

COLLECTIVE AGREEMENT

BETWEEN:

BRITISH AIRWAYS PLC



AND

**INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS (IAM & AW)**



FOR

**LOCAL LODGE 16
RICHMOND, B.C.**

May 8, 2009 to August 31, 2011

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PREAMBLE

This Agreement is made and entered into this September 21, 2010 in accordance with the provisions of the Canada Labour Code (Part 1) by and between BRITISH AIRWAYS Plc, a company incorporated under the laws of England, as amended, (hereinafter referred to as "British Airways") and the INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS, (hereinafter called the "Union").

In making this Agreement, the parties hereto recognise the objectives of promoting the safety and continuity of air transportation, providing orderly Collective Bargaining relations between British Airways and its employees and a method for prompt and equitable disposition of grievances and the establishment of fair salaries, hours of work and working conditions for the employees covered by the terms of this Agreement.

The parties hereto recognize that collaborative efforts towards achieving and sustaining efficiency and economy of operations will provide to the fullest extent possible, continued employment for all employees. It is understood and agreed that this can best be achieved by the following factors:

- 1) Maintaining harmonious relations between the parties,
- 2) By optimizing the utilization of manpower, and
- 3) By avoiding inflexible work rules and outmoded procedures and inefficiency.

ARTICLE 1 - RECOGNITION

- 1.01** British Airways recognizes the IAM & AW as sole Bargaining Agent for its Customer Service Agents in Vancouver and Calgary pursuant to the certificate of recognition issued by the Canada Labour Relations Board on the 8th of May 2009.
- 1.02** Hours of work, salaries and other conditions of employment as governed by this Agreement, apply only to British Airways employees employed by British Airways, as outlined in Article 18 of this Agreement and to the Departments and Classifications specifically mentioned herein and any other job classification which may hereafter be established by mutual agreement between the representatives of British Airways and the Union.
- 1.03** It is understood and agreed that the provisions of this Agreement shall be binding upon the successors or assigns of British Airways. In the case of consolidation or merger affecting rights of employees covered by this Agreement, representatives of British Airways and the Union will meet and negotiate for the protection of employees' seniority and other property rights.
- 1.04** All duties associated with the classifications stated herein shall be performed solely by employees covered under this Collective Agreement. Management and supervisory staff shall be exempt from this provision in the event of an emergency or unplanned situation which calls for immediate action.

ARTICLE 2 - MANAGEMENT RIGHTS

- 2.01** Subject to the provisions of this Agreement, the Union recognises that British Airways shall have sole jurisdiction of the management and operation of its business, the direction and scheduling of its work force, the assignment of jobs within the Bargaining Unit, the right to determine the extent to which the operation shall be continued, and the right to change methods or processes and to use new equipment. It is further understood that British Airways retains the right to hire, as well as other usual Management rights including the right reasonably exercised to suspend, demote, discharge for just cause, to sub-contract work, to transfer and to lay-off because of lack of work or other legitimate reasons.
- 2.02** For clarity, the Company agrees to provide the Union with a minimum of ninety (90) calendar days notice in writing prior to proceeding with any decision to engage a third party contractor to perform all or part of its customer service requirements at the Vancouver and/or Calgary airport locations. Following any such notice, and upon request, the Company will meet with the Union to answer any reasonable questions and give the Union the opportunity to comment upon intended contracting out.
- 2.03** Any employee who may be permanently laid off as a result of a decision of the Company to provide customer service at the Vancouver and/or Calgary airports through means other than the employment of Bargaining Unit employees shall be limited in his or her rights to any unpaid wages, vacation pay and to the employee's entitlement to notice of termination pay or pay in lieu of notice and severance pay under the *Canada Labour Code* and no other notice or payment of any kind whatsoever shall be required.
- 2.04** Employees covered by this Agreement shall be governed by all British Airways rules and regulations previously or hereafter issued by British Airways, which are not in conflict with the provisions of this Agreement.
- 2.05** Orders or notices to an employee involving a promotion or demotion, suspension or discharge, shall be given in writing to the employee and a copy will be furnished the Union.

ARTICLE 3 - UNION COMMITTEES

- 3.01** British Airways recognises the right of the Membership to elect a Union Committee in the locations covered by this Agreement mentioned below.
- 3.01.1** British Airways will recognise and Bargain with the Union Committees on any matters properly arising from time to time during the term of the Agreement and the said Committees will cooperate with British Airways in the administration of this Agreement.

- 3.02** For the purposes of renegotiating this Collective Agreement the Union will form a Negotiating Committee consisting of the Union Chairperson, one Member from Vancouver and one Member from Calgary.
- 3.03** It is mutually agreed between the parties hereto that representatives of British Airways and the Union Committees shall meet on the third Wednesday of each month, providing there is business for their joint consideration or at such other times as may be mutually agreed. Necessity for meeting will be indicated by letter seven (7) calendar days in advance of the proposed meeting from either party to the other. The letter shall contain an agenda of the subjects for discussion.
- 3.04** The Union shall have the right to have International Representatives of the IAM present at any meeting of British Airways Representatives with the Union Committee.
- 3.05** It is agreed that the Union, within thirty (30) calendar days after the signing of this Agreement, will notify British Airways in writing, of the names of their Committee Members. The Union further agrees to notify British Airways of any changes in their Committees, in writing.
- 3.06** Union Representatives attending negotiations will attend such meetings on Company time on a straight time basis with no overtime payment to be made. Union Representatives will advise Section/Department Heads of times and dates of meetings for negotiations.

ARTICLE 4 - UNION STEWARDS

- 4.01** British Airways recognizes the right of the Membership to select two (2) Stewards at each of the Vancouver and Calgary airport locations.
- 4.02** Grievances shall be investigated or settled by a Steward, only during normal working hours, at his regular rate of pay, provided that he shall not leave his job to investigate or settle a grievance until he has first obtained permission from his Department/Section Head or superior, which will not be unreasonably withheld. British Airways reserves the right to take disciplinary action subject to the Grievance Procedure, if the Steward does not conform with the foregoing practice when dealing with grievances or if an unreasonable or abnormal amount of time is consumed in dealing with grievances.

ARTICLE 5 - PROBATIONARY PERIOD

- 5.01** All new employees coming within the scope of this Agreement shall be required to serve a probationary period of eight (8) months continuous service with British Airways from the date of employment. Such probationary period may be extended by mutual agreement between the Union Committee and Management.

- 5.02** a) Employees, while serving their probationary period, may be discharged or disciplined at British Airways' option and such action shall not constitute a difference between the parties for the purposes of arbitration, but British Airways will advise the Union of such action, if taken.
- b) Employees shall not be entitled to seniority rights until their probationary period has been completed.

