

COLLECTIVE AGREEMENT

between

CHC GLOBAL OPERATIONS (2008) ULC

(formerly named CHC Global Operations (2008) Inc.)

and

**GLOBAL HELICOPTER PILOTS ASSOCIATION
OPEIU LOCAL 103**

Term of agreement: May 1, 2017 to April 30, 2019

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Purpose

This collective agreement (hereinafter referred to as the Agreement) is made and entered into between CHC Global Operations (2008) ULC, (formerly known as CHC Global Operations (2008) Inc. and hereinafter referred to as the Company) and the Global Helicopter Pilots Association, Local 103 of the Office and Professional Employees International Union, (hereinafter referred to as the Union). The general purpose of the Agreement is to establish and maintain harmonious industrial relations and to develop a spirit of cooperation between the parties.

Article 1 - Recognition

1.01

- (a) The Company recognizes the Union as the sole bargaining agent for all pilots employed by CHC Global Operations (2008) ULC., excluding full-time managers, non-flying Base Managers, fixed wing pilots, foreign national pilots not employed by the Company.
- (b) The parties agree that Base Managers are excluded from the bargaining unit except where the Base Manager is assigned to supervise a base that is managed by a larger base and which has two or less helicopters.

1.02 No pilot covered by this Agreement shall be required or permitted to make a written or oral agreement with the Company that directly conflicts with the terms of this Agreement.

1.03 The Union will elect, appoint or otherwise select up to three (3) pilots per base, as Union representatives at their respective bases. The Union will notify the Company of the names of these pilots. It is understood that the Union may delegate the responsibility of these representatives to others within the Union by proper notification to the Company.

1.04 If any article, section, paragraph, clause or phrase of this Agreement is declared or held to be illegal, void or unenforceable by Provincial, Federal, National, or other law in a country of operation, or by decision of any court in such country, the remaining portions of this Agreement shall continue to be valid and in full force and effect.

1.05 Whenever the male pronoun is used in this Agreement, it shall be deemed to include the female pronoun unless otherwise specifically stated. Whenever the singular is used, it shall be deemed to include the plural unless otherwise specifically stated. The term pilot shall include captain and co-pilot unless otherwise specifically stated.

1.06 The Company will provide new pilots with an electronic copy of this Agreement and/or furnish an email link to this Agreement. The Union will place a copy of this Agreement on its website and advise members of the document location via email.

1.07 A Union representative will be granted one (1) hour with a new pilot during the

pilot's indoctrination. If that meeting is not possible, the Union representative at the new pilot's base can meet the pilot with no loss of regular income for either pilot. The parties agree there shall be no disruption of operations.

- 1.08 The parties agree that the provisions of the Canada Labour Code, the Canadian Human Rights Act and any other employment related statute are incorporated into this Agreement. Further the parties agree that this article is not intended to determine the jurisdiction of any Canadian Tribunal.
- 1.09 The Company will adhere to Canadian Law as it relates to privacy of Canadian employee records and electronic data, including but not limited to the Personal Information Protection and Electronic Documents Act (PIPEDA).

Article 2 - Union Security

- 2.01 All pilots in the bargaining unit shall become a member of the Union, and shall maintain their membership in the Union as a condition of employment. A new pilot shall within thirty (30) days of the commencement of employment become and thereafter maintain membership in the Union as a condition of employment.
- 2.02 All present and future pilots covered by this Agreement, as a condition of employment, must sign and maintain the check-off authorization form as supplied by the Union, authorizing the Company to implement the provisions of Article 2.01. Deductions for new pilots will start in the month following the employee's date of hire with the Company.
- 2.03 Union dues will be deducted in the first pay period of the month for each pilot. Dues will be established in Canadian currency and in accordance with the Union's constitution and by-laws. Dues may include initial fees, fines, or special assessments as may be fixed by the constitution and by-laws of the Union. Dues will be forwarded by the Company to the Union's designated address in Canada within thirty (30) days of being deducted.
- 2.04 If the wages owed to a pilot for the last pay period of the any month are insufficient to allow for the deduction of the full amount of dues, no such deduction shall be made from the wages of such pilot by the Company in such month. The pilot's obligation to pay Union dues will be carried forward and, with notice from the Union to the Company that dues are owing, will be deducted from any future wages and forwarded to the Union.
- 2.05 Union dues shall be transferred to the local Union Secretary-Treasurer. The Union is responsible for ensuring the Company has the local Union Secretary-Treasurer's current address.
- 2.06 Union dues as per 2.03 above may be changed by the Union no more than once every six months.
- 2.07 The Company will provide the Union each month with information on the Union dues deducted. Information concerning all pilot names, addresses, Company email addresses

and telephone numbers will be provided to the Union on a quarterly basis. Where a pilot can establish that such information is restricted due to legislation in the pilot's home country, the pilot may request the Company not to provide certain information to the Union.

2.08

- (a) The Company shall distribute each new pilot a Union dues deduction card. The pilot shall complete said card and return it to the Company as a condition of their employment and prior to commencing any work. The Company shall retain the dues deduction card on the pilot's file, and provide a copy to the Union.
- (b) Notwithstanding any provisions contained in this Article, there shall be no financial responsibility on the part of the Company for fees, dues or assessments of a pilot unless there are sufficient unpaid wages of that pilot in the Company's hands.

2.09 If a pilot is terminated or laid off, the Company will notify the President of the Local and at least two members of Union executive by email. The President of the Local and the Union's executive must ensure their email addresses are kept current with Human Resources.

2.10 The Company shall not discipline or discriminate against a pilot in regard to employment or a condition of employment because of that person's activity in the Union.

2.11

- (a) Where it is the Company's facility, the Company will make a reasonable effort to provide the Union with a bulletin board of approximately two feet by two feet. Where that is not possible, Union messages to pilots can be found on the Union's website: GHPA.ca
- (b) The Union agrees that the bulletin board shall not be used for the posting of material not directly related to Union business, or for the posting of information or notices detrimental to the Company or its business or messages that are deemed inappropriate to the country, culture or base location.

Article 3 - Management Rights

3.01 Both parties recognize that, on occasion, local, national and international laws and regulations and customer and culture demands will often have to be applied in the application and administration of the Agreement. Where the Company makes changes to its operations that are a result of local, national and international regulations, customer and/or cultural demands, such changes by the Company shall not constitute a breach of the Agreement.

3.02 The Union recognizes that the Company has the sole and exclusive right to manage the affairs of the business and to direct the working forces of the Company, except to the extent that such rights, privileges, and prerogatives are amended by specific terms of the Agreement. Without restricting the generality of the foregoing, the Union acknowledges that the Company has the exclusive function:

- (a) to establish and administer its policies;
- (b) to set the mission of the Company;
- (c) to determine and maintain standards of service and operations;
- (d) to direct, schedule, and maintain efficiency of the workforce;
- (e) to establish new or improved methods, procedures, practices, technologies or facilities that the Company may deem necessary or advisable for efficient operation;
- (f) to select, hire, direct, promote, assign, transfer, lay off, and recall workers to work based upon the Company's needs and standards of selection;
- (g) to establish, alter, consolidate or abolish any job classification, department, operation or service;
- (h) to control and regulate the use of facilities, supplies, equipment, and other property of the Company;
- (i) to fulfill all of the Company's legal responsibilities;
- (j) to determine the assignment of work, qualifications required and the size and composition of the workforce;
- (k) to discontinue, reorganize or combine any department or branch of operations;
- (l) to establish and change work schedules;
- (m) to discharge, suspend or otherwise discipline employees for just cause;
- (n) to establish contracts or subcontracts for operations so long as the Company informs the Union prior to the work being contracted out;
- (o) to maintain the integrity and efficiency of operations;
- (p) to exercise complete control and discretion over the organization and the technology of performing the work of the Company;
- (q) to take whatever action may be necessary to carry out the Company's responsibilities in cases of emergency.

3.03 The Company retains the right to enforce and/or alter, from time to time, its policies and practices, including those on the Company's Landing Pad, when these rights are not specifically addressed the terms of this Agreement. The Company will inform the Union of significant alterations to its policies and practices that it intends to make. Where possible, this discussion will occur before the change is made.

3.04 Union – Management Committee

- (a) The parties agree that the Union-Management Committee will discuss matters of mutual concern and interest on a quarterly basis.
- (b) The Union-Management Committee will be composed of three (3) representatives from the Union and three (3) representatives from the Company. Additional representatives from Union or Company may be requested to attend a meeting(s) to represent positions or departments as per the agenda.
- (c) Meetings will be conducted by conference call or in person. Whenever possible, an agenda will be agreed to by the parties a week before the meeting.
- (d) The Union-Management Committee does not restrict or replace the rights reserved to the parties by this Agreement.

Article 4 - Probationary Period

- 4.01 Every new pilot is on probation and without Union Seniority, until he has completed one hundred (100) nights on a working base. When deemed necessary the Company may extend the probationary period for an additional twenty (20) nights on the working base and will notify the Union and the pilot of the extension in writing before the one hundred (100) days are completed.
- 4.02 The Company has the right to dismiss a probationary pilot when the Company determines the pilot lacks suitability for continued employment.
- 4.03 When a pilot successfully completes probation his original date of hire will become his Union Seniority date.

Article 5 - Leave of Absence

5.01

- (a) A pilot may submit a request for a leave of absence without pay. Such request must be in writing and must include the requested commencement date of the leave, the duration of the leave and reasons for the request. The Company maintains the discretion to decide whether such a request can or should be granted and will respond in a timely fashion.
- (b) A pilot's Company Service and Union Seniority will continue to accrue while on an approved leave absence for a maximum of one month. After one (1) month, the pilot's Union Seniority will no longer accrue on any of the seniority lists until the leave is over.

- (c) A pilot on an approved leave may request returning to work sooner than the stated duration of the leave. The Company may consider such a request at the commencement of the next work cycle provided the pilot is qualified and has the visa and work permit that allow him to return to work.
- (d) The Company retains the right to require a pilot, who is on approved leave, to return to work prior to the approved leave's end date, by giving at least 14 business days' notice.
- (e) Subject to the terms of the applicable health and welfare benefit contracts (currently Sun Life and MSH International) a pilot granted a leave of absence may choose to maintain all or any benefits normally covered by payroll deduction at the employee's expense up to a maximum of three (3) months. Such payments for benefits shall be made in advance in the form of monthly payments or a lump sum payment.
- (f) When the pilot requests a leave of absence, the Company will inform the pilot at the time of the request, whenever possible, as to whether he will be returned, at the conclusion of the leave, to his current assignment.
- (g) Pilots on approved leave of absence are still required to satisfy the secondary employment requirements as defined in the CHC Code of Business Conduct, Ethics & Integrity.

