

LETTER OF UNDERSTANDING # 15

BETWEEN: AIR TRANSAT (hereinafter "the Company")
AND: CUPE – THE AIRLINE DIVISION
AIR TRANSAT COMPONENT
(hereinafter "the Union")

CONSIDERING the suspension of all the Company's operations on April 1, 2020 caused by the COVID-19 epidemic and the closure of borders decreed to fight against it;

CONSIDERING the resulting temporary lay-off of the entire CC in order to protect the company's cash flow, effective as of 5 April 2020

CONSIDERING the resumption of the Company's operations on July 22, 2020;

CONSIDERING the unprecedented challenges facing the Company as it recovers its operations;

CONSIDERING the wish expressed by many members of the CC for flexibility in resuming operations in the context of a global pandemic;

THE PARTIES AGREE ON THE FOLLOWING

1. When the flight attendant is on a layover for a period of 26 hours or more, the Company shall accommodate the flight attendant in a hotel located in the downtown area of the main city served by the airport of arrival (Article 19.03).
 - a. Notwithstanding the foregoing, the flight attendant will be accommodated outside the downtown area for all stays in the following cities: YUL, YYZ, YYC, FCO and CDG;
 - b. However, all hotels are subject to the approval of the Union;
 - c. The parties agree to continue to explore possible alternatives for CDG;
 - d. In all cases, the CC will not be accommodated in a different hotel than the Pilots, unless there is an agreement with the Union;
 - e. The cabin crew stopping at YUL will be accommodated at the Embassy Hotel. In return, the Union withdraws grievance COMP-19-03.

2. The Company agrees to offer leave without pay to a cabin crew member who requests it. Such leave shall be for a period of 3, 6, 9 or 12 months and the following conditions shall apply to such leave:
 - a. All benefits provided for in Articles 13.11.01 and 13.11.02, except seniority, shall be suspended from the first day of the leave;
 - b. These leaves will be offered on a monthly basis starting September 1, 2020;
 - c. Such leaves are irrevocable by either party except in exceptional circumstances;
 - d. This leave will be offered exclusively to the recalled CC;
 - e. The recalled CC will have 48 hours to submit his or her leave request. The request must be submitted by the 7th of the previous month for a request for leave by the CC already at work;
 - f. A CC on leave without pay will continue to accumulate vacation leave. However, it will be unpaid (VNR);
 - g. The employer's RRSP contribution of \$350.00 per year will not be paid for a CC who have taken a leave of absence during the fiscal year. However, if it is possible to configure the system to pay this payment on a pro-rated basis for the months worked, this will be done.

3. The Company will honour the long-term mini-blocks that have already been granted. The Company agrees to grant 1 mini-block per base for every 15 callbacks per base (including the mini long-term blocks already granted). The following terms and conditions applicable to the mini-block programs are modified:
 - a. The insurance is fully paid by the CC on a mini-block except for the short-term disability insurance which remains fully paid by the Company.
 - b. The CC on a Mini Block will accumulate 2 credits per stat holiday. However, a PNC on a Mini Block working on the stat holiday shall accumulate 4 credits for that day.
 - c. The cleaning allowance provided for in Article 20.06 of the collective agreement shall be reduced to \$31 for the CC on a Mini Block.
 - d. The employer's RRSP contribution of \$350 per year will not be paid for the CC who has used a mini block during the fiscal year. However, if it is possible to configure the system to prorate this payment, this will be done.
 - e. The CC who has already been granted a long term mini block may withdraw from the mini block program in consideration of these changes to the applicable terms and conditions. To do so, the request must be submitted to the Company no later than the 7th day of the month prior to the start of the mini block.

4. For Flight Directors, the limit of 4 downgrades per year provided for in Article 11.19 of the Collective Agreement is removed. These downgrades will be offered on a rotational basis.

5. Notwithstanding the provisions of Article R6.01.02, the absolute monthly limitation shall be 105 hours for exchanges, donations and drafts. The applicable rates of pay provided for in the collective agreement shall remain unchanged.

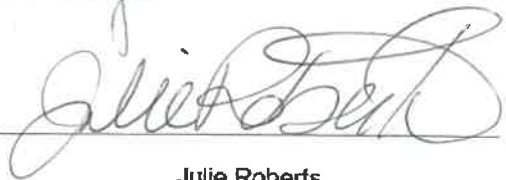
6. The cleaning allowance provided for in Article 20.06 of the collective agreement is reduced to \$62.01.

7. The replacement of uniform parts will be on an as-needed basis and not on an automatic basis as per the schedule provided in Article 20.02.
8. The premium provided for in Article 18.04.01 will only be applicable in the event that the assigned CC does not have the option of using an adjacent seat bank of 3 seats in economy class.
9. The time limits in the collective agreement for submitting and responding to PMC applications are amended as follows:
 - a. The 9th of the previous month shall be changed to the 7th of the previous month at 11:59 p.m. local time;
 - b. The 12th of the previous month shall be changed to the 7th of the previous month at 23:59 local time;
 - c. The Company's reply shall be sent to the PNC on the 10th of the previous month;
 - d. Requests for change of vacation must be sent by the 7th of the previous month.
10. For call-backs, the parties agree that notwithstanding the provisions of Article 12.06 of the Collective Agreement, call-backs will be made exclusively by e-mail and that notice of call-back will be considered as received on the day it is sent. The CC will have 5 days to indicate his/her intention to return to work.
11. Notwithstanding the provisions of Article 21.03 of the Collective Agreement, the parties agree that no cash advances will be provided by the Company during the term of this Letter of Agreement.
12. The parties agree that familiarization flights provided for in Article 5.03.04 which result in additional costs to the Company's operations will be suspended for the duration of this Letter of Agreement.
13. This letter of agreement is valid until March 31, 2021 and may be extended in whole or in part with the agreement of both parties depending on the resumption of operations and the financial health of the Company. The parties agree to meet at the beginning of March 2021 to discuss the matter.
14. The parties also agree to hold meetings to discuss any problem in the application or interpretation of this agreement.
15. In order to be valid, this letter of agreement must be ratified by a vote of the members of the Union.

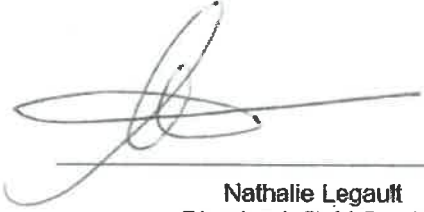
In witness whereof, the parties have signed this 17th of August, 2020.



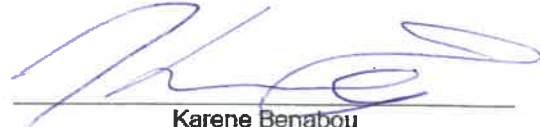
Dave Bourdages
Vice-President, Inflight Service



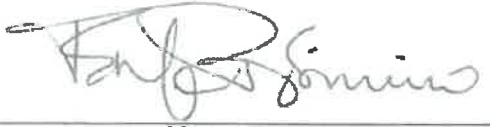
Julie Roberts
Air Transat Component President CUPE



Nathalie Legault
Director, Inflight Service



Karene Benabou
Air Transat Component Vice-President
CUPE



Marisa Ribeiro
Int. Senior Director, Human Resources



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