

Memorandum of Agreement

**Between Air Canada
(Hereinafter *The Company*)**

and

**CAW local 2002
(Hereinafter *the CAW*)**

Whereas this Memorandum of Agreement was drafted to clarify and confirm the agreement reached by the parties in regards to the application of the rules surrounding the filling of Lead vacancies under the new rules negotiated in June 2009.

It is agreed that the following three (3) step process will be followed by the Company to fill all future lead vacancies, unless otherwise specified hereinafter:

GENERAL DISPOSITIONS

- [1] On a local level (specific location within a given base), the lead vacancies shall be filled by status with the most senior employee who successfully qualified oneself through the exam and interview processes prior to the closing date of the local vacancy posting;
- [2] Should the Company be unable to fill the Lead vacancy through the Local process, it shall action the transfer list of qualified employees through article 12;

TEMPORARY VACANCIES

- [3] Any temporary vacancies will be offered on a voluntary basis in seniority order to the qualified employees working within a given location and base. Should none of the qualified employees elect to fill the temporary vacancy, the Company will assign it the most junior qualified employee(s);

DEMOTION FROM THE LEAD WORK FUNCTION:

(Voluntary or Involuntary)

- [4] Should a Lead demotion occur within the first twenty-four (24) months of the employee occupying the Lead work function, the employee in question shall be returned to his / her original location and status;
- [5] If the return to original location and status also include another base, then the change of base will be addressed between the Company and the CAW at the Headquarters level;
- [6] In the case of a demotion occurring after the twenty-four (24) month's mark, the demoted employee shall maintain his status and remain within the same base and location;
- [7] A lead wanting to exit the work function after the twenty-four (24) month's mark must do so by providing at least a thirty (30) day notice prior to the following shift bid, in accordance with article L22.05;

FILLING OF VACANCIES PRIOR TO OCTOBER 4, 2009

- [8] The application of any employee who is "on paper" assigned to a new location without actually working within the said location will be considered on an equal opportunity basis with all other local requests at the new location;

- [9] Employees who are to be assigned to a new base/location on October 4, 2009 may apply to fill a Lead vacancy declared at the base/location in which they are currently working, however, such a request will only be considered should the Company be unable to fill the said vacancy locally as per paragraph [1]. In this case, the forty-five (45) day requirement stipulated in article 12.01.03 will be waived;
- [10] When attempting to fill a lead vacancy under the process above described in paragraph [2] prior to October 4th 2009, the Company shall also approach all employees that have requested a transfer to a CSSA position within the appropriate base and location.

TRANSITION MEASURES

- [11] The Company will only declare and fill a specialized lead work function vacancy once the relevant exam and training material have been developed and made available to employees. In the mean time, an employee can qualify as a “general lead” by successfully completing the exam and the interview within the location and base currently occupied;
- [12] The parties have agreed that the “people services” representative can participate in a lead interview via phone conference when not available in person.
- [13] Until January 1st 2010, the forty-five (45) day requirement stipulated in article 12.01.03 will be waived and replaced by a seven (7) day requirement after which a lead transfer request will become valid;

REMOVAL FROM THE QUALIFIED LIST

- [14] All employees qualified but not currently working as Leads will be given the opportunity to forfeit their Lead qualification;
- [15] Employees expressing their wish to forfeit their Lead qualification will be informed that such a decision will prevent them from Shift Trading with all Leads and from working overtime within any Lead work function;
- [16] The decision to forfeit the Lead qualification will be irreversible. To be considered for a future Lead vacancy, the employee must re-qualify through the exam and interview process;

Signed September 10th, 2009

For the CAW
Leslie Dias

For Air Canada:
Harlan Clarke