5.02 Bereavement

- (a) Immediate family is defined as: the spouse of the pilot (including common-law and same-sex relationships), their son, daughter, parent, mother-in-law, father-in-law, grandchild, grandparent, sister, brother or other relative who it can be shown has permanently resided at the pilot's home.
- (b) In the event of a death in the pilot's immediate family while the pilot is at his assigned base, the pilot will be given a leave of absence for three (3) days at regular pay, including premiums, earned at the base. If the pilot must leave the base area to attend to family matters, the pilot will receive the necessary travel time and the three days bereavement at his regular pay. The pilot may use whatever sick days (see Article 10) that he has remaining. If bereavement leave and sick days are used up and the pilot is not requested to return to the base, the pilot will be considered to be on unpaid leave of absence for the remainder of his on-duty tour.
- (c) At the completion of the on-duty tour, the pilot will return to the regular pay for the following off-duty tour. If the pilot remains off-duty, he may apply for an unpaid leave of absence.
- (d) If the pilot is requested to return to work in the on-duty tour that he took the three-day bereavement leave, the Company will pay for his flights.

5.03 Employees who are members of Canada's Primary Military Reserve or recalled reservists in the military forces of the United States of America, shall, in the event of a call-up, have their employment protected with no loss of Union seniority or length of service for two (2) years.

5.04 Pregnancy leave and/or parental leave will be covered in the Company's policies for Canadian employees, as amended from time to time. Details of these policies will be made available on the Company intranet.

5.05 Union Negotiating Committee

The Company agrees to compensate the members of the Union's Negotiating Committee up to a total of twenty (20) days at their respective regular pay for time actually spent in negotiations with the Company for a renewal Agreement. No overtime payment will be made in connection with this article.

5.06 Jury Duty

A pilot on his on-duty rotation who is called for jury duty, or subpoenaed as a witness in a criminal proceeding (providing such proceeding is not occasioned by the employee's own involvement) before the court, shall be paid each day of jury service or subpoenaed witness the difference between his regular pay and the payment he received for jury service. The pilot shall present proof of service and of the amount of pay received.

Article 6 - Grievance and Arbitration Procedures

6.01 Before proceeding with Step One of the grievance procedure, a pilot shall attempt to settle any difference, complaint or dispute with the Base Manager currently on duty and responsible for the base where the issue originally arose. The pilot and the Base Manager will have ten (10) calendar days to discuss the matter. The parties may extend this ten (10) day period by written agreement, which includes an email. Step One of Article 6.04 will incorporate this extension.

6.02 A grievance may be filed should a difference arise between the Company and the Union regarding the interpretation, application, or alleged violation of the Agreement, or a question as to whether any matter is arbitrable.

6.03 Each stage of the grievance procedure must proceed as follows:

- (a) recording the grievance on the appropriate Union grievance form, setting out the nature of the grievance and the circumstances from which it arose;
- (b) stating the article(s) or clause(s) of the Agreement alleged to have been violated and the remedy required; and
- (c) transmitting the signed and dated grievance form to the Company designate through the Union's base representative within the designated time limits.

6.04 STEP ONE

Within fourteen (14) calendar days of the pilot or pilots becoming aware of an alleged breach of the Agreement, or the date they should have become aware of the alleged breach, the grievance shall be submitted in writing to the Base Manager who is currently on the site the day the grievance is filed. The Base Manager, together with other management person he wishes, shall meet with the grievor(s) and his base representative in an attempt to resolve the grievance. The Base Manager shall respond in writing within fourteen (14) calendar days of his receiving the written grievance. Failing settlement then the grievance proceeds to Step Two.

6.05 STEP TWO

Within fourteen (14) calendar days from the time the Base Manager responded in writing, or should have responded, the grievor(s) and his base representative shall present the grievance in writing, to the appropriate Senior Manager, Operations Center or his designated substitute. The Senior Manager, Operations Center, or his designated substitute, shall give his decision in writing within fourteen (14) calendar days from the time the grievance was, or should have been, discussed by the parties at Step Two. Failing a settlement, then the grievance proceeds to Step Three.

6.06 STEP THREE

- (a) Within fourteen (14) calendar days from the time when the decision at Step Two has been or should have been given, a Union's Representative may give notice in writing, requesting further consideration of the matter by the Director, Business Development or his designated substitute. A meeting shall be held within twenty-one (21) calendar days from the date upon which the Director, Business Development received written notice requesting further consideration of the matter.
- (b) The Director, Business Development, or his designated substitute, will respond in writing within twenty-one (21) calendar days after such a meeting. Failing the Director's response or a settlement, either party may decide, in writing, within thirty (30) calendar days to submit the grievance to arbitration.

6.07 Any difference which arises as a policy grievance between the Company and the Union concerning an interpretation, application, operation or alleged violation of this Agreement, instead of following the procedure herein before set out, may be submitted as a written grievance to be initiated at Step Three, within twenty-one (21) calendar days of the occurrence giving rise to the grievance.

6.08 The parties agree that by their mutual agreement, grievance meetings may occur by conference call.

6.09 Time limits fixed by this Article for the taking of action by either party may be extended by their mutual agreement, in writing.

6.10 Except where extensions of time are given in writing, where either party files a grievance and does not comply with the time limits set out in the grievance and arbitration procedures, the matter shall be deemed to have been abandoned.

Arbitration

6.11 If written notice of a referral to arbitration is given within thirty (30) calendar days of receiving a final response in Step Three, the Company and the Union shall attempt to agree on an arbitrator.

6.12 If the Company and the Union fail to agree on an arbitrator within twenty-one (21) calendar days after the date on which the grievance was referred to arbitration, the party wishing to pursue the matter must contact the federal Minister of Labour and ask that an arbitrator be appointed. If the party fails to make such a request within twenty-one (21) calendar days, the grievance is deemed to have been withdrawn and abandoned.

6.13 Arbitrations shall be heard at a location as mutually agreed to by the parties. If the parties cannot agree, the arbitrator will decide.

6.14 The arbitrator shall have jurisdiction and authority to interpret and apply the provisions of this Agreement insofar as it may be necessary to the determination of a difference referred to arbitration, but shall not have the jurisdiction nor the authority to alter, amend, add to or delete from any part of the provision of this Agreement. Arbitrations under this Agreement shall be conducted in accordance with the provisions of the Canada Labour Code.

6.15 Each party shall pay all of their costs, including the costs of their witnesses. The parties shall equally share the costs of the arbitrator.

Article 7 - Seniority

7.01 Company Service shall be total length of service employed by any of the CHC group of companies, companies in partnership with the CHC group of companies and with companies acquired by CHC Global Operations (2008) ULC.

7.02 Union Seniority shall be the total length of service employed as a pilot by any of the CHC group of companies and companies in partnership with the CHC group of companies and companies acquired by CHC Global Operations (2008) ULC prior to June 1, 2011. Union seniority may include companies acquired by CHC Global Operations (2008) ULC after June 1, 2011 if the Company and the Union so agree.

7.03 Seniority and Layoff

(a) Union Seniority will be a primary consideration in all circumstances relating to layoff and recall.

(b) In the event a layoff is necessary and would affect any Pilot(s), other than the Pilot with the least Union Seniority, the Company will enact one of the three (3) following options:

- i. Reassign the pilot to another base.
- ii. Consider request for leave of absence.
- iii. Provide the following:

Completed Years of Union Seniority of Affected Pilot	Time on Unassigned Base List ("UBL Period") (months)	Unpaid LOA ("LOA Period") (months)
Less than 5	0	0
5 to 9	0.5	1
10 to 19	1	2
20 to 29	2	3
30 or more	3	4

- Pilots with less than five (5) completed years of Union Seniority receive no UBL Period and no LOA Period.
- Pilots with five (5) completed years of Union Seniority up to but not including ten (10) completed years shall be provided one half (0.5) months of UBL Period, followed by one (1) month of LOA Period.
- Pilots with ten (10) completed years of Union Seniority up to but not including twenty (20) completed years shall be provided one (1) month of UBL Period, followed by one (2) months of LOA Period.
- Pilots with twenty (20) completed years of Union Seniority up to but not including thirty (30) completed years shall be provided two (2) months of UBL Period, followed by three (3) months of LOA Period.
- Pilots with thirty (30) completed years of Union Seniority or more shall be provided three (3) months of UBL Period, followed by four (4) months of LOA Period.

(c) For the purpose of the UBL Period and LOA Period, a month is calculated as thirty (30) days.

(d) If a pilot is on the unassigned base list when he or she receives layoff notice, the time already spent on the unassigned base list up to the last base assignment will be applied to reduce the UBL Period. For greater clarity, "last base assignment" in this case includes the equal time off and is not included in the UBL Period.

- (e) A pilot may elect to waive and not receive the LOA Period, but only if they also waive their right of recall. In such case, a pilot will still be entitled to reimbursement of eligible medical expenses, or premiums paid for replacement medical benefit plan, incurred during the LOA Period, up to but not exceeding the medical benefit premiums the Company would have paid during the LOA Period. Any reimbursement claims must be submitted in accordance with the Company's policies governing expenses and reimbursements, as they exist from time to time.
- (f) During the LOA Period, the pilot shall not receive any salary or benefits, except that the Company will continue to pay the medical benefit premiums under the CHC Medical Plan.
- (g) The Company reserves the rights to:
 - i. rescind its notice of layoff at any time during the UBL Period or LOA Period. If and when the layoff notice is rescinded, the pilot will be considered ordinarily employed and no longer be entitled to receive any remaining layoff entitlements including the UBL Period or LOA Period; or
 - ii. provide payment in lieu of the UBL Period and LOA Period. In such case, pay in lieu of LOA Period shall be a payment of the medical benefit premiums the Company would have paid.
- (h) The company may also recall a pilot during the UBL Period or LOA Period to perform short-term activities. In such case, the UBL Period or LOA Period shall be suspended, and resume once the Company returns the pilot to layoff from the activity.

7.04 Seniority Layoffs and Recall Rights

- (a) The Company may layoff a pilot if:
 - i. causes beyond the Company's control require a reduction in the workforce;
 - ii. a pilot's assignment at a base is ending and there is no other base position available;
 - iii. a pilot is on the unassigned base list, except during the UBL Period;
 - iv. the Company determines that a pilot no longer performs the duties or meets the responsibilities expected of that position, as contemplated in Article 12.02;
 - v. a pilot fails to maintain their qualifications or license, as contemplated in Article 12.03;
 - vi. a pilot fails a retest, as contemplated in Article 16.02.
- (b) When a pilot is laid off but entitled to rights under Article 7.03, the pilot will be considered laid off on the day after the end of the applicable UBL Period or LOA Period.

- (c) For six (6) months from the date of being laid off, a pilot shall:
- i. have the right of recall to his former position with the Company, should it become available;
 - ii. be considered temporarily laid-off and not terminated;
 - iii. not receive any salary or be entitled to any benefits under this Agreement; and
 - iv. not accumulate seniority, including Union Seniority or Company Service.
- (d) A pilot may request to waive his or her right to recall. If accepted, the pilot will be terminated and receive severance in accordance with paragraph 7.04(i) below.
- (e) Laid-off pilots who refuse to be recalled to their former positions and hours, or fail to respond to the Company's notice of recall within ten (10) days, shall be considered to have resigned and their employment shall terminate, including terminating any remaining right of recall.
- (f) A pilot may be recalled to his former base only if local, national and international laws, rules and regulations allow for his return to work and the customer and local entity agree to the pilot's return. In that event, the Company shall consider a pilot's Union Seniority, amongst any other considerations including skill, ability or Company Service, in selecting which pilot will be recalled.
- (g) A pilot may be considered for recall at locations other than his previous base. In that event, the Company shall consider a pilot's Union Seniority, amongst any other considerations including skill, ability or Company Service, in selecting which pilot will be recalled.
- (h) While laid off but with a right of recall, a pilot is obligated to maintain his current email address, telephone number and postal address with the Company's Human Resources Department.
- (i) A pilot that is not recalled within the 6-month right of recall period, or has waived his or her rights to recall, shall be considered permanently laid off and his employment shall be terminated at that time. The Company shall provide the terminated pilot with no more than the financially greater of:
- i. notice or pay in lieu of notice, and severance under the Canada Labour Code; or
 - ii. a sum equal to payment in lieu of 90 days' notice.

