13.6.3. Sunwing pilots will be given priority over contract pilots when work is offered on GDOs.

13.7. GDOs

- 13.7.1. Flight Crew Members called for duty on a GDO will be paid at two times their regular rate. Hours worked on a GDO will always count as credit in addition to the Minimum Monthly Guarantee, but are not counted in hours worked when calculating overtime hours. The GDO will not be replaced.
- 13.7.2. This policy does not apply to:
 - Mutual switches
 - The initial line indoctrination period for newly hired Flight Crew Members

13.8. Vacation

- 13.8.1. Flight Crew Members called for duty on a Vacation Day, which includes a day off awarded for a Statutory Holiday, will be paid at two (2) times their regular rate. Hours worked on a Vacation Day or awarded Statutory Holiday day will always count as credit hours in addition to the Minimum Monthly Guarantee, but are not counted in hours worked when calculating overtime hours. In addition, an additional Vacation Day or awarded Statutory Holiday will be given to the Flight Crew Member to be used during the following vacation year.
- 13.8.2. This policy does not apply to mutual switches.

13.9. Pay Adjustments

- 13.9.1. If an adjustment, in the form of an overpayment, is required to be made to a Flight Crew Members' paycheck, the Flight Crew Member will receive written notice of the amount of the deduction to be made at least one pay period in advance (minimum of two (2) weeks notice) of the deduction taking place. This notice will include an explanation regarding when the over-payment was made and how the amount of the deduction was calculated. Overpayment deductions cannot exceed four hundred dollars (\$400) during any single pay period. The overpayment deduction provision does not apply if the overpayment is a singular event and the Flight Crew Member is notified of the overpayment within three business days. In this case, the Company can immediately deduct the entire amount of the overpayment. The Company will make every effort to contact the Flight Crew Member through phone and email contact information available in crew scheduling and will leave voice messages and email messages prior to deducting the entire amount of an overpayment.
- 13.9.2. Upon recognition of an underpayment of more than one hundred dollars (\$100), the Flight Crew Member will be reimbursed the full amount within five (5) business days. Where possible, the Company will reimburse within two (2) business days. Underpayments of less than one hundred dollars (\$100) will be reimbursed on the next regularly scheduled pay deposit.

13.10. Captain Flying as a First Officer

13.10.1. When a Captain is assigned, at the request of the Company to serve as a First Officer on any flight, while his permanent Captain assignment is still current, he will continue to receive pay at his Captain's rate.

13.11. Hourly Pay Scales

13.11.1.Captains:

SUNPAC Captain				
Years of Service	Dec. 1 2009	Dec. 1 2010	Dec. 1 2011	
1	\$82.40	\$84.05	\$85.73	
2	\$103.00	\$105.06	\$107.16	
3	\$113.30	\$115.57	\$117.88	
4	\$123.60	\$126.07	\$128.59	
5	\$128.75	\$131.33	\$133.95	
6	\$133.90	\$136.58	\$139.31	
7+	\$139.05	\$141.83	\$144.67	

13.11.2.First Officer:

SUNPAC First Officer			
Years of Service	Dec. 1 2009	Dec. 1 2010	Dec. 1 2011
1	\$49.44	\$50.43	\$51.44
2	\$61.80	\$63.04	\$64.30
3	\$67.98	\$69.34	\$70.73
4	\$74.16	\$75.64	\$77.16
5+	\$77.25	\$78.80	\$80.37

14. COMPENSATION AND BENEFITS

14.1. Per Diem and Additional Expenses

14.1.1. A Flight Crew Member will be paid Per Diem based on Government of Canada published allowances for Government employees travelling on business, as revised on April 1 and October 1 of each year. Examples of current rates are as follows:

Canada - \$3.48
United States - \$3.48
Mexico - \$3.09

- 14.1.2. Amounts will be converted into Canadian dollars based on the exchange rate applicable on the effective date of rate table (i.e. April 1 or October 1 exchange rate into Canadian dollars).
- 14.1.3. A Flight Crew Member will be reimbursed for pre-authorized expenses incurred on a trip not covered by per diem. Reasonable proof of additional expenses shall be submitted for reimbursement.
- 14.1.4. A detailed summary of how credit hours, overtime and per diems were calculated will be provided (electronically or paper) to each Flight Crew Member each month.