ARTICLE 6 - SENIORITY

- 6.01** Seniority shall mean the employee's service with British Airways, calculated from his latest date of joining the Company, within his classification, at the specific location where this Agreement is in force.

Staff outside the scope of this Agreement who transfer to a classification covered under this Agreement, will have a seniority date based on the date of assignment to that classification.

- 6.02** Seniority, qualifications and the ability to do the work required shall govern all employees classified herein (and such additional classifications as may be mutually agreed between British Airways and the Union) in the case of reduction in force and re-employment after release due to reduction in force. No employee shall be returned to work after a lay-off out of line with his seniority, without the mutual agreement of both parties to the Agreement. Before such action is taken British Airways agrees to discuss it with the Union Committee at one of its regular meetings, without prejudice to the Rights of Management, as defined in Article 2 hereof.

In the selection of employees covered by this Agreement, for advancement or promotion for permanent vacancies, the decision shall rest with the Company provided that in the case of employees with equal ability the employee possessing the greater classification seniority shall be given preference. An employee will not be disqualified for a position if the sole reason is that through no fault of his own, he had not received the necessary training.

- 6.03** In the event of a reduction in force calling for demotion and/or lay-off, the following procedure will be followed:

Subject to the provisions of 6.02 above, the least senior employee appointed to the classification in which the reduction in force is necessary, shall be declared redundant in that job.

- 6.04** An employee who is re-classified or promoted will be given an appropriate training period and hence given a minimum of thirty (30) days in his new classification to demonstrate his ability to perform the job in a satisfactory manner, and if he fails to give satisfaction in the new classification, will be told the reasons, in writing, why he is not considered suitable for retention in that job.

- 6.05** Employees promoted to supervisory or administrative positions, not covered herein, will retain and accrue seniority in the classification from which promoted for a maximum of six (6) months, however, they may exercise the right to displace only in the event their work does not prove satisfactory, reduction in force or an elimination of position.
- 6.06** Seniority need not, in any respect, govern assignments to temporary duty field service or special assignment duty or to temporary positions in higher paid classifications of less than thirty (30) calendar days.
- 6.07** An employee who has completed his probationary period and is laid-off due to a reduction in force shall retain his seniority during such lay-off for a period not exceeding his previous service up to a maximum of twenty-four (24) months. An employee who has completed his probationary period and is demoted due to a reduction in force shall retain his seniority in the classification from which demoted. An employee to be laid-off must exercise seniority in the classification in which he holds seniority, by advising the Personnel Department of British Airways in writing seven (7) calendar days from the receipt of his lay-off notice. In the event he does not exercise such seniority he forfeits same. A laid-off or demoted employee shall be recalled to the classification from which he/she was laid-off.
- 6.08** An employee laid off shall file proper addresses with British Airways at the time of lay-off, and any subsequent change of address. An employee will be notified of recall by Registered Mail or courier and must notify British Airways within seven (7) days, the date he will report for duty. An employee who fails to give such notice or who fails to return to duty within fifteen (15) days shall lose all rights to recall.
- 6.09** An employee shall forfeit all seniority rights when he/she:
- a)** Resigns from the service of British Airways;
 - b)** Is discharged and such discharge is not reversed through the Grievance procedure;
 - c)** Is absent from work without permission for five (5) days unless such absence is justified; and
 - d)** Fails, unless he has a justifiable excuse, to report for work on the first day following the expiration of a Leave of Absence or Vacation.
- 6.10** 1) A seniority list for each location prepared by British Airways, shall be provided to all Union employees within thirty (30) days after the signing of this Agreement, showing each employee's name and seniority date. Thereafter the Company shall provide all Union employees with a seniority list each six (6) months to enable each employee to verify their own seniority date. The employees will then be allowed sixty (60) calendar days in which to protest such list to the Union Committee Chairperson, any omission or error affecting his seniority. The Union Committee Chairperson in turn shall verify the list and may protest in

writing to British Airways within the prescribed period. After such process the list shall stand as correct from that time on.

- 2) Exception shall be made to this process for those employees on authorized Leave of Absence, Vacation or Sick Leave, who are not available during this period, but they must protest any error on the list within sixty (60) days of their return.
- 3) New employees hired on the same day shall have their standing on the seniority list decided by having their names drawn from a hat prior to them appearing on the seniority list for the first time.

The process shall be that the name out of the hat first shall receive the highest standing on the list and so on until the last name out being the lowest standing in their group.

6.11 A copy of the seniority list will be furnished to the Chairperson of the Union Committee who may subsequently, on request to the Personnel Department, have made available to him, the seniority status of employees covered herein.

6.12 During lay-off situations, it is agreed that elected Union Committee Members shall, during their respective terms of office, have top seniority in their classification as long as work is available.

ARTICLE 7 - GRIEVANCE PROCEDURE

7.01 It is the mutual desire of the parties hereto that complaints of employees shall be adjusted as quickly as possible. Both parties therefore, recognise that an employee having a complaint should inform his immediate Supervisor verbally, as quickly as possible, and attempt to resolve the problem. In the event that the Supervisor is unable to resolve the problem, the employee should not consider that he has a grievance until he has given his Section Head an opportunity to adjust his complaint.

7.02 If such complaint or grievance is not settled to the satisfaction of the employee concerned within twenty-four (24) hours or within any longer period which may be mutually agreed upon, the employee may then invoke the following progressive Steps of the Grievance Procedure.

7.03 **Step 1**

An employee shall submit his grievance, in writing, through a Union Steward to his Branch Head or delegate, within seven (7) full work days after the grievance arises. Within five (5) work days, after receiving the grievance, the Branch Head or delegate shall hold a hearing and within ten (10) calendar days after the holding of the said hearing, he shall advise his decision, in writing, to the employee concerned and to the Union Steward.

Step 2

Should the employee and/or the Union consider that a just settlement has not been found they may, within five (5) calendar days from the date the decision was rendered in 7.03 Step 1, submit the grievance in writing to the Senior Vice President People and Organizational Delivery N.A., or delegate. Senior Vice President People and Organizational Delivery N.A. or delegate shall hold a hearing with the employee and the Union Committee within five (5) calendar days following receipt of the grievance. Within ten (10) calendar days thereafter, the Senior Vice President People and Organizational Delivery N.A. or delegate shall advise the Company's final decision in writing to the employee concerned and the Union.

7.04

General 1

If the decisions as announced by British Airways' officials, under the Grievance Procedure Article 7, are not appealed within the time limits prescribed herein, the decision of British Airways' officials shall become final and binding. If the Company fails to make a decision within the time prescribed, the grievance shall be conceded. Time limits may be extended by written mutual agreement.