7.05 Unassigned Base List

- (a) The company recognizes the value of retaining licenced pilots and will continue its current practice of assigning under-utilized personnel to the unassigned base list for future job assignments.

- (b) At any time that the Company may lay off a pilot, the Company may instead assign the pilot, at the Company's sole discretion, to the unassigned base list.
- (c) Placement on the unassigned base list will be up to six (6) months, but may be unilaterally extended by the Company.
- (d) While on the unassigned base list, a pilot will receive regular monthly pay for time spent on the unassigned base list as well as the medical benefits in the CHC Medical Plan until such time as the pilot is assigned to a specific base in a designated period of time.
- (e) If a pilot is on the unassigned base list, the Company may lay the pilot off at any time in accordance with Article 7.04(a), unless the Pilot is in a UBL period under Article 7.03.
- (f) In the event the company maintains a pilot at full salary on the unassigned base list, the Company will bank the number of days which may be later reclaimed for extra work at normal Continuance rates. Any unused days in the bank will be zeroed out at the end of each fiscal year as part of the annual reconciliation process.

7.06

- (a) The Company will maintain lists for Company Service and Union Seniority.
- (b) Each list will contain the names of the pilots, their base of operation and their respective seniority dates.
- (c) Each list will be updated by the Company and passed on to the Union every four months. The Union will post the lists on the GHPA website.
- (d) Pilots with the same seniority date will be ranked in the alphabetical order of their last names.

7.07

- (a) A pilot will have sixty (60) days from the date the Company passes the lists on to the Union to protest any omission or incorrect listing affecting his seniority. Such protest must be made to Human Resources and copied to the Union.
- (b) Where a pilot is on a leave of absence of less than thirty (30) days or on sick leave, his protest must be filed within thirty (30) days of his return to work.
- (c) If seniority is not protested within the prescribed time limits, the seniority list cannot be protested on any subsequent listing.

7.08 Termination of Employment by the Pilot

- (a) Pilots are required to give the Company at least six (6) weeks' working notice at the start of their scheduled work tour of their intention to terminate their employment.

- (b) A pilot who gives six (6) weeks' working notice at the start of his scheduled work tour will be paid for his following six weeks scheduled time-off at regular pay.
- (c) Required Notice from unassigned base list, STD, LTD or unpaid Leave of Absence is 90 days.

7.09 All of the pilot's seniority shall be terminated for the following reasons:

- (a) Voluntary termination or resignation,
- (b) Discharge for just cause,
- (c) Expiration of a pilot's six-month recall rights,
- (d) Terminated for non-culpable discharge,
- (e) Absent from the base for forty-eight (48) hours without notifying the Company.

Article 8 - No Strike or Lockout

8.01 The Union and the pilots agree that there shall be no strike, stoppage, slowdown or restriction of work or service, or threat thereof, during the term of the Agreement. No pilot shall take part in, instigate or threaten any such strike, stoppage, slowdown or restriction of work or service.

8.02 On the other hand and for the same reason the Company agrees that there shall be no lockout during the term of Agreement.

Article 9 - Discipline

9.01

- (a) Discipline should be progressive in nature however, based on the nature of the circumstances or offense, the process may start at any level, including termination for just cause. All discipline, regardless of level, will be noted and added to the pilot's file.
- (b) The pilot and the Union will be informed of the Company's disciplinary decision in a meeting or by email (as appropriate) with a letter to follow. The Company may suspend a pilot from flying activities with pay, allowances and housing while it decides the appropriate discipline to impose on the pilot.

9.02 A pilot may request to be accompanied by a Union base representative, or alternate, to a meeting where the Company may impose discipline. The Pilot's request will be honoured provided the representative is available within forty-eight (48) hours and the Company does not incur overtime or travel costs. The pilot and the Union base representative, or alternate, will suffer no loss of regular earnings for attendance at such a meeting. Such meetings will not disrupt or delay either pilot from performing his work responsibilities.

9.03

(a) A pilot's personnel files will normally be kept at the Company's Head Office. A pilot may request access to his personnel file with reasonable notice to Human Resources. Access to his file will be made at a time convenient to the pilot and Human Resources.

(b) A pilot will receive a copy of any written disciplinary notice placed on his file. Within fourteen (14) days of receiving the notice, the pilot may file a written letter (or email) with Human Resources that challenges the findings or the discipline of the report. Within ten (10) days of receiving the letter (or email), the Company will inform the pilot, in writing, that the notice will either be removed from his file or kept on his file. The Union will receive a copy of that response. The pilot will have ten (10) days from the Company's response to either accept the Company's decision or file a grievance in accordance with Article 6 of the Agreement.

9.04 Customer Complaints

Customer complaints or correspondence of a derogatory nature shall not serve as the basis for disciplinary action after twelve (12) months from the date of issuance unless within the twelve (12) month period there has been a recurrence of the same or similar nature.

9.05 Safety Matters

Disciplinary records involving safety matters shall not serve as a basis for any disciplinary action after twenty-four (24) months from the date of issuance unless within the twenty-four (24) month period there has been a recurrence of the same or similar nature.

Article 10 - Sick Days

10.01 At the commencement of each calendar year a full time pilot who has successfully completed his probationary period, will be credited with ten (10) paid sick days for that calendar year, prorated for the first year of employment. Sick days will be paid at the pilot's regular pay at the base and will not be carried into the following year. Sick days will be increased to fifteen (15) paid sick days per year when a pilot has fifteen years of Company Service as defined in Article 7.01.

10.02 Paid sick days may be used by a pilot while on his base in the event of an illness, a disability, bereavement (see Article 5.02) or an injury that prevents him from carrying out his normal duties.

- 10.03 Unused paid sick days will not be carried into the following calendar year. A pilot's unused paid sick days will not be paid out either at the end of the year or if a pilot terminates his employment during the year.
- 10.04 A pilot must immediately report to his Base Manager, Crew Scheduling Department (scheduling.touring@chcheli.com) and CHC Benefits (employeesupport@chcheli.com), if an illness, disability or injury may affect his ability to perform any part of his work.
- 10.05 With prior approval from the Base Manager, a pilot may use sick day hours to attend medical and dental appointments.

Article 11 - Union Representative

- 11.01 A Union representative may request access to premises leased or owned by the Company to discuss the application of this Agreement. The Base Manager must be given reasonable notice. Access will not be unreasonably denied so long as it does not disrupt the Company's operations.
- 11.02 Union base representatives are expected to investigate a grievance, to consult with the grievor, and to attend a grievance meeting while off duty. When that is not possible, the Base Manager will arrange a specific amount of scheduled working time, with no loss in regular earning, for the Union base representative to investigate the matter. Such time shall not interfere with base operations, including the daily schedule of flights.

Article 12 - General

- 12.01 Attaining Captain Classification
- (a) A pilot hired as a Captain is expected to reach the command standard during his first assessed LPC, and subsequently pass the command upgrade course within two (2) six (6) week tours. Consideration will be given to the amount of flying achieved during the two tours.
 - (b) A pilot with Captain classification will be moved from First Officer to Captain classification as opportunities permit.
 - (c) If a pilot is unable to achieve captain qualifications in the expected time period he may be laid off or terminated by the Company.
 - (d) If a pilot is hired as a Captain, but subsequently fails to meet captain standard in the first assessed LPC, the pilot will be demoted to First Officer, with the corresponding First Officer salary.

12.02 Maintaining Captain Classification

A Captain will be laid off or terminated when the Company determines that he no longer performs the duties or meets the responsibilities expected of that position. The Company will give the Captain a written statement setting out the reasons he does not comply with the duties or responsibilities of the captain position. Captains who have not completed their probationary period will be addressed in Article 4.

12.03 Loss of qualifications

A pilot is obligated to maintain the currency of his licence and his qualifications. Except where the failure to maintain his licence and his qualifications is beyond the pilot's control, the failure to maintain the currency of his licence and his qualifications will result in the pilot's lay off or termination.

12.04 Return to Work

The Company may require a pilot returning from an occupational or non-occupational illness or injury to provide the Company's medical adviser with a medical report from the pilot's attending physician. These reports will cover:

- (a) the pilot's general medical condition as it relates to the injury or illness;
- (b) the pilot's ability to return to work;
- (c) the pilot's prognosis for further recovery;
- (d) upon returning to work, a pilot is required to inform the Company of any prescription drugs he has been directed to take.

Article 13 - Hours of Work

13.01 This Article is intended to define the normal hours of work at a particular base and shall not be construed as any guarantee of work or pay or of hours of work per day, or per week, or of days of work per week.

13.02 Because the work performed requires irregular hours in the various international locations, hours of work are averaged over 52 weeks (May 1 to April 30), in accordance with s. 6 of the Canada Labour Standards Regulations. Schedules will have an equal number of work-nights and off-nights. Generally, bases will operate on a schedule of forty-two (42) nights working at the base and forty-two (42) nights on the non-working rotation. The Union and affected pilots will be notified as soon as possible should operational requirements require a change.

13.03 A workday is defined as the twenty-four (24) hour period commencing at the start of a pilot's first scheduled shift. It is recognized that the maximum hours of work shall not exceed national regulations for the location of the base.

13.04 The start time of a pilot's shift will vary by base and customer requirements. A pilot as directed by the Base Manager must be prepared for, able, and permitted to work each assigned shift.

- 13.05 A base that has day, afternoon and/or night shifts will rotate pilots between these shifts through-out the forty-two (42) day cycles consistent with the applicable national regulations.
- 13.06 A pilot shall not leave his place of work at the end of shift nor at the end of his cycle, until his replacement has reported, except where national regulations are exceeded or the Base Manager has given him permission to leave. The pilot shall immediately notify the Base Manager if his replacement does not report to work and shall receive the extended tour pay until he is relieved from work.
- 13.07 In the event the Labour Canada requires additional clarification concerning hours averaging methodology, the Union agrees to support the Parties' averaging practices as referenced in Article 13 and 17 of the Agreement in the event additional documentation or position of the parties is required. Where necessary, the Union agrees to jointly apply with the Company to the appropriate government agencies for the renewal of schedule variances.

Extended Tour

- 13.08 If the pilot's scheduled time off is shortened by the Company for any reason other than training, at home project work, or continuance bank, the pilot will be paid, in addition to the allowances normally paid, Extended Tour ("ET") pay on each of the days worked up to but not including the pilot's first scheduled day of work.
- 13.09 A pilot may request an extension to a normal tour of duty. If the Company agrees to the extension the pilot will not receive the Extended Tour rate.
- 13.10
- (a) A Captain will receive a premium of \$715 for each day on which he is on Extended Tour. This is an all-inclusive rate.
 - (b) A First Officer will receive a premium of \$580 for each day on which he is on Extended Tour. This is an all-inclusive rate.

