

**COLLECTIVE BARGAINING
AGREEMENT**

between

SPIRIT AIRLINES, INC.

and

THE AIR LINE PILOTS

in the service of

SPIRIT AIRLINES, INC.

as represented by

**THE AIR LINE PILOTS ASSOCIATION
INTERNATIONAL**

Effective January 31, 2003
Amendable January 31, 2007

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Section 1

Recognition and Job Security

A. Recognition

1. In accordance with certification number R-6475 (dated October 29, 1996) made by the National Mediation Board, Spirit Airlines, Inc. (the "Company") hereby recognizes the Air Line Pilots Association, International (the "Association" as the duly designated and authorized representative of the pilots in the employ of the Company for the purpose of the Railway Labor Act as amended.
2. This Collective Bargaining Agreement and any formal Letters of Agreement between the Company and the Association may be referred to as the "Agreement."

B. Scope

1. Except as otherwise provided in this Agreement, all flying on the Company's aircraft (whether leased to or owned by the Company) or under the Company's operational control, including wet leases (aircraft and crew), and contracting for other carriers or entities (government, military or commercial), but not dry leases (aircraft but no crew) to other carriers or entities, shall be performed by pilots on the Spirit Airline Pilots Seniority List.
2. Notwithstanding Section 1.B.1. above, the Company may assign or contract out revenue flying for a period not in excess of ninety (90) days per occurrence if (a) such conduct is necessary to accomplish the needs of the service of the Company, and (b) the Company does not have sufficient aircraft or pilots to perform the revenue flying assigned or contracted out, and (c) no Company pilot is furloughed as a result of such contracting out of revenue flying. The Company shall provide notice to the Association prior to entering any agreement to assign or contract out revenue flying.
3. Nothing in this Section shall preclude the Company from entering into a code-share agreement, a marketing agreement, an interline agreement, or a pro-rate or block space agreement, so long as such agreements do not result in the furlough of any of the Company's pilots.
4. The Company shall not create or acquire an "alter ego" to avoid the terms and conditions of the Agreement.

C. Successorship

The provisions of this Agreement shall be binding upon any successor or merged company or companies unless or until changed in accordance with the provisions of the Railway Labor Act, as amended. In the event the Company enters into an agreement that could lead to a successorship transaction, the Company shall notify the Association, in writing, of the agreement within three (3) days after the execution of such agreement. The Company will provide the Association with a copy of the agreement within ten (10) business days after the execution of the transaction, upon the Association's execution of a confidentiality agreement(s) if requested by the Company.

D. Merger Protection

1. In the event of any merger of the Company with another airline, acquisition of the Company by another airline, or acquisition by the Company of another airline, which affects the seniority rights of pilots on the Spirit Airlines Pilots' Seniority List, the parties will make their best efforts to integrate the seniority lists in a fair and equitable manner including, where applicable, agreement through collective bargaining between the carriers and the representatives of the pilot groups affected. In the event of failure to agree, the dispute shall be resolved in accordance with Sections 2, 3, and 13 of the Allegheny-Mohawk Labor Protection Provisions, except that the integration of the seniority lists of the respective pilot groups shall be governed by the Association Merger Policy if both pre-transaction pilot groups are represented by the Association.
2. Upon the announcement of any transaction which is intended to result in the consolidation of the Company with another air carrier, the parties will meet promptly to negotiate an appropriate fence agreement and to implement a seniority integration process as described in Section 1.D.1 above. These discussions shall not be a prerequisite for closing or completing a transaction under this Section.

E. Retained Management Rights

1. Except as restricted by the express terms of this Agreement, the Company shall retain all rights to manage and operate its business and work force, including but not limited to the right to sell or discontinue all or part of the business; to sell or lease aircraft or facilities; to determine where and when to operate scheduled or unscheduled service; to determine its marketing methods and strategies, and to enter into code sharing, affiliation or marketing agreements with other carriers; to invest in other business entities including, but not limited to, other air carriers; and to determine the type of aircraft it will use.
2. The exercise of any right reserved herein to management in a particular manner or the non-exercise of such right shall not operate as a waiver of the Company's rights or otherwise preclude the Company from exercising the right in a different manner. Any past practices established prior to the date of this Agreement shall not create any obligations to continue following the effective date of this Agreement.

F. Remedies

Any and all disputes concerning alleged violation of this Section 1 shall be resolved by final and binding arbitration. The Company specifically agrees to arbitrate any grievance filed by the Association alleging violation of this Section 1 on an expedited basis directly before the System Board of Adjustment sitting with a neutral member, as the arbitration forum. The dispute shall be heard expeditiously no later than twenty (20) days following the submission to the System Board and decided expeditiously no later than forty (40) days after submission, unless the parties agree otherwise in writing. The parties agree to abide by any arbitration award which is issued.

Section 2 Definitions

The following terms as used in this Agreement shall be construed as follows:

- A. "Bid Period" means month, unless otherwise agreed.
- B. "Block-to-Block" means that period of time beginning when an aircraft first moves under its own power or under tow from the ramp blocks for the purpose of flight and ending when the aircraft comes to a stop at the ramp at the next intermediate stop or final destination or point of departure, as the case may be.
- C. "Captain" means a pilot who is in command of the aircraft and has authority over all crew members for the purpose of operating the aircraft while under way, who is responsible for the manipulation of or who manipulates the flight controls of an aircraft while under way, including takeoff and landing of such aircraft, and who is properly qualified to serve as and holds a currently effective airman's certificate authorizing him to serve as such.
- D. "Captain Qualified First Officer" means a pilot holding a first officer bid who is qualified to fly as Captain pursuant to Section 24.
- E. "Chief Pilot" means base chief pilot or system chief pilot.
- F. "Category" means a pilot's status in an aircraft-type (e.g., captain MD-80, first officer MD-80).
- G. "Check-In Time" means the time that a pilot is required to report for duty.
 - 1. At the pilot's domicile, this time will be scheduled one (1) hour prior to scheduled flight departure if the aircraft is at the gate, and one hour and 15 minutes (1:15), if repositioning is required. A pilot may check-in via Sabre, CrewVoice, or by calling crew scheduling.
 - 2. At a layover station, this time will normally be scheduled forty-five (45) minutes prior to scheduled flight departure. Pilots should report at the intended gate of departure. The Company shall ensure personnel are available if jetway access is required.
 - 3. Check-in for aircraft taxiing or repositioning shall be at the aircraft. The Company will provide notice of repositioning or taxiing in the bid package; in case of short-notice repositioning, adequate advance notice will be given.
- H. "Check-Out Time" or "Release Time" means the time that a pilot is released from duty for a rest break. This check out time will be thirty minutes (:30) following the block arrival of a flight. If a pilot is required to reposition an aircraft or perform other duties, check-out time will be thirty minutes (:30) from the time duties are complete.
- I. "Daily Open Time" means the open time remaining after the processing of initial open time pursuant to Section 25.F plus all additional open time pursuant to Section 25.G which becomes available throughout the bid period.

- J. "Date of Hire" means the day a pilot enters training with the Company for the duties of a pilot.
- K. "Day" means a period of time from the hours of 0001 to 2400 based upon the local time of a pilot's domicile.
- L. "Day Off" means days designated on a pilot's final schedule as days free from duty with the Company at the pilot's domicile.
- M. "Deadheading" means the transport by air or surface vehicle of a pilot from one point to another, pursuant to Company orders, for the purpose of performing any duty or training under this Agreement after arrival at the destination point, or for the purpose of returning after having performed such duty or training.
- N. "Displaced Pilot" means a pilot who does not have sufficient seniority to hold his present permanent position.
- O. "Domicile" means the geographic location where pilots are based for flight duty purposes.
- P. "Duty Hours," "Duty Period," "Duty Time" or "On-Duty Period" means all the time elapsed between Check-In Time and Check Out Time. It shall include, but is not limited to, deadheading, flight training, and simulator training.
- Q. "First Officer" means a pilot who is second-in-command and any part of whose duty is to assist or relieve the Captain in the manipulation of the controls of an aircraft, who is properly qualified and designated by the Company to serve as and who holds a current airman's certificate authorizing him to serve as such pilot.
- R. "Ferry Flight" means flight for the purpose of positioning an aircraft for maintenance or other purposes.
- S. "Final Schedule" means a pilot's schedule for the month which is prepared and distributed pursuant to Section 25.E.
- T. "Flight" or "Leg" means the movement of an aircraft for the purpose of flying from a given block departure to its next block arrival.
- U. "Flight Pay" means scheduled block time or actual block time, whichever is greater, on a duty-period by duty-period basis, calculated in hours and minutes.
- V. "Initial Open Time" means all the open time pursuant to Section 25.F for the bid period which is available upon the completion of the final schedule for that bid period.
- W. "International Flying" means all flying and deadheading outside the contiguous forty-eight (48) states of the United States from the last point of departure at which the crew flying the trip outside the contiguous forty-eight (48) states of the United States goes aboard the airplane, except that "international flying" shall not include Alaska, Canada, Mexico, and the Caribbean but for the Antilles.
- X. "Layover" means the period of time during which a pilot is relieved from duty while away from his domicile for the purpose of rest.

- Y. "Line" or "Line of Flying" means a pilot's awarded or assigned regular, relief, or reserve schedule for a month.
- Z. "Line Pilot" means a pilot who bids for and is awarded or assigned a regular, relief, or reserve line for a month.
- AA. "Longevity" means that period of time commencing on a pilot's date of hire and continuing while in the active service of the Company except as otherwise provided for in this Agreement.
- BB. "Management Pilot" means those pilots designated by the Company to manage and administer Company policy with respect to flight operations and will be limited to the Vice President of Flight Operation, Director of Operations, Director of Training and the Chief Pilot(s).
- CC. "Month" means the period from the first day of, to and including the last day of each calendar month of the year except that, for pilot scheduling purposes, January, February and March will each be considered a thirty (30) day month through the addition of January 31st and March 1st to the month of February. Leap Year will make February a thirty-one (31) day month.
- DD. "Non-Revenue Flying" means all flying which does not produce passenger or cargo revenue (i.e., maintenance, ferry, proving, delivery flights, publicity, promotional, etc.).
- EE. "Open Time" means all flying not awarded to a specific pilot and which shall be identified in the initial or daily open time list.
- FF. "Pilot" means Captain and First Officer as defined herein, including when acting as a training pilot, and shall include only pilots on the Spirit Airlines, Inc. Pilots' Seniority List, except as provided in Section 11.F.8.
- GG. "Position" means a pilot's category at a specific domicile.
- HH. "Probation Period" means a pilot's first twelve (12) months of active service from date of hire as a pilot with the Company (exclusive of time spent on furlough, or leave of absence).
- II. "Regular Line" means a monthly schedule posted by the Company with planned sequences of trips and intervening days off.
- JJ. "Regular Pilot" means a captain or first officer who is awarded or assigned a regular line.
- KK. "Relief Line" means a monthly schedule built and awarded after the initial bids are awarded and posted with the final schedule. A relief line shall include planned days off, any flight or training assignment, and reserve days.
- LL. "Relief Pilot" means a captain or first officer who is awarded or assigned a relief line.
- MM. "Removed" means removal whether before or after departure from the pilot's base.
- NN. "Rescheduled Pilot" means a regular or relief line holder pilot who, after the publication of the Final Schedule, is removed from a trip (final schedule/daily open

time trip/assigned trip) or portion thereof for any reason, has flying added to his trip hour period for any reason or has his trip changed by a combination thereof. A pilot does not qualify as rescheduled pilot if he is removed due to illness, injury or emergency; leave of absence, retirement, suspension or termination; failure report for an assigned trip, or trip trade or trip drop.

- OO. "Reserve Line" means a monthly schedule posted by the Company with intervening on-call periods and planned days off.
- PP. "Reserve Pilot" means a captain or first officer who is awarded or assigned a reserve line.
- QQ. "Rest" or "Rest Period" means an off duty period between check-out and check-in, either at domicile or away from domicile.
- RR. "Scheduled Time" means the time specified in the operating schedules established by the Company.
- SS. "Significant other" means a domestic partner who is at least 18 years of age and has resided with the employee at the same address for a period of not less than six months, brother, or sister. "Significant other" also includes any other relative approved by the Chief Pilot.
- TT. "Status" means a pilot's seat designation as captain, first officer, etc.
- UU. "Training Pilot" means ground school instructor, flight instructor, proficiency check airman, line check airman, and IOE check airman who are selected from the Spirit Airlines Pilots' Seniority List except as otherwise provided in this Agreement.
- VV. "Trip" means all the time within a pilot's trip hour period.
- WW. "Trip Hour Period" means the time elapsed between:
 - 1. The start of a duty period as defined in paragraph P above, originating at a pilot's domicile, and
 - 2. The completion of the last duty period as defined in paragraph P above, which terminates at a pilot's domicile.

Section 3 Compensation

- A. A pilot will receive the following hourly rates based on status and longevity as follows:

Captain Pay Rates

<i>Eff. Date</i>	<i>Ratification</i>	<i>1/31/2004</i>	<i>1/31/2005</i>	<i>1/31/2006</i>
1st year	\$64.65	\$64.65	\$64.65	\$64.65
2nd year	\$84.44	\$86.13	\$87.86	\$96.64
3rd year	\$91.27	\$93.10	\$94.96	\$104.46
4th year	\$94.49	\$96.38	\$98.31	\$108.14
5th year	\$100.93	\$102.95	\$105.01	\$115.51
6th year	\$102.80	\$104.86	\$106.96	\$117.65
7th year	\$104.63	\$106.72	\$108.85	\$119.74
8th year	\$106.19	\$108.31	\$110.48	\$121.53
9th year	\$107.78	\$109.94	\$112.14	\$123.35
10th year	\$109.40	\$111.59	\$113.82	\$125.21
11th year	\$111.62	\$113.86	\$116.13	\$127.75
12th year	\$113.83	\$116.11	\$118.43	\$130.27
13th year	\$116.05	\$118.37	\$120.74	\$132.81
14th year	\$118.27	\$120.64	\$123.05	\$135.36
15th year	\$120.48	\$122.89	\$125.35	\$137.88

First Officer Pay Rates

	<i>Ratification</i>	<i>1/31/2004</i>	<i>1/31/2005</i>	<i>1/31/2006</i>
Year 1	\$38.79	\$39.00	\$39.50	\$40.00
Year 2	\$48.98	\$49.96	\$50.96	\$51.96
Year 3	\$52.94	\$54.00	\$55.08	\$56.25
Year 4	\$54.80	\$55.90	\$57.02	\$60.50
Year 5	\$57.53	\$59.71	\$60.91	\$64.70
Year 6	\$58.60	\$59.77	\$61.75	\$66.75
Year 7	\$59.64	\$60.83	\$62.05	\$68.45
Year 8	\$60.53	\$61.74	\$62.97	\$70.00
Year 9	\$61.44	\$62.67	\$63.92	\$70.50
Year 10	\$62.35	\$63.61	\$64.88	\$71.37

- B. Longevity for Pay Purposes

A pilot's longevity date shall determine the effective date for longevity pay increase.