General 2

If, as a result of any hearing or appeal therefrom, as provided for herein, an employee is exonerated, he shall, if he has been held out of service, be reinstated without loss of seniority, vacation and holidays and he will be paid for such time lost in the amount which he would have ordinarily earned, had he been continued in service during such period, and his personnel record shall reflect such change.

General 3

At any such hearing or appeal, the employee concerned shall have the right to be present, accompanied by a Union Committee person.

General 4

The employee, Union Committee and British Airways may have any witnesses present who can give evidence on the matter in question.

General 5

Employees of British Airways who are involved in any hearing or appeal therefrom shall, without prejudice, be given Leave of Absence or sufficient time off work in order to permit them to appear as witnesses. Payment of basic salary for such Leaves of Absence or time off from work will be made by British Airways.

General 6

The provisions of the Grievance Procedure, Article 7, shall be applicable in the case of a grievance lodged by a group of employees.

General 7

Arbitration shall be applied in all grievances taken up through the Grievance Procedure which are not settled through such procedure, as herein provided.

General 8

An employee discharged, disciplined, or penalised for cause or alleged violation of British Airways' rules or regulations, shall have the right to lodge a grievance in the manner and to the extent herein provided.

General 9

Whenever an employee is discharged or suspended, he will be given an opportunity of interviewing by a Steward or Committee Member before he is required to leave the British Airways' premises and the employee shall be so advised, provided that, if because of the nature of the offence it is necessary to require the immediate expulsion of an employee from British Airways' premises, then a Steward or Committee Member will be notified and he will be given an opportunity to interview the discharged or suspended employee at some convenient location. Should the Union protest the discharge or suspension of such an employee, as a grievance, it shall be handled at the Second Step of the Grievance Procedure and placed upon the agenda of the next meeting between the Union Committee and British Airways' Representatives.

General 10

In the event of a difference of opinion between British Airways and the Union, as to the interpretation of any Article or Clause in this Agreement, the matter may be referred by either party to Arbitration in the same manner as a grievance of any employee.

General 11

Grievances will be heard at the location where the grievor or Union initiated the grievance unless otherwise mutually agreed to by the parties hereto.

General 12

The Company shall, at all times, keep the Union advised of the specific person(s) in Management the Company assigns to each Step of the Grievance Procedure.

ARTICLE 8 - ARBITRATION

- 8.01** If, after exhausting the provisions of the Grievance Procedure, the Union is dissatisfied with the decision of the British Airways' officials, the Union may notify British Airways within twenty (20) calendar days of the receipt of the decision rendered in Article 7, paragraph 7.03 of the Grievance Procedure that Arbitration is desired.
- 8.02** The Arbitrator shall be selected by mutual agreement between British Airways and the Union within five (5) work days of receipt of the written statement required.

- 8.03** If the parties fail to select an Arbitrator, as provided in 8.02 above, either party, within five (5) work days thereafter, may request the Minister for Human Resources Development of Canada to appoint an Arbitrator.
- 8.04** Subject to mutual agreement between British Airways and the Union, the time limit provision in paragraphs 8.02 and 8.03 may be extended up to a maximum of fourteen (14) work days.
- 8.05** The fees and expenses of the Arbitrator shall be borne equally by the parties to the Arbitration.
- 8.06** The Arbitrator shall not have jurisdiction to change by his decision, in whole or in part, the provisions of this Agreement. The Arbitrator however, in respect of a grievance involving a penalty, shall be entitled to modify such penalty as, in his opinion, is just and equitable.
- 8.07** The proceedings of Arbitration will be expedited and the decision of the Arbitrator will be final and binding.

ARTICLE 9 - HOURS OF WORK

- 9.01** Eight (8) consecutive hours of work shall constitute a standard work shift, **inclusive** of rest periods and **exclusive** of the daily meal period. The standard hours of work shall be forty (40). Employees shall have eight (8) assigned days off every four (4) week roster period. The Company shall have the absolute discretion to determine whether the days off will be taken on consecutive or individual days. Employees shall not work in excess of six (6) consecutive days without having days off in accordance with the Canada Labour Code.
- 9.02** Employees covered by this Agreement, who work shifts, shall be rotated between day, evening and/or night shifts according to schedules mutually acceptable to British Airways and the majority of employees in the Section or Department involved, except when extenuating requirements of the service dictate otherwise.
- 9.03** The normal starting and stopping time for work shifts will be scheduled and posted, in advance, covering a six (6) week roster period, in each Unit/Section unless mutually agreed by the majority of staff in the Unit/Section concerned, and shall not be changed without ten (10) calendar days notice, in writing or in person, to an employee affected by the change, except in the case of emergency, training or unplanned situation.
- 9.04** Employees who have been required to work fourteen (14) consecutive hours will be given a rest period of at least twelve (12) hours before being required to report to work again. In the event that this rest period extends into his regular work shift, the employee will be paid for such time lost at straight time rates. If an employee is required to return to work prior to receiving twelve

(12) hours rest, he will be paid at the applicable overtime rate until such time as he would have completed his twelve (12) hours rest. There will be no pyramiding of overtime, i.e., an employee cannot exceed the applicable overtime rate.

9.05 Normal rostered shifts will provide a period of twelve (12) hours off, measured between the scheduled end time of their previous shift and the scheduled start time of their next shift. This language will not apply when an employee changes his/her normal starting times as a result of a new roster period.

9.06 Employees will have a thirty (30) minute unpaid lunch break to be taken at a time directed by the Company having regard to operational requirements.

For certainty, the thirty (30) minute unpaid lunch break shall not be included in determining the employee's hours of work for any purpose.

If no lunch is taken by the end of the sixth (6) hour the employee will be paid thirty (30) minutes at straight time.

ARTICLE 10 - OVERTIME

10.01 Overtime shall be recorded and credited to the Time Bank of the employee concerned at time and one-half of the employee's basic salary for time worked in excess of eight (8) hours, provided the Time Bank of the employee stands at zero (0) or a plus figure. If not, overtime will be credited at straight time until zero (0) is reached.

10.02 Where an employee is required to work in excess of twelve (12) continuous hours, the hours beyond twelve (12) shall be credited to the Time Bank at the rate of double time.

10.03 In the event that overtime is accumulated by staff which is not reduced by compensatory time off during the calendar month in which the overtime was accumulated, and provided the overtime record of the staff stands at a figure in excess of plus twenty-four (24) hours on the last day of the calendar month, payment will be made by British Airways on a straight time basis for all time in excess of twenty-four (24) hours and payment will be made as soon as is reasonably possible after the close of the calendar month.

