

**MEMORANDUM OF FINAL SETTLEMENT**

**Negotiations Between**

**Bombardier**

**(Hereinafter also referred to as “the Company”)**

**-and-**

**UNIFOR**

**Local 112**

**(Hereinafter also referred to as “the Union”)**

The changes contained herein are for the agreement currently in force but dated to expire on June 23, 2021. Upon notice from the Union to the Company that these contractual changes have been ratified by the Union Membership, such changes shall become effective on the dates noted herein, and the Labour Agreement shall continue in full force until such new termination date.

Signed this 30<sup>th</sup> day of July, 2021.

FOR THE COMPANY

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FOR THE UNION

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1:15AM July 30, 2021

**MEMORANDUM OF AGREEMENT**

**Negotiations Between**

**Bombardier**

**(Hereinafter also referred to as “the Company”)**

**-and-**

**UNIFOR**

**LOCAL 112**

**(Hereinafter also referred to as “the Union”)**

|   | 2021-2022  | 2022-2023    | 2023-2024   |
|---|--|--------------|-------------|
| Salary Increase – All Employees         | 0.5% + COLA  | 0.75% + COLA | 1.0% + COLA |
| COLA                                    | Fold-in as per current formula   |              |             |
| Pension                                 | \$80 to \$86   | -            | -           |
| Pension – Skilled Trades                | \$87 to \$94   | -            | -           |
| Skilled Trades Premium - Over and Above | \$0.35/hr  | No change    | No change   |
| Retiree Lump Sum                        | In year 1, \$400 lump sum per entitled member<br>In lieu of pension indexation** |              |             |
| Retiree Life Insurance – Increase       | Increase from \$4,000 to \$5,000, effective date of ratification                 |              |             |
| Duration of Agreement                   | 3 Years  |              |             |

\*\* All retirements thereafter are subject to a pro-rated lump sum payment for the life of this collective agreement:

- Employees who retire between January 1, 2022 to December 31, 2022 will receive a lump sum of \$300
- Employees who retire between January 1, 2023 – end of collective agreement will receive a lump sum of \$200

**PENSION/BENEFITS CHANGES:**

- **Merge of 673 and 112 Toronto pension plans, no later than December 31, 2021**

The Company and the Union agree to merge the following pension plans : *Bombardier Inc. Unifor Local 112 Non-Contributory Pension Plan, Bombardier Inc. Unifor Local 673 Non-Contributory Pension Plan.*

For more clarity, a full asset transfer will be performed from *Bombardier Inc. Unifor Local 673 Non-Contributory Pension Plan* to the *Bombardier Inc. Unifor Local 112 Non-Contributory Pension Plan* as permitted under the Pension Benefit Act (Ontario) and its Regulations. The Company will select a merger date that must meet the following criteria:

1. The merger should not cause any adverse financial consequences to the Company
2. The merger should not impact any of the benefits provided to the members
3. The merger date should provide sufficient time to meet all pre-merger regulatory requirements

The merger may be postponed until a merger date meets all the above criteria.

The parties agree that the plan text of the merged plans will be amended and consolidated in the *Bombardier Inc. Unifor Local 112 Non-Contributory Pension Plan* plan text.

- Convert the Survivor Income Benefit by an increase to the Basic Life Insurance benefit from **\$85,000 to \$95,000** and to AD&D benefit from to **\$37,500 to \$42,500.**
- Implement mandatory use of Green Shield Canada Preferred Pharmacy network.
- Limit the number of dispensing fees to 5 per year for maintenance drugs. Dispensing fees over this limit will be assumed by the employees. (implementation is 90 days post ratification)
- Company agrees to re-conduct the one-year lag in the dental fee guide
- Short-Term Disability Benefit:
  - reduce the waiting period from 4 to 2 days for disability due to illness
  - increase current benefits by \$30 from \$775/\$805 to \$800/\$830 depending on employee class

July 29, 2021

#### ARTICLE 2 – SCOPE

2.01 The Company recognizes that the Union is the sole and exclusive collective bargaining agency for all its employees **located within a (200) two hundred kilometer radius of Downsview/Pearson** ~~in Metropolitan Toronto~~, Ontario and those employees who are engaged on work parties outside Metropolitan Toronto, save and except Office Staff, Supervisors, those above the rank of Supervisors, the Health Centre Staff, Security Staff and Service Engineers.

