

LIALPA Memo # 8, April 21st, 2020

To: All Members

From: The President

Subject: Update on the Redundancy of Pilot Work Force in LIAT (1974) Ltd.

Dear Members,

Pension Escrow Account

We have received numerous requests from members to take their contributions out of the Pension Escrow Account held at RBC in Antigua.

The bank has offered an electronic platform service which companies use to pay their payroll, we have signed up for service, but the bank is carrying out their tests to make sure it works. This service does not work for banks outside OCES currency network and pilots who have asked for their funds to be transferred to Barbadian banks will have them wired separately. Please bear with us as we anticipate starting these processes tomorrow. The contributions for February have deposited into the escrow account but were not reflected in the bank statements given to the auditor, we shall pay the balances for February along with the March contributions when deposited.

Pilots who remained employed with the Company under normal conditions would not have had access to this money because it would have been held in escrow pending the start of a pension plan. Due to the present circumstances, the number of pilots remaining, pilots who are set to retire within a year's time and the uncertainty in various markets where our proposed pension funds would have been partly invested, there is no doubt that serious thought needs to be given to housing your funds separately and or moving the escrow into an interest bearing account/investment temporary.

The Association will be producing the draft trust deed and pension rules for perusal so when the confidence is restored and adequate numbers of pilots are reemployed, the funds left in the escrow account/investment will be placed in the pension plan once approved by the membership.

Further Reduction in the Pilot Work Force

There has been a further reduction in the number of pilots in the Company, however this has caused a tremendous dispute between the Company and Association over seniority. This issue has nothing to do with personality but simply to do with seniority. The question must be, does a person have the seniority to maintain their job despite their management position. The Company is using the language in their correspondence dated 31 March trying to muddy the water with idea that qualifications/skillsets must be considered when retrenching pilots along with seniority. This is in total contravention of seniority system and Section XV of the Collective Agreement and

sets a very dangerous precedent if allowed to stand. Having identified the problem, there must be a solution to it and will require the remaining employed pilots to make a stand with the support of us who have been terminated.

Pay Cut

There is a correspondence being circulated by the Company communicating that a pay cut is being sought. The Association up to this day has not been given the requested information to better understand the cost of the operation and the measures employed to reduce it. Furthermore, no information has been given on the target budget, therefore without communication, consultation and agreement, no pilot is to accept a pay cut and if you do so, it will be at your own financial peril. How long will be the pay cut for? Will you get back the money you gave up? Can we get more pilots reemployed with the proposed pay cuts? Serious questions with no answers in sight. DO NOT ACCEPT A PAY CUT.

Salaries

The Company has informed the Association that our salary (base wage and minimum guarantee along with XCD allowances) are up to date. If you fly for more than 55 hours and or fly on a bank holiday, the money earned for this will be paid in the subsequent pay package. The US allowance also is paid a month later. The salary earned for the six days of the March-April period will be prorated and paid tomorrow. The Association does not accept this answer and will continue to investigate.

IFALPA

There will be a meeting via the web for member Associations in CAR/NAM/SAM with new executive vice president tomorrow afternoon. Anne-Marie, Alvin and I will participate where an update will be given on LIALPA's situation.

By now that the reality of being unemployed has surely sunk in and the present situation daunting but all of us must stick together, must communicate with each other, and must support each other. It is important that we continue to read our manuals, continue to educate ourselves, we must keep ourselves mentally and physically fit in anticipation of reemployment with LIAT (1974) Ltd or another airline.

Brothers and sisters stay safe, stay strong

Best Regards from the LIALPA Executive