14.2. Group Insurance and Pension Benefits

- 14.2.1. Each Flight Crew Member shall be covered by the Company's group benefits as provided to the Association during bargaining. These include and are not limited to, short and long term disability, provincial medical, group insurance, extended medical, dental and Company pension. Any matter respecting participation in the plans and entitlement under the plans is not capable of being a difference between a member of the bargaining unit and the Company or a difference between the Parties and is, therefore, not subject to the grievance and arbitration procedure under this agreement. All matters respecting participation in the plans and entitlement under the plans are matters between the insured and the insurer and the Company's sole obligation is to pay the billed premiums.
- 14.2.2. Flight Crew Members are required to join the benefit plan as a condition of employment. Group Insurance and Benefit information booklets shall be provided to the Flight Crew Members.

- 14.2.3. After advising the Association of any proposed changes in advance and providing the Association an opportunity to provide input into the proposed changes, the Company has the right to amend the coverage and to change insurance carriers, provided that the premium share arrangements are not altered and that the coverage as a whole is not substantially reduced.
- 14.2.4. A Company Retirement Savings Plan for Flight Crew Members' will be made available after completion of one (1) year of employment, defined as twelve (12) continuous month's employment by the Company. Booklets with full details shall be provided to the Flight Crew Members'.

After one (1) year, the Flight Crew Members' contribution shall be to a maximum of four percent (4 %) of base salary matched by a maximum of two percent (2%) contribution by the employer. If the Flight Crew Member chooses not to participate when first eligible, he may elect to become a member as of any future January 1.

After three (3) years of participation in the pension plan program, the Flight Crew Members' contribution shall be to a maximum of four percent (4%) of base salary matched by a maximum of three percent (3%) contribution by the employer.

After five (5) years of participation in the pension plan program, the Flight Crew Members' contribution shall be to a maximum of four percent (4%) of base salary matched by a maximum of four percent (4%) contribution by the employer.

For the purpose of determining the Company's matching contributions, the Flight Crew Members' continuous service will be determined as of each January 1 and July 1. For example, if the Flight Crew Member is hired on May 15, 2007, the Company's matching contribution level will increase from two percent (2%) to three percent (3%) on July 1, 2010.

Contributions will be made to the maximum permissible contribution under the Income Tax Act.

14.2.5. If the Flight Crew Member leaves the Company for any reason before his retirement, the benefit payable from the Retirement Savings Plan will depend upon their length of membership in the Plan.

If the member has completed less than two (2) years of membership in the Plan when he leaves the Company, the member is entitled to receive his own contributions plus accumulated investment income.

If the member has completed at least two (2) years of membership in the Plan when he leaves the Company, the member is entitled to receive his contributions and one hundred percent (100%) the Company's contributions plus accumulated investment income.

The Flight Crew Member may receive the amount payable in a lump sum cash payment, less withholding tax. As an alternative, he may transfer the amount payable to his personal RRSP with no tax withheld.

14.3. <u>Sick Days</u>

14.3.1. Each Flight Crew Member is entitled to up to five (5) sick days per year. Sick days will only be applied against scheduled paid duty and will be paid at four (4) credit hours per sick day. If a Flight Crew Member uses sick days prior to a Short Term Disability and the Short Term Disability is approved by the Company's insurer, then the number of sick days used prior to the Short Term Disability will be replaced.

14.4. Airport Parking

14.4.1. The Company agrees to pay the full cost of airport parking and transportation to and from the parking facility and the required departure/arrival building for all Flight Crew Members.

14.5. <u>License Physical Examination</u>

14.5.1. The Company will pay the cost of medicals as per the terms stipulated under "Physical Standards" of this agreement and will also include the processing fee charged by Transport Canada.

14.6. Transport Canada License Fee

14.6.1. The Company agrees to pay the full cost of all Transport Canada fees including, but not limited to all recurring fees required for the issue of a valid Medical Certificate, initial and recurrent PPC and IFR, etc.

14.7. Visa/Passport/Travel Documents/Inoculations, etc.

14.7.1. The Company agrees to pay full costs of any Canadian Passport, Visa, travel document(s), that are required for a Canadian Passport holder, medical fee and inoculation, etc., and cost associated. For holders of Foreign Passport, costs will be paid up to the maximum of the cost for a Canadian Passport holder. All Flight Crew Members are required to have a current passport.