10.04 Compensatory time off in lieu of overtime hours shall be taken as mutually agreed between employees and their Department/Section Head. An employee must exhaust any unallocated Annual Leave remaining to his credit before a block of eight (8) hours Time Bank can be used.

10.05 Effective with the ratification of this Agreement, each employee shall have the option to participate in the Time Bank as defined above. Those who do not elect to participate shall be paid overtime in accordance with the laid down provisions.

- 10.06**
- 1) Employees recalled to duty shall be credited with a minimum of four (4) hours. If the recalled employee is eligible for overtime on a time and one half (1 1/2) basis, he shall receive credit for the minimum of four (4) hours or the overtime credit at time and one half (1 1/2) for the hours worked, whichever is the greater. Any call involving an additional round trip to work shall be considered a recall.
 - 2) Employees recalled to duty within four (4) hours of completion of their regular shift shall be credited with overtime at the normal rate of time and one half (1 1/2) until twelve (12) hours after the commencement of their original shift. Thereafter, they shall be paid at double time as provided in 10.02.
- 10.07** Employees rostered for a shift commencing at or prior to 0900 hours who, having checked out on completion of their shift on the preceding day, are called to duty before 0800 hours, shall be paid time and one half (1 1/2) for the period from commencement of such overtime period until the time of commencement of their rostered shift with a minimum payment of four (4) hours at straight time rates.
- 10.08** Where an employee is required to work a minimum of four (4) hours before or beyond his normal shift, he will be granted half an hour at the overtime rate in which to take a meal at a time convenient to work requirements.
- 10.09**
- 1) An employee who is called to work on his scheduled day off will be paid a minimum of four (4) hours at time and one half.
 - 2) An employee who is called to work on his second or subsequent scheduled day off, will be paid double time for the hours worked if the first scheduled day off was also worked. Notwithstanding the foregoing, an employee who has declined the opportunity to work on his first scheduled day off or who has not worked on this first scheduled day off, will be paid at the rate of time and one half (1 1/2) only.
- 10.10**
- 1) Rotational overtime lists will be established at locations for each group or formation where appropriate for the purpose of endeavouring to fairly distribute overtime. The lists and methods of rotation will be established locally within the Unit and/or Section by the Union Committee Member and the Senior British Airways' official at the location.
 - 2) Employees who are required to work overtime will be informed as far in advance as possible.
 - 3) Where the overtime requirement is not in conjunction with a scheduled shift, the Supervisor will initially endeavour to canvass all qualified employees on the appropriate overtime list.
 - 4) Opportunity for employees to work overtime will be recorded as such, i.e., worked or declined.

10.11 Personal time off, without pay, will be granted provided operational requirements permit.

ARTICLE 11 - STATUTORY HOLIDAYS

11.01 The following statutory holidays will be granted as paid holidays to all employees covered herein during the period 1 April to 31 March:

1. New Year's Day
2. Good Friday
3. Victoria Day
4. Canada Day
5. August Civic Holiday
6. Labour Day
7. Thanksgiving Day
8. Christmas Day
9. Boxing Day
10. Plus, one (1) personal floating holiday to be taken at a mutually convenient date within the Leave year.

11.02 1) Employees for whom the holiday is by roster a normal work day, will be credited at the rate of time and one half (1 1/2) for hours worked in addition to a credit of eight (8) hours in lieu of compensatory time off.

2) Employees who are not rostered on, but who are required to work on a Statutory Holiday, will receive in addition to a credit of time and one half (1 1/2) for hours worked, a credit of eight (8) hours in lieu of compensatory time off.

3) Employees for whom the Statutory Holiday is a normal rostered day off, and who are not required to work, will receive a credit of eight (8) hours in lieu of compensatory time off.

4) Employees who are rostered on but released for the Statutory Holiday, will receive a credit for a normal day.

5) Notice of advice of the day to be observed as a legal holiday will be posted on all Staff Notice Boards, not later than fourteen (14) calendar days prior to the day selected and all staff required to work will be duly notified.

11.03 Specific authorization by the employee's Department/Section Head shall be required for all work performed on the day of observance of one (1) of the above holidays in order that the employee may be eligible for holiday pay.

11.04 Each of the above holidays shall be observed on the day upon which it falls unless otherwise declared by the Government of Canada or the Provincial Government as appropriate.

11.05 An extra day will be added to the employees' paid vacation if such holiday falls within his vacation period.

11.06 Employees shall have the option of taking compensatory time off, at a mutually convenient date, or being remunerated in lieu of such compensatory time off. This provision shall also apply to employees on training courses, temporary courses or on temporary duty away from their base station.

ARTICLE 12 - VACATION WITH PAY

12.01 All employees covered by this Agreement shall be entitled to a paid vacation at their regular rate of pay exclusive of premiums on the following basis:

- 1) The vacation year shall be from 1st April to 31st March.
- 2) Employees who have completed six (6) months continuous service are entitled to one (1) working week's vacation five (5) days and for one (1) years service ten (10) days. Pay in lieu of vacation is not admissible except on termination of employment as defined below.

12.02 Employees who have served six (6) months or more of continuous service are entitled to Annual Vacation on the following basis:

After one (1) calendar month of service	- 1 day
After two (2) calendar months of service	- 2 days
After three (3) calendar months of service	- 3 days
After four (4) calendar months of service	- 4 days
After five (5) calendar months of service	- 4 days
After six (6) calendar months of service	- 5 days
After seven (7) calendar months of service	- 6 days
After eight (8) calendar months of service	- 7 days
After nine (9) calendar months of service	- 8 days
After ten (10) calendar months of service	- 8 days
After eleven (11) calendar months of service	- 9 days
After twelve (12) calendar months of service	- 10 days

12.03 Employees who have completed five (5) calendar years' continuous service with British Airways are entitled, on the anniversary of their date of employment as shown on the records of British Airways, to twelve (12) work days' vacation.

12.04 Employees who have completed 6 (six) calendar years' continuous service with British Airways, are entitled, on the anniversary of their date of employment as shown on the records of British Airways, to fifteen (15) work days' vacation.

12.05 It is understood that should an employee be granted vacation in excess of entitlement and then resign before excess vacation has been earned, British

Airways has the right to recover payment for the unearned vacation from the final pay cheque of the employee.