Article 14 - Regular Pay

14.01

- (a) Pilot salaries will be distributed in equal or near equal amounts on the current pay dates on the 15th and the 30th/31st for Canadian resident pilots (24 payments) and monthly, on or about the 15th, for all others (12 payments).
- (b) ET and other allowances and add-ons shall be paid on the next payday, the 15th of the following month for services provided by Canadian resident pilots and on or about the 15th for all other pilots.
- (c) Expenses will normally be processed within thirty (30) to forty-five (45) days of submission.

14.02 A pilot who is receiving a salary shall not engage in any commercial flying for any other Company without the Company's written permission, per the Company's Code of Ethics & Integrity policy.

14.03 The Union shall be notified if the Company pays a higher salary or a premium to pilots because of special skills or a difficult location.

14.04 Missing or Hijacked

A pilot who, while engaged in the course of his duties for the Company or otherwise on "tour", is interned, captured, or held as prisoner or hostage, shall be allowed compensation of 100% of his normal salary applicable at the time he was captured, or held prisoner or hostage. The term "prisoner" does not include legalized imprisonment due to the illegal actions by the pilot consistent with the rules established in Canada, the United States or by standards established by the United Nations.

14.05 Training Pilots Transition Pay

In the event that a Type Rating Instructor (TRI) or Type Rating Examiner (TRE) pilot is tasked by the Company to change fleet types, the Company may continue the current training allowance until such a time that the pilot meets the hour requirement to be a TRI or TRE pilot on the new fleet type. During this transition period, the Company may continue to use the TRI/TRE for training events on his original fleet types.

Article 15 - Pilot Indemnity

15.01 If legal proceedings are taken against a pilot for consequences arising from the performance of the pilot's duties, the Company shall select and pay for legal counsel and defend the pilot and his or her estate. In addition, the Company shall hold the pilot free and blameless from any civil claims adjudged against the pilot.

15.02 A pilot will not be required to pay the cost of damage to or loss of an aircraft or equipment arising out of the performance of the pilot's duties. This clause shall not apply where the pilot was grossly negligent, acted willfully, or committed a criminal or quasi-criminal act. Further, this clause shall not apply where its operation would be illegal under governing law.

Article 16 - Training

16.01

(a) Consistent with applicable legislation and regulations that govern the base and the pilots' obligation to attend training, pilot training will be scheduled on a computerized training system in order for the pilot to complete the required recurrent ground training on his off-time. While the responsibility is on the pilot, the Company will endeavor to maintain adequate computerized or base resource materials that address the test material. The pilot is required to successfully complete the recurring ground training by the assigned deadline.

- (b) When the pilot requires training away from their assigned base, the training department will schedule the training. Training schedules will normally be posted two months in advance. When possible, such training will be scheduled before or after the pilot's assigned forty-two (42) night work schedule however, the parties recognize there are a limited number of training opportunities.
 - i. The training department will attempt to accommodate requests from the pilot for a change in the scheduled training dates consistent with training availability and customer service requirements.
 - ii. If a pilot is unable to attend the scheduled training dates due to illness, injury or a similar problem, the Company will arrange for other training dates.

16.02

- (a) If a pilot fails any portion of training, a written exam, oral exam or flight check, the pilot will continue to be paid as appropriate.
- (b) The Company will consider a request by a pilot who fails any portion of training, a written exam, oral exam or flight check for a change in the instructor or check airman.
- (c) When it is determined that a pilot requires training to reach the proficiency established by the training department, a plan for addressing the matter will be provided to the pilot. However, should it be determined the pilot will not reach the required proficiency, his employment may be terminated.

16.03

- (a) A pilot's entitlements to any additional pay arising from training or training-related activities ("Training Pay") are addressed solely in this article.
- (b) Training Pay shall be the Training Rate (non-OPC) is set out at Appendix B. The Training Rate will not apply to OPC training.
- (c) A pilot's schedule described in Article 13.02, comprising a number of work-nights and a corresponding equal number of off-nights, is a "Tour". A "Non-Tour Period" is the time between two Tours, or between the pilot's start date and his or her first Tour.
- (d) Training Rate (non-OPC) will be provided as follows:
 - i. Training during a Tour:
 - (A) Working rotation: The pilot will receive no additional compensation for attending training during the working rotation of a Tour.
 - (B) Non-working rotation: Pilots that attend training during the non-working rotation will be paid Training Rate (non-OPC) for each training day.

- ii. Training during Non-Tour Period:
 - (A) A pilot that attends training during a Non-Tour Period will receive the Training Rate (non-OPC) for the number of training days that exceed the number of days off during that Non-Tour Period:

$$[(\# \text{Training Days}) - (\# \text{Days off})] \times \text{Training Rate}$$
 - (B) The Company may extend the Non-Tour Period to ensure the pilot receives an equal or greater number of days off than training days.
 - iii. A pilot that attends initial simulator training will receive Training Rate (non-OPC) in the same manner as pilots attending training during a Non-Tour Period.
- (e) Training in this article is a reference to all types of helicopter training, including but not limited to, new type training, recurrent simulator training, recurrent simulator training on a 2nd type, computer based training, and HUET training, but does not include OPC training.
 - (f) In the event that a situation arises regarding training that cannot be addressed by this article, the Company shall have discretion to address how the compensation may be applied, but will first consider providing either Training Rate (non-OPC) or an equal number of days off in a manner similar to that described in this article.
 - (g) Travel payments will continue as per the present practice.
 - (h) For clarity, pilots never receive Training Rate (non-OPC) and Extended Tour pay for activities on the same day. However, pilots may still receive the appropriate per diems, if applicable.
 - (i) If a pilot attends OPC Training during their non-working rotation or their Non-Tour Period, the pilot will receive the OPC Training Event Pay as set out in Appendix B. The pilot will not receive Training Pay (non-OPC) or Extended Tour Pay for attending the OPC Training.

16.04 Training Bonds

- (a) The Company may require, and nothing in this agreement shall inhibit the Company's right to require, a pilot to enter into a training bond directly with the Company regarding any initial type training ("Training"). In particular, but without limiting the foregoing, any training bond that a pilot is required to enter into as a condition of employment, remain enforceable and in full effect, notwithstanding the existence of the Agreement.
- (b) The pilots agree that the Training is to the benefit of the pilot, and in particular provides a career path within the Company and significantly improves the pilot's employability in the aviation industry generally. The Union further agrees that the pilot receiving the Training is also for the benefit of the Union and its members.

(c) Conditions of Training shall be:

- i. In advance of the Training, the Company will disclose to the pilot and Union the cost of the Training, along with the estimate of the associated travel and accommodation expenses.
- ii. The Company shall fully pay for the Training, and the associated travel and accommodation expenses, the amount of which shall be a payment on behalf of the pilot giving rise to a debt for that amount ("Debt").
- iii. In return for the benefits of the Training and the payment by the Company, the Union agrees that the pilot will enter into a training bond agreement in a form substantially similar to that set out in Appendix "D" ("Bond") and the Union shall confirm its approval of the Bond in a form substantially similar to Appendix "E". The Bond shall set out the terms of the pilot's repayment of the Debt, including that the Debt will be reduced by 50% after one year and 100% after three years if the pilot remains employed with the Company.
- iv. The pilot agrees that any outstanding amount of a Debt at the time the pilot resigns or is dismissed for just cause will become due and owing in accordance with the Bond terms, and may be offset against any amounts that the Company may owe the pilot. Such offset does not waive or prejudice the Company's right to recover any outstanding portion of the Debt by other lawful means.

- (d) In the event that a pilot leaves the Company and, in the Company's sole discretion, it determines that the pilot may be relieved of his/her Bond and any outstanding Debt, such as for hardship or compassionate reasons, the Company retains the absolute discretion to do so on a without precedent basis.

Article 17 - Vacation and Statutory Holidays

17.01 Vacation and statutory holidays will be paid in alignment with the averaging agreement. The averaging agreement (referred to in article 13.07) addresses hours of work and overtime. The averaging agreement applies to the following.

- (a) A pilot is scheduled to be paid the regular rate for 365 days of the year. There are 104 weekend days per year. The pilot is scheduled to work 182 days per year; for a total of 286 days (182 plus 104). From those 79 days (365-286) that are paid but not worked - vacation pay and statutory holiday pay shall be drawn.
- (b) At the end of each year, the following calculations will be made for each pilot (see examples at the end of the Agreement):
 - i. The extra days worked in which the pilot was paid ET, Training Rate (non-OPC), Continuance Rate and the Regular Rate.
 - ii. The vacation days and the vacation pay the pilot was entitled to receive.
 - iii. Vacation days were taken on the pilot's off-duty tour days.

- iv. Vacation pay will be taken from the regular rate paid for days not actually worked.
 - v. Statutory holidays that were not worked will be paid from off-duty days when the regular rate was received.
 - vi. Statutory holidays that were worked will be paid at time and one-half (1 1/2x). This calculation includes the regular rate, ET and Incentive rates.
- (c) Consistent with past practice, a pilot who works Christmas Day, Boxing Day or New Year's Day, will be paid a bonus of \$300 (three hundred dollars) per day for each of these days worked. On April 30th of each year, the payment of each of these days will be reconciled with each pilot's End of Year Vacation calculation (see examples that follow).
- (d) On April 30th of each year, the Company shall calculate each pilot's actual days worked, weekends and vacation and statutory pay owing and determine whether the remaining regular rate days – for which the pilot did not work – are sufficient to make up for overtime pay owing, statutory holidays and vacation pay.
- (e) Payments owing to pilots will be issued by July 15th of that year.

17.02 All pilots covered by this Agreement will be eligible for eleven (11) statutory holidays:

- (a) New Year's Day
- (b) Good Friday
- (c) Easter Monday
- (d) Victoria Day
- (e) Canada Day
- (f) August Civic Holiday
- (g) Labour Day
- (h) Thanksgiving Day
- (i) Remembrance Day
- (j) Christmas Day
- (k) Boxing Day

17.03 As per 17.01 (a), where a statutory holiday falls on a day when the pilot is on his non-working rotation, the pilot's holiday day will be incorporated into the usual regular rate for the day.

17.04 As per 17.01 (a), where a statutory holiday falls on a day where the pilot is working at the base, the pilot will be paid at time and one-half for his full rate of pay, including his regular rate, incentive pay and overtime.

17.05 A pilot will accumulate vacation days as follows:

Completed Years of Company Service	Vacation Days	Vacation Pay
Less than one year	1.25 for each month	4% of gross earnings
One to four years	15 days	4% of gross earnings
Five to eight years	15 days	6% of gross earnings
Nine to twelve	20 days	8% of gross earnings
More than twelve	25 days	10% of gross earnings

17.06 Vacation is based on the fiscal year. Vacation days will be incorporated into the pilot's first, and if necessary second, non-working rotation days each fiscal.

17.07 As per 17.01(a), a pilot's vacation pay is derived from the regular rate paid for days not worked. Rate pay for non-working rotation periods, statutory holidays, 104 weekend days, days actually worked and extended tour days.