15. ACCOMMODATIONS

15.1. General

15.1.1. When a duty period includes four and a half (4.5) hours on the ground or more (chocks on, chocks off), and chocks on commences between 2100 and 0600 local time, a Flight Crew Member shall be provided with a private hotel room.

15.2. Accommodations Committee

15.2.1. The SUNPAC Flight Crew Accommodations Chairman, or his representative, shall have the right to meet with the Company for the purpose of advising and consulting with regards to accommodations issues and problems as they arise from time to time and as otherwise provided in this agreement.

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16. DEPLOYED OPERATIONS

16.1. General

- 16.1.1. For all deployments the Flight Crew Member's Home base will be his base of operation overseas.
- 16.1.2. Where the Association wishes to provide input into the terms and conditions of future deployed operations the Company will provide an opportunity for the Association to discuss the terms and conditions of any deployment bid in advance of them being published by the Company in the form of a memo to all Flight Crew Members.

The memo will cover, but not be limited to, the following terms and conditions:

- a) Available bases
- b) Deployment dates
- c) Available terms of deployment
- d) Allocation amounts
- e) Additional living expenses
- f) Travel allowances
- g) Medical coverage details
- h) Car rental entitlement
- 16.1.3. The terms and conditions of deployment as covered in section 16.1.2 shall be no worse, during the term of this agreement, than those published by the Company in the previous year's deployment.
- 16.1.4. All other work and pay rules not otherwise stated in this Deployed Operations section are as per this agreement.
- 16.1.5. All deployed operations bids shall be awarded in order of seniority.

16.3. Sequence of Events

- 16.3.1. Below is the sequence of Events to be followed during the Deployed and Vacation Bids:
 - The Company shall publish a Long Term Deployment bid.
 There will be a minimum time period of one week between the time the bid opens and the deadline for submitting a bid to the Company.
 - 2) Every effort shall be made to award Long Term Deployments a minimum of sixty (60) days prior to the first Flight Crew Member being deployed.
 - 3) The Company shall publish the yearly vacation bid. There will be a minimum time period of one week between the time the bid opens and the deadline for submitting a bid to the Company.
 - 4) Vacations shall be awarded.
 - 5) Starting one month prior to the commencement of the deployment, on the first day of each month, the Company will provide information on Short Term Deployment openings and will seek Flight Crew Members who wish to volunteer for the open positions. Flight Crew Members will have five (5) days to advise the Company that they are interested in an opening. If there are not enough Flight Crew Members volunteering, then the Short Term Deployments will be assigned to Flight Crew Members as specified in Section 16.7. Every effort shall be made to award a Short Term Deployment a minimum of twenty-one (21) days prior to the Flight Crew Member being deployed.

16.4. Long Term Deployment

- 16.4.1. The Long Term Deployment bid published by the Company shall contain the Deployed Operations memo for the respective year.
- 16.4.2. The Long Term Deployment bid shall be open to all Flight Crew Members on the seniority list.
- 16.4.3. Flight Crew Members will be drafted to fill any unfilled positions. All drafting will be in reverse order of seniority starting with those that did not submit their bids to the Company before the deadline. Some junior Flight Crew Members may end up being awarded a longer deployment than they were initially awarded as a result of the draft.

- 16.4.4. Flight Crew Members shall receive per diems when they are on Company business away from their deployed base in accordance with Section 14.1.
- 16.4.5. Immediately prior to departing for deployment each Flight Crew Member shall receive a minimum of two (2) consecutive GDOs free from flying obligations.
- 16.4.6. Upon repatriation back to Canada, be it by base reduction or completion of deployment, each Flight Crew Member will receive a minimum of seven (7) GDOs free from flying obligations before being scheduled for any flying duties.

16.5. Long Term Deployment Accommodation

- 16.5.1. The Company shall provide a hotel room for a Flight Crew Member on Long Term Deployment for up to thirty-one (31) days of their deployment following their date of arrival.
- 16.5.2. The hotel shall be equipped with high speed internet at no cost to the pilot.
- 16.5.3. Where the Company provides accommodations for the entire duration of the Long Term Deployment, such accommodation shall include the following amenities at no cost to the pilot:
 - a) A full kitchen, including a kitchen sink, stove top, oven, fridge, freezer, microwave, cutlery, dishes, cooking utensils;
 - b) A fully furnished living room, including TV, lights, tables, couches, chairs, blinds or curtains;
 - c) A fully furnished bedroom, including a minimum size double bed (North American size), linens, lights, closet, darkness curtains, private bathroom;
 - d) High Speed Internet.;
 - e) Solid entry door(s) with a minimum of two (2) locks, i.e. door lock and a deadbolt on each door;
 - f) Accommodation shall be located in a safe area;
 - g) Where residence is a condominium or apartment building having more than one floor, Flight Crew Members shall not be located below ground level;
 - h) Parking shall be included with the accommodation.