- 12.06** Annual vacation will be applied for and taken in accordance with British Airways' Staff Regulations; vacation entitlement shall not be diminished during the life of this Agreement.
- 12.07** Initial applications for annual vacation must be submitted in writing by employees to their Section Head by February 1st. All such initial applications must be for periods comprising one (1) or more complete calendar weeks (i.e., Sunday through Saturday). Approval or rejection of such initial application, which will be based on British Airways' seniority within units, will be confirmed by Section Head or his nominated deputy by the 28th February. Any such initial applications made by 1st February and not approved or rejected by 28th February will be deemed to have been approved. Any initial application made and rejected may have a further two (2) weeks to re-submit days and these will be given priority over those who did not submit initial applications. Applications for vacation submitted after February 1st will be considered on a first come, first served basis
- 12.07.01** Cancellation of annual leave will be permitted provided such cancellation is made at least six (6) weeks prior to such date of annual leave and such leave can be re-assigned and approved. The Company shall use its best reasonable efforts in granting such re-assignments at the employee's next most desirable time. The parties agree to co-operate with each other to meet the objectives of this clause.
- 12.07.02** In cases of legitimate sick leave (which must be supported by a doctor's note), cancellation of annual leave will be permitted provided that cancellation is made prior to such date of annual leave, and the leave is capable to being re-assigned. The Company shall use its best reasonable efforts in granting such re-assignments at the employee's next most desirable time. The parties agree to co-operate with each other to meet the objectives of this Clause.
- 12.08** Requests for vacation will be granted on a basis of British Airways' seniority. However, senior employees will not be permitted to take vacation already assigned to a junior employee.
- 12.09** Where a vacation previously approved is cancelled because of British Airways' requirements, such vacation will be re-scheduled to the satisfaction of the employee concerned or, at the discretion of the employee, may be carried forward to the following vacation year, subject to the exigencies of the service. Under normal circumstances vacation will not be cancelled without forty-two (42) calendar days' notice to the employee.
- 12.10** No employee shall have his vacation entitlement reduced because of a temporary lay-off.

ARTICLE 13 - LEAVE OF ABSENCE

- 13.01** British Airways may grant a Leave of Absence, up to ninety (90) calendar days without pay, to an employee for legitimate personal reasons and any person who is absent with written permission shall continue to accumulate seniority, except for pay and vacation purposes, during this absence. It is agreed that British Airways will provide the Chairperson of the Union Committee with a copy of each Leave of Absence authorization of twenty-one (21) or more calendar days.
- 13.02** If such Leave of Absence is extended by British Airways, the employee will continue to accumulate seniority, except for pay and vacation purposes.
- 13.03** Child Care Leave will be available under the terms and conditions set out in the Canada Labour Code. Pregnant employees are entitled to seventeen (17) weeks of unpaid Leave. In addition, natural and adoptive parents are entitled to a further period of unpaid Leave to a maximum of twenty-four (24) weeks. Where both parents are employed in Federal undertakings, the twenty-four (24) weeks may be shared but the employee may be granted Maternity Leave consecutively with a Leave of Absence under 13.01. During such Leave of Absence, the employee shall continue to accrue seniority except for pay and vacation purposes, i.e., the Leave of Absence will not count towards an increment, nor will vacation be earned during this period. However, the Leave of Absence will count as service in determining seniority and towards the years of service necessary to establish the amount of vacation due in a full year. The terms of this paragraph will also apply to cases of legal adoption, except where such adoption is occasioned by the re-marriage of the employee.
- 13.04** An employee accepting gainful employment while on Leave of Absence, except as specifically stated in Paragraph 13.05 Section 3 of this Article, and except as specifically approved in writing by British Airways, automatically terminates employment with British Airways.

ARTICLE 14 - STAFF VACANCIES AND TRANSFERS

- 14.01** Permanent staff vacancies will be posted for seven (7) days at each location. All permanent employees will have the ability to bid. Applications must be submitted in writing via the Section Head to the People Department with a copy to the Union Chairperson. Selection will be based on qualifications and seniority. Should seniority be equal, the location of the vacancy will prevail. Geographical differential applies specifically to the Calgary location.
- 14.01.1** A copy of such Staff Vacancy Notices will be sent to the Union Chairperson. A notice announcing the successful candidate will be posted.
- 14.02** 1) Staff Vacancy Notices for vacancies occurring at locations in Canada other than those covered by this Agreement, which British Airways is unable to fill from the staff already at the location where the vacancy

arises, will be published for a period of seven (7) calendar days. Applications must be submitted in writing to the People Department but it is understood that there shall be no recourse to the Grievance Procedure in connection with the filling of any such vacancy. An employee appointed to fill such a vacancy will be regarded as being transferred at his own request for the purposes of Article 14.03 below.

- 2) Employees may only bid for positions in another classification or in another location when they have completed nine (9) months of service in their present classification. This requirement will be waived for changing employment status within their classification between full-time, reduced work week and part-time. Notwithstanding the above, no external candidate will be hired before internal candidates are given the opportunity to apply.

14.03 Employees may be transferred from time to time to sales offices and stations within Canada. If the transfer is at the employees' request, all moving and transportation costs will be borne by him and if transportation is available over British Airways' routes, it may be provided at the discretion of British Airways. However, if the transfer is at the request of British Airways, moving expenses will be paid for the employee and his family and all allowable items of furniture.

Employees, who are the successful applicants to a Staff Vacancy Notice which involves transfer between base areas, may claim disturbance allowance as designated by Staff Regulations.

14.04 Employee transfers to points outside Canada will not be made except when specifically requested by British Airways.

ARTICLE 15 - TEMPORARY DUTY AWAY FROM BASE

15.01 When an employee regularly employed at one station, is assigned by British Airways to temporary duty away from his base station, such assignments shall be voluntarily accepted by the employee concerned.

15.02 Where transportation, meals and lodgings are not provided by British Airways, expenses will be allowed in accordance with British Airways subsistence rates.

15.03 Employees who travel to the U.K. to attend a course or on a temporary posting will be granted one (1) day compensatory time off, where the return travel is affected on the employee's own time. This day is to be taken the first (1st) rostered day after return. Where an employee arrives in the U.K. on a rostered day off, an additional compensatory day off will be granted, to be taken on a date mutually convenient to the employee and his/her Section Head. Employees who travel within N.A. to attend a course or on a temporary posting will be paid the total scheduled flight time plus one (1) hour each way all at straight time.

ARTICLE 16 - UNIFORMS

- 16.01** Where uniforms, suitable protective outer garments and rain suits are required, the provisions of British Airways' Uniform Regulations shall apply, except that coveralls, when required, will be furnished and laundered by British Airways at no cost to the employee. Subject to U.K. Head Office approval, British Airways will purchase suitable winter coats.
- 16.02** Employees working as Customer Service Agents and Senior Customer Service Agents will be eligible for the twenty-five dollar (\$25.00) allowance.

