

MEMORANDUM OF AGREEMENT

BETWEEN:

UNIFOR

-AND-

AIR CANADA

WHEREAS Aeroplan Canada Inc. ("Aeroplan") is currently owned and operated by Aimia Canada Inc. (Aimia);

WHEREAS Air Canada has announced its intention to launch its own loyalty program in 2020 to replace Aeroplan;

WHEREAS Air Canada is a member of a consortium which has concluded an agreement in principle for the acquisition of Aeroplan from Aimia (the "Acquisition");

WHEREAS Unifor is the certified bargaining agent for Customer Sales and Service Agents employed by Aeroplan and affected to its Contact Centres ("Aeroplan Employees");

WHEREAS Unifor is also the certified bargaining agent for Customer Sales and Service Agents employed by Air Canada and affected to its Contact Centres ("Air Canada Employees");

WHEREAS currently, a customer communication directed to an Air Canada Contact Centre which requires handling by an Aeroplan Employee is transferred to Aeroplan; and similarly, a customer communication directed to an Aeroplan Contact Centre which requires handling by an Air Canada Employee is transferred to Air Canada;

WHEREAS the Parties share an intention to facilitate a seamless and superior customer experience through a "one-stop shop" and avoid the requirement for call transfers between Aeroplan and Air Canada Contact Centres.

WHEREAS Air Canada and Unifor (the "Parties") wish to enter into an agreement which will maximize the benefits of the Acquisition for all stakeholders, including Aeroplan and Air Canada Employees;

NOW THEREFORE the Parties agree as follows:

1. The preamble shall form an integral part of this Agreement.

A. Labour Relations Structure

2. The bargaining unit structure in place today, whereby the Aeroplan and Air Canada Employees form part of separate bargaining units, will remain in place.
3. Neither Party will take any action (including by way of single employer declaration or bargaining unit review) to change the current bargaining unit structure without the consent of the other until at least January 1, 2026.

B. Call Handling

4. Air Canada may designate one common number for customers to use when calling the Air Canada or Aeroplan Contact Centers with calls being routed to the Contact Center currently responsible for the transaction option selected by the customer (a customer communication which requires handling by an Aeroplan Employee will be routed to Aeroplan and a customer communication which requires handling by an Air Canada Employee will be routed to Air Canada).
5. Notwithstanding para. 4 above, as of the signing of this Memorandum, any communication from a customer, regardless of medium, may be handled by either Air Canada Employees or Aeroplan Employees in order to avoid the requirement for a call transfer between the Aeroplan and Air Canada Contact Centres following the initial call routing, so long that the employee has the technological tools to handle the customer's transaction.
6. Both Aeroplan and Air Canada Employees will have access to as many of the technological tools available in each other's call centres as possible so as maximize the opportunities for better customer service without undermining the core services each provide.

C. Conditions

7. So long as Unifor respects its obligations, above, Air Canada commits to maintain an Aeroplan Contact Centre in the city of Vancouver and the city of Montreal until at least January 1, 2026.
8. Both parties agree to this Memorandum on the basis it is without prejudice and precedent to any other matter between the parties, including but not limited to disputes about the scope of Unifor's bargaining unit of Air Canada employees or of the scope of its bargaining unit of Aeroplan employees.

D. Term

9. This Memorandum will expire on January 1, 2026 or, in the event the Acquisition is not completed, this Memorandum will immediately terminate and be of no further force or effect.

Signed this ^{5th} day of November 2018 in Toronto, ON

A handwritten signature in black ink, appearing to read "M. Abbott", written over a horizontal line.

Michael Abbott
Managing Director, Labour Relations
Air Canada

A handwritten signature in black ink, appearing to read "Leslie Dias", written over a horizontal line.

Leslie Dias
National Staff Representative
Unifor