16.6. Short Term Deployment

- 16.6.1. Short term deployment shall be used to cover crewing shortages due to vacation, training or sickness of any Flight Crew Members on Long Term Deployment.
- 16.6.2. When the Short Term Deployment bid is published, the Company may exclude pilots assigned to specific permanent bases from bidding due to crew shortages as a result of the Long Term Deployment bid award.
- 16.6.3. Flight Crew Members will not be able to bid for Short Term Deployment covering periods within which they have been awarded vacation.
- 16.6.4. Flight Crew Members shall be given the opportunity to bid on GDOs while on Short Term Deployment. The Company shall endeavor to award GDOs to Flight Crew Members on Short Term Deployment in order of seniority. However, it is understood that Flight Crew Members on Short Term Deployment may have their pairings and GDOs assigned to them to accommodate Flight Crew Members on Long Term Deployment.
- 16.6.5. Flight Crew Members shall receive per diems for the entire time that they are away from their permanent base.

16.7. Short Term Deployment Accommodation

16.7.1. The Company shall provide each Flight Crew Member on Short Term Deployment with suitable hotel accommodation that is appropriate for the length of the deployment. The Company will provide the Association with an opportunity to review and provide input into hotel accommodation prior to making a hotel selection.

16.8. <u>Drafted Short Term Deployment</u>

- 16.8.1. The Company will attempt to find a willing Flight Crew Member before one is drafted to a deploy.
- 16.8.2. Drafted Short Term Deployment shall be used to cover short term positions that have not been covered due to insufficient bids or unforeseen short term crew shortages.
- 16.8.3. Drafted Short Term Deployment shall be awarded to Flight Crew Members in order of reverse seniority. This will not include Flight Crew Members stationed at permanent bases that have been excluded from Short Term Deployment.
- 16.8.4. Flight Crew Members will not be drafted to a Short Term Deployment covering periods within which they have been awarded vacation.

- 16.8.5. Once a Flight Crew Member has been drafted to a Short Term Deployment he will be immune from further drafted Short Term Deployments until all available senior Flight Crew Members have been drafted to deploy.
- 16.8.6. If possible Flight Crew Members shall be notified a minimum of twenty-one (21) days in advance of the commencement of deployment.
- 16.8.7. A Flight Crew Member that is drafted to a deployment may seek to have his assignment fulfilled by another Flight Crew Member. This assignment change must be completed and the Company advised at least two weeks prior to the commencement of the deployment.
- 16.8.8. A Flight Crew Member that has been awarded a Long Term Deployment cannot be drafted to a Short Term Deployment. Notwithstanding this immunity, a Flight Crew Member may notify the Company that he is available if he so chooses to do so.

16.9. Early Return From Deployment

- 16.9.1. The Company will absorb all the properly documented obligation and contractual costs for Flight Crew Members returning early, for any reason at the Company's request, to their permanent bases. These include, but are not limited to, rent/lease of the accommodation, council tax, internet and cable usage, TV license, and telephone (non-usage).
- 16.9.2. A Flight Crew Member that is not able to complete his deployment term will be required to reimburse the Company any monies owed. This includes any travel allotment and/or per diem. The amount owed to the Company will be calculated based on days not completed at the deployed base. With the exception of Flight Crew Members who resign or otherwise leave the deployment without the Company's consent, the Company will reimburse any properly documented obligations that had to be paid regardless as described in 16.9.1.
- 16.9.3. With the exception of Flight Crew Members who resign or otherwise leave the deployment without the Company's consent, the reimbursement schedule will be at the Flight Crew Members' discretion, with a minimum of four hundred dollars (\$400) deducted per pay period. If the Flight Crew Member resigns or otherwise leaves the deployment without the Company's consent, the Company shall have the right to immediately collect all monies owed and will have the right to offset against any amount owed to the Flight Crew Member.