ARTICLE 17 – TERMINATION OF EMPLOYMENT

- 17.01** An employee whose probationary period is complete and whose services are terminated through no fault of his own including redundancy, will be advised of such termination four (4) weeks in advance, or will be given four (4) weeks' pay in lieu of such notice. This provision shall not be effective for temporary lay-offs not to exceed seven (7) calendar days or for any cessation of work caused by an Act of God, or any cause over which British Airways has no control.
- 17.02** Employees wishing to resign from British Airways shall do so in writing, to British Airways two (2) weeks prior to the effective date of resignation. British Airways shall have the right to have the employee work out the two (2) weeks or give the employee two (2) weeks' pay and accept the resignation on its presentation.
- 17.03** All employees, including probationers, shall be given written reasons for discharge at the time such action is taken. A copy will be provided to the Union.
- 17.04** Should British Airways, during the life of the Agreement, transfer to another organization any function presently performed by an employee covered under the terms of this Agreement which would result in the elimination of his job from the Bargaining Unit, British Airways will discuss with the Union Committee and a representative of the International Union the possibilities of his being offered alternative employment by British Airways or the organisation to which the function has been transferred.
- 17.05** In the event that an employee who has completed one (1) or more year's service is laid off due to a reduction in staff, he/she will be granted severance at the rate of two (2) weeks' pay for each year of service to a maximum of eighteen (18) months.

Severance pay shall not be paid:

1. To an employee who resigns;

2. To an employee who is dismissed for cause;
3. To an employee who does not work out, when required to do so, the period of notice given to him/her under this Agreement; or,
4. To an employee who is temporarily laid-off due to a strike or picketing of premises where British Airways carries on business

ARTICLE 18 - CLASSIFICATIONS

18.01 Classifications covered by this Agreement are as follows:

Customer Service Agent

The duties of a Customer Service Agent shall consist of, but not be limited to:

passenger check-in and baggage acceptance; ticketing; passenger boarding; flight arrivals; turnaround activities; special passenger escort and other customer service activities;

in addition to other tasks necessary to support the day-to-day running of the British Airways airport operation.

18.02 An employee covered by this Agreement may be assigned to perform duties of a higher classification for limited periods where a permanent establishment vacancy exists. Should any total cumulative period exceed fifteen (15) work days in a calendar year British Airways shall either reclassify the employee to the higher classification or return him to the duties of his classification. Should such employee be reclassified on completing fifteen (15) work days of a higher classification, his pay will be adjusted in the higher classification effective the sixteenth (16th) day at the applicable rate of such classification.

In the event that an employee is performing duties in a higher classification on 31st December and continues to perform such duties on consecutive days from 1st January of the following year, then those consecutive days will be added to those already accumulated in the previous year for the purposes of this paragraph.

18.02.1 An employee covered by this Agreement may be assigned to perform duties of a higher classification for temporary periods to cover absences due to vacation, sickness or Leave of Absence. Should such temporary assignments exceed fifteen (15) work days in a calendar year, his pay will be adjusted to the applicable rate for the said higher classification and payment will be made retroactively for the fifteen (15) days already worked. The increase so provided for will be approximately equal to one (1) increment.

18.03 1) An employee covered by this Agreement may be requested to perform non-Bargaining Unit work of a non-supervisory / non-managerial nature. If the job so performed falls within a salary scale higher than the employee's normal salary then his pay will be adjusted to the applicable rate in the higher scale and the rate increase so provided will be approximately equal to one (1) increment, but in any event will not be less than five percent (5%) over his current basic salary rate.

- 2) An employee covered by this Agreement may also be requested to perform non-Bargaining Unit work of a supervisory/managerial nature. Should the total cumulative period of such assignment(s) exceed eight (8) work days in a calendar year, the employee will receive a revised rate of remuneration to be jointly agreed between Management, the employee and the Union Chairperson. Such remuneration will apply to each day he has performed such supervisory/managerial work, and will be based on his current basic daily salary plus a minimum premium of five percent (5%). Employees who accept a temporary assignment will perform all the supervisory duties of the role and have the authority to fulfill the responsibilities associated with the role but will not have to be involved in formal disciplinary actions of any other employee.
- 18.04** At no time shall an employee have his salary reduced because of a temporary assignment to a classification for which the rate of remuneration is lower than that in which he is regularly assigned.
- 18.05** Each employee covered by this Agreement shall be classified under the classification appropriate to the occupation in which he is normally engaged.
- 18.06** When new positions are created that fall within the scope of this Agreement, rates of pay shall conform to rates established by this Agreement where the duties are relatively the same. If no similar classification exists for comparative purposes, British Airways will determine the rate of the new position. If the Union is not in agreement with the rate established, the matter may be handled as a grievance in accordance with Article 7.

ARTICLE 19 - INCREMENTS

- 19.01** Increments within scale shall be implemented on the first pay cheque following that in which the employee has completed the required service. It is dependent upon a favourable Confidential Report indicating that work and conduct have been satisfactory and that the employee concerned has, during the period covered by the Confidential Report, become more valuable to British Airways by virtue of increased experience and skill.
- 19.02** Should the Confidential Report be unfavourable, the reporting official will discuss it with the employee concerned to enable his short-comings to be remedied and a notation of the interview will be made on the Report itself.
- 19.03** In the event of an adverse Report in which the reporting official recommends the withholding of an increment, then the Confidential Report will be shown to the employee concerned, and the Union Chairperson (subject to the employee's agreement). The employee, after perusal, will sign as having seen it.

An employee will be furnished with a copy of any written adverse Report on his personal file which he must sign as having received a copy. If this is not

done (copy) such adverse report shall not become part of his record for use against him at any time.

ARTICLE 20 - GENERAL

- 20.01** It is understood wherever in this Agreement employees are referred to in the male gender, it shall be recognized as referring to both male and female employees.
- 20.02** The Union may post notices of direct concern to employees upon the regular British Airways' Notice Boards. The Union shall have the right to post notices on a computer information page to be designated by the Company, subject to prior Management approval of content, which will not be unreasonably withheld.
- 20.03** No employee shall suffer any reduction in monthly take home pay as a result of making this Agreement effective, and nothing in this Agreement shall be considered as preventing an increase in individual rates over and above the minimum established. In cases where an increase over and above the minimum is considered, notice will be given to the Union Chairperson to provide an opportunity to discuss the matter.
- 20.04** Employees covered by this Agreement shall be granted up to a maximum of three (3) consecutive work days off with pay in the event of death in an employee's immediate family (immediate family shall mean mother, step-mother, father, step-father, brother, sister, spouse [your legal spouse or a person whom you publicly acknowledge as your spouse, with whom you have been living in a permanent manner for over one (1) year], children, step-children, father-in-law and mother-in-law). Additional unpaid Compassionate Leave in the event of death in the employee's immediate family will be considered under Article 13.01. In the event of death of an employee's grandparent, brother-in-law, sister-in-law, step-brother and step-sister, one (1) day off with pay will be accorded to enable the employee to attend the funeral.
- 20.05** Sick Leave entitlement shall be limited to five (5) days at one hundred percent (100%) per year. Unused sick days may be accumulated up to a maximum of forty-five (45).
- 20.06** British Airways will cooperate with the Union on mutual problems concerning the occupational health and safety of employees while at work and will consider all the Union's recommendations in this respect. British Airways will comply with the provisions of the Canada Labour Code in matters of safety and health.
- 20.07** British Airways will delete from employees' personal files, letters dealing with punctuality and attendance two (2) years after date of issue of such letters.