- C. Pay Overrides

1. International Flying Rate

Pilots engaged in international flying (domestic-to-international, international-to-international, or international-to-domestic legs only) shall be paid a premium of eight percent (8%) for hours flown or credited, in addition to other compensation set forth in this Agreement.

2. Training Pilots

Training pilots shall be paid in accordance with Section 9.

3. A pilot who is awarded or volunteers to pick up open time, or who places his name on the Standing Available List to pick up open time (including any net increase in open time picked up as a result of a trip trade), shall be paid and credited, above his monthly guarantee, at one hundred and fifty percent (150%) of his applicable hourly rate for the time picked up from open time, except as provided in paragraph 5 below.
4. If a pilot is on sick leave or who has voluntarily dropped a trip in a month in which he picks up open time, he shall be paid and credited, above his monthly guarantee, at one hundred percent (100%) of his applicable hourly rate, for the time picked up from open time which is less than or equal to the amount of time dropped or missed due to sick leave. Any open time picked up in that month which exceeds the amount of time dropped or sick leave used shall be paid and credited, above the pilot's monthly guarantee, at one hundred and fifty percent (150%) of his applicable hourly rate. A pilot who drops a trip due to floating vacation may pick up open time at one hundred and fifty percent (150%) of his applicable hourly rate above his monthly guarantee.

Examples:

- a. A pilot does not miss any time in the month due to sick leave or a voluntary trip drop. He picks up a trip from open time worth fifteen hours. He will receive, above his guarantee, fifteen hours of pay at 150% of his hourly rate of pay for the open time picked up.
 - b. A pilot does not miss any time in the month due to sick leave. He voluntarily drops a trip worth ten hours, and picks up a trip worth fifteen hours from open time. He will receive, above his guarantee, five hours of pay at 150% of his hourly rate of pay for the net increase in open time picked up.
 - c. A pilot misses ten hours of flight time due to sick leave or a voluntary trip drop. He picks up a trip from open time worth fifteen hours in the same month. He will receive, above his guarantee, ten hours of pay at one hundred percent (100%) of his applicable hourly rate, and five hours of pay at 150% of his hourly rate of pay for the open time picked up. (Additionally, he will receive sick leave credit for the time missed due to illness pursuant to Section 14.B of the Agreement, provided he has sufficient sick leave credit in his bank).
5. Trips dropped into open time due to voluntary trip drops or floating vacation will be posted in open time at the straight time rate.

D. Training Pay

1. New Hire Training Pay

During initial new hire training and prior to release to the line, the pilot shall receive a monthly salary of one thousand dollars (\$1,000) and monthly expenses of seven hundred and fifty dollars (\$750.00) prorated on a daily basis for a partial month.

2. Non-New Hire Training

- a. A pilot attending required training events on a previously scheduled day of duty shall be paid trips missed (minimum pay for the trip as per Section 4.C or 4.D).
- b. A pilot attending required training events on a scheduled day off shall be paid four (4) hours of flight pay per day above guarantee.
- c. A pilot deadheading to or from training on a previously scheduled day of duty shall be paid trips missed (minimum pay for the trip as per Section 4.C or 4.D) or deadhead pay (as per Section 8.A.2), whichever is greater.
- d. A pilot deadheading to or from training on a scheduled day off shall be paid, above guarantee, four (4) hours of flight pay or deadhead pay (as per Section 8.A.2), whichever is greater.

3. Upgrade and Transition Training

A pilot in upgrade or transition training shall be paid his current hourly pay (a first officer in upgrade will receive first officer pay except as provided in section 24.K.3.a) for average line value for the particular domicile, computed by adding the regular line credit values and dividing by the number of lines. In no case will this number be below 72 hours. If the pilot is scheduled for training that will take him below thirteen days off, those days will be paid above the average line value at four (4) hours per day.

- E. In computing the hours of Captains/First Officers for hourly flying pay purposes, the scheduled time from block-to-block, or actual time, whichever is greater, on a duty-period by duty-period basis shall be used on all flights. All pay computations shall be calculated in hours and minutes.

F. Flying Out of Status

1. When a pilot holding a Captain bid is assigned to First Officer duties during a portion of the month, such pilot will be paid for all trips flown during the month at Captain rates.
2. When a Captain Qualified First Officer is assigned to Captain duties, such pilot will be paid for all trips flown as Captain at Captain rates.

G. Taxi Pay

If, at any time a pilot is required to move an aircraft for purposes of repositioning the aircraft on the ground (i.e., from a parking location to the gate or vice-versa), such pilot will receive pay and credit for twenty-four (24) minutes per single taxi event.

- H. "Test" flights will be paid on the basis of actual (block-to-block) flight time.

- I. All trips which overlap the eight moving days as per Section 6.A.4 will be dropped in their entirety, and a Pilot shall receive credit for all such dropped trips. A pilot shall be time available as per 25.I.4 for any trip or portion of a trip dropped which falls outside the eight moving days.

J. Holiday Pay

A pilot who is on Company-assigned duty on January 1, July 4, Thanksgiving Day, or Christmas Day shall receive, in addition to all other compensation, seventy-five dollars (\$75) per day. To be eligible, the pilot must be available to complete all segments of the trip in which the holiday falls.

K. Pilot/Management Committee Participation:

1. All joint meetings of an ALPA committee and management will be convened by the mutual agreement of the Committee Chairman and the Company.
2. A pilot scheduled for duty, but removed from the schedule to attend a Company required meeting, will receive pay and credit for the scheduled work day. A pilot required to attend a Company meeting on a scheduled day off will receive four (4) hours pay which shall be above guarantee.
3. A pilot required to travel to a Company required meeting will be reimbursed for actual/reasonable expenses.

L. Payroll

1. Upon request, a pilot will be paid by direct deposit into an account for that pilot with the financial institution of the pilot's choice, so long as the institution provides the service.
2. The pilot's paycheck shall be available to the pilot every other Friday. Direct deposits shall also be made available every other Friday if the pilot utilizes the same financial institution as the Company. Direct deposits to other financial institutions will be made available to the pilot's banking institution of choice every other Friday and subject to that financial institution's fund availability policies. Each check will include 1/26th of the pilot's annual guarantee (the annual guarantee shall equal twelve times the monthly guarantee, unless the pilot has dropped trips or is on unpaid status). A pilot shall submit proper paperwork on the Friday preceding the paycheck. Per diem for the month will be paid on the first paycheck of the subsequent month unless said paycheck is dated prior to the eighth of the month, in which case per diem will be paid on the second paycheck of the subsequent month. All other amounts due for the month above guarantee will be paid on the second paycheck of the subsequent month.
3. Effective with the implementation of the new crew electronic reporting system (Crew Pay), the Company shall provide to each pilot at his domicile, within the first five days of each month, an electronic record documenting all credits, per diem, and any other pay item for the preceding month. The pilot shall review this statement for accuracy. Implementation of this system is expected within 120 days from DOS.
4. When a pilot's pay is short by more than one hundred (\$100.00) dollars through no fault of his own, as a result of an error, which does not require interpretation of the contract, the pilot will be paid via overnight mail or direct deposit within two (2) business days from the point when it has been confirmed that the error has occurred. Errors in the computation of pay involving a shortage of less than one hundred (\$100.00) dollars shall be paid

on the next check following confirmation. Confirmation will be made within four (4) business days of when the error is brought to the Company's attention.

5. The Company will not make any deductions from a pilot's paycheck or reversal to a direct deposit unless legally permitted to do so. The Company shall notify the pilot prior to making any deduction or reversal.

M. Profit Sharing/Bonus Plan

Should the Company implement a profit sharing/bonus plan for other employees, pilots shall be included as participants in such plan(s) on the same terms and benefit levels.

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Section 4 Minimum Guarantees

A. Pilots will be paid and credited flight pay at the applicable hourly rate with a minimum guarantee of seventy-two (72) hours a month. In the event a pilot is on non-pay status (i.e., unpaid leave of absence) for a portion of the month, he will be paid and credited flight pay at the applicable rate for each day on pay status or pro-rated minimum guarantee, whichever is greater.

B. Trip Trades

A pilot who voluntarily trades trips will be paid and credited for the trip for which he trades. If the trade causes him to drop below his monthly guarantee, he shall have his guarantee reduced by the number of hours the trade takes him below guarantee.

C. Reserve Line Holders

1. Minimum Pay for a trip shall be the greatest of the following:

- a. Flight Pay (as per Section 2.U) for the entire trip; or
- b. Four (4) hours per duty period for the entire trip; further, a pilot shall be credited for pay purposes with one additional duty period (four hours) for each scheduled away-from-domicile layover which exceeds a continuous twenty-two (22) hour period; or
- c. one (1) hour's flight time credit for each 4.20 hours elapsed time away from his base.

2. On a reserve day in which a reserve line holder is not required to report for duty, he shall be handled in accordance with paragraph 4.A above.

D. Regular and Relief Line Holders

1. Minimum Pay for a trip which is not rescheduled shall be the greatest of the following:

- a. Flight pay (as per Section 2.U) for the entire trip; or
- b. Four (4) hours per duty period for the entire trip; further, a pilot shall be credited for pay purposes with one additional duty period (four hours) for each scheduled away-from-domicile layover which exceeds a continuous twenty-two (22) hour period; or
- c. one (1) hour's flight time credit for each 4.20 hours elapsed time away from his base.

2. Minimum Pay for a trip which is rescheduled shall be the greatest of the following:

- a. Flight pay (as per Section 2.U) in the rescheduled trip hour period; or
- b. Scheduled time in the original trip hour period; or

- c. Four (4) hours per duty period for the entire trip; further, a pilot shall be credited for pay purposes with one additional duty period (four hours) for each scheduled away-from-domicile layover which exceeds a continuous twenty-two (22) hour period; or
 - d. one (1) hour's flight time credit for each 4.20 hours elapsed time away from his base.
3. On a reserve day in which a relief line holder is not required to report for duty, he shall be paid and credited four (4) hours.

E. Month-to-Month Hourly Credits

When a trip or series of trips commences in one schedule period and ends in the following month, all the hours flown in the first month will be credited to the first month. The remainder of the hours flown and any additional credited hours will be credited in the next month.

F. Retirement Month Guarantee

Regardless of the number of hours in his bid line and/or the number of trips on his bid line he is eligible to fly, a pilot who is retiring shall receive as a minimum guarantee for his last month of service, compensation equal to the minimum monthly guarantee at the rates set forth in this Agreement. The pilot may elect to receive this minimum monthly retirement guarantee in a single lump sum payment or in his normal biweekly payments.

Section 5 Expenses

A. Lodging

1. The Company shall provide comfortable, safe and adequate single occupancy lodging for pilots:
 - a. at all layover stations;
 - b. while assigned to training away from their base, overnight;
 - c. while assigned as training pilots away from their base, overnight;
 - d. while assigned to upgrade or transition training in their base if requested by the pilot;
 - e. assigned/awarded a temporary position out of domicile.
2. Such facilities shall meet the following jointly established Hotel Minimum Standards:
 - a. Hotel Services
 - (1) Courtesy car/van transportation as provided in Section 5.C.
 - (2) Twenty-four hour front desk operation
 - (3) Expedited check-in/check-out procedures
 - (4) Reliable message service
 - (5) Reliable wake-up service
 - (6) Suitable housekeeping services
 - (7) On-premises restaurant, room service or van service to restaurant
 - (8) If there is no full-service, on-premises restaurant open and available to pilots for early morning departures, the hotel shall provide a brown bag snack
 - (9) One-year contract with standard 30-day cancellation notice by either party unless the hotel is located in a seasonal destination
 - (10) Acceptable cost
 - b. Security
 - (1) Hotel located in safe area, patrolled by police and/or private security
 - (2) Entrances to hotel limited and secured
 - (3) Well lit hallways
 - (4) Sprinklers and smoke detectors in guest rooms
 - (5) Adequate security of door to guest rooms (i.e., chain lock, dead bolt, key lock, and/or peep hole)
 - c. Location
 - (1) Within reasonable distance from airport
 - (2) Safe neighborhood for walking

d. Rooms

- (1) Single rooms with double, queen or king sized beds
- (2) Clean and neat
- (3) Adequate size
- (4) Linen and towels changed daily and before each occupancy
- (5) Pillows, comforters, and mattress pads changed every thirty days
- (6) Air conditioner and heater filters changed every thirty days
- (7) Shower with tub
- (8) Complimentary long distance access, 800 numbers and local calls. Data ports if available.
- (9) Cable television
- (10) Hair dryer, coffee maker or complimentary coffee, iron and ironing board
- (11) Rooms on the second floor or above if possible, away from traffic, parking lots, elevators, and ice machines
- (12) Nonsmoking rooms. Subject to availability, smoking rooms available upon request.

e. Preferred Items

The Company will make its best efforts to obtain the following:

- (1) Free van service to theaters and restaurants
 - (2) Airline discounts of twenty percent (20%) or more in restaurants and lounges
 - (3) Check cashing privileges of at least twenty dollars
 - (4) ATM on premises or at a nearby location
 - (5) Complimentary holiday meal and holiday events for crews
 - (6) Close proximity to historical and cultural attractions
 - (7) Complimentary toiletries,
 - (8.) Recreation facilities: swimming pool, exercise room, etc.
 - (9) Close proximity to shopping, entertainment
 - (10) Disaster (e.g., hurricane, earthquake, etc.) preparedness plan
 - (11.) Room assignments and room key distribution in hotel van on the way from the airport to the hotel
 - (12) For charter operations, the items listed in A.2.a.8, A.2.a.9, A.2.d.1, and A.2.d.10 shall be preferred items.
3. It is understood that these "Hotel Minimum Standards," may be modified with the mutual agreement of the Company and the Association hotel committee. The Company will make every effort to find facilities that are in compliance with the minimum standards as set forth above based on availability during charter operations.
4. Hotel facilities shall generally be located at or near the airport. However, any layover scheduled for fifteen hours or more block-in to block-out shall be located in a metropolitan area served by that airport or in an alternate location in a mutually agreed upon comparable hotel.
5. It shall be the responsibility of each pilot to ensure that all hotel charges not properly billed to the Company — such as meals, personal phone calls, in-room movies, etc. — are cleared prior to departure from the hotel. Pilots will also make reasonable efforts to resolve any disputed charges.