17.08 Any subsequent change negotiated to the GHEA CBA relating to the method of calculating and/or paying the holiday and vacation entitlement will be applicable to this agreement.

Article 18 - Defined Benefits

18.01 The current benefit plan and eligibility shall continue as per the present practice.

18.02 Prescription Eyeglasses/Contacts – Increase benefit to \$250 every 2 years beginning May 01, 2015.

18.03 Long Term Disability Benefit

The pilots will have an optional purchase of an additional 10% coverage, thus increasing benefits from 50% to 60% of salary.

Article 19 - Travel

19.01 Paid Travel Days

The parties agree the current practice will continue during the term of the Agreement. Should changes be necessary due to nature of the work, the Company will inform the Union prior to the change. The Union retains the right to raise the matter in the Union/Management meetings.

19.02 Passports and Visas

(a) Maintenance of a current passport is the pilot's responsibility and must be provided at the Company's request for operational and/or training needs.

(b) The parties agree the current practice will continue during the term of the Agreement. Should changes be necessary due to nature of the work, the

Company will inform the Union prior to the change. The Union retains the right to raise the matter in the Union/Management meetings.

Article 20 - Performance Management

- 20.01 All pilots will complete an annual assessment which has been reviewed by the Union-Management committee. The pilot will complete the Self-Evaluation through the Company PMP site. The pilot will not be rated for the appraisal. After completing the appraisal the information will be compiled and reviewed starting in May and is for informational purposes only.

Article 21 - Term of Agreement

- 21.01 The Agreement shall be in full force and effect for two (2) years from the date of May 1, 2017 and shall continue in full force and effect from year to year thereafter subject to the right of either party of this Agreement within four (4) months immediately preceding the date of May 1, 2019 or immediately preceding the anniversary date in any year thereafter, by written notice to the other party, require the other party to commence collective bargaining.
- 21.02 In the event that one (1) party serves notice on the other party to commence negotiations for a new Agreement, the provisions of this Agreement shall remain in full force and effect until either:
- (a) The Union commences a legal strike, or
 - (b) The Company commences a legal lockout.

Appendix A

CAPTAIN		
Step	Current Salary 2017 - 2019	Monthly (CAD\$)
1	\$107,705	\$8,975
2	\$111,477	\$9,290
3	\$115,268	\$9,606
4	\$117,665	\$9,805
5	\$120,398	\$10,033
6	\$122,407	\$10,201
7	\$124,048	\$10,337
8	\$125,739	\$10,478
9	\$127,361	\$10,613
10	\$128,895	\$10,741
11	\$130,903	\$10,909
12	\$132,350	\$11,029
13	\$133,795	\$11,150
14	\$135,681	\$11,307
15	\$138,056	\$11,505
16	\$140,472	\$11,706
17	\$142,930	\$11,911

FIRST OFFICER		
Step	Current Salary 2017 - 2019	Monthly (CAD\$)
1	\$89,257	\$7,438
2	\$93,030	\$7,753
3	\$96,820	\$8,068
4	\$99,217	\$8,268
5	\$101,949	\$8,496
6	\$103,959	\$8,663
7	\$105,598	\$8,800
8	\$107,291	\$8,941
9	\$108,913	\$9,076
10	\$110,447	\$9,204
11	\$112,456	\$9,371
12	\$113,902	\$9,492
13	\$115,346	\$9,612
14	\$117,233	\$9,769
15	\$119,285	\$9,940
16	\$121,372	\$10,114
17	\$123,496	\$10,291

Appendix B

ET Rate - all inclusive

Effective	2017 - 2019
Captain	\$715
First Officer	\$580

Training Rate – Non-OPC; Continuation Rate; Project Rate

Effective	2017 - 2019
Captain	\$290
First Officer	\$205

OPC Training event – \$1500

Additions to Salary Effective 2017 - 2019	Monthly Add On
Designated Examiner	\$1,580
Type Technical	\$2,150
TRE	\$1,480
TRI	\$1,100
LTC	\$375
FSO	\$325
Hess Rep	\$152
Additional Type	\$250
FDM Analyst	\$250
SAR	\$100

Appendix C - LETTERS OF UNDERSTANDING

Letter of Understanding # 1

Re: Union-Management Committee to Explore USD Payroll/Offshore Opportunities

The Company and the Union agreed to task the Union-Management Committee to initiate a study to explore how GHPA pilot compensation might be converted to a US Dollar Payroll. The Parties recognize that such a change could require that the payroll be moved offshore in order to ensure this multi-national population could be paid in US Dollars. Consequently, given the complexity of the issue, multiple groups need to be consulted, including Tax, Legal, and Payroll advisors.

Issues to be studied include but are not limited to:

- Studying the Bristow International model wherein crews are payrolled out of Guernsey.
- Surveying various tax havens to identify jurisdictions that might work for CHC and its pilots over the next several years
- Understanding the effect offshoring could have on the Parties' rights and rules of CLA administration

The Union-Management Committee should be prepared to fully evaluate options for CHC and report on their findings no later than February 29, 2015. The Committee Report should include any jointly agreed to recommendations. The Negotiating Committees will review the Union-Management Committee findings and, if the Parties mutually agree to proceed with adopting all/some of the recommendations, the Company will take action no later than May 2015.

Letter of Understanding #2

Re: Tax Assistance Plan (TAP)

Effective May 1, 2014, the Company agrees to implement a new Tax Allowance Program (TAP) for all GHPA pilots. The new Tax Allowance Program will be available to all Non-Canadian tax residents working outside their home country effective with the new Agreement and Canadian tax residents will be permitted to participate in the Program with the new tax year beginning January 1, 2015. Any Canadian tax residents hired on or after May 1, 2014 will participate in the TAP program from day one of their employment.

With the new Tax Allowance Program ("TAP"), the Company will create a Table of Allowances based on country of the employee's tax residence and country of work assignment. The program design highlights include:

- The objective of the plan is to target the pilot's after-tax CHC base salary at no less than 85% of the annual gross pay scale salary. The TAP is not intended as a tax equalization plan. Employees are responsible for their home jurisdiction tax returns.
- Pilots will continue to receive foreign tax credits from host countries, where applicable.
- The intent is to minimize after-tax income variability caused by assignments to host countries with varying personal tax rates, which result in variability in available foreign tax credits.

- Consistent with today's Tax Equalization Program, pilots will not receive a Tax Allowance for periods they are on the Unassigned Base list.
- A policy on the administration of the TAP program will be provided by July 31, 2014.

Letter of Understanding #3

RE: Joint Committee to Address Outstanding Issues

The Company and the Union agreed that several issues should be addressed by the Union Management Committee during the terms of the Agreement. The parties agree to meet for two days every three months during the term of the Agreement commencing on or before August 31, 2014 or a date mutually agreed to. The Committee agenda will include but is not limited to the following issues:

1. Allowances
2. Lost and Stolen Items
3. Long Term Service (LTS) Pay – the parties agree to freeze LTS Pay at current levels with no progression beyond current levels. The purpose of this freeze is to allow the Union Management Committee to study a replacement LTS plan that combines the current LTS plan with the CHC service awards program. The objective is to re-design the LTS scheme to introduce awards at service levels < 10 years of service and provide more effective retention, including looking at payouts in intermittent rather than monthly increments.

Letter of Understanding #4

Re: Union-Management Committee to Study FDM Best Practices and Use of Cameras

The Company and the Union agreed to task the Union-Management Committee, in conjunction with MFOs and the MCTs, to review and facilitate future FDM program developments that will maximize the safety of our pilots and our flight operation. This review will also entail discussions with the FDM Steering Committee and Safety Department.

Issues to be studied include but are not limited to:

- Exploring opportunities to use learnings from FDM trends/incidents and integrate them into flight training curricula
- Benchmarking industry best practices and procedural safeguards to ensure confidentiality and just culture standards continue to be maintained
- Surveying industry use of on-board cameras and study of procedural limitations and safeguards which may be appropriate to build mutual confidence in the technology.
- Investigating possible test programs to help the Parties validate proof of concept.

The Union-Management Committee should be prepared to report on their findings no later than March 31, 2015. The Committee Report should include any jointly agreed to recommendations.

Letter of Understanding #5

Re: Flight Data Monitoring

Since 2008, CHC Global Operations (2008) ULC (the "Company") has been introducing Flight Data Monitoring ("FDM") into specific areas of the Company's operations. The Company and the Global Helicopter Pilots Association (the "GHPA") agree that parts of the FDM Procedures should be set out in this Letter of Understanding.

The FDM Procedures are currently located in the Integrated SMS Compliance Procedures at Chapter 3 and Appendix C and the Flight Data Monitoring Manual, CHC Corporate Policy and Process, and do not constitute a part of this Letter of Understanding except as specifically stated below. There is a Company-wide review of these Procedures and changes are expected over the term of this Agreement. The current Procedures, and the changes made to them, will be available on the Company's and the GHPA's websites.

The areas of the FDM Procedures covered by Letter of Understanding #5 include the following:

A) General Terms

1. The FDM Steering Committee ("FDMSC") is responsible for the implementation and practice of the FDM Procedures, including operational direction, policy and procedures.
2. The GHPA is an observer member of the FDM Oversight Committee ("FDMOC"), a body of AOC operations personnel. The FDMOC will notify the GHPA of meetings they intend to hold and will allow the GHPA representative to attend, make an oral or written submission to the FDMOC, and advise and voice concerns on matters discussed.
3. A GHPA Representative is invited to all FDM Review Group meetings and is free to advise and voice concerns on matters discussed. The GHPA Representative does not have voting or veto rights and decision authority rests with the Post Holders and Accountable Manager to ensure regulatory compliance.
4. The Company agrees to notify the Union at regular Union-Management meetings of amendments made by the Company to the FDM Procedure.
5. The term "Flight Data" refers to data recorded by the use of an aircraft mounted Solid State Quick Access Recorder ("SSQAR") fitted for the purposes of the FDM Program. Flight Data and this Letter of Understanding do not cover other aircraft mounted recording devices or methods.
6. Flight Data shall be made available only to parties set out in the FDM Procedure, unless the Company and the GHPA agree otherwise.
7. FDM is part of the Company's Integrated Safety Management System ("ISMS"); ISMS does not form part of the Agreement.

8. FDM will operate in a confidential environment and will not be used as a basis for disciplinary action except in cases of gross negligence, willful misconduct or prosecution from a criminal act.
9. The Company will keep the GHPA informed of aircraft operating with FDM equipment.

B) FDM Review Group

1. The FDMSC will be responsible for determining the number and the location of the FDM Review Groups in each CHC Global Operations (2008) ULC region.
2. Each FDM Review Group will meet periodically but no less than once each calendar year.
3. Each FDM Review Group will be comprised of a base FDM Representative, relevant FDM Analysts, Base Manager(s), Flight/Type Training Pilot, Chief Pilot, Safety Officer and a GHPA representative with rights as contained in A 2.
4. Meetings may also include other persons, both within and outside the Company, invited by the FDM Review Group.
5. The FDM Review Groups will review the findings of the FDM Program at the base(s) or region for which the FDM Review Group is responsible.
6. The FDM Review Group will:
 - a. Be convened by the base or flight operations management
 - b. Be presented with an FDM Report by the FDM Representative
 - c. Review the findings of the FDM Report
 - d. Base decisions on consensus
 - e. Determine actions to be carried out, where necessary initiate Corrective Preventative Action ("CPA") as follow-up for any issues flowing from the data, and recommend changes to operational policy as appropriate.