16.10. Deployed Base Reduction

16.10.1.Should the need arise for a base reduction then Flight Crew Members will be given the option to stay or return to their permanent base in order of seniority.

16.11. Emergency Leave

16.11.1.In the event a Flight Crew Member on deployment requires emergency leave, he will continue to receive his entitlements while away from his deployment base. Prior to requesting an Emergency Leave, the Flight Crew Member shall inform the VP of Flight Operations or his designate of his expected departure and return date. Should the Flight Crew Member require an extension to emergency leave, he will inform the Company no later than seventy-two (72) hours prior to the return date of the initial emergency leave. If the emergency leave is greater than fourteen (14) days the Company may terminate the Flight Crew Members deployment at its discretion.

16.12.GDOs

16.12.1.All GDOs will be taken at the Flight Crew Members respective base of deployed operations.

16.13.Travel

- 16.13.1.The Company will position all Flight Crew Members' to their deployed bases at the start of the deployment, and repatriate back to Canada at the end of the deployment. Crews and their family will likely position with a deploying aircraft. If the need arises to transport crews into deployment commercially, the Flight Crew Members family will still be entitled to travel on Company aircraft, but the Company will not be responsible for transporting family commercially to and from deployment.
- 16.13.2.Where a deployed Flight Crew Member must travel commercially on behalf of the Company, the Company shall pay for all associated travel costs. Covered costs may include but are not limited to, ticket purchase, visas, excess luggage charges and ground transportation costs. Wherever possible, these costs will be paid in advance. If unable to pay in advance, the Flight Crew Member will submit all related expenses for reimbursement.

16.14. Medical Coverage while Abroad

16.14.1.The Company shall provide each deployed Flight Crew Member with adequate medical insurance that is valid at all times while abroad. Such insurance will cover all costs for emergency treatment, hospital stays, emergency transportation and repatriation costs.

16.15.Phones

16.15.1.In the event a local phone that can be used in order to contact flight operations without incurring long distance charges, an Aircraft Sat Phone, or an Aircraft Cell phone are not provided, all Captains on any deployed ops assignment shall be provided with a Company cell phone. The Company cell phone will be used for operational requirements only, such as checking out, calling OCC, calling MCC, etc. Phones shall be issued upon arrival at the deployed base and returned to the Deployed Operations Base Supervisor before the Captain repatriates back to his permanent base. The Captain will submit all Company phone related expense receipts for reimbursement.

16.16.Car Rentals

- 16.16.1. The Company shall provide Flight Crew Members on Long Term Deployment with a rental car for the first seven (7) days of deployment, should they require one. It is the Flight Crew Member's responsibility to notify the Company if a car is required.
- 16.16.2.Where the Company provides a Flight Crew Member with a rental car for the entire duration of the Long Term Deployment, the vehicle shall be in suitable working condition. Rental cars shall be compact or midsize vehicles.
- 16.16.3. The cost of any rental vehicle and the cost of full insurance coverage for the vehicle shall be paid for by the Company. All other costs shall be paid for by the Flight Crew Member.

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17. LEAVE OF ABSENCE

- 17.1. The Company may, at its discretion, grant a Flight Crew Member Leave of Absence without pay. A Flight Crew Member on Leave of Absence will maintain his seniority number but will not accrue credit for length of service. A Leave of Absence may be extended at the Company's discretion. A Flight Crew Member may exercise his assignment bidding rights while on Leave of Absence, but if he is a successful bidder, he must return from his leave at the commencement of the training date.
- 17.2. Leave of Absence may be initiated by:
 - A Company request for volunteers;
 - A leave of absence in lieu of a furlough; or
 - A request for personal reasons.
- 17.3. If there is a reduction in the total number of Flight Crew Members employed by the Company, then Flight Crew Members on a Leave of Absence may be placed on furlough status in accordance with Section 5.2.2.
- 17.4. Flight Crew Members' who serve on jury duty or who appear in court, as the result of being subpoenaed, will be granted a Leave of Absence and will retain and accrue credit for length of service for all purposes during such Leave. Compensation at the Flight Crew Members current salary will be maintained by the Company, less any compensation he may receive because of jury duty.
- 17.5. A Flight Crew Member on maternity or childcare leave will maintain and accrue credit for length of service for the period of their leave.