6. A pilot who is scheduled or rescheduled for a layover of five (5) hours or more, (block in to block out) within a duty period, is entitled to a single occupancy hotel room reasonably close to the airport. For layovers between four (4) and five (5) hours (block in to block out), the Company shall, at its discretion, make available a suitable crew rest facility or shall provide a double occupancy hotel room.
7. Prior to the consummation of any contract with any hotel facilities, the Association hotel committee shall have the opportunity to inspect and reject a particular facility should it not meet the jointly established hotel minimum standards. The hotel committee shall have access to the hotel's housekeeping and maintenance schedules and latest quality assurance reports. The Company shall also provide the proposed rates for the hotel facility to the Association hotel committee chairman. If there is more than one hotel which meets the established criteria, and costs are substantially comparable, the hotel committee shall be allowed to select its choice.
8. The Company shall provide advance written notice to the Chairman of the Association hotel committee, with a copy to the MEC Chairman, whenever it intends to cancel a contract or enter into a contract with a new hotel concerning layover lodging for Pilots. The Company shall provide a copy of the contract with the hotel facility to the Association hotel committee chairman within seven days following its execution.
9. The Association hotel committee may request a change in existing layover facilities, explaining the reasons for the request. The Company shall review the request and inspect the facilities expeditiously, the results of which shall be reviewed with the Association hotel committee as soon as reasonably possible. To the extent possible, reviews and inspections of facilities should be conducted jointly.
10. Grievances under Section 5.A. may only be brought by the hotel committee chairman and only on the subject of whether selections or changes in facilities meet the jointly established Hotel Minimum Standards and other standards in Section 5.A.

B. Per Diem Allowances

1. When a pilot is away from his permanent domicile, he shall receive \$.55 for each trip hour. On the first anniversary of the signing of the agreement, the per diem amount shall be increased by five cents. On the second anniversary of the signing of the agreement, the per diem amount shall be increased by an additional five cents. On the third anniversary of the signing of the agreement, the per diem amount shall be increased by an additional five cents. The hourly rate will be prorated for fractions of an hour.
2. When training is conducted away from his permanent domicile, the pilot will receive the hourly allowance stipulated in subparagraph 1 above for all time elapsed from his departure from his domicile for the purpose of training until his return to his domicile following training.
3. Fort Lauderdale based pilots attending training in Miramar shall receive per diem for the period from check-in at FLL for van service until the drop off time back at FLL, plus thirty minutes. A pilot who elects in-base lodging pursuant to paragraph A.1.d above shall not be eligible for the in-base per diem set forth in this paragraph.

4. A pilot assigned/awarded a temporary position schedule pursuant to Section 24.H. shall receive lodging and per diem as provided in B.1. above for each calendar day of the month assigned to such position, excluding any calendar days in which he is on vacation or he returns to his home. This obligation shall also cease when the temporary assignment ends, and for periods during which the pilot has forty-eight (48) consecutive hours or more time free from duty and the Company provides free transportation to and from the pilot's domicile. If the pilot elects to return to his domicile or his home, he will check out of the hotel and notify crew travel to cancel his room.
5. Pilots ordered by the Company to duty involving circumstances of a special nature shall be paid all reasonable actual expenses incurred, as supported by receipts. These expenses will be in lieu of and not in addition to expenses provided by paragraphs B.1 of this section.

C. Transportation

1. The Company shall provide suitable and safe transportation for pilots between the airport and their place of lodging when they are away from their domicile. Upon request by the pilot, the Company will provide daily, scheduled van service for ground school and FTD training in Miramar for Fort Lauderdale based pilots. The pick-up time at FLL will be scheduled forty-five minutes prior to the start of ground school and return to FLL immediately after ground school. Pilots will coordinate arrangements with the training scheduler.
2. When transportation is not provided by the Company as set forth above, or where transportation is not provided at layover stations within thirty (30) minutes after the block-in time of the operating crew, pilots shall be allowed actual expenses incurred for transportation between the airport and their place of lodging. The Company may require receipts to be submitted for any expenses for which reimbursement is made.
3. Training pilots shall be reimbursed for reasonable, actual expenses associated with car rentals arranged by the Company or following Company guidelines away from their base.
4. A pilot assigned/awarded a temporary position schedule pursuant to Section 24.H. shall receive transportation to and from his domicile and to and from the airport and lodging facility. If the pilot has forty-eight (48) consecutive hours or more time free from duty, the Company shall provide, upon pilot request, free transportation to and from the pilot's domicile.

D. Lodging for New Hires

The Company shall provide comfortable and adequate single occupancy lodging for pilots attending new hire training.

E. Crew Meals

A pilot engaged in a flight whose nutritional needs create safety concerns as to his continued operation beyond the next arrival station may call ahead and the pilot shall be provided with either nourishment or the opportunity to obtain nourishment at such arrival station.

F. Uniforms

1. The Company shall furnish jacket insignias (wings), epaulets, and hat emblems.
2. Pilots will purchase their initial uniform. Uniforms will be purchased through the Company and can be paid for through payroll deductions of equal amounts over a twelve-month period.
3. The Company will provide uniform replacements for eight shirts, two pants and two ties every eighteen (18) months due to normal wear and tear. Additionally, the Company will provide one jacket and one hat replacement when a pilot upgrades and once every thirty-six months due to normal wear and tear.
4. In addition to subparagraph 3 above, any part of a uniform damaged while on duty (except due to the pilot's negligence or misuse) will be promptly repaired or replaced by the Company. The pilot will notify the Chief Pilot's office if replacement or repair is necessary.
5. The Company shall provide direct billing with Tally Ho within sixty days of the signing of this Agreement. The Company shall endeavor to establish direct billing with other uniform vendors.
6. Pilots who are furloughed will have uniform deductions suspended. The unpaid balance shall not become due until recall, at which time payroll deductions shall resume.
7. The recommendations of the MEC shall be considered by the Company before making any change in style, color or materials of uniforms.

G. Parking

In the event adequate, secure and free parking facilities for pilots are not available at the airport pilot domicile location, the Company will assume the monthly parking charge up to the amount assessed by the appropriate authority for such parking in an area designated for employees at the domicile.

H. Crew Rooms

1. The Company shall provide a crew room at each domicile. The Company shall maintain such facilities to meet, at a minimum, the following standards:
 - a. Clean and sanitary
 - b. Properly heated and ventilated
 - c. Adequate seating provided
 - d. Adequate storage for flight bags, luggage and coats
 - e. Access to the Company website and the crew scheduling system with printing capabilities
 - f. Telephones in proximity to the crew room
2. The recommendations of the MEC Chairman or designee will be considered in determining the adequacy of any crew room.

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Section 6

Moving Expenses

A. Displacements

Pilots displaced to a new domicile more than fifty (50) AAA miles from their previous domicile as a result of reductions in schedules, reallocation of flying time, base openings or closures shall be considered as transferred at Company request. The Company shall provide the following reimbursements and benefits through the Chief Pilot's office. Pilots will have up to one year from the effective date of the displacement to submit for reimbursements and/or benefits listed in this section.

1. A displaced pilot will be reimbursed for the reasonable and actual expenses of moving his household goods, from the previous domicile to the new Company domicile or from the pilot's residence to the new domicile, whichever is shorter, as follows: for single pilots, a maximum of six thousand dollars (\$6,000); for married pilots, a maximum of seven thousand dollars (\$7,000). If requested, the Company will assist a pilot in arranging for a moving company that will provide a discount for movement of household goods.

2. **Meals and Lodging**

A displaced pilot will be reimbursed for reasonable and actual expenses for meals and lodging for the pilot and his immediate family to travel to the new domicile, plus five days at the new domicile. Lodging at the new domicile shall be at a Company approved hotel. A day of travel for expense purposes shall be four hundred (400) miles by the most direct AAA mileage.

3. **Mileage**

If personal transportation is used, pilots will be reimbursed twenty-six cents (\$0.26) per mile for one vehicle using the most direct AAA mileage between domiciles.

4. **Time off for Moving**

A displaced pilot will coordinate with the Chief Pilot's office to receive eight (8) consecutive days free from duty in order to facilitate his move. The pilot will provide the Chief Pilot's office with two options of eight-day periods to be dropped. The Chief Pilot's office will coordinate with crew scheduling to select from these options. This request must be made not less than thirty (30) days in advance of requested dates, and the pilot shall be advised of the selection within seven calendar days of the request. Requests made with less than minimum notice will be granted subject to operational requirements.

5. **Broken Lease Payment**

A displaced pilot will be reimbursed by the Company if a penalty is incurred for a broken lease of a home, apartment, or condominium. Pilots will coordinate with the Company to avoid a penalty.

6. A displaced pilot (including a pilot who elects the displacement allowance in paragraph B below) with less than 48 hours free from duty between his last assignment at his previous domicile and his first assignment at his new domicile will coordinate with the Chief Pilot's office to arrange, at the pilot's option, either a pay-protected duty free period of forty-eight (48) hours between his last assignment at his previous domicile and his first assignment at his new domicile, or two (2) nights stay at a Company approved hotel, in order to facilitate his reporting to the new domicile.
7. Expenses shall be supported by receipts. Reimbursable expenses shall be paid within fourteen (14) calendar days of submission by the pilot. Discrepancies in the amount owed shall be handled in accordance with Section 3.K.3.

B. Displacement Allowance

- A pilot not electing to move his household and/or immediate family shall be entitled to receive a displacement allowance of one thousand dollars (\$1,000.00). The displacement allowance shall be paid within fourteen (14) calendar days of submission by the pilot. Discrepancies in the amount owed shall be handled in accordance with Section 3.K.3. A pilot will be eligible for applicable tax exemptions for expenses if he elects to submit receipts concurrent with his request for the displacement allowance. Expenses not supported by receipts will be subject to applicable state and federal taxes as outlined by IRS regulations.

C. Voluntary Domicile Transfers

1. Successful bidders on posted vacancies, pilots moving to a domicile incident to initial employment, and pilots transferred to a new domicile less than fifty (50) AAA miles from their previous domicile shall pay their moving expenses to the new domicile.
2. Successful bidders on a posted vacancies with less than 48 hours free from duty between his last assignment at his previous domicile and his first assignment at his new domicile will coordinate with the Chief Pilot's office to arrange, at the pilot's option, either a duty free period of forty eight (48) hours (with no pay protection) between his last assignment at his previous domicile and his first assignment at his new domicile, or two (2) nights stay at a Company approved hotel, in order to facilitate his reporting to the new domicile.

Section 7 Vacations

A. Vacation Accrual

1. Pilots shall accrue vacation beginning with their date of hire except where otherwise provided in this Agreement.
2. A pilot will accrue vacation on a prorated basis in his first year of employment. The amount of vacation accrued will be based on the month in which he is hired in accordance with the following schedule:

<i>Date of Hire</i>	<i>Number of Hours Credited</i>
1/01–1/31	28.0
2/01–2/28	25.67
3/01–3/31	23.33
4/01–4/30	21.0
5/01–5/31	18.67
6/01–6/30	16.33
7/01–7/31	14.0
8/01–8/31	11.67
9/01–9/30	9.33
10/01–10/31	7.0
11/01–11/30	4.67
12/01–12/31	2.34

3. The vacation year is defined as the calendar year, January 1 through December 31.
4. Once a pilot's term of employment continues past January 1 of a calendar year, his vacation accrual rate shall be:
 - a. During a pilot's first full calendar year of employment, and continuing through his fourth full calendar year of employment, he shall accrue 4.67 hours of vacation per month (56 hours per year), and he shall be eligible to take two vacation periods in the next calendar year pursuant to the annual vacation bidding.
 - b. During a pilot's fifth full calendar year of employment, and continuing through his ninth full calendar year of employment, he shall accrue 7.0 hours of vacation per month (84 hours per year), and he shall be eligible to take three (3) vacation periods in the next calendar year pursuant to the annual vacation bidding.
 - c. During a pilot's tenth full calendar year of employment, and continuing through his fourteenth full calendar year of employment, he shall accrue 8.17 hours of vacation per month (98.0 hours per year), and he shall be eligible to take three (3.0) vacation periods in the next calendar year pursuant to the annual vacation bidding.
 - d. During a pilot's fifteenth full calendar year of employment, and continuing through his nineteenth full calendar year, he shall accrue 9.33 hours of vacation per month (112.0 hours per year), and he shall be eligible to take four (4) vacation periods in the next calendar year pursuant to the annual vacation bidding.

- e. During a pilot's twentieth full calendar year of employment, and continuing through his twenty-fourth year, he shall accrue 10.5 hours of vacation per month (126.0 hours per year), and he shall be eligible to take four (4) vacation periods in the next calendar year pursuant to the annual vacation bidding.
- f. During a pilot's twenty-fifth full calendar year of employment, and continuing for the duration of the pilot's employment, he shall accrue 11.67 hours of vacation per month (140 hours per year), and he shall be eligible to take five (5) vacation periods in the next calendar year pursuant to the annual vacation bidding

<i>Full calendar year of service (accrual year)</i>	<i>Monthly accrual rate in the accrual year (in hours)</i>	<i># of 1 week Vacation periods eligible to take in the next calendar year (vacation year)</i>	<i>Total annual accrual</i>
1 st	4.67	2	56
5 th	7.0	3	84
10 th	8.17	3	98.0
15 th	9.33	4	112
20 th	10.5	4	126
25 th	11.67	5	140

- 5. A pilot on inactive status (except military, jury, bereavement, Association, and sick leave) during the calendar accrual year shall be entitled to a prorated vacation in the vacation year based on the period of active service in the accrual year. A pilot's rate of accrual (i.e., accruing 4.67 hours per active month from calendar years 1 through 4, etc.) shall not be affected by periods of inactive status less than one (1) full calendar year.
- 6. Prorated vacation accrual shall be calculated on a monthly basis. The monthly accrual shall equal 1/12th of the annual accrual.
- 7. Each pilot will be issued a statement showing the balance of his vacation accrual on each paycheck.

