

**LETTER OF AGREEMENT**

BETWEEN:

**Canadian Union of Public Employees, Airline Division,  
Air Canada Component  
("CUPE")**

-and-

**Air Canada**

---

WHEREAS the Union and the Company (the "Parties") executed a Memorandum of Agreement on September 20, 2011 for the purposes of, amongst other things, renewing the applicable collective agreement (the "Collective Agreement") until March 31, 2015 (the "2011 MOA");

WHEREAS the Parties agreed to a number of modifications to the Collective Agreement, and specifically, to the tentative agreement that was reached on August 1, 2011 ("Tentative Agreement");

WHEREAS as part of the Tentative Agreement, the Parties agreed to that "schedule or better" flight time credits (as outlined at 6.02.01 and 6.03.01) should apply to Reserve Blockholders;

WHEREAS, due to the complexity of the Collective Agreement, the Parties required additional time to draft specific contract language to codify their agreement that "schedule or better" flight time credits (as outlined at 6.02.01 and 6.03.01) should apply to Reserve Blockholders;

WHEREAS in light of the foregoing, the Parties wish to enter into the present Letter of Agreement to reflect their agreement;

NOW THEREFORE the Parties have agreed as follows:

• **New Article 1.02.18:**

**1.02.18 Designated crew – Includes both Reserve and/or Regular Blockholders designated to a flight.**

Signed this 26<sup>th</sup> day of September, 2011, in Toronto, Ontario, and Montreal, Quebec.

Air Canada

Canadian Union of Public  
Employees, Airline Division, Air  
Canada Component

Per: 

Michael Abbott

Per: 

Jeffrey Taylor