July 29, 2021

#### # 17. WORK COMMITMENT

During negotiations leading to the renewal of the 2006 collective agreement, the parties discussed the future work opportunities at the Downsview plant. This will confirm the understanding reached that the Company will maintain the following work at the Downsview/**Pearson** facility for the life of the ~~2018 – 2021~~ **2021-2024** collective agreement.

- Global Express, 5000, and 7500 (final assembly, **(7500 flight controls and preparation and options)**), production flight test, obtaining certificate of air worthiness, delivery of aircraft at Toronto site);

- ~~Q400 (wing and cockpit production, final assembly, painting\*, finishing, production flight test, obtaining certificate of air worthiness, delivery of aircraft at Toronto site);~~
- ~~Dash 8 – 100/200/300 (wing, cockpit, fuselage and nacelle assembly, final assembly, painting\*, finishing, production flight test, obtaining certificate of air worthiness, delivery of aircraft at Toronto site);~~
- Methods, Quality, Tooling and Material Logistics functions related to the above work;
- ~~Derivatives of the Dash 8 (final assembly).~~

\* ~~Painting commitment is subject to customer specifications, machinery breakdown and overflow capacity needs.~~

The above work will be done exclusively by Bombardier Toronto site employees, subject to the collective agreement provisions relating to scope of work, performance of bargaining unit work restrictions, new technology and supplier/partner. The work above will not be transferred to another facility, dual sourced, or otherwise in sourced.

The above commitments are subject to there being a market demand for the products and are subject to new technologies and efficiency gains.

Further, if the Company determines that some of the above work at the Downsview/Pearson facility should be moved to another facility, the Company may do so provided it replaces the work lost with jobs of a comparable number and type on one or more work packages not then at the Toronto Site. **Before any changes are implemented, the Company will engage the Union in a consultation regarding the work that is being moved, the incoming work which will replace the outgoing work, and the number of jobs associated to the changes. The parties must mutually agree that the condition of comparable work has been met before any changes are initiated. If the parties are unable to come to a mutual agreement by the conclusion of 30 days from the date in which the Company initiated discussions on the potential exchange of work, the matter is to be referred to the first available arbitrator from the agreed upon list of arbitrators in Article 11 – Arbitration. The matter shall be heard within the 90-day period from when the Company first provided notice to the Union of its intent to engage in discussions on the exchange of work under this LoU.**

**If the parties are unable to schedule an arbitration hearing within this 90 day period, the parties shall meet to discuss how the matter will be handled while awaiting an arbitration date.**

Additionally, it is recognized that there may be specific customer sales agreements or contracts with Foreign Governments or Military Agencies which require, as a condition of the Company securing the work, that a portion of the aircraft work mentioned above be performed at a site, other than the Downsview/Pearson facility, designated by the customer. In such event, the Company will be able to meet this requirement without replacing the work provided there is no negative impact on jobs then existing at the Downsview facility.

The Company will provide ninety (90) days' notice to the Union to permit meaningful discussions to take place on either the exchange of work or the customer sales agreements referred to in the two paragraphs above.

**Letter of Agreement**

**Between**

**Unifor and its Local 112  
(hereinafter collectively referred as the “Union”)**

**And**

**Bombardier Inc.  
(hereinafter referred as “Bombardier”)**

**And**

**DeHavilland Aircraft of Canada Limited  
(hereinafter referred as “Dehavilland” or “DH”)**

**(Hereinafter collectively referred as the “Parties”)**

**WHEREAS** the Parties (or their predecessors) entered into an agreement (the “Transition Agreement”) dated May 22, 2019 involving the transfer of certain employees from Bombardier to DeHavilland on June 1, 2019;