B. Annual Vacation Bidding

- 1. No later than September 15 of each year, the Company will publish a list by seniority order showing the projected vacation balance which will be accrued by each pilot as of the end of the calendar year.
- 2. Once a pilot's term of employment continues past January 1 of a calendar year, each pilot will, in the annual vacation bidding, bid for a vacation period(s) based on the list described in Section A.4.
- 3. A pilot who has accrued 11.67 or more hours pursuant to paragraph A.2 above will be eligible to bid a vacation period to be taken in the first full calendar year of service. The hours must be used consecutively. Alternatively, the pilot may take floating vacation days pursuant to paragraph D below. A pilot who has accrued less than 11.67 hours pursuant to paragraph A.2 will not be eligible bid a vacation period, but may take floating vacation days pursuant to paragraph D below.

4. A vacation period for bidding purposes will consist of seven (7) consecutive days. The first vacation period shall commence on January 1, the second shall commence on January 8th, and the third on January 15th. Vacation periods shall continue thereafter in consecutive seven-day periods.
5. No later than September 25 of each year, the Company will post a vacation bid package, by position, covering the ensuing calendar year. There shall be sufficient vacation periods published to accommodate all known vacation for the ensuing year. Bidding will commence not later than September 30.
6. Annual vacation bids will close no earlier than one month after the date of distribution and not later than October 30. Pilot vacation awards will be granted in seniority order and with respect to the position a pilot holds on November 1. Annual vacation bid awards will be published on November 15.
7. A pilot shall bid and use his accrued vacation.
8. A pilot who does not bid a vacation or does not bid a vacation period he can hold will be assigned a vacation period(s) by the Company after all other vacation bids have been awarded.
9. Pilots who are eligible to bid more than one (1) vacation period may split their vacation into separate week periods subject to the following provisions:
 - a. A pilot will be required to select bid period(s) of not less than seven (7) days.
 - b. A pilot shall select and be awarded a primary bid period (or consecutive bid periods) first. Secondary vacation bids will be awarded after all primary selections have been awarded.
 - c. Tertiary vacation bids will be awarded after all secondary selections have been awarded, and so forth.
10. A pilot who voluntarily changes position (status, category or domicile) must drop his assigned vacation for the vacation position into open vacation and shall rebid vacation from open vacation in his new position. In the event there is no open vacation available for bid in the new position, he shall be allowed to carry over his vacation hours to the next year. A pilot who is displaced shall retain his original vacation bid award.
11. The Company shall not schedule a pilot's training during his vacation without his consent. If a pilot consents, he may select a vacation from open vacation time available during the current year, use the vacation period as floating vacation, or carry over his vacation hours to the following year.
12. A pilot awarded a regular or reserve schedule shall, within twenty-four (24) hours after initial bids are awarded, be allowed the option of shifting his assigned vacation period by three (3) days from the scheduled starting date of his vacation. Shifts will be awarded on a seniority basis, except that a pilot may not shift into a trip not previously affected by the pilot's vacation bid—resulting in a new trip drop—without the prior approval of Crew Scheduling. Crew Scheduling approval shall be granted so long as there is adequate coverage for the trip dropped.

C. Monthly Vacation Bid

1. The monthly schedule awarded to a pilot who has a vacation period(s) will be adjusted pursuant to Section 25.
2. Vacation periods which become available due to resignations, terminations, leaves of absence, position changes or trades with open vacation will be placed in open vacation and made available for bid or trade by pilots within the same position in seniority order unless the Company reasonably anticipates that it will be necessary to postpone vacations in those periods.
3. Monthly requests to trade with open vacation must be submitted on the appropriate form not later than the fifth (5th) of the month preceding the month in which the vacation period(s) is scheduled or requested. A pilot who voluntarily trades a vacation period(s) with open vacation must concurrently pick up another available period(s) within the same calendar year.
4. A pilot may not bid or trade for a vacation period that, if awarded, would create a conflict with his previously scheduled training or for a vacation period in which the Company is postponing vacation for that pilot's position.
5. Vacation bids and trades with open vacation shall be awarded in seniority order.
6. No pilot may bid or be awarded a relief line during the month in which he was awarded a vacation period, except that a relief line holder may bid for floating vacation as provided in Section 7.D.

D. Daily Floating Vacation

1. A pilot who is eligible to bid more than one vacation period may use one of his vacation periods (calculated at twenty-eight (28.0) hours) on a floating day(s)-at-a-time basis. One vacation period shall equal seven (7) floating vacation days.
2. Pilots may request floating vacation time at any time during the year. Bidding and awarding of floating vacation will be conducted with the same time line as the bidding and awarding of daily open time as provided in Section 25.G.1. A floating vacation request shall be granted when there are reserves to cover fifteen percent (15%) of the flights scheduled to operate for the day. The Company reserves the right to deny vacation requests as a result of a declared irregular operation as defined in the Irregular Operations Procedures Manual. The Company will notify the ALPA Scheduling Committee Chairman of all declared irregular operations. Requests may be submitted either in writing, by e-mail or by telephone. A pilot shall put his telephone request into writing as soon as possible. If a floating vacation request is denied, scheduling will provide in writing the specific operational reason for the denial.
3. Trips will not be split to accommodate floating vacation days without Crew Scheduling's concurrence.
4. A pilot who has accrued vacation pursuant to paragraph A.2 may take one hundred percent of his vacation days as floating days during his first full calendar year of service.
5. A pilot shall make every reasonable effort to request floating vacation during periods in which it is reasonably anticipated that floating vacation will be available.

6. A pilot may carry over 28.0 hours of unused floating vacation days to the following year.
7. Twice per calendar month, a pilot may ask for and receive one floating vacation day on a scheduled day off. This floating vacation day will be called a Guaranteed Floating Day (GFD). The GFD will be paid at a rate of four (4) hours per day (straight pay only). A maximum of eight (8) hours per month will be deducted from a pilot's vacation bank.

E. Vacation Postponements

1. The Company may not cancel a pilot's scheduled vacation. If Company operations necessitate the postponement of vacations, the Company shall first solicit volunteers for such postponement. If there are insufficient volunteers for such postponement, the Company may make such postponements mandatory.
2. Voluntary postponements shall be awarded in seniority order. Involuntary postponements shall be awarded in reverse seniority order by position.
3. Pilots whose vacations are postponed may select a vacation from open vacation time available during the current year or carry it over as non-postponable vacation to the following year. Vacation time carried over to the next year as a result of a Company postponement shall not be subject to a carry-over cap. In no case will a pilot's vacation be postponed two (2) years in a row (i.e., if a pilot has vacation postponed to the following year, all of the vacation in the following year is non-postponable). The Chief Pilot will provide the pilot with documentation that his vacation has been postponed and that the vacation credit may be carried over to the following year.
4. A pilot whose vacation is postponed either voluntarily or involuntarily shall receive as much notice as possible of such postponement and shall be compensated for any payments or deposits which are unrecoverable due to the postponement. The pilot will be required to provide documentation of such losses.

F. Vacation Pay

1. All trips which overlap a vacation period will be considered dropped in their entirety. Except as provided in paragraph F.2, a pilot will be credited his pay for all dropped trips up to the total vacation credit available. Any remaining dropped time is unpaid. (For example, dropped time for which no vacation credit is available and which takes the pilot's time below his minimum monthly guarantee shall cause the guarantee to be reduced on an hour-for-hour basis by the number of hours the drop causes the pilot to go below guarantee). In lieu of pay for trips missed, the pilot may elect to be paid 28.0 hours per seven-day vacation period. Any unused vacation credit will remain in the pilot's vacation bank to be used to bid on monthly vacation or daily floating vacation.

Example

The pilot's final schedule contains 76 hours of credit. He has a seven-day vacation period in the month. There are twenty-one (21) hours of flight credit overlapping the vacation period. If he elects trips missed, he will have 21 hours of vacation credit deducted from his bank, he will receive his 76 hour bid line credit, and he will have 7.0 hours of vacation

credit left over in his bank. If he elects to receive 28.0 hours of pay, he will have 28.0 hours of vacation credit deducted from his bank, he will receive 83.0 hours credit (76 plus 7.0), and he will have no hours of vacation credit left over to be added to his bank for that vacation period.

2. Reserve days will be charged and credited at the rate of four (4) vacation hours for each reserve day dropped for vacation.
3. A pilot who is furloughed, retires, dies, goes on a leave of absence anticipated to be more than six (6) months, resigns with fourteen (14) days notice (unless verifiable circumstances prevent such notice), or is terminated shall receive pay for all vacation accrued up to the time of such event, including prorated monthly accrual at the rate of 1/12th of the pilot's annual accrual, at the hourly rate applicable at the time of such event.

G. General

1. There shall be no changing of a pilot's vacation schedule, except as provided in Section 7.E, or splitting of a vacation period without the consent of the pilot concerned.
2. No pilot will be required to take a vacation other than that awarded or assigned to him in accordance with this Section 7.
3. No pilot shall be required to keep the Company notified of his whereabouts while on vacation.
4. If a pilot becomes ill or injured while on vacation and such illness or injury requires hospitalization or surgery, the pilot may postpone any remaining days in his vacation period and elect to receive sick leave/disability for the remainder of the vacation period instead. The pilot shall notify the Company of the illness or injury as soon as possible. Such pilot may select from the remaining open vacation periods to reschedule the postponed vacation.
5. A copy of all vacation transaction forms will be e-mailed to the pilot after processing. If a pilot does not have e-mail, the vacation transaction forms will be placed in the pilot's mailbox/v-file.
6. No pilot may carry vacation credit to the following year in excess of the guidelines below:
 - a. All previous vacation credit accrued prior to December 31, 2002 shall remain in the pilot's vacation bank. Excluding the provisions of paragraph 6.b below, the maximum allowable vacation carry over credit during term of this Agreement shall be as follows:

December 31, 2003 - 110 hours
December 31, 2004 - 80 hours
December 31, 2005 - 50 hours
December 31, 2006 and thereafter - 28 hours
 - b. There shall be no carry over credit cap for vacation credit generated as a result of voluntary position changes (paragraph B.10), a training conflict (paragraph B.11), or vacation postponements (paragraph E.3). All carry over credit shall be calculated at 28.0 hours per week.

Section 8 Deadheading

A. Pay

1. When a pilot is required by the Company to deadhead on a flight, excluding training, the pilot will be paid and credited at the rate of seventy-five percent (75%) of flight time based upon the greater of scheduled or actual time of the deadhead flight required by the Company. Effective January 31, 2005, this rate shall be increased to one-hundred percent (100%).
2. When a pilot is required by the Company to deadhead on a flight, to and from training events, the pilot will be paid and credited at the rate of fifty percent (50%) of flight time based upon the greater of scheduled or actual time of the deadhead flight required by the Company.
3. If a duty period is only scheduled for deadheading, the period will be considered as a day of work.
4. Deadheading is considered part of the value of the trip with which it is scheduled.
5. Alternate Deadhead

- a. Deadhead to Flight Duty

When the first scheduled leg(s) of a trip contains a deadhead leg(s) to flight duty, a pilot may request to utilize transportation from an alternate location to the flight duty point.

- b. Deadhead from Flight Duty

When the last scheduled leg(s) of a trip contains a deadhead leg(s) from flight duty, a pilot may request to be released from duty prior to such scheduled deadhead. Unless Crew Scheduling has a specific flight assignment to give the pilot at the time he arrives at the deadhead point, such request will be granted.

- c. Deadhead to or from Training (excluding new hire training)

When the scheduled deadhead leg(s) is to or from training, a pilot may request to utilize transportation to or from an alternate location. Such request shall be granted, provided it does not interfere with a previously scheduled assignment. In addition, the pilot shall be eligible for air travel reimbursement up to fifty dollar maximum twice per calendar year. The pilot shall submit an expense form with valid air travel receipts showing travel to or from the alternate location.

- d. A pilot who is authorized alternate transportation (released from a scheduled deadhead pursuant to paragraphs A.5.a through .c above) shall receive the pay and credit for the deadhead for which he was originally scheduled.

- e. A pilot may waive non-FAA required duty and rest provisions of Section 12 in order to accomplish a pilot requested deadhead to or from duty.

B. Seating on Deadhead (Flying or Training)

1. When a pilot is assigned to deadhead to or from a flying or training assignment (as a training pilot or a trainee) on Company aircraft or other carriers, such deadhead shall be on a positive space, must-ride basis. If such flight is full with revenue passengers, deadheading pilots and deadheading employees other than pilots, the pilots shall be assigned first to passenger seats and then, if the pilot consents, to the ACM.
2. Pilots will be provided Spirit Plus or better seating for all deadheading legs, unless all such seats are filled by revenue passengers or persons holding the position of Company senior manager or above traveling on Company business.
3. When a pilot is deadheading to his domicile on other carriers, such pilot shall be provided the first reasonably available flight following the completion of his assignment.
4. The Company will utilize the services of a scheduled FAR Part 121 airline for all deadhead legs.

C. Surface Deadheading

1. All surface transportation must be safe, clean and heated or air-conditioned as the climate dictates.
2. When the Company requires that deadheading be by surface transportation, a pilot will be paid and credited with one hour of flight pay and credit at his applicable rate for each two (2) hours of scheduled surface deadhead time computed on the basis of AAA mileage at 43 miles per hour.
3. A pilot shall always be a passenger on scheduled surface deadheading.
4. A pilot may be required to operate a rental vehicle for unscheduled surface deadheading. The Company shall provide full personal comprehensive, collision and liability insurance for all pilots operating such vehicle.
5. Flight crews will not be required to share surface transportation with passengers.

- D. Deadhead time will not be considered as flight time for purposes of flight time limitations. Deadhead time will not be considered as rest for purposes of rest requirements, but will be considered duty time for purposes of duty time limitations.