20.08 The Company will provide a Dental and Optical plan as outlined in the Company Policy.

ARTICLE 21 - SHIFT DIFFERENTIAL PAY

21.01 Employees whose duties require them to work a shift schedule which includes afternoon and/or night and/or irregular shifts will be entitled to shift differential pay as follows:

Afternoon Shift . 45¢ per hour
Night Shift . 46¢ per hour
Irregular Shift . 48¢ per hour

21.02 An afternoon shift is defined as a shift starting between 1200 hours and 1959 hours. A night shift is defined as a shift starting between 2000 and 2359 hours. An irregular shift is defined as a shift starting or terminating between 0000 hours and 0559 hours.

21.03 Shift differential pay shall be paid as soon as is reasonably possible after the close of each calendar month.

ARTICLE 22 - STRIKE OR LOCKOUT

22.01 During the life of this Agreement, British Airways shall not cause or engage in any lockout nor shall the Union call or authorize a strike until all the procedures provided for in this Agreement and the Canada Labour Code (Part 1) for the adjustment and settlement of disputes or for the avoidance of interruption of work, shall have been exhausted.

22.02 Any employee, who engages in a strike, sit-down or slow-down or picketing during the term of this Agreement and before the provisions of the Canada Labour Code (Part V) have been exhausted, may be disciplined or discharged at British Airways' option.

ARTICLE 23 - MAINTENANCE OF MEMBERSHIP AND CHECK-OFF OF UNION DUES

23.01 All employees now or hereafter employed in the classifications covered by this Agreement, shall, as a condition of continued employment in such classifications become and remain Members in good standing in accordance with the Constitution and By-Laws of the Union.

23.02 It shall be a condition of employment that all new employees shall become Members of the Union at the expiration of thirty (30) days continuous service and shall thereafter remain Members in good standing as outlined above.

23.03 British Airways agrees to deduct, on the payroll for the last pay period of each month from the salary payable to each Member coming within the scope of this Agreement, an amount equivalent to the monthly Union dues of the Union, subject to the conditions set forth hereunder:

- 1) The amount to be deducted shall be equivalent to the regular dues of the Union and shall not include initiation fees, fines or special assessments. The amount to be deducted shall not be changed during the term of this Agreement excepting to conform with a change in the amount of regular dues of the Union in accordance with its constitutional provisions.
- 2) Membership in the Union shall be available to any employee eligible under the constitution of the Union on payment of the initiation or reinstatement fees uniformly required of all other such applicants by the Union local. Membership shall not be denied for reasons of race, national origin, colour or religion.
- 3) Deductions shall commence on the payroll for the last pay period of the calendar month following completion of thirty (30) calendar days after date of first service in a position covered by this Agreement, but in no case shall deductions commence earlier than the payroll for the last pay period of the calendar month following completion of thirty (30) calendar days after date of first service.
- 4) The amounts of dues so deducted from wages accompanied by a statement of deductions from individuals, shall be remitted by British Airways to the Union, with a copy to the Union Chairperson as may be mutually agreed by the Union and British Airways, not later than twenty-five (25) calendar days following the pay period in which the deductions are made.
- 5) British Airways shall not be responsible financially or otherwise either to the Union or to any Member, for any failure to make deductions or for making improper or inaccurate deductions or remittances. However, in any instance in which an error occurs in the amount of any deduction of dues from an employee's wages, British Airways shall adjust it directly with the Member. In the event of any mistake by British Airways in the amount of its remittance to the Union, British Airways shall adjust the amount in a subsequent remittance. British Airways' liability for any and all amounts deducted pursuant to the provisions of the Article shall terminate at the time it remits the amounts payable to the Union.
- 6) In the event of any action at law against the parties hereto resulting from any deduction or deductions from payrolls made or to be made by British Airways pursuant to this Article of the Agreement, all parties shall cooperate fully in the defence of such action. Each party shall bear its own cost of such defence except that if, at the request of the Union, counsel fees are incurred, these shall be borne by the Union. Save as aforesaid, the Union shall indemnify and save harmless British Airways from any losses, damages, costs, liabilities or expenses suffered or

sustained by it as a result of any such deduction or deductions from payrolls.

ARTICLE 24 - MONTHLY RATES OF PAY

SCALE "D"

Customer Service Agent

CSA – Union	Pay scale (CAD)*
Year 1	12.18
Year 2	13.36
Year 3	14.42
Year 4	15.58
Year 5	16.82
Year 6	18.17
Year 7	18.87
Year 8	18.87

***Non-consolidated geographical differential of \$2.00 per hour applies to YYC only.**

ARTICLE 25 - DURATION OF AGREEMENT

- 25.01** This Agreement is effective from 8th May 2009 and shall continue in full force and effect until 31st August 2011 and shall automatically be renewed from year to year unless one (1) of the parties hereto, within ninety (90) days immediately preceding the date of expiration of the term of the Collective Agreement, notifies the other party in writing of its intention to renew or revise the Collective Agreement.
- 25.02** If notice is given to amend or terminate, as provided in the above paragraph, negotiations shall continue until an agreement has been reached and, during such negotiations, this Agreement shall remain in full force and effect provided however, that if negotiations continue beyond the termination of the Agreement, such negotiations shall continue as mutually agreed upon.

LETTER OF UNDERSTANDING NO. 9

Part-Time Employees

The following proposals concerning the employment of Customer Service Staff are made without prejudice to British Airways' ability to decide upon the most economic method of undertaking the work.

LU.9.01 This Letter of Understanding will supersede LOU.3 in respect to part-time employees (hereinafter referred to P.T. employees).

The Company will employ P.T. employees at Vancouver and Calgary International Airport as a standard means of conducting business.

LU.9.02 The provisions of the current Agreement between British Airways and the IAM & AW, will apply to P.T. employees subject to the following amendments:

(i) Article 6 - Seniority

A separate seniority list of P.T. employees by classification will be posted semi-annually. P.T. seniority will be based on date of hire. P.T. employees will be laid-off according to seniority.