C) The FDM Representatives

1. The Company and the GHPA will agree upon each FDM Representative(s) for positions that the FDMSC has decided is necessary. The individual will then be appointed by the Company as the FDM Representative.
2. The FDM Representative will be the connection between the FDM Review Group and the pilots, in matters relating to flight data.
3. A crew or an individual pilot on the crew may request the FDM Representative to review data specifically relating to one of their flights.

4. A pilot, who is subject to civil, criminal or disciplinary proceedings relating to the operation of a flight shall have access to the FDM data recorded on that flight or flights, which is under investigation and to any readout's of such FDM data.
5. Time spent as a FDM Representative cannot detract from the duties and responsibilities of the pilot without obtaining the approval of the Base Manager.
6. Each FDM Representative will be paid as specified in Appendix B.

D) Confidentiality

Confidentiality is an integral component of the FDM program except in cases of gross negligence, willful misconduct or prosecution from a criminal act.

1. Identifiable data will only be used in accordance with the FDM procedures and in special circumstances as directed by the FDMOC.
2. Identifiable data means, but is not limited to, the following:
 - a. Name of the pilots
 - b. Type of aircraft
 - c. Flight number
 - d. Aircraft registration
 - e. Geographic location
 - f. Date
3. Flight Data that does not contain pilot identification may be retained for statistical purposes by FDM Analysts. Both parties agree that FDM statistical analyses may include studies by aircraft type and geographic location.
4. The FDM Analysts will validate the event data and produce trend reports. The information and reports will be forwarded to the relevant FDM Representative(s) for delivery to the relevant FDM Review Group.
5. Regardless of the location of the FDM Analyst, an Analyst working with data from flights conducted by GHPA members will be bound by the terms of this Letter of Understanding.
6. The FDM program's system will ensure that the FDM Representative has sole access to pilot identities.
7. Where flight data has been matched with flight schedule data, the pilot identities are automatically encrypted and only the encrypted details are attached to the flight data.

8. In the case of an accident or incident or in cases where national accident investigation authorities are required, access to flight data will be governed by the ISMS compliance procedures and the amendments that are made to those documents over the term of this Agreement.
9. In such cases, the Company will make all relevant flight data available to the relevant national aircraft accident investigation board, the accident investigation authority of the appropriate government and an Internal Investigation Group ("IIG").

Appendix D - Training Bond

AN AGREEMENT made on the _____

BETWEEN:

CHC Global Operations (2008) UBL., with offices at 4740 Agar Drive, Richmond, British Columbia
(the "**Company**")

AND:

[Pilot Name] whose address for notification is **[Pilot address]**

("Pilot")

WHEREAS:

- A. The Pilot is employed by the Company and is a member of the Global Helicopter Pilots Association, Local 103 of the OPEIU ("Union");
- B. The parties want the Employee to attend the following training course:

COURSE TITLE/DETAIL:

COURSE PROVIDER:

COURSE START DATE:

COURSE COMPLETION DATE:

(the "Course")

COURSE COST:

TRAVEL AND ACCOMODATION COSTS:

(collectively, "Cost")

- C. The Pilot acknowledges that successful completion of the Course will benefit the Pilot, including providing a career path within the Company and improving his/her employability in the aviation industry.
- D. Pursuant to the collective agreement entered into between the Company and Union, the Company is willing to pay for the Cost in exchange for the Pilot agreeing to reimburse the Cost to the Company on the terms herein.

NOW THEREFORE in consideration of the mutual covenants and promises contained herein, and such further consideration, the receipt and sufficiency of which is hereby acknowledged by parties, the Company and the Pilot agree as follows:

1. THE COURSE

- 1.1 The Company will pay for the Course and the associated travel and accommodation expenses for the Pilot to attend the Course.
- 1.2 The Cost shall be a debt owed by the Pilot to the Company.

- 1.3 The Pilot shall attend the Course, at the training location or establishment determined by the Company in its absolute discretion. The Pilot will devote his time, efforts and abilities to the Course and will at all times comply with all the rules, regulations, requirements, instructions or other directions of person or entity conducting the Course and their respective officers, employees, servants and agents.
 - 1.4 The Pilot agrees to provide all Course materials, including the Employee's work completed during the Course, to the Company at the Company's request.
2. BONDING PERIOD
- 2.1 The Pilot agrees to render his services to the Company during the Course and for a "Bonding Period" which shall be a continuous period of 3 years commencing on the Course Completion date indicated above, or the date of this Agreement, whichever is later. For clarity, the Bonding Period shall commence as described even if the pilot fails to successfully complete the Course.
 - 2.2 Nothing in this Agreement shall guarantee or amend the Pilot's term of employment with the Company.
 - 2.3 If, during the Bonding period, the Company terminates the Pilot's employment without cause, the Pilot shall not be required to repay the Costs or any portion of the Costs.
3. PAYMENT BY PILOT
- 3.1 In the event that the Pilot, during the Course or within the Bonding Period, resigns or is dismissed for just cause then the Pilot will repay to the Company the whole or a portion of the Costs on the basis set out below:
 - 3.1.1 If the Pilot has been employed for less than one year from the start of the Bonding Period, the Pilot will repay 100% of the Costs;
 - 3.1.2 If the Pilot has been employed for one or more years but less than three years from the start of the Bonding Period, the Pilot will repay 50% of the Costs;
 - 3.1.3 If the Pilot has been employed for three or more years from the start of the Bonding Period, the Pilot will repay 0% of the Costs.
 - 3.2 Any payment due from the Pilot to the Company pursuant to this Agreement shall be a debt due and payable within ninety (90) days following written notification to the Pilot by the Company of the amount outstanding. Interest at the rate of ten percent (10%) per annum will be charged and added to all amounts owed by the Pilot to the Company after fourteen (14) days of such notice. The Company reserves the right to charge all fees and expenses incurred by it in connection with enforcing its rights and remedies under this Agreement, including all collection costs and legal fees.

3.3 The Pilot agrees that the Company may recover any payments owing under this Agreement by making deductions from any final salary payments or other outstanding moneys due on termination of employment.

4. TERMINATION

4.1 This Agreement may be terminated forthwith by the Company for any reason by written notice to the Pilot. If such notice is given prior to or during the Pilot's attendance at the Course, the Pilot shall not be entitled to attend the Course or any remaining portion of the Course.

5. INDEMNITY

5.1 The Pilot will indemnify and hold harmless the Company, its officers, employees, servants and agents from and against all claims, damages, liabilities, losses, costs and expenses arising out of or in connection with any act or omission of the named Pilot whilst attending the Course except where such act or omission occurs in the course of activities which the named Pilot is required or recommended by the entity conducting the Course to undertake as part of the Course.

5.2 The Pilot hereby confirms that (1) he has read and understood the entire contents of this agreement; (2) he understands and accepts the nature of the agreement and the scope, nature and extent of his obligations under this agreement and voluntarily and freely chooses to enter into the agreement; (3) he understands that the Company will suffer considerable loss and damage by his failure to perform his obligations under this agreement.

6. GENERAL

6.1 The Company's failure at any time or delay in requiring strict performance of any provision of this Agreement shall not waive or diminish the Company's right thereafter to demand strict performance of that provision or any other provision. Waiver by the Company of any default by the Pilot shall not be deemed to be a waiver of any other default

6.2 This Agreement may not be assigned in whole or in part by the Pilot.

6.3 This Agreement is not to be construed as creating any form of employment relationship between the Company and the Pilot, or as amending the term of any employment relationship between the parties.

6.4 This Agreement shall not be amended in any way other than by the agreement in writing by the parties.

6.5 Any invalidity or the unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

6.6 This Agreement is subject to and shall be construed in accordance with the Laws of British Columbia. Nothing in this Agreement shall prevent the Company from seeking to enforce this Agreement in any court of competent jurisdiction.

- 6.7 This Agreement constitutes the full and complete agreement of the parties in respect of the subject matter hereof. **The Pilot acknowledges that he has not relied upon any representations by the Company outside of this Agreement and has been given the opportunity to obtain independent legal advice and consult a representative of the GHPA Union regarding this Agreement prior to signing it.**
- 6.8 This Agreement may be executed in counterparts, each counterpart so executed shall be deemed to be an original, and such counterparts together will constitute a single instrument.

IN WITNESS WHEREOF the parties have read and understood the foregoing terms and conditions, which I hereby accept, and agree that this Agreement shall be legally binding upon them, as of the date and year first written above.

Authorized signatory of
 CHC Global Operations (2008) ULC.: _____ Date: _____

Name:

Pilot: _____ Date: _____

Name:

Appendix E - Union Confirmation of Bond and Representation of Pilot

I, _____, an authorized representative of the Global Helicopter Pilots Association, OPEIU Local 103, confirm that the training bond entered into between CHC Global Helicopters (2008) ULC. and _____, on _____ (a copy of which is attached), is consistent with the terms agreed to in the collective agreement. I further confirm that the pilot was duly represented by the Union at the time he/she entered into the bond agreement.

Authorized Representative of Global Helicopter Pilots Association, OPEIU Local 103:

_____ Date: _____

Name:

Appendix F - Vacation and OT Calculations for End of Fiscal Year

End of the Year Vacation Calculation

Sample 1 - Commencing May 01, 2014 to April 30, 2015

Employee Name: John Doe

Pay Category: Captain Level 15 **\$125,221**

Vacation Entitlement Based on Years of Service (Days taken in the first 42 days Off Period): **25**

Work Days Utilization

Days per year	365
Less Weekends	104
Regular Days Worked (AIMS)	182
Net Days	79
Extended Tour (ET)	58
Training Days	6
Continuance Days	2
Total Paid Days Off on Regular Pay	13
Paid Days Off on Regular Pay x \$343.07	\$ 4,459.91

Vacation Calculation

Gross Earnings (Not including vacation paid for previous/current year)	\$ 165,631.00
Vacation Percentage (based on years of service)	10%
Total Vacation Entitlement	\$ 16,563.10

Overtime Calculation

Overtime Pay Owed - Less ET Paid (if applicable) - based on hrs averaged over the fiscal year (Refer to Overtime Calculation) 0.00

Statutory Holiday Calculation

Stat. Holidays Worked (ie. 5 days x 1.5)	\$ 2,573.03
Sub-Total:	\$ 19,136.13
Less \$300/day bonus paid on Christmas, Boxing and New Year's Day	\$900.00
Less Paid Days Off on Regular Pay x \$343.07	\$ 4,459.91
Total Monies Owed to Employee (CAD\$)	\$ 13,776.21

Please note that CHC will not recover any negative balance

Note:

Daily Rate Calculation: Annual Salary/365 days a year (ie. Captain - Level 15 - \$125,221/365= \$343.07)