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18. PROBATION

- 18.1. New Flight Crew Members will be required to serve a probation period of twelve (12) months of service with the Company. The Company reserves the right to dismiss any Flight Crew Member during probation for any documented reason satisfactory to the Company. Should a grievance be filed with respect to a Flight Crew Member who was dismissed during probation, the decision to dismiss him shall only be reversed where the decision was arbitrary, discriminatory or made in bad faith. A Flight Crew Member dismissed during their probationary period, other than dismissal for cause, shall be entitled to minimum notice as required under the Canada Labour Code and this shall be in satisfaction of all notice obligations whether under the Code, at common law or otherwise.
- 18.2. Probation may be extended a further six (6) months, provided the Flight Crew Member receives a letter, from the Chief Pilot V.P. Flight Operations, or his designate stating the reason for the extension within ten (10) days of the decision to extend the probation and the notice is received prior to the end of the twelve (12) month initial probation period. A copy of this notice will also be given to The Association, within the same time frame.

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19. DISCIPLINARY POLICY

19.1. General

- 19.1.1. If a Flight Crew Member commits an offense warranting disciplinary action, the Chief Pilot, V.P. Flight Operations, or his designate will begin such action at the first stage of the progressive discipline process.
- 19.1.2. In the event of a serious offense the Company may initiate the progressive discipline process at any stage.

19.2. Progressive Discipline Process

19.2.1. First Step - A verbal warning or reprimand, which may or may not be accompanied by a letter.

Second Step - A letter of warning or reprimand will be issued by the Chief Pilot, V.P. Flight Operations, or his designate.

Third Step - A letter of warning or reprimand will be issued by the Chief Pilot, V.P. Flight Operations, or his designate. The letter may be accompanied by a suspension without pay, or discharge, depending upon the frequency and/or seriousness of the offense.

- 19.2.2. A claim by a Flight Crew Member who has completed his probationary period, that he has been disciplined, suspended or discharged without just cause shall be treated as a grievance if a statement of such grievance is filed at Step Two of the Grievance Procedure within ten (10) calendar days after the Flight Crew Member has been disciplined, suspended or discharged by the Company. Such special grievances may be settled by:
 - a) Confirming the Company's action in disciplining, suspending or dismissing the Flight Crew Member, or
 - b) Reinstating the Flight Crew Member with full compensation for time lost, or
 - c) Any other arrangement that is just and equitable in the opinion of the conferring parties or sole arbitrator, except loss of seniority.
- 19.2.3. It is agreed that whenever a Flight Crew Member is to be called to a meeting with the Company for any discussions that may result in any form of discipline, the Flight Crew Member shall be informed of the nature of the intended discussion. The Flight Crew Member has the option, to have an Association Representative present during the proposed discussion(s).

19.2.4. If a Flight Crew Member has no further disciplinary notations for twelve (12) consecutive months from the issuance of the disciplinary notation, then disciplinary notations of less than three (3) days suspension will be removed from the Flight Crew Members file. If the Flight Crew Member has no further disciplinary notations for twenty four (24) months from the issuance of the disciplinary notation, then disciplinary notations of suspension of three (3) days or more will be removed from the Flight Crew Members file. Flight Crew Members shall be entitled to review the disciplinary notations on his file upon ten (10) calendar days notice being given to the Company.

20. GRIEVANCES

It is the expressed desire of the parties hereto, that any complaint of a Flight Crew Member, the Association, or the Company, shall be resolved as quickly as possible. If a Flight Crew Member has a formal complaint, he shall discuss the matter with the Chief Pilot, VP of Flight Operations, or his designate and at this time he may be accompanied by an Association Representative if he so chooses. If any such complaint is not settled to the satisfaction of the parties within ten (10) calendar days, the following steps of the Grievance Procedure may be invoked:

Step One: The Flight Crew Member shall present the grievance in writing within ten (10) calendar days of the initial discussion giving rise to the grievance, to the Chief Pilot or his designate who shall give his decision in writing within ten (10) calendar days of receiving the grievance;

Step Two: If no settlement is reached in Step One, the Association Representative and grievor, if required, and a representative of management will meet to discuss the grievance. If the grievance is not then settled within ten (10) calendar days, then at the request of either party to this Agreement, the grievance may be referred to arbitration within thirty (30) calendar days.

The Association may file a policy grievance, at Step Two of the Grievance Procedure. An Association policy grievance is defined as a grievance which by its nature, cannot be grieved by an individual Flight Crew Member or group of Flight Crew Members.