(ii) Article 9 - Hours of Work

The following Hours of Work clause will apply to P.T. employees in lieu of the provisions of Article 9.

Employees will be guaranteed a minimum of sixty (60) hours per month.

(iii) Article 10 - Overtime

The following overtime clause will apply to P.T. employees in lieu of the provisions of 10.01 through 10.10.

Due to the nature of the operation and the percentage of P.T. employees, overtime will be recruited from staff irrespective of part-time or full-time status.

Overtime will be distributed on an equitable basis amongst the employees where the overtime is required. Employees on duty at Airport location will be canvassed before calling others in.

Time Bank provisions will apply to P.T. employees except that Time Bank will be accumulated on the same basis as overtime payment. Employees will be paid monthly for any time worked in excess of the agreed hours. Such overtime will be paid at straight time rates except where work is performed in excess of eight (8) hours in any continuous twenty-four (24) hour period, in which case the P.T. employee will be paid as full-time employees.

(iv) Article 11 - Statutory Holidays

P.T. employees will be paid for Statutory Holidays not worked as set forth in the Agreement on a pro-rata basis for their normal working hours calculated as the same proportion of eight (8) hours that P.T. employees regular scheduled work week is to a forty (40) hour week. In addition, if a P.T. employee works on a Statutory Holiday he will be paid at the rate of one and one-half (1 1/2) times the straight time rate for all hours worked.

(v) Article 12 - Vacation with Pay

The provisions of Articles 12.01 through 12.10 will apply to P.T. employees, at the normal rate of pay based on a twenty-four (24) hour work week.

P.T. employees may elect to have paid days off as vacation or be compensated appropriately, in accordance with the Collective Agreement. Employees will have this choice available effective 2000/2001 vacation year, and every year thereafter. The employee shall be bound by that decision for the following vacation year.

P.T. employees who work in excess of twenty-four (24) hours per week will be paid vacation pay at the rate of two percent (2%) per week of entitlement. Such payment will be made on an annual basis at the end of the vacation year.

No such paid vacation may be taken during the first (6) months of employment.

(vi) Article 13 - Leave of Absence

13.01 P.T. employees may also be granted Leave of Absence without pay, under the terms of Article 13.01 except that they will not accrue seniority for any purposes during the period of their absence.

13.02 The provisions of Article 13.03 will be applicable to female P.T. employees provided they have been continuously employed by British Airways for a minimum of six (6) months.

(vii) Article 14 - Staff Vacancies and Transfers

Applications from P.T. employees engaged in Airport functions will be considered on the same basis as applications from full-time employees from other classifications.

(viii) Article 17 - Termination of Employment

The provisions of Articles 17.03 through 17.05 will not apply to P.T. employees.

(ix) Article 20 - General

- a) 20.05 Applicable to P.T. employees but limited to a maximum of four (4) consecutive hours with pay.
- b) 20.06 Entitlement to sick leave for P.T. employees will be based on accumulated service as defined in LU.9.02 (ii) of this Letter of Understanding (174 hours worked = 1 month = 12 hours entitlement).

(x) Shift Differential Pay

The provisions of Article 21 will not apply to P.T. employees.

(xi) Article 24 - Monthly Rates of Pay

The provisions of Article 24 will not apply to P.T. employees. P.T. employees will be paid at a rate not less than the equivalent hourly minimum not more than the equivalent hourly maximum of the scale for the appropriate classification that is provided for in the current Agreement.

P.T. employees will normally be engaged at the equivalent hourly rate of the first point of the appropriate scale and will progress to the next point, subject to satisfactory service, when they have accumulated the necessary length of service as provided by the appropriate wage scale herein in Article 24.

LU.9.03 P.T. employees are eligible to join the British Airways (Canada) Pension Plan applicable to full-time employees. Contributions for P.T. employees will be calculated on a pro-rata basis of hours worked to normal forty (40) hour week. Hours worked will be defined as hours rostered by the Company plus additional hours worked at straight time rates at the Company's request.

The Company agrees to pay one hundred percent (100%) of medical premiums, with the exception of Long-Term Disability, where this is one hundred percent (100%) paid by the employee, for all P.T. employees.

LU.9.06 Grievances relating to the use of P.T. employees will be initiated at Step 2 of the Grievance Procedure provided under Article 7.

LU.9.07 Salary scales for Airport Employees will be Scale D for Customer Service Agents (C.S.A.).

LETTER OF UNDERSTANDING NO. 12

Reduced Workweek Roster

The Company will have the option to employ a reduced workweek roster during the winter flight schedule period. The reduced workweek roster will be applicable only to full-time employees. The Company will reduce the workweek to four (4) days per week and those employees will be paid for actual hours worked. A normal paid workweek will consist of thirty-two (32) hours.

A roster for reduced workweek employees will be published per the terms of Article 9.03 and a copy furnished to the Chairperson of the Union Committee.

While an employee is on a reduced workweek roster, the Company will continue to pay medical premiums as if the employee was working an unreduced workweek.

Vacation and Sick Leave will continue to accrue and be used as if the employee was working an unreduced workweek.

If the Company decides to offer a reduced workweek roster and sufficient full-time staff do not volunteer to work the reduced workweek for the winter flight schedule period, the Company will have the right to assign up to three (3) full-time employees to the reduced workweek roster for the winter flight schedule period. Those three (3) full-time employees will be assigned according to seniority (i.e., the least senior full-time employees will be assigned to the reduced workweek roster).

Memorandum of Agreement

Between:

British Airways PLC
(hereinafter referred to as the "Company")

And:

International Association of Machinists and Aerospace Workers,
Transportation District 140
(hereinafter referred to as the "Union")

The parties agree that the attached document forms a tentative collective agreement commencing May 8, 2009 and expiring August 31, 2011.

The parties agree that they will recommend acceptance of the tentative agreement to their respective principals.


Upon ratification the Company agrees to pay a signing bonus of one thousand three hundred and fifty dollars (\$1,350.00) to each full-time employee and one thousand dollars (\$1,000.00) to each part-time employee (less statutory deductions).

Signed this 21st day of September 2010.

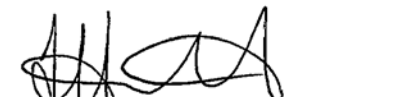
For the Company


For the Union



Stuart Kennedy



Ron Fontaine

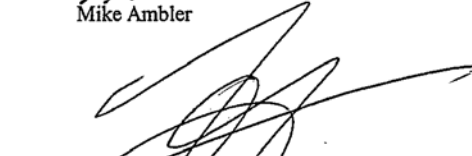

Denise Cerniglia


Todd Haverstock


Gail Visentin


Mike Ambler


Eleanor Hallam


Chun-Yi (Tom) Ng


Prab Mann