

WHAT IS THE ALTERNATING WORK-RETIREMENT PROGRAM?

It is an accommodation that allows an air crew member to work at a slower pace and consists of alternating scheduled months of air crew employment with scheduled unpaid months off work. Employers set up this program under an alternating work-retirement agreement.

For a member to accrue periods off work taken through the alternating work-retirement program, CRPN will check that their employer has set up an agreement. For the member to enter partial retirement and draw a pension under the alternating work-retirement program, the agreement is required to include certain provisions.

What does the air crew member gain when it comes to their CRPN entitlements ?

Air crew members under the age of 50 who participate in the alternating work-retirement program under an employer agreement that includes the provisions required by CRPN can apply for their scheduled periods off work to be credited to their career, either free of charge or through the buyback program. By lengthening their career, they come under more favorable pension eligibility and/or calculation rules.

Beginning at age 50, air crew members who become eligible to claim a CRPN pension can apply to claim a portion of their entitlements and draw their CRPN pension during their scheduled months off work, while continuing to accrue entitlements under the CRPN scheme through the contributions paid on the basis of their salaried employment.

What does the employer stand to gain?

Benefits to the employer of the alternating work-retirement program include the ability:

- ◆ To better organize their air crew staffing needs,
- ◆ To adapt workload to meet demands,
- ◆ To continue to use qualified air crew staff while allowing them to prepare to enter full retirement.

All employers can set up an alternating work-retirement program. There is no headcount requirement.

CRPN's obligations

- ◆ To check that the employer has set up a company agreement allowing for an alternating work-retirement program which incorporates the provisions set forth by CRPN's Board of directors (please refer to [Appendix 1](#), for CRPN Board of directors' decision No. 2017-79 modified by decision No 2023-09).

The employer's obligations

- ◆ To submit the alternating work-retirement agreement to CRPN, which will confirm receipt;

and, for air crew members over age 50 applying to claim a portion of their entitlements through the alternating work-retirement program:

- ◆ To provide CRPN on a yearly basis with a schedule of participating members' full calendar months on and off work over a 12-month period beginning on January 1st (scheduling calendar available at the following [link](#)). This is used:
- ◆ Not to change the schedule once it has been submitted, except in cases of "force majeure" events and other circumstances listed in the company agreements. At the latest, CRPN must be notified of any changes within the month prior to that change.

Obligations for air crew members applying to draw a pension through the alternating work-retirement program

- ◆ To check that they are eligible to claim and draw a pension,
- ◆ To check that their employer has set up an alternating work-retirement agreement and provides CRPN with their yearly schedule of months on and off work,
- ◆ To submit a written application to claim a portion of their pension entitlements through the alternating work-retirement program.

As for any retirement pension claim, members are advised to submit their application to claim a CRPN pension within the 3-month period prior to the effective date they have chosen for their pension. CRPN must receive the member's application **by the month prior to their 1st month off work with a pension.**

Decision No. 2017-79 modified by decision 2023-09 from CRPN's Board of directors
With regard to partial claims for entitlements through the alternating work-retirement program

By a majority vote of board members either in attendance or represented, the Board of directors hereby replaces decision No. 2012-24 with the following decision, effective January 1st, 2019:

The Board of Directors:

1. Hereby authorizes CRPN to institute a simplified procedure for filing and processing retirement pension applications. This procedure consists:

- ◆ Of submitting a pension application containing:
 - ◇ a certificate of termination of employment and compensation,
 - ◇ the amendment to the member's employment contract which covers their participation in the alternating work-retirement program,
 - ◇ an employer-produced schedule of months off work (for the full-month basis), or days off work (for the partial-month basis) for which the member is applying to claim a CRPN retirement pension. Any changes must be submitted by the employer and can only apply to periods of one or more full calendar months (in the cases listed below), or take account of an amendment to the employment contract which terminates the member's participation in the alternating work-retirement program, whether on the full-month or the partial-month basis, for the current year;
- ◆ Of submitting an employer-produced year-long schedule of months (full-month basis) or monthly numbers of days (partial-month basis) off work for members liable to draw a pension through the alternating work-retirement program;
- ◆ Of submitting an employer-produced copy of the company agreement and its amendments with regard to the alternating work-retirement program;
- ◆ Of submitting an employer-produced schedule of months or monthly numbers of days off work for the following year, by December 15th of each year.

2. Hereby calls on CRPN to check that the company agreement setting up an alternating work-retirement and its amendments incorporate the provisions set forth below:

- ◆ The full-month basis must alternate periods of work with unpaid periods off work over the course of a calendar year. The percentages of time on and off work will be set by the employer based on company needs and stipulated in an amendment to the employment contract. The partial-month basis must consist of 6 to 15 days off work per month (the number of days off work must be the same each month for the entire year);
- ◆ No change to the scheduling of monthly off days defined for the year can take place solely because of the employer or the air crew member, except in cases of force majeure or cases listed in the company agreements. No change to your work pattern is possible during the calendar year, except for a return to full-time employment;

- ◆ Members participating in the alternating work-retirement program agree not to engage in any paid professional air crew employment during their scheduled periods off work;
 - ◆ Qualifying members' schedules of months or monthly numbers of days off work must be submitted to CRPN in standard report format, sorted by air crew member category, by December 15 of the year prior to eligibility.
- 3.** Hereby sets forth that notional entitlements will be reassessed on a yearly basis, once the employer-submitted yearly payroll reports for the member's year of air crew employment have been taken into account (members to which this applies will be able to view their new notional entitlements after reassessment), and further sets forth that periods of employment accrued after the effective date for the member's partial pension under the alternating work-retirement program will count toward the calculation of the member's pension on the effective date for their full retirement.
- In addition, on January 1st of each year, entitlements claimed under the alternating work-retirement program will be uprated according to the "IVP" (pension variation index), while entitlements not claimed through the alternating work-retirement program will be reassessed according to the current "IVSC" (Corrected wage variation index).
- 4.** Hereby confirms that, in the event of any violation of procedure, CRPN will not pay benefits to the air crew member and will suspend payment of benefits under the alternating work-retirement program.