Section 9 Training Pilots

A. General

The provisions of this section are applicable to all training pilots on the Spirit pilots' seniority list (except management pilots and full-time instructors when conducting all phases of FTD). Except as otherwise provided for in this section, all pilots included herein will be governed by appropriate sections of this Agreement. There shall be a master list of current training pilots that shall be provided to the MEC Chairman or his designee upon request.

B. Definitions

1. Terms defined in Section 2 shall apply.
2. In addition, the following terms shall apply:
 - a. Training day: A calendar day in which a training pilot performs a training assignment (including required deadhead) or is away from domicile as required to perform a training assignment.
 - b. Training Assignment: Any training assignment specified under Compensation within this Section 9.
 - c. Double: Two simulator and/or FTD assignments in one training day.

C. Selection

Training pilots will be selected in accordance with Section 11.F.8.a-d. Training pilots conduct initial, upgrade, recurrent, and requalification training as delineated in the Spirit Airlines approved training program. When Company requires additional training pilots, vacancies will be posted to allow all pilots on the Spirit Airlines pilot seniority list to express an interest. Training pilot selection shall be a joint process made by the Director of Operations and his designee and ALPA's Training Committee Chairman and his designee. In the event of a deadlock, the selection shall be made by the Director of Training. Check airman shall be selected from the non-probationary captains.

D. Compensation

1. Training Pilots shall be compensated at the flight hourly rates defined in Section 3.A, B, and C.2. Training Pilots shall be paid and credited for training assignments completed as follows:

<i>Training Assignment</i>	<i>Compensation</i>
Full-flight simulator or Flight Training Device session (including 4.0 hours of flight training and 1.5 hours briefing/debriefing)	5.5 hours, 4 hours minimum for partial or incomplete session
Cockpit procedures session (including 4.0 hours CPT training and 1.5 hours briefing/debriefing)	4.0 hours
Operating experience and/or line check minimum per duty period	Block time, 4 hours
One aircraft training period including briefing/debriefing	4.0 hours
Pre-oral session with no more than 4 trainees, for no more than 4 hours	4.0 hours
Oral examination for Type Rating (maximum 2 applicants per oral exam session)	5.5 hours
Simulator Type Rating flight check per pilot	5.5 hours
Other training activities of 4 hours duration or less	3.0 hours
Other training activities of 4 to 8 hours duration	4.0 hours
Deadhead to/from domicile to training assignments (no pay for deadhead among FLL/Miramar/MIA)	Per Section 8.A.2

2. Compensation for other training assignments not addressed herein shall be determined by agreement of the Company and the MEC.

3. Training Pilots - Pay Overrides

Training pilots when performing training duties shall be paid an override in accordance with the following schedule:

- a. Ground Instructor/C.P.T. \$14.00 per hour
- b. Line Check Airman/I.O.E. Check Airman \$20.00 per hour
- c. Simulator Instructor/F.T.D Instructor \$20.00 per hour
- d. Simulator Check Airman \$27.50 per hour while performing simulator proficiency checks.
- e. Aircraft Check Airman \$35.00 per hour while performing aircraft proficiency checks

- f. Designated Examiner \$35.00 per hour
while performing
type rating events

- g. When a line or IOE check airman performs initial aircraft training which includes landings, he shall be paid a \$25.00 per hour override and a three hour minimum.

E. Guarantees

Training Pilots serving a full month of training assignments are entitled to the monthly guarantee per Section 4.A. Additionally, such pilots will be guaranteed four and one half (4.5) hours times the number of training days in the month.

F. Hours of Service

- 1. Monthly training lines will be constructed with a minimum of fourteen (14) days off in a thirty-day month, fifteen (15) days off in a thirty-one day month, and in accordance with Section 12.

- 2. Line/OE Check Airman and Simulator/FTD Instructor's lines shall be constructed not to exceed 28.5 hours in any seven day period. In addition, no seven day period shall include more than two (2) doubles.

- 3. For the purposes of paragraph F. and H. of this section, simulator/FTD periods shall be calculated at four (4) hours per period.

G. Monthly Bidding and Scheduling Procedures

- 1. Prior to each bid period the Company shall determine its requirements for check airman, designees, and instructors to accomplish:
 - a. OE, CPT, and or FTD;
 - b. Annual and random line checks, and/or line evaluations;
 - c. Simulator checks and instruction;
 - d. Ground instruction.

- 2. Training assignments for the bid period shall be developed as follows:
 - a. Spirit training will furnish a position bid listing for its anticipated personnel needs for the next ensuing month. This list will include a bidding priority list for Training Pilots.

 - b. This bid will be published at noon on the 25th and close on the 30th, to be awarded the next business day preceding the month of activity (30 days in advance). For example, bids will be published on the 25th of January for training to be conducted in March.

 - c. The position bid listing will include the number of check airman, designees, and instructor positions available for bid, respectively, the type of training function available, the location of the training, and other pertinent factors.

Example:

Training Position Bid Form

<i>Choice</i>	<i>Positions</i>	<i>Type of Training</i>	<i>Location</i>
_____	1	CPT/FTD	FLL
_____	2	Sim/Instr. 80	ATL/MIA
_____	1	Sim/Instr. DC9	MIA
_____	1	Sim/P.C. DC9	MIA
_____	2	Designees	MIA/ATL/PIT
_____	1	G.S./Inst./Rec/Intial	FLL
_____	1	Mixed Events	FLL/MIA some CPT some 80
_____	1	Line/OE Check Airman	System various line checks, random

- d. These positions will be bid system wide by qualified instructors in seniority order, subject to the required rotation procedure described below.
- e. The training position bid form may be faxed, e-mailed, or sent by mail.
- f. A pilot may bid for any function for which he is qualified and in order of preference if qualified in more than one area.
- g. A pilot may note a preference for days off which will be honored if possible.
- h. Lines of training events will be built so as to honor day-off requests, and consecutive days of work as in Section 25.B.3.g.5.
- i. If, after the lines are built, there is more than one position needed, a second bid will take place with the senior pilot being awarded his choice of lines. These affected pilots must contact the Training Department Scheduler to exercise this option. If, after the bids are awarded, any additional training events become open, they will be filled by general solicitation in seniority order of the qualified training pilots.
- j. Training pilots cannot be junior assigned to training assignments more than three (3) consecutive months or more than six (6) times in any calendar year (designees exempt). The Company must provide adequate staffing for all training positions.

H. Open Training Events

Any training events in open time after all training lines have been built or any training events that come up during the month will be bid on by training pilots and awarded in seniority order. These open events will be paid by multiplying the applicable credit for the event listed in paragraph D.1 above by one hundred and fifty percent (150%) plus the override as denoted in D.3.a above. In no event will any Line/OE Check Airman or Simulator/FTD Instructors be allowed to pick up events and/or flying which would cause them to exceed 28.5 hours of flying and/or training in any seven day period. In addition, no seven day period shall include more than two (2) doubles.

I. Rotational requirement

1. Each training pilot must bid for a training position once each quarter (3-month period). Each training pilot must bid for one month of line flying in the same quarter. No training pilot may serve more than two consecutive months in a training function. This requirement may be waived with the prior consent of the MEC Chairman or his designee. To be eligible to bid on a training position, a pilot must first meet this rotational requirement.
2. Training pilots shall have an opportunity to bid for monthly training assignments on a rotational basis. A bidding priority list of training pilots will be published each month. Training pilots may bid and monthly training awards will be made to qualified training pilots in order of the priority listing. Each training pilot who is awarded a monthly training position for which he/she is qualified and has sufficient priority to obtain, shall rotate to the bottom of the priority list for the following month.
3. All future Line/OE Check Airmen from the date of signing of this agreement forward shall also be qualified as either a simulator or FTD instructors or both.

J. Rescheduling

Training assignments may be rescheduled within any block of originally scheduled training days without restriction as necessary to complete required training.

K. Vacation

Vacation will be bid and handled in accordance with Section 7. In addition, a pilot's vacation bank will be deducted either four (4) hours per day or, in the case of scheduled OE, trip credit as provided for in Section 7.

L. Seniority

A pilot who transfers to a training pilot position will retain and continue to accrue seniority and longevity for all purposes.

M. Returning to Line Flying

Returning to line flying will be in accordance with Section 10.

N. Miscellaneous

1. If a pilot is furloughed, he may only be used as training pilot with MEC approval.
2. The MEC Chairman or his designee shall, upon request, be provided with all pertinent information as it pertains to this section.
3. Before any contract training pilot is used, all available seniority list-training pilots will be used.
4. In the event of a canceled training event, a training pilot will be available for other assignment within any block of originally scheduled training days. A training pilot will be considered for other assignments in the following order: another training assignment of the same type as the one cancelled; any other training assignment; a flight assignment, but not reserve.

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Section 10

Transfer to Non-Flying or Supervisory Duty

- A. Pilots assigned to training, special projects or management positions shall retain and continue to accrue seniority and longevity.
- B. A pilot who transfers to a management position should make every reasonable effort to maintain his aircraft currency in compliance with all applicable FARs and Company training requirements; if such pilot fails to maintain currency, the Company shall notify the MEC.
- C. A pilot returning from non-flying, training, special project or management duty may exercise his accrued seniority under this Agreement provided that such pilot meets all qualifications for the position to which he returns.
- D. Normally, a pilot returning to line flying will do so at the start of a bid period. If he returns after the close of the monthly bid, he will be placed on reserve for that month.
- E. If the Company desires to fill a management pilot position other than Vice President of Flight Operations, it will publicize the position and give first consideration to pilots on the Spirit Airlines Pilots' Seniority List.
- F. Section 7 (Vacation) of this Agreement shall apply to pilots assigned to training, special projects or management positions. The Company shall first notify the MEC regarding the terms and conditions of any "special project." Any special project that is two bid periods or longer in duration shall be placed for bid by all pilots.

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Section 11 Training

A. Training Curriculum

1. There shall be a curriculum of study and training prepared by the Company which shall be uniform, definitely outlined and designed so as to promote positive motivation and provide adequate training. The Association training committee will, upon request, be consulted in the establishment of such curriculum. Such curriculum shall be equally available to all pilots.
2. There shall be a curriculum of study and training prepared by the Company for specialized training and checking of training pilots. It shall be uniform, definitely outlined and designed so as to promote positive motivation and adequate training. The Association training committee will, upon request, be consulted in the establishment of such curriculum.
3. Prior to the modification of any approved training program, the Company shall consult with the Association training committee, except in the case where the FAA directs an immediate modification and such consultation cannot occur prior to the required modification. In such event, the Company will, upon request, consult with the Association training committee as soon as possible thereafter.
4. The Company and the Association training committee will, upon request, meet periodically to review the status of the training programs. The Company shall consider the suggestions of the Association training committee as to the improvement of the training programs.

B. Assignment to Training

A pilot shall be required to enter training only under the following conditions:

1. To receive initial new hire training.
2. As a result of an award or a junior assignment to a new position under Section 24.
3. As a result of a displacement under Section 24.
4. To meet and maintain the requirements of the position in which he is serving.
5. Any other conditions, so long as it is solely for the purpose of ensuring competence and proficiency, and provided the Association training committee is notified in advance.

C. Initial New Hire Training

Initial new hire training will consist of ground school plus flight training.

D. Ground Training

1. Ground training shall consist of all training conducted in a suitable classroom or at any place approved by the FAA.

2. A pilot shall be paid four (4) hours per day for any home training program. Home training shall not exceed one (1) calendar day per month and shall be designed for no more than eight (8) hours per day.
3. The following shall not be considered home study:
 - a. Study of written materials the Company finds valuable and of interest to the pilots but which are not the subject of testing or evaluation.
 - b. Study of any manual issued by the Company to pilots.
 - c. Study of materials distributed to pilots in preparation for recurrent ground school.

E. Flight Training

Flight Training shall include all training which is normally conducted in flight and in an airplane or in a simulator as described in the Spirit Airlines, Inc. approved training program.

This normally includes, but is not limited to:

1. Initial operating experience requirements flights.
2. Route qualification flights.
3. Recent experience requirements flights.
4. Fixed base or full flight simulator training.
5. Check rides.

F. General

1. Planning, Scheduling and Notification of Training
 - a. Recurrent Training, Ground and Flight
 - (1) The ground and flight training schedule and the list of pilots requiring ground or flight training shall be published in the bid package.
 - (2) Assignments to training, if known, shall be published in the pilot's final schedule provided pursuant to Section 25.E, but in no event will a pilot be required to attend training with fewer than five (5) days actual notice. Actual notice shall include confirmed receipt by the Sabre system, fax or e-mail or positive phone contact.
 - b. Transition and Upgrade Training: Ground and Flight
 - (1) The ground training schedule and the list of pilots requiring ground or flight training shall be published in the bid package.
 - (2) Assignments to training shall be published in the pilot's final schedule provided pursuant to Section 25.E, but in no event will a

pilot be required to attend training with fewer than five (5) days actual notice. Actual notice shall include confirmed receipt by the Sabre system, fax or e-mail or positive phone contact.

- (3) No fewer than five (5) days prior to the start of ground training, a pilot shall receive in his "V" file or through electronic means an Introduction to Training package which contains, at a minimum, the appropriate training syllabus, the basic manuals required for the course, and a cover letter stating the pilot's name, the type of training, the location of the training, the report date, time and room transportation information, lodging information and welcoming remarks from the Director of Training.
2. Recurrent ground or flight training or checks may be scheduled on days off during a grace early month; however, a request by a pilot not to be scheduled on days off during a grace early month shall be honored. Training may be assigned on days off during the due month or the grace late month.
3. Ground school training may be scheduled up to six (6) days of ground school during any week with one (1) day off and no more than fifty (50) hours of instruction during any seven (7) day period. Such days off will be considered part of the training period.
4. A pilot shall not be required to attend ground training for more than ten (10) hours of instruction per day. If a pilot is required to attend ground training for more than nine (9) hours per day, he shall receive one hour of pay in addition to training pay provided in Section 3.D.2. A pilot will not be scheduled to receive more than four (4) hours of training per day in an airplane, fixed base simulator, full flight simulator, or any combination thereof.
5. Any pilot in ground or simulator training will not be required to fly any flights that day; however, the pilot may elect to do so.
6. A pilot will be notified in the monthly bid package that he is scheduled for a recurrent check ride that month. A pilot will be given at least five (5) days actual notice prior to a recurrent check ride. Actual notice shall include confirmed receipt by the Sabre system, fax or e-mail or positive phone contact. This notification requirement does not include random line checks. The Company will provide advance notice to the Association training committee chairman of all random line checks scheduled for the month.
7. A pilot who has successfully completed a check ride shall receive a signed copy of the graded check ride form in conjunction with entering the completed form in the individual's computer-based training record. A pilot who has not successfully completed a check ride shall receive a signed copy of the graded check ride form immediately.
8. Training Pilot Selection and Qualification
 - a. Except as provided in paragraph b., c., and .d below, all training pilots shall be selected from line pilots, management pilots, or training pilots listed as of the effective date of this Agreement and whose names appear on the Spirit Airlines Pilots' System Seniority List.