Any grievance instituted by management may be referred in writing to an Association Representative within ten (10) calendar days of the occurrence of the circumstances giving rise to the grievance, and the Association Representative shall meet within ten (10) calendar days thereafter with management to consider the grievance. If the final settlement of the grievance is not completed within ten (10) calendar days of such meeting, the grievance may be referred, by either party, to a sole arbitrator, at any time within thirty (30) calendar days thereafter, but not later.

The arbitrator will be an individual, mutually agreeable to both parties.

At any hearing held throughout these procedures, the grievor shall have the right to be represented by the Association.

The grievor and the Company shall be given every opportunity to present evidence, either oral or documentary, make representations and call witnesses.

Throughout these procedures, the grievor may, together with his representative (s), review any information contained in his personal file(s) or any document that the Company may introduce at any step of the grievance procedure. On request, the Company shall provide the grievor and the Association with two (2) copies of all such documents.

At any hearing held throughout the grievance procedure, all witnesses and representatives who are Flight Crew Members of the Company shall be given time off.

A Flight Crew Member will not be sanctioned for having filed a grievance.

If, because of any hearing or grievance as provided herein, the decision is to exonerate the Flight Crew Member, the personal record of the Flight Crew Member will be cleared of the charges and all reference thereto will be removed from all files.

21. ARBITRATION

Both parties to this Agreement agree that any dispute or grievance concerning the interpretation or alleged violation of this Agreement, which has been properly carried through all steps of the grievance procedure as outlined above, and which has not been settled, may be referred to arbitration at the written request of either of the parties hereto.

The following lists of Arbitrators are acceptable candidates by both parties.

Stephen Raymond William Kaplan Barry Stephens Pamela Picher

If the above mentioned candidates are unavailable in a timely manner, then a mutually acceptable alternate candidate will be selected.

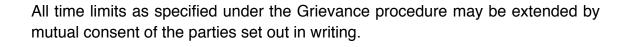
A sole arbitrator will be chosen who is mutually acceptable to both parties.

The decision of the sole arbitrator constituted in the above manner shall be binding on both parties.

The sole arbitrator shall not have any power to alter or change any of the provisions of this Agreement, or to substitute any new provisions for any existing provisions, nor give any decision inconsistent with the terms and provisions of this Agreement.

Each of the parties to this Agreement will bear one half of the expenses and fees of the sole arbitrator.

If there should be an accumulation of grievances to be referred to arbitration, then one sole arbitrator may be constituted to deal with all such grievances provided the parties specifically agree to such procedure in writing.



22. Flight Data Monitoring

22.1. The implementation of Flight Data Monitoring, as it applies to Flight Crew Members, will be covered under an LOU.

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23. INVESTIGATIONS, INCIDENTS OR ACCIDENTS

- 23.1. Where a Flight Crew Member is involved in an accident related to the operation of an aircraft, he may be held out of service, with pay, pending the outcome of any investigations into the accident or incident undertaken by the Company, Transport Canada or the appropriate accident investigation body.
- 23.2. When a Flight Crew Member is held out of service the Company will provide the Flight Crew Member with written confirmation of the holding out of service with the reasons therefore, within seven (7) calendar days of the holding out of service taking effect.
- 23.3. Following an accident a Flight Crew Member will be protected by the Company from the media and best efforts from investigation officials for a period of twenty-four (24) hours.
- 23.4. Following an incident or accident, a Flight Crew Member may be required to undergo an immediate medical examination by a designated AME.
- 23.5. Where disciplinary or discharge action is taken following an incident or accident the grievance procedures will apply.

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24.

For

DURATION

This Agreement shall be in effect and continue in full force until it expires at midnight of November 30, 2012 subject to Letters of Understanding as agreed to by the Company and the Association from time to time. This Agreement shall renew itself without change each succeeding year until written Notice to Bargain is served by either party within one hundred and twenty (120) days prior to the expiry date. In the event that Notice to Bargain is given, this Agreement shall remain in full force and effect while negotiations are being carried on for the renewal of this Agreement until such time as the parties are in a strike or lockout position as prescribed by the Canada Labour Code.

In WITNESS WHEREOF, the parties hereto have signed this Agreement at Toronto, this _______, day of _______, 2010.

Sunwing Airlines Inc.	Sunwing Pilots Association of Canada (SUNPAC)
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