Stat. Holiday Rate: \$ 343.07 x 1.5 = \$514.61

Stat. Holiday pay will be calculated at the end of the Fiscal Year

End of the Year Vacation Calculation

Sample 2 - Commencing May 01, 2014 to April 30, 2015

Employee Name: John Doe

Pay Category: Captain Level 15 **\$125,221**

Vacation Entitlement Based on Years of Service (Days taken in the first 42 days Off Period): **25**

Work Days Utilization

Days per year **365**

Less Weekends 104

Regular Days Worked (AIMS) 170

Net Days **91**

Extended Tour (ET) 10

Training Days 6

Continuance Days 2

Total Paid Days Off on Regular Pay **73**

Paid Days Off on Regular Pay x \$343.07 \$ 25,044.11

Vacation Calculation

Gross Earnings
(Not including vacation paid for previous/current year) \$ 135,151.00

Vacation Percentage (based on years of service) 10%

Total Vacation Entitlement **\$ 13,515.10**

Overtime Calculation

Overtime Pay Owed - Less ET Paid (if applicable) - based on hrs averaged over the fiscal year (Refer to Overtime Calculation) 0.00

Statutory Holiday Calculation

Stat. Holidays Worked (ie. 5 days x 1.5) \$ 2,573.03

Sub-Total: \$ 16,088.13

Less \$300/day bonus paid on Christmas, Boxing and New Year's Day \$900.00

Less Paid Days Off on Regular Pay x \$343.07 \$ 25,044.11

Total Monies Owed to Employee (CAD\$) **(\$9,855.99)**

Please note that CHC will not recover any negative balance

Note:

Daily Rate Calculation: Annual Salary/365 days a year (ie. Captain - Level 15 - \$125,221/365= \$343.07)

Stat. Holiday Rate: \$ 343.07 x 1.5 = \$514.61

Stat. Holiday pay will be calculated at the end of the Fiscal Year

End of Year Overtime Calculation

Sample 1 - Commencing May 01, 2014 to April 30, 2015

Employee Name: John Doe

Pay Category: Captain Level 15 **\$125,221**

Work Hours - Averaging	Hours
Annual total (52 weeks x 40 hrs)	2080
Less Annual Vacation Entitlement Based on Years of Service (ie. 25 days)	<u>200</u>
Total Required Work Hours/Fiscal Year	1880

	Hours
Actual Work Hours (AIMS)	1984
Required Work Hours/Fiscal Year	<u>1880</u>
Overtime Hours Worked	104

Overtime Pay Calculation

Overtime Hours worked @ 1.5	156
Hourly Rate	<u>\$ 60.20</u>
Overtime Amount owed to Employee	\$ 9,391.58
Less ET Paid (58 days x \$635)	<u>\$ 36,830.00</u>
Total Monies Owed to Employee (CAD\$)	<u>\$ (27,438.43)</u>

Please note that CHC will not recover any negative balance

Note:

Hourly Rate Calculation: Annual Salary/2080 Hrs (ie. Captain Level -15 \$125,221/2080= \$60.20)

End of Year Overtime Calculation

Sample 2 - Commencing May 01, 2014 to April 30, 2015

Employee Name: John Doe

Pay Category: Captain Level 15 **\$125,221**

Work Hours - Averaging	Hours
Annual total (52 weeks x 40 hrs)	2080
Less Annual Vacation Entitlement Based on Years of Service (ie. 25 days)	<u>200</u>
Total Required Work Hours/Fiscal Year	1880

	Hours
Actual Work Hours (AIMS)	1664
Required Work Hours/Fiscal Year	<u>1880</u>
Overtime Hours Worked	-216

Overtime Pay Calculation

Overtime Hours worked @ 1.5	0
Hourly Rate	<u>\$ 60.20</u>
Overtime Amount owed to Employee	\$ -
Less ET Paid (10 days x \$635)	<u>\$ 6,350.00</u>
Total Monies Owed to Employee (CAD\$)	<u>\$ (6,350.00)</u>

Please note that CHC will not recover any negative balance

Note:

Hourly Rate Calculation: Annual Salary/2080 Hrs (ie. Captain Level -15 \$125,221/2080= \$60.20)

ADDENDUM 1 - CANADIAN DOMESTIC OPERATIONS

In preparation of a newly awarded contract to CHC Helicopters Canada, Inc., the Company and the Union are incorporating a new Domestic Operations Addendum into the Agreement which will enable eligible pilots employed by Global Operations 2008 to work for this sister company on a temporary or long term basis.

Helicopters Canada will recruit staff directly and will also reach out to Global Touring to supplement staffing requirements. If such opportunities exist, the Company will communicate the vacancies and pilots may express an interest.

Initially, three types of assignments may be considered, depending on staffing need:

1. 18 Month Temporary Resident Assignment - the pilot will move to domestic division pay scales and no tax assistance will be offered for the domestic work assignment. Pilots residing in St. John's will be eligible to receive the St. John's Location Allowance.
2. 18 Month Temporary Touring Assignment – the pilot will move to domestic division pay scales and no tax assistance will be offered for the domestic work assignment.
3. Temporary Assignments (90 days or less) – the pilot will be maintained on international pay and will continue to be eligible for tax assistance.

Inasmuch as the current contract is of a temporary nature, 18 months with up to four 3 month extensions, staffing requirements and associated terms will continue to evolve, if the Company also wins permanent customer contracts in Eastern Canada. While the domestic operation is limited to a temporary contract only, Global Touring pilots assigned to Eastern Canada in any one of the above categories will retain their normal benefits package.

Currently, both resident and touring pilots will work rotations per local requirements (estimated rotations 3 weeks on/3 weeks off).

GO 2008 pilots who move to CHC Helicopters Canada, UBL. on a long term or short term basis are eligible to return to Global Touring without loss of seniority provided a vacancy exists. While seconded to CHC Helicopters Canada, it is agreed that all terms and conditions of the collective agreement continue to apply for Global Operations 2008 pilots, save and except for those that have been modified by Helicopters Canada to conform with their domestic flying operation and customer requirements.

DOMESTIC DIVISION PAY RATES						
Total Annual Adjusted Salary - no STJ incentive						
Captain						
STEP	May 01,2014	Monthly	May 01, 2015	Monthly	May 01, 2016	Monthly
1	\$ 106,966	\$ 8,913.80	\$ 112,314	\$ 9,359.49	\$ 117,930	\$ 9,827.46
2	\$ 109,235	\$ 9,102.88	\$ 114,696	\$ 9,558.02	\$ 120,431	\$ 10,035.92
3	\$ 111,505	\$ 9,292.05	\$ 117,080	\$ 9,756.65	\$ 122,934	\$ 10,244.48
4	\$ 113,773	\$ 9,481.12	\$ 119,462	\$ 9,955.18	\$ 125,435	\$ 10,452.94
5	\$ 116,043	\$ 9,670.29	\$ 121,846	\$ 10,153.80	\$ 127,938	\$ 10,661.49
6	\$ 120,436	\$ 10,036.32	\$ 126,458	\$ 10,538.14	\$ 132,781	\$ 11,065.04
7	\$ 122,745	\$ 10,228.79	\$ 128,883	\$ 10,740.23	\$ 135,327	\$ 11,277.24
8	\$ 125,015	\$ 10,417.94	\$ 131,266	\$ 10,938.84	\$ 137,829	\$ 11,485.78
9	\$ 127,204	\$ 10,600.29	\$ 133,564	\$ 11,130.31	\$ 140,242	\$ 11,686.82
10	\$ 131,590	\$ 10,965.82	\$ 138,169	\$ 11,514.11	\$ 145,078	\$ 12,089.81

First Officer						
STEP	May 01,2014	Monthly	May 01, 2015	Monthly	May 01, 2016	Monthly
1	\$ 82,364	\$ 6,863.63	\$ 86,482	\$ 7,206.81	\$ 90,806	\$ 7,567.15
2	\$ 84,111	\$ 7,009.21	\$ 88,316	\$ 7,359.68	\$ 92,732	\$ 7,727.66
3	\$ 85,858	\$ 7,154.87	\$ 90,151	\$ 7,512.62	\$ 94,659	\$ 7,888.25
4	\$ 87,606	\$ 7,300.46	\$ 91,986	\$ 7,665.49	\$ 96,585	\$ 8,048.76
5	\$ 89,353	\$ 7,446.12	\$ 93,821	\$ 7,818.43	\$ 98,512	\$ 8,209.35
6	\$ 92,736	\$ 7,727.97	\$ 97,372	\$ 8,114.36	\$ 102,241	\$ 8,520.08
7	\$ 94,514	\$ 7,876.17	\$ 99,240	\$ 8,269.97	\$ 104,202	\$ 8,683.47
8	\$ 96,262	\$ 8,021.82	\$ 101,075	\$ 8,422.91	\$ 106,129	\$ 8,844.05
9	\$ 96,675	\$ 8,056.22	\$ 101,508	\$ 8,459.03	\$ 106,584	\$ 8,881.98
10			\$ 105,009	\$ 8,750.72	\$ 110,259	\$ 9,188.26

Notes:

- Domestic Rates include Vacation and Stat Holiday and OPC Payments, thus time spent working under the terms of the Domestic Pay Scales will not be included in the annual vacation reconciliation.
- St John's Residents will receive a location allowance in addition to the domestic salary.

St John's Resident Location allowance										
Step	1	2	3	4	5	6	7	8	9	10
Amount/ Yr.	\$3,690	\$3,768	\$3,847	\$3,925	\$4,003	\$6,414	\$6,537	\$6,657	\$6,774	\$6,886

ADDENDUM 2 - SHORT TERM EMPLOYEES & SIGNING BONUS/CURRENCY BACKSTOP AGREEMENT

Between
CHC GLOBAL OPERATIONS (2008) ULC.
(The "Company")

And
GLOBAL HELICOPTER PILOTS ASSOCIATION
LOCAL 103
(The "Union")

A. Short Term Employee Work Agreement

WHEREAS in light of the current financial environment in the oil and gas industry, the Company and the Union have come to agreement on the implementation of Short Term Employee Work, and;

Whereas it is not the intent of the parties to replace or circumvent the use of full time employees under this agreement, but is solely to provide the Company the competitive ability to obtain short term contract work within the industry;

The parties agree that this Addendum shall be binding from the date of ratification of the renewed collective bargaining agreement (the "Collective Agreement") and shall automatically expire with the Collective Agreement on April 30, 2019 ("Automatic Expiry Date"). Notwithstanding the Automatic Expiry Date, the Company may hire Short Term Employees but must meet and confer with the Union for any work that may start before the Automatic Expiry Date but continue past such date to obtain Union Executive approval;

The parties agree to the hiring of short term employees subject to the following terms and conditions, which are exceptions to the Collective Agreement set out below;

1. Short Term Employees

- a. Short term contracts are defined as those contracts with a projected length of no more than 365 calendar days; e.g. 30 calendar days, 60 calendar days, 90 calendar days.
- b. A "Short Term Employee" is defined as an employee hired by the Company specifically for a short term contract or other short term work for a known period of no more than 365 consecutive calendar days.
- c. Any Short Term Employees engaged for more than 14 consecutive calendar days shall be GHPA members and will be required to pay Union dues in accordance with the terms of the Collective Agreement.
- d. Any Short Term Employee that is extended past 365 consecutive calendar days of employment shall become a regular full time employee on the 366th calendar day and be subject to the ordinary terms and conditions of the Collective Agreement.