- b. In the event an acceptable candidate for ground school training is not available from the Spirit Airlines Pilots' System Seniority List, the Company may select ground school instructors who are not on the List.
 - c. Simulator instructors and simulator check airmen may be selected from pilots retired from the Spirit Airlines Pilots' System Seniority List.
 - d. In the event a qualified volunteer is not available from the Spirit Airlines Pilots' System Seniority List, and with the prior consultation of the MEC Chairman, the Company may select simulator instructors who are not on the List.
9. During initial, transition, upgrade, or requalification training, a change of training pilot may be requested by either the student or the training pilot. The Company shall not be required to honor a student's request more than one (1) time during the training assignment.
10. A pilot undergoing a recheck (simulator or aircraft) may, if he so desires, select a qualified, available line pilot of his choice to fly on the trip as an observer so long as this does not delay the trip. Service in this capacity will not be reimbursed by the Company.
11. Simulator Training Duty Limitation for Line Pilots
- a. A pilot shall not remain on duty for more than twelve (12) hours from the time he reports for work (including reasonable travel from home or domicile, whichever is shorter) until the end of the scheduled simulator training.
 - b. A pilot shall be scheduled twelve (12) hours free from flight duty before and ten (10) hours free from flight duty after any flight training period. If the pilot elects to travel to flight training prior to taking the rest period, the Company shall provide a hotel room.
12. No check ride for a Spirit pilot may be scheduled between 0200 and 0600 local without the concurrence of the pilot.
13. A monthly simulator schedule will be developed prior to the start of each month and will contain all known and anticipated simulator training for Spirit pilots. In the event the Company acquires or becomes the primary user of a simulator (with enough advance scheduling ability), the Company will develop a seniority-based monthly simulator bidding schedule.
14. All training for Spirit pilots shall be conducted only with other Spirit pilots.

G. Review of Pilot Training

At the request of the pilot or the Association, the Association training committee chairman or his designee and the Director of Training or his designee shall meet whenever there is a question as to the progress of the pilot's training, the continued training of a pilot, the amount of training of a pilot, the re-entry of a pilot in to the training program or any other issue related to a pilot's training under Sections 11.H and I below. Any such requested meeting wherein a decision is contemplated regarding the training of a pilot shall include the pilot, his representative(s), and any other party that the committee feels necessary.

H. Requalification, Upgrade, or Transition Opportunities

Each pilot shall be allowed a maximum of two (2) failures during the course of each category of training (requalification, upgrade, or transition). There shall be no less than two (2) hours additional training provided after first failure, unless proficiency is achieved in less than two hours, and no less than two (2) hours additional training after the second failure, unless proficiency is achieved in less than two hours. In the event of a third failure, he shall be handled in accordance with paragraph H.3.

1. For the purposes of this paragraph, a failure shall be defined as follows:
 - a. failure to complete the prescribed ground training syllabus, including failure of the written or oral examination or failure to be recommended for the oral examination;
 - b. failure to successfully complete the prescribed flight training syllabus (including failure of check ride or failure to be recommended);
 - c. failure to successfully complete the prescribed initial operating experience (IOE) syllabus.
2.
 - a. A pilot who fails to qualify under paragraphs H.1. a through .c above will comply with subparagraph H.3. below.
 - b. A pilot may voluntarily withdraw from training. Unless the Company agrees otherwise, a voluntary withdrawal will be considered a failure to qualify under H.1.a through .c above will comply with subparagraph H.3 below.
3.
 - a. A pilot who fails to complete requalification, upgrade or transition training will be returned to his former position after completion of any required training or checks and shall be eligible, within a reasonable time but not later than six (6) months, to rebid the category from which he was disqualified. If there is no position vacancy in his category, he may bid when such a vacancy occurs.
 - b. If, after any waiting period (up to six (6) months) expires, the pilot elects to bid and is once again awarded the same category from which he was disqualified and fails to qualify, he will be returned to his immediately preceding former position after completion of any required training or checks and be precluded from bidding out of his former status for a period of one (1) year, or when a category vacancy opens, whichever is longer.
 - c. If after the one (1) year waiting period, the pilot elects to bid, is awarded and fails to qualify in the same category in which he experienced previous failures, he shall be removed from the seniority list and may be considered for other employment with the Company.
4. The Director of Training will maintain communication with any pilot who is covered by this subsection 11.H for the purposes of advising him of his status and explaining his rights and obligations.

- I. Failure to Complete a Recurrent Check Ride or Recurrent/Random Line Check (Non-probationary Pilot)
 1. A pilot failing a recurrent check ride or recurrent/random line check in his current status will be afforded requalification training in accordance with paragraph H (introduction) and H.1 above. If the pilot is unable to requalify under paragraph H (introduction) and H.1, he will be handled under the provisions of paragraph I.3 below. All training and checks will be accomplished in a logical and timely sequence with consideration given to the employee's progress and frame of mind in order to provide every opportunity to satisfactorily complete the check ride.
 2. A pilot shall be advised by the Director of Training that he may request the additional training and/or a recheck be administered by a check airman other than the one who administered the previous failed check.
 3. If a pilot fails to qualify in accordance with the provisions of paragraph I.1 above, his employment status shall be at the Company's discretion.

Section 12

Hours of Service

The following provisions apply to all scheduled domestic service and charter and freight operations; except that, flight and duty rules for charter and freight operations may be conducted under FAR, Part 121 Supplemental flight and duty rules.

A. Rest Periods

1. Scheduled Domicile Rest

All trip pairings will be scheduled with at least ten (10) hours of rest between duty periods in domicile.

2. Actual Domicile Rest

In domicile, a pilot will receive no fewer than nine (9) hours of rest from check out time until the next check in time.

3. Scheduled Away from Domicile Rest

All trip pairings will be scheduled with at least nine (9) hours of rest between duty periods and no scheduled check in time will be fewer than thirty (30) minutes prior to departure.

4. Actual Away from Domicile Rest

When away from domicile, a pilot will receive no fewer than eight (8.0) hours of rest between duty periods and no scheduled check in time will be fewer than thirty (30) minutes prior to departure.

B. A pilot shall be scheduled no more than six (6) consecutive calendar days without a calendar day free from duty in the pilot's domicile. Deviations from this contractual constraint may be made only with the pilot's concurrence in advance and without duress. The pilot's concurrence shall be denoted and logged in the Sabre history.

C. On-Duty Limitations

1. Scheduled On-Duty

- a.** A pilot will not be scheduled or rescheduled to remain on-duty for more than fourteen (14) hours per day, including deadheading (except as provided in Section 8.A.5.d. and e.). A scheduling or rescheduling complies with this provision if it is scheduled to terminate within fourteen (14) hours of the pilot's check in time.
- b.** A pilot will not be scheduled or rescheduled to remain on-duty for more than eleven and one half (11.5) hours per day, including deadheading (except as provided in Section 8.A.5.d and e) for duty periods that span the hours of 0100 to 0400 LDT. A scheduling or rescheduling complies with this provision if it is scheduled to terminate within eleven and one half (11.5) hours of the pilot's check in time.

- c. A pilot who is contacted after 2200 and told to report prior to 0500 the next day will not be scheduled on-duty for more than nine (9) hours and will not exceed ten (10) hours actual.
- d. The Company will not schedule any pilot for more than seven (7) landings in any on-duty period, excluding training flights.

2. Actual On-Duty

A pilot will not be required to remain on-duty in excess of sixteen (16) hours. A pilot will not be required to remain on-duty in excess of twelve and one half (12.5) hours for duty periods that span the hours of 0100 to 0400 LDT.

3. Part 91 tail-end ferry flights to domicile are not subject to the provisions of Section 12.C.1 and 2.

D. Scheduled Weekly, Monthly and Yearly Limitations

The Company may not schedule, nor may any pilot accept, an assignment for duty aloft which will exceed:

1. 1,000 hours in any calendar year
2. 100 hours in any calendar month
3. 30 hours in any seven (7) consecutive calendar days
4. 8 hours between required rest periods
5. 550 projected block hours by June 30th
6. 750 projected block hours by September 30th.

E. Days Off

1. Regular and relief pilots will be scheduled for at least thirteen (13) days off in domicile in any bid period. Reserve pilots will be scheduled for at least twelve (12) days off in domicile in any thirty (30) day bid period and will be scheduled for at least thirteen (13) days off in domicile in any thirty-one (31) day bid period.
2. For the purpose of determining days off, if a flight is scheduled to terminate before 2400, and actually terminates before 0200, it will be considered to have terminated in the prior calendar day.
3. Pilots will not be scheduled for any Company business that does not provide, in any bid period, the number of days off in domicile set forth in paragraph E.1 above. A pilot who falls below the number of days off in domicile set forth in paragraph E.1 above due to a transition pairing from the preceding month may select one of the following options:
 - a. drop a sufficient number of days in the month at the beginning or end of a block of duty days to remain at the number of days off in domicile set forth in paragraph E.1 above; or

- b. be paid 100% of his straight time hourly rate above guarantee overtime for the days worked in the transition that were originally scheduled off.
- F. Except as provided in paragraph G. below, the Company will not schedule an overnight rest away from domicile with less than:
1. Nine (9) hours from check-out to check-in if a trip is scheduled for less than eight (8) hours flight time in twenty-four (24) consecutive hours preceding its schedule completion.
 2. Ten (10) hours from check-out to check-in if a trip is scheduled for eight (8) hours or more but less than nine (9) hours flight time in twenty-four (24) consecutive hours preceding its scheduled completion.
 3. Eleven (11) hours from check-out to check-in if a trip is scheduled for nine (9) hours or more flight time in twenty-four (24) consecutive hours preceding its scheduled completion.
 4. A flight crew member is not considered to be scheduled for flight time in excess of flight time limitations if the flights to which he is assigned are scheduled and normally terminate within the limitations, but due to circumstances beyond the control of the air carrier (such as adverse weather conditions), are not at the time of departure expected to reach their destination within the schedule time.
- G. The Company may schedule a pilot for less than the rest required in paragraph F. above or may reduce a scheduled rest under the following condition:
1. The nine (9) consecutive hours of rest required in F.1 above may be scheduled or reduced to a minimum of eight (8) hours if the pilot is given a rest period of at least ten (10) hours that must begin no later than twenty-four (24) hours after the commencement of the reduced rest period.
 2. The ten (10) consecutive hours of rest required in F.2 above may be scheduled or reduced to a minimum of eight (8) hours if the pilot is given a rest period of at least eleven (11) hours that must begin no later than twenty-four (24) hours after the commencement of the reduced rest period.
 3. The eleven (11) consecutive hours of rest required in F.3 above may be scheduled or reduced to a minimum of nine (9) hours if the pilot is given a rest period of at least twelve (12) hours that must begin no later than twenty-four (24) hours after the commencement of the reduced rest period.

EXAMPLE:

<i>Scheduled Flight Time During Any 24 Hour Period</i>	<i>Minimum Hours of Rest</i>		
	<i>Normal</i>	<i>Reduced</i>	<i>Compensatory</i>
Less than 8	9	8	10
8:00 to 8:59	10	8	11
9:00 or greater	11	9	12

H. Notification

1. The Company will maintain a standard method of notifying pilots if scheduled departure time will be appreciably delayed (by more than 1.5 hours) or canceled. Pilots will be notified as far in advance as practical.
2. The Company will not contact a pilot between 2200 and 0800 unless there is a change in that pilot's schedule that requires a contact during the time between 2200 and 0800. In this case, the pilot may be called ninety minutes prior to the revised report time, or sooner if necessary, provided the call is made so as to minimize the disruption to the pilot's rest.
3. The Company may not contact a pilot during Section 12.F rest or 12.G rest for purposes of advising the pilot of a scheduling, rescheduling or assignment except during the first or last hour of the rest. The Company may contact a pilot at any time during such rest for a family emergency.
4. A pilot who is unable to report for duty will notify the Company as far in advance as is practical.

I. Month-to-Month Hourly Credits

When a trip or series of trips commences in one schedule period and ends in the following month, all the hours flown in the first month will be credited to the first month. The remainder of the hours flown will be credited in the next month.

- J. The Company will not schedule any pilot, nor will a pilot accept duty or assignment with the Company, if that duty or assignment falls within any required rest period within this Section 12.
- K. Time spent in transportation, not local in character, that the Company requires of a pilot is not considered part of a rest period.
- L. Regardless of the amount of rest provided as part of his trip, a pilot is expected to be rested for duty.
- M. On a quarterly basis, the Company and the Association scheduling committee will review block-to-block time in actual operation and, if necessary, revise scheduled block- to-block time accordingly.

Section 13

Leaves Of Absence

A. Personal Leaves of Absence

1. A pilot, upon written request specifying the reasons for such leave, may be granted an unpaid personal leave of absence for a continuous period not in excess of six (6) months. Personal leaves of absence may be extended beyond six (6) month at the Company's discretion. When such leave is granted, the pilot will retain and continue to accrue seniority during such leave period and longevity for pay purposes for the first thirty (30) days of such leave. Pilots on personal leaves of absence in excess of sixty (60) days shall be entitled to health benefits only upon reimbursement to the Company on a monthly basis of the full cost of such benefits.
2. A pilot who seeks to return from a personal leave of absence prior to the expiration date of the leave may be permitted to do so if the operational needs of the Company permit. A pilot returning from leave may be required to provide medical fitness certification and may be subject to a reasonable requalifying period.