**AND WHEREAS** the Transition Agreement provided, in paragraph 7, commitments to defined group of DeHavilland employees who had been transferred from Bombardier and whereas the only remaining employees’ rights are those extended to the those on the “Nominal Junior List” as defined in the Transition Agreement and as listed on the attached Schedule A;

**AND WHEREAS** DeHavilland has ceased manufacturing operations at its Downsview facility but has not confirmed a transfer of operations nor transferred operations as defined under the Transition Agreement;

**AND WHEREAS** the Parties wish to clarify the administration and application of the Bombardier Blended Recall List provided by the Transition Agreement as part of the renewal of their collective bargaining agreement;

**THEREFORE**, the Parties now agree as follows:

1. The preamble forms an integral part hereof.

2. It is agreed that the DH employees on the above-mentioned "Nominal Junior List" and listed on the attached Schedule A ("Eligible DH Employees") who have been or are on a layoff from DH exceeding thirteen consecutive (13) weeks may exercise their right to be placed on a Bombardier Blended Recall List.
3. It is understood by the Parties that the Bombardier Blended Recall List means a list formed at such time there is a recall at Bombardier that constitutes a combination of both seniority lists of laid off Bombardier employees and Eligible DH Employees (the "Bombardier Blended Recall List"). Placement on the Bombardier Blended Recall List is not a guarantee of future employment.
4. At such time there is a recall at Bombardier, the most senior employee on the Bombardier Blended Recall List with vested rights in the classification will be recalled and, if an Eligible DH Employee, such Eligible DH Employee will be given the following election, which is provided on a one time basis only. Once a decision is provided by the Eligible DH Employee in accordance with this provision, the Eligible DH Employee shall have no right to change his or her mind or defer in any manner:
  - a. Accept immediate recall at Bombardier; or
  - b. Refuse or ignore the offer to be recalled at Bombardier and remain on the DH seniority list.
5. Until an Eligible DH Employee makes the election to be effectively recalled at Bombardier under Paragraph 4a) above, the Eligible DH Employee will not forego his or her rights under the applicable collective bargaining agreement with DeHavilland including any right of recall or to receive severance (the "Collective Agreement Rights"). However, should an Eligible DH employee, at any time, accept severance from DeHavilland, retire, resign or his or her employment be terminated for any reason, such Eligible DH Employee will be automatically and immediately removed from the Bombardier Blended Recall List and will forego any right of recall at Bombardier.
6. If an Eligible DH Employee makes the election under Paragraph 4a) above, it is agreed and understood by the Parties that the Eligible DH Employee will then forego all claims by virtue of any Collective Agreement Rights against DH, including any claims to severance as the Eligible DH Employee will become an active employee of Bombardier. Once an Eligible DH Employee has been recalled and confirmed their election to become an active employee of Bombardier, they will be placed on the Bombardier seniority list for all future purposes as if there had been no break in seniority. For clarity, and as it

applies to this agreement specifically, it is only if and when recalled to active work at Bombardier that an Eligible DH Employee will become an employee of Bombardier.

7. If an Eligible DH Employee laid off from DeHavilland for less than thirteen (13) consecutive weeks is recalled at DeHavilland, such Eligible DH Employee will not be eligible to exercise the right to be placed on the Bombardier Blended Recall List as provided by paragraph 2 above. However, such Eligible DH Employee will be eligible to be placed on the Bombardier Blended Recall List if subsequently laid off for a period exceeding thirteen (13) consecutive weeks.
8. It is understood between the Parties that Eligible DH Employees cannot exercise a right of recall at Bombardier if Bombardier recalls employees following layoffs of a period not exceeding thirteen (13) consecutive weeks.
9. The Bombardier Blended Recall List will cease to exist upon the resumption of DH's manufacturing operations within the scope defined in Section 2 of the collective bargaining agreement between the Union and Dehavilland and any and all Eligible DH Employee will have no right of recall at Bombardier under this agreement or otherwise whether on the Bombardier Blended Recall List or not.
10. This agreement will be appended to, and will form part of both the Bombardier and DeHavilland renewed collective bargaining agreements. The dispute settlement procedure provided in the Transition Agreement shall apply to any disputes arising in relations to or connection with this agreement.