2. Short Term Employee Work

- a. The Company may hire Short Term Employees for the purposes of short term contracts or projects with a projected length of less than 365 consecutive calendar days.
- b. In all cases, the Company must notify the Union prior to hiring any Short Term Employees.

3. Short Term Employee Terms and Conditions

- a. Short Term Employees are GHPA members and as such are subject to the terms and conditions of the Collective Agreement, as modified by the exceptions listed in this addendum.
- b. The Company's employment agreements with short term employees shall not reduce or restrict their rights further than as provided in this Addendum, but may be changed in order to accommodate the specific needs of each individual short term contract.
- c. The Company and Union shall agree to the work schedule of the Short Term Employees subject to the requirements of the short term contract.
- d. The Company may dismiss any Short Term Employee at its discretion. Upon termination, Short Term Employees will not be entitled to any such notice or severance payments provided under the Collective Agreement.
- e. Short Term Employees shall be paid salaries in accordance with the Collective Agreement for 'Captains' and 'First Officers', and shall be paid no lower than step 1 of Appendix 'A' of the Collective Agreement. The Company shall pay Short Term Employees extended tour pay, as applicable under Article 13 of the Collective Agreement. The Company shall also pay a 15% premium to the salary of a Short Term Employee working a roster schedule that does not offer equal time off. (e.g., resident or non-touring).
- f. The Company shall pay only for benefits of Short Term Employees that are expressly provided for under this Addendum, or as required by law. The Company shall provide a Short Term Employee with the following benefits:
 - i. Medical/Health insurance (employee only);
 - ii. Workers Compensation premium coverage; and
 - iii. Emergency travel assistance; and
 - iv. Life Insurance (employee over); and
 - v. Accidental Death & Dismemberment (AD&D)
- g. Without limiting (f), the Company shall not provide Short Term Employees the following benefits:
 - i. Severance; or
 - ii. Retirement or pension plans, including any 401K; or
 - iii. Sick Days (pay protected if employee can make up days); or
 - iv. Short Term Disability/Long Term Disability; or
 - v. Vacation/Statutory Holidays/Annual Vacation Overtime Reconciliation; or

- vi. Dental or Prescription Eyeglass Reimbursement; or the
- vii. Tax Assistance Plan (TAP)

4. Short Term Employee Selection

- a. When hiring a Short Term Employee, the Company will have the discretion to select Short Term Employees based on its operational requirements, to include but not be limited to: licensing, type rating, visa, nationality, or customer imposed requirements. Within these constraints the Company shall give preference to GHPA members as follows:
 - i. primary preference will first be given to GHPA members on the recall list and thereafter;
 - ii. preference will then be given to former GHPA members who have been laid off or terminated and apply for the position.
- b. If a GHPA member from the recall list has been hired as a Short Term Employee, their time on the recall list shall be suspended. Once the Short Term work is completed, they shall be returned to the recall list, and their allotted time on the recall list shall resume and, if they are then not recalled, they shall still be entitled to severance as calculated at their original time of layoff under the Collective Agreement.

B. Signing Bonus - Currency Backstop Agreement

The parties have further agreed as part of this Addendum to a Signing Bonus for Residents of Canada and a voluntary electable foreign exchange currency protection plan for Non-Residents of Canada. The Automatic Expiry Date will also apply to the Signing Bonus – Currency Backstop Agreement.

1. Signing Bonus – Residents of Canada

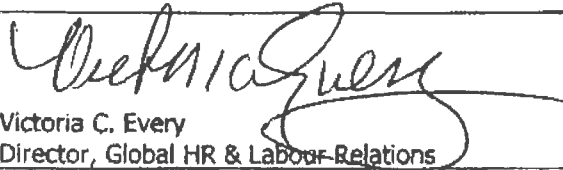
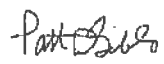

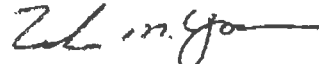


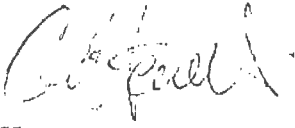
The Company shall pay a signing bonus of CDN\$750.00 upon ratification of the Collective Agreement to regular, active full-time Union members who are residents of Canada and on payroll at the time of ratification. This signing bonus shall not be payable to: Short Term Employees or any employees who were laid off prior to ratification, whether or not they have rights of recall.

2. Currency Backstop – Non-Residents of Canada

- a. In order to receive foreign exchange currency protection Non-residents of Canada must elect to receive their pay from CHC in US Dollars.
- b. The Company will then provide Foreign exchange currency protection to the employee's base salary at a rate of \$0.75. This means that if the Canadian dollar exchange rate for US dollars is below CDN\$1 for USD\$0.75 ("Guaranteed Rate") on that date when the Company pays an employee's base salary (i.e. ordinary pay day), the Company will provide the employee with an additional payment in an amount that would, in effect, maintain the Guaranteed Rate for the base salary payment.

- c. The Company will determine any amounts owed under the foreign exchange currency protection on a monthly basis. For the purposes of determining the exchange rate, the Company will use the exchange rate source ordinarily used by the Company in payroll payments to the employees.
- d. Employees may elect the currency in which they receive their base salary on the following occasions:
 - i. Within one month after ratification of the CBA; or
 - ii. Within one month after hire; or
 - iii. After one year since the last time the employee made an election.
- e. For clarity, any compensation paid as part of the foreign exchange currency protection will not be considered:
 - i. A part of or increase in base salary; or
 - ii. For the purposes of any benefits or indirect compensation calculation, unless required by law or at the Company's sole discretion; or
 - iii. For the purposes of any entitlements on termination except for severance payments for employees who are non-residents of Canada, have elected to be paid in US dollars, and are on payroll at the time of ratification.

Signature Page:

FOR: CHC GLOBAL OPERATIONS (2008), ULC	FOR: GLOBAL HELICOPTER PILOTS ASSOCIATION; Local 103, OFFICE & PROFESSIONAL EMPLOYEES INTL UNION (OPEIU)
 Victoria C. Every Director, Global HR & Labour Relations	 Patt A. Gibbs, Esq. International Representative, OPEIU
 Cameron Dixon Director Business Development	 Luke Yosca President, GHPA
 Gareth Carline General Counsel	 Kristi Humphrey Administrator, GHPA
 Coralee Hewlett HR Business Partner	



Global Helicopter Pilots Association
Box# 36054
Hillcrest Village PO
Surrey, BC V3S 2Y5

21 June 2017

RE: New Tentative Collective Agreement

GHPA Members,

The contract negotiations have been completed and the new tentative collective agreement is ready to be put to a vote. As you can imagine with the downturn in the oil and gas industry and CHC's Chapter 11 filing, this is not the ideal time to be negotiating a contract. As such, the majority of the agreement is identical to the previous one. However, there are three changes that are significant. The first two are contained in an addendum at the end of the contract and the third change is to section 7.03. Descriptions of the changes are as follows:

1. The first change is that the Company will be granted the ability to hire short-term employees specifically for short-term contracts. A short-term employee would have similar basic pay, but reduced benefits and severance as dictated by law and not an additional three months pay per the CBA. The company will NOT be allowed to replace any full-time positions with short-term employees. That is dictated in the opening lines of the addendum: *"Whereas it is not the intent of the parties to replace or circumvent the use of full time employees under this agreement, but is solely to provide the Company the competitive ability to obtain short term contract work within the industry."* As we are all painfully aware the company has not secured any new contracts in the Global division in years. The biggest reason for this is that CHC is priced far above the low budget competition. If the company bids on a three month contract it must use 6 months salary as the cost basis for each pilot (three months salary + three months severance). That alone prices CHC's crew costs too high to be competitive. The goal is that CHC be given every opportunity to win the short-term contracts (because we all know short term contracts turn into long term contracts). When the long-term contract is established CHC must employ GHPA pilots at their current pay and benefit rates. Of note:, if a current GHPA member is transferred to a short-term contract he shall remain a full time employee, with no change to his benefits or pay. Also, as an added protection we have included a "sunset clause" with this addendum. Usually when addendums are added to a contract the only way they can be removed would be through future contract negotiation. That is not the case with this addendum and at the two-year mark without question it automatically drops out.

2. The second change contained in the addendum is that CHC has agreed to stabilize the exchange rate for GHPA members that are non-Canadian residents as well as provide a \$750 CAD signing bonus for GHPA members that are Canadian residents. The exchange stabilization rate is set at 75% of the CAD/USD rate for base pay. In other words there is now a floor established for the exchange rate, and if the rate floats higher to previous levels then that is to the benefit of these pilots as well. In the past two years the exchange rate has spent significant time below this level. As previously stated and agreed upon by CHC, the contract will be retroactive to 1 May 2017. Since there was a drop in the exchange rate below 75% around May 15, this will mean that members eligible for backstop protection pay for that pay period will receive back pay.

Please note that to receive this stabilization, the member must notify the company that they wish to receive their pay in USD. The reason that additional backstop rates were not determined (such as AUD/GBP/EUR) was that the complexity of negotiating different backstop rates for each currency was too high, and even if determined, CHC does not possess the manpower in its pay department to calculate multiple backstop payment amounts each month. In the event of ratification information on how to elect to receive your pay in USD will be sent out.

3. The final significant change is the deletion of Base Seniority from the contract. In the previous agreement there is a definition of base seniority but there was never any direction as to its application or use in any practical matter. Any perceived benefits, uses, or application were purely skepticism and never based on language in the contract. Since the overriding factor in any layoff scenario is a members total seniority it was decided to remove this section in order to give more clarity to the contract.

Please keep in mind that due to CHC's financial position (bankruptcy) this contract had to be as cost neutral as possible. Pay raises or a 1:1 conversion to the USD at an acceptable level were out of the question. Frankly speaking we are lucky to have avoided a pay decrease. Step pay raises will continue on your hiring anniversary. Because this contract has some new concepts and the offshore market may improve, the length of this contract has been shortened to two years. This gives us the ability to re-negotiate sooner should we need to.

All currently active members, members on STD and LTD, and members on the recall list are eligible to vote on this agreement. The vote will open immediately after you receive this email and close Saturday, July 1st at 23:59 PST. In order for vote to pass, there will need to be at least 51% of the respondents in favor of ratification.

If the majority of respondents vote yes to ratify, the Union Executive and CHC will sign the agreements and our new CBA will come into effect.

If the majority of respondents vote no to the ratification, there are a couple of things that may happen:

- We, the GHEA members could vote to strike;
- CHC could lock us out; or
- We could agree to continue working under the current contract until a new agreement can be made.

None of these options would be favorable at this time, and we believe the chance of improving our CBA more than what we've put before you here is not possible.

If you have any questions, please contact any member of the GHPA Executive.

Sincerely,
The GHPA Executive

Luke Yosca
President
Email: LukeYosca@ghpa.ca
SKYPE: Luke.Yosca
Cell: +1 910-233-4932

Jim Whately
Vice President
Email: jimwhately@ghpa.ca
SKYPE: james.whately1

Marc Provencher
Secretary-Treasurer
Email: marcprovencher@ghpa.ca
SKYPE: marc.provencher.chc