B. Voluntary Time Off Without Pay

1. At times, based upon current business needs, the Company may solicit employees to accept voluntary time off without pay. Such requests are generally for no more than thirty (30) days.
2. While on voluntary time off without pay, a pilot shall continue to accrue seniority and longevity. Additionally, he shall maintain all benefits available prior to the leave.

C. Family/Medical Leaves of Absence

1. Pilots who have completed twelve (12) months of service with the Company as a pilot may take up to: (a) twelve (12) months of unpaid leave for the birth or adoption of a child; (b) twelve (12) months of unpaid leave for care for a spouse, significant other, child or parent with a serious health condition; or (c) seventy-two (72) months of unpaid leave for care for the pilot's own serious medical condition.
2. A pregnant pilot shall be permitted to continue in service until a physician certifies she is unable to fulfill her duties. If she is certified as unable to fulfill her duties, she will be granted a medical leave of absence as determined by a physician. Additionally, upon the birth of the child she shall be eligible for the leave set forth in Section 13.C.1.a.
3. A pilot's health benefits will continue for the first nine (9) months of the leave set forth above at the same benefit level and cost as if the pilot were not on leave. A pilot on medical leave shall be entitled to health benefits beyond nine (9) months only upon reimbursement to the Company on a monthly basis of the full cost of such benefits.
4. A pilot who ceases to perform flight duties pursuant to paragraph C.1 shall take any accumulated sick leave and may, at his option, take any accrued vacation prior to beginning unpaid leave.

5. The Company may require a pilot to provide reasonable advance notice of intent to take family/medical leave, if practicable. The Company may also require the pilot to provide medical certification of the need for the applicable leave; reasonably periodic reports of the applicable medical status, and notice of intent to return from leave. Medical information will be kept confidential.
6. When Family-Medical leaves of absence are granted, a pilot shall retain and continue to accrue seniority for the period of the leave and longevity for pay purposes for up to six (6) months, whether or not he is able to maintain his medical certificate required by his status, until he is able to return to duty or is found to be unfit by the submission of proof of permanent and total disability for such duty. A pilot returning to duty from Family/Medical leave shall be subject to a reasonable requalifying period but in no case less than the qualifying period provided in the training section.
7. Any disputes arising under this Section 13.C concerning the medical condition or fitness of the pilot concerned shall be settled in accordance with the provisions of Section 15 of this Agreement.
8. Upon satisfying fitness and qualification requirement, a pilot returning from medical leave shall be permitted to exercise his seniority to secure a position at the base to which he had previously been assigned.
9. A pilot who has exhausted leave under this Section 13.C shall not be eligible for additional leave for one year following his return to work.

D. Military Leave

Unpaid Military leaves shall be provided as required by law. Reemployment rights and benefits shall be governed by applicable statute. A pilot shall request leave to cover his anticipated absence. A pilot shall provide written notice and a copy of the orders directing the military duty as soon as known to the pilot.

E. Leave of Absence for Jury Duty

When called for jury duty, a pilot will be paid and credited for flights missed or reserve days missed at the applicable rate for each calendar day of jury duty served for up to fifteen (15) days. The Company shall release the pilot from duty no less than twenty hours prior to his assigned jury duty with no loss of pay. Jury duty leave pay shall be offset by any amount a pilot received from the court, excluding mileage and expenses. Claims for jury duty leave shall be made in writing. The pilot shall notify the Company of release from jury duty so that the pilot can be placed back on flying status.

F. Bereavement Leave

Bereavement leave to attend to matters resulting from a death in the immediate family of a pilot or of a significant other shall be granted for up to five (5) days. Additional, unpaid personal leave may also be granted as provided in this section. For purposes of this paragraph, the immediate family is defined as spouse, children, step-children, parent, step-parent, brother, sister, step-brother, step-sister, parents-in-law, grandparents, grandchildren. The Company may grant bereavement leave for persons other than the pilot's immediate family. The pilot shall be paid and credited for flights missed or a reserve day missed at the applicable rate for each day of such leave.

G. Association Leave

1. A pilot on Association Leave will be paid and credited in accordance with this Section 13.G and will continue to accrue seniority, longevity and other benefits as if he had been on active duty.
2. The Association will reimburse the Company for all Association Leave paid to pilots as follows: the number of hours on leave paid by the Company times the applicable hourly rate for each pilot, plus 18% to cover the cost of fringe benefits.
3. The Company shall prepare a billing for reimbursable Association leave pay which, after review by the MEC Chairman, will be reimbursed by the Association. Such billing shall state the date of each Association leave, the pilot's name and ALPA number, the flight numbers, the hours billed, the pilot's pay rate and the total flight pay.
4. The Association agrees to reimburse the Company within forty-five (45) days after receipt of the Company's bills. Such billings shall be submitted to the Association no later than forty-five (45) days following the month in which the flight pay loss was incurred.
5. All Company billings to the Association will be directed to the Spirit MEC Chairman's office.
6. Schedule Bidding for Pilots on Association Leave
 - a. The MEC Chairman or his designee shall notify the Company of the Association leave requirements as soon as practical.
 - b. A pilot shall bid a schedule and drop trips conflicting with the leave dates. Notification of dropped trips shall be made as far in advance as possible.
 - c. The pilot shall be paid for such trips that are dropped, and ALPA shall reimburse the Company for such leave as provided in this Section.
 - d. A pilot may be assigned or pick up flying on any of the days dropped which do not conflict with Association leave, and ALPA shall not be responsible for payments for time picked up or assigned.
 - e. If shorter notice is unavoidable, the MEC Chairman or his designee shall provide the Company with as much notice as possible of immediate Association leave requirements. The Company will make every effort to coordinate the scheduling of meetings/events which call for Company and Association participation. In the event the Company cannot accommodate the short notice leave request, any Company/Association meeting will be rescheduled to accommodate Association participation.
 - f. If, due to operational necessity, the Company is unable to accommodate an Association leave request, it shall provide notice of the reasons for the denial. Otherwise, the Company shall provide confirmation of granting the leave request. Confirmations and denials of leave request shall be provided in writing within three business days of the request or, with respect to trip drops under 6.b within three (3) business days of the

final bid award. Once leave has been granted, it shall not be rescinded unless necessary to avoid cancellation of a revenue trip.

7. National Affairs

Upon thirty (30) days written notice, a pilot shall be granted an unpaid leave of absence not to exceed four (4) years for the purpose of serving as President, Vice-President, Secretary, Treasurer or Executive Administrator of the Association or serving with an agency of the United States Government or an agency of an inter-governmental body with which the United States is affiliated, to the extent permitted by law, provided the work involved is directly associated with airline operations. During such a leave, a pilot's seniority and longevity shall continue to accrue. When such a pilot returns, his salary shall not start until he is requalified on the aircraft to which he will be regularly assigned, but the retraining cost shall be borne by the Company.

H. General

1. When a pilot undergoes requalification training upon return from a leave of absence, such pilot shall be placed on active payroll status upon completion of such requalification training, or after a period of sixty (60) days from the date of return to service, whichever comes first.
2. Except as provided in 13.G.7 above, during requalification after a leave of absence, a pilot will receive training pay as provided in Section 3.D.2, unless initial training (as defined in the F.O.T.M) is required, in which case the pilot will receive initial new hire training pay as provided in Section 3.D.1.
3. All requests for leaves of absence requiring Company approval shall be responded to in writing within seven (7) calendar days.
4. Nothing contained in this Agreement shall diminish rights provided under the Family and Medical Leave Act. Leave granted under this Agreement shall run concurrently with leave granted under federal or state family and medical leave acts, which shall also run concurrently to the extent allowed by law.
5. A pilot who fails to return as scheduled from any leave of absence is deemed to have resigned.
6. A pilot on leave shall not, without prior written permission of the Company, engage in employment as a pilot in commercial flying or employment adverse to the Company's interest.
7. A pilot on leave of absence, whose seniority is such that he would have been furloughed had he not been on leave of absence, will promptly be notified that his rights under the Agreement have been changed to those of a furloughed pilot. If there is a subsequent expansion in service, such pilot, if his seniority warrants, shall be recalled or shall again revert to leave of absence status with the accompanying rights and obligations of this Section.

Section 14 Sick Leave

A. Accrual of Sick Leave

1. A pilot shall accrue 3.75 hours of sick leave credit for each full month of active service to a maximum of 400 hours. Effective January 31, 2005, a pilot shall accrue 4.0 hours of sick leave credit for each full month of active service to a maximum of 400 hours.
2. All accruals held at the time of signing of this Agreement will be credited to the pilot's primary sick bank up to its maximum (150 hours), and any remainder will be placed in the pilot's secondary bank.
3. Accruals will be distributed in the following manner:

- a. Primary Bank (short-term illness or injuries)

A pilot will accrue 2.75 hours of sick leave in a primary sick bank for each month of active service. Effective January 31, 2005, a pilot will accrue 3.0 hours of sick leave in a primary sick bank for each month of active service. This accrual will be credited up to a maximum of one hundred fifty (150) hours. If the primary bank has reached its maximum credit limitation, all sick leave accrued will be deposited in the pilot's secondary bank (at a rate of 3.75 hours per month, and 4.0 hours per month effective January 31, 2005).

- b. Secondary Bank (long-term illness or injuries)

A pilot will accrue 1.0 hours of sick leave to be deposited in a secondary sick bank for each month of active service. Such accruals will be deposited in a secondary sick bank will be used in instances of "long-term illness or injury." Long term illness or injury is defined as having a medically documented illness or injury for a duration of more than fourteen (14) days or the same medically documented recurring or intermittent condition that occurs over a period in excess of fourteen days.

Example: A pilot has one hundred (100) hours banked in his primary sick bank and fifty (50) hours in his secondary bank. The pilot suffers a long-term illness. The pilot will exhaust his primary (short-term) bank. He can then draw from the secondary bank.

- c. After 90 calendar days the long-term disability plan begins. A pilot receiving benefits under the long-term disability plan may use any remaining secondary bank time in conjunction with long-term disability benefit payments to cover the difference between the pilot's pay and the amount of the long-term disability benefit payment.
4. A pilot on nonpay status shall retain but not accrue sick leave credit after the first thirty (30) days of such period of absence, unless otherwise provided in this Agreement.

5. A pilot shall retain his accrued sick leave credit for as long as he remains on the pilot's seniority list. If a pilot is removed from the pilot seniority list but remains employed by the Company, the carry-over of his accrued sick leave will be handled pursuant to Company policy.
6. The Company shall update and report accrued sick leave on each paycheck.

B. Use of Accrued Sick Leave Credit

1. A pilot shall be allowed to take sick leave if he is unable to perform his regular duties because of personal illness, injury or other medical condition. A pilot may take sick leave if he is required to care for the illness, injury or medical condition of a child, spouse, parent, or significant other.
2. A regular or relief pilot will have the value of the trip(s) missed deducted from his sick leave credit.
3. A pilot who holds a reserve or relief line will have four (4.0) hours of time deducted from his sick leave credit for each day of reserve assignment missed.
4. A pilot who is on sick leave for an entire month shall have his minimum monthly guarantee deducted from his sick leave credit, provided he has accrued sufficient sick leave credit in his bank.
5. The pilot will receive pay credit equal to the amount of sick leave credit taken from his bank in paragraphs B.2, B.3 and B.4 above.
6. A pilot shall be allowed to "borrow" up to twenty-four (24) hours of sick leave even if he has not yet accrued these hours in his primary sick leave bank. Upon his return to work, the pilot has twelve (12) months to reconcile the deficit in his sick bank. The deficit shall be reduced each month by the amount of sick leave credit accrued or by following the provisions of paragraph D.3 of this section. A pilot is not entitled to use the deficit bank as outlined in this provision if he is currently carrying a deficit accrual in his bank. If a pilot leaves employment with the Company with a debit, the amount shall be deducted from his final paycheck.
7. A pilot on duty who becomes ill or injured while away from his domicile shall continue to receive lodging and expenses under Section 5 until he is able to return to his domicile.

C. Return to Duty following Sick Leave

1. Except as provided in paragraph C.3 below, a pilot assigned a pairing must notify Crew Scheduling prior to the start of each pairing for which he is sick. A pilot is not required to call Crew Scheduling for each day of a multiple day pairing.
2. Except as provided in paragraph C.3 below, a pilot must notify Crew Scheduling every day he is sick and scheduled for a reserve period.
3. If a pilot knows that he will be out sick for more than one day, he may notify Crew Scheduling to be placed on sick leave for multiple days. For example, a pilot is scheduled for four single day trips or four reserve periods on 6/1, 6/2, 6/3 and 6/4. The pilot may call Crew Scheduling and call out sick from 6/1-6/4.

4. Pilots do not need to call in well to Crew Scheduling. A pilot who has not called in sick for a trip is assumed to be working his assigned scheduled.

D. Sick Leave Makeup

1. A pilot who is unable to report for duty due to illness or injury on the first day of a multi-day trip may contact Crew Scheduling in a timely manner and make himself available for duty on the remaining day(s) of the trip. A pilot will be reassigned to the original trip if, and when, that trip travels through his domicile. If reassigned to his original trip, he will be credited with the portion flown, and the remainder will be considered sick leave.
2. If a pilot cannot be reassigned to the original trip in accordance with paragraph D.1, he may be assigned to reserve. In the event he receives a trip assignment, he will be paid and credited for the trip, or if he is placed on reserve, the value of a reserve day, whichever is greater. If such pay and credit is less than his original trip, the difference shall be considered sick leave.
3. Upon return to duty from sick leave a pilot may advise the Company of his desire to pick up open time in addition to his scheduled trips and designate it as sick leave makeup. In which case, the hours missed on account of illness or injury will be credited toward his accumulated basic sick leave bank to the extent he has recovered them. Any trips or portions thereof in excess of the sick leave used will be paid in that month.
4. Upon return to duty from sick leave a reserve pilot may advise the Company of his desire to make up sick leave by picking up "R" day(s) from open time.

E. Sick Leave Pay-outs

1. A pilot's sick leave accruals will be paid out as provided in paragraphs 2 through 5 below. At the pilot's option, the sick leave pay-out will be made in the form of a lump sum or bi-weekly payment. The selection of a bi-weekly pay-out shall not establish an independent basis for the continuation health benefits or sick leave accruals during the pay-out period.
2. Upon medical retirement, a pilot shall be paid for his accumulated sick leave at one-hundred percent (100%) of his hourly rate of pay, subject to bank credit limitations (400 hours).
3. A pilot who retires at the mandatory retirement age with twenty-five years of service shall be paid for his accumulated sick leave at one-hundred percent (100%) of his hourly rate of pay, subject to bank credit limitations (400 hours).
4. A pilot who retires at the mandatory retirement age shall be paid for his accumulated sick leave at seventy-five percent (75%) of his hourly rate of pay, subject to bank credit limitations (400 hours).
5. A pilot who leaves the service of the Company prior to mandatory retirement age and not due to a medical retirement shall be paid for his accumulated sick leave, up to 400 hours, as provided below.

- a. after 10 years of service he shall be paid for his accumulated sick leave at twenty-five percent (25%) of his hourly rate of pay.
- b. after 15 years of service he shall be paid for his accumulated sick leave at fifty percent (50%) of his hourly rate of pay.
- c. after 20 years of service he shall be paid for his accumulated sick leave at seventy five percent (75%) of his hourly rate of pay.

F. General

1. Any pilot engaged in international operations who becomes sick or injured shall be properly hospitalized at Company expense. When the sickness or injury necessitates treatment or convalescence in the United States, the Company shall return such pilot to the United States.
2. If a pilot becomes ill or injured while on vacation and such illness or injury requires hospitalization or surgery, the pilot may postpone any remaining days in his vacation period and elect to receive sick leave/disability for the remainder of the vacation period instead. Such pilot may select from the remaining open vacation periods to reschedule the postponed vacation.
3. If a pilot is on disability at the time his vacation is due to be taken, the vacation period will be rescheduled upon a written request of the pilot. Such pilot will select from the remaining open vacation periods to reschedule the postponed vacation.
4. If there is a reasonable basis to question the pilot's use of sick leave, a member of Flight Operations management may require a pilot to furnish the Company with a physician's certificate describing the sickness or injury. The Company will pay the cost of the visit including any diagnostic tests or portion thereof requested by the Company not covered by insurance.
5. A pilot may not be counseled nor disciplined for the legitimate use of sick leave.
6. A pilot may donate no more than fifty percent (50%) of his sick leave credit to another pilot. The pilot may not fall below twenty-four (24) hours in his own sick leave bank as a result of donating time.

Section 15

Medical Standards, Examinations and Testing

- A. It is the responsibility of each pilot to meet the medical standards required of a pilot established by the Federal Aviation Administration (FAA), including its waiver policy, for the pertinent class of medical certification. It is the responsibility of each pilot to arrange for regular medical examinations. Pilots may select medical examiners of their choice to meet FAA requirements and shall notify the Company of any examination results. The cost of such physical examination will be paid by the pilot.

- B. If the Company questions whether a pilot meets the medical standards of Paragraph A, above, the Company may require a pilot to submit to an examination or medical test in addition to those required by the FAA regulations. The examination may be by a Company designated medical examiner, and the pilot will, upon request, be furnished with a copy of the medical examiner's report. The cost of each such Company-required examination or test shall be paid by the Company.

- C. Any pilot who fails to pass such physical examination or medical test required by the Company may, at his option, have a review in the following manner:
 - 1. He may employ a qualified medical examiner of his own choosing — preferably a specialist in the relevant field pertaining to the area(s) precipitating the failure to satisfy medical standards — and at his own expense for the purpose of conducting a physical examination or test.

 - 2. A copy of the findings of the pilot's medical examiner shall be furnished to the Company. In the event that such findings verify the findings of the Company medical examiner, disposition of the pilot will be in accordance with other provisions of this Agreement. No further medical review shall be afforded under this Agreement.

 - 3. If the findings of the Company's medical examiner and the pilot's medical examiner disagree on the pilot's qualification to exercise the privileges of his Medical Certificate, the Company will, at the written request of the pilot, ask the two examiners to agree upon a third, qualified and disinterested medical examiner, preferably a specialist, for the purpose of making further physical examination or test.

 - 4. The case shall be settled on the basis of the findings of the said disinterested medical examiner.

 - 5. The expense of employing the disinterested medical examiner shall be borne one-half (1/2) by the pilot and one-half (1/2) by the Company. Copies of such medical examiner's report shall be furnished to the Company and to the pilot.

 - 6. If the Company removes a pilot from service pursuant to paragraph B above, and it is thereafter determined that the pilot has continuously met the medical standards established in paragraph A above, any sick leave credits used by such pilot during the period of removal from service will be credited to the pilot's sick leave account. In addition, the pilot will be made whole for other Company provided compensation and benefits lost as a result of being removed from service as per paragraphs B above.

7. Medical records and other information obtained as a result of a Company-required medical examination or subsequent examinations pursuant to paragraphs B and C above, shall be subject to safeguards as to their confidentiality consistent with those required under the Americans with Disabilities Act. Such information shall be available only to such management, medical and clerical personnel as are responsible for pilot medical qualification supervision and record keeping.

- D. Captains who are unable to maintain their First Class Medical Certificates, but are able to maintain a Second Class Medical Certificate, may, at their option, continue in the service of the Company as a First Officer and be paid at the applicable rate for First Officers at the individual's level of longevity.

- E. Drug/Alcohol Testing
 1. a. The Company may require pilots to undergo drug, alcohol, or other substances testing as required by applicable federal law or regulation. All drug and alcohol testing shall be conducted in accordance with the standards and procedures set forth in the applicable federal regulations.

 - b. The parties to this Agreement endorse the principle of zero tolerance. However, due to the potential for calibration errors, an Evidentiary Breath Test (EBT) alcohol test which registers a confirmed result of below 0.02 will be considered a negative test.

 - c. A nonprobationary pilot whose alcohol test results in a reading between .02 and .039, and who has not previously violated the Company's drug and alcohol policy, will be removed from flight status and will be required by the Company to undergo evaluation by a Substance Abuse Professional (SAP). The pilot will be returned to duty once he has successfully completed any treatment program recommended by the SAP.

 - d. A pilot whose EBT alcohol test registers a confirmed positive result between .020 and .039 and has previously violated the Company's drug and alcohol policy; or a pilot whose EBT alcohol test registers a confirmed positive result of .04 or higher may be subject to discipline up to and including discharge.

 - e. The Company shall provide the Association with a copy of its drug, alcohol and substance testing policies.

 - f. The Company may make reasonable changes in such policies as may be required by federal law, regulation, or regulatory authority. The Company will provide the Association with reasonable advance notice of any proposed changes, and give due consideration to Association comments, proposals or suggestions regarding such changes.

 - g. If the Company has directed a "reasonable suspicion" test, the MEC Chairman will be provided with a written statement as to the basis for such reasonable suspicion within five (5) working days of the test. The written statement and information contained there in shall remain confidential.

EXAMPLES

A reserve pilot accrues 30 hours of flight pay and is available for duty on his reserve days. He is required to take a combined drug and alcohol test. He will be paid his guarantee plus one hour, or 73 hours.

A regular pilot is awarded a line with a credit value of 78 hours. Due to a voluntary 10-hour trip drop, his adjusted guarantee drops to 68 hours. He is required to take a combined drug and alcohol test. He will be paid his adjusted guarantee (68 hours) plus one hour, or 69 hours.

Section 16

Workers' Compensation Benefits

- A. In the event an occupational illness or injury occurs that results in Workers' Compensation benefits, the Company shall comply with applicable statutes.
- B. If a pilot suffers an otherwise compensable injury and is ineligible for Workers' Compensation benefits due solely to the geographic location at which the injury occurred, the Company shall provide such pilot with benefits no less favorable than the benefits for which he would have been eligible in the state in which he is based.
- C. When a pilot is absent from work because of an occupational injury for which he qualifies for Workers' Compensation payments, he shall receive pay and credit for his projected credit for the month in which the injury occurred (adjusted by the amount of Workers' Compensation payments received). Thereafter, such pilot shall receive his monthly guarantee for a period of one (1) month (adjusted by the amount of Workers' Compensation payments received). There shall be no deduction from the pilot's sick leave bank during the month of injury and the following month. Thereafter, the pilot may use his accrued vacation and/or accrued sick leave credit to supplement the Workers' Compensation benefit not to exceed the applicable minimum bid period guarantee.
- D. A pilot will continue to accrue sick leave while on Worker's Compensation.
- E. A pilot who is absent from work due to illness or injury due to Worker's Compensation shall retain all benefits in Section 13, Leaves of Absence.

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Section 17
Missing, Internment, Prisoner or
Hostage of War or Hijacking Benefits

- A. Any pilot while in the service of the Company who becomes or is reported as a prisoner or hostage of war, MIA or who is hijacked while engaged in domestic and/or international flying as defined in this Agreement, shall be paid a minimum monthly compensation equal to his monthly guarantee, or trips missed, whichever is greater. This monthly compensation shall continue for up to twenty-four (24) months or until such pilot is released if prisoner, hostage of war or hijacked, or, if MIA, proof of death is established, for all purposes, whichever comes first. After proof of death is established, the pilot shall be entitled to the benefits provided for under Section 27.D of this Agreement.
- B. The monthly compensation allowable under this Agreement to a pilot who becomes or is reported as a prisoner or hostage of war, MIA or who is hijacked shall be credited to such pilot on the books of the Company and shall be disbursed by the Company in accordance with written directions from him. The Company shall require each pilot hereafter employed to execute and deliver to the Company a written direction in the form hereinafter set forth. The direction referred to shall be in substantially the following form:

Section 18

Witnesses and Representatives

- A. For any fact-finding meeting or hearing under Sections 19, 20 and 21:
1. Witnesses, grievants and representatives shall be released from duty in order to attend any meeting or hearing; provided that, the number of witnesses called at any one time shall not unduly interfere with the operations of the Company.
 2. Witnesses and representatives who are employed by the Company or the Association and all grievants shall receive free, positive space, must ride transportation over the lines of the Company, or transportation over the lines of other companies with which the Company has exchange or reciprocal agreements, to the extent permitted by law, from the domicile or point of duty to the system board hearing and return.
 3. Transportation to attend fact finding meetings will be based on space available transportation, unless the Company elects to provide positive space. If a witness, grievant or representative is unable to obtain space available transportation, the fact finding meeting will be rescheduled and a pilot will not face discipline for being unable to obtain transportation.
 4. Association representatives or witnesses may fly out of a location other than their own base as long as the accommodation does not induce additional pay. In such instances where the Association representative or witnesses wish to fly out of a location other than their own domicile the Association will notify the Company with as much advance notice as possible and by mutual consent facilitate the transport. Free travel for witnesses shall be handled in accordance with the provisions of paragraph A.1 of this Section.
 5. Subject to space being available, witnesses who are not employed by the Company or the Association shall receive free transportation over the lines of the Company to the hearing or meeting and return.
 6. All meetings and hearings shall be held in the city where the general offices of Spirit Airlines, Inc., or the chief pilots' offices are maintained unless a different place of meeting is agreed upon by the parties.
- B. Witnesses, grievants and representatives may appear at meetings under section 19 and initial hearings under section 20 via telephone conference call with the mutual agreement of the parties, which shall not be unreasonably withheld.
- C. Witnesses may provide testimony via telephone conference call at hearings before the System Board of Adjustment by mutual consent of the parties, which shall not be unreasonably withheld, or by order of the neutral member of the Board.

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Section 19

Investigation, Discipline and Disciplinary Grievances

A. Investigations

1. A pilot will not be disciplined without just cause. In those instances where the Company contemplates discipline of a pilot — amounting to discharge, disciplinary time off, suspension without pay and/or benefits or demotion — such disciplinary action will not be imposed until the Company first conducts an impartial, reasonable and expeditious investigation of the alleged cause.
2. No discipline will be imposed until a fact-finding meeting is held among the chief pilot, the pilot and his Association representative(s) (if desired). Such meeting will be held within ten (10) working days of the date of the Company's issuance of a written Notice of Investigation advising the pilot of the investigation and reasons for it and of his right to representation. The Company shall give the pilot at least seventy-two (72) hours confirmed notice of the time and date of the fact-finding meeting. Concurrent with the issuance to the pilot, a copy of the Notice of Investigation shall be mailed to the MEC Chairman and Grievance Chairman.
3. A Notice of Investigation must be issued within fifteen (15) working days of the date upon which an individual with managerial authority in the Flight Operations Department has, or would reasonably be expected to have, knowledge of the circumstances giving rise to such investigation.
4. Pending such a fact-finding meeting and decision by the Company, the Company may hold a pilot out of service with pay. Written notice that a pilot is withheld from service will be issued to the pilot not later than one (1) working day after the date he is withheld from service. Issuing the Notice, for purposes of this paragraph, means sending it out (i.e., mailing or faxing it with date or postmark), or hand delivering it to the other party (not merely sending it on to another member of management or a secretary).
5. The Company will provide the Association with access to Company information relevant to the investigation. If needed to secure documentation and the presence of witnesses, the pilot shall be granted a postponement of the meeting not to exceed ten (10) days. The parties will enter into a confidentiality agreement on documents as needed.
6. The purpose of the fact-finding meeting is to interview all pertinent witnesses, establish all pertinent facts, review all pertinent documents and determine any possible solution.
7. A grievant shall have the right to be represented at the fact-finding meeting by a Company employee of his choice or by his duly accredited representative(s). The Company shall provide seventy-two hour advance notice to the ALPA Contract Administrator if it intends to have its legal counsel present at a fact finding hearing.
8. After the fact-finding meeting, the chief pilot or his designee shall render a decision in writing. Such decision shall state the facts, the precise charges, the action taken and shall be signed by the chief pilot or his designee. Such decision shall be mailed to the pilot, return receipt requested, no later than

the fifth (5th) working day after the conclusion of the fact-finding meeting. A copy of such decision will be mailed at the same time, return receipt requested, to the MEC Chairman, Grievance Chairman, and ALPA Contract Administrator.

B. Routine Inquiries by the Chief Pilot

1. The Chief Pilot may make routine inquiries of situations via discussion with a pilot prior to issuing a Notice of Investigation. If the matter is resolved, it is not necessary to issue a Notice of Investigation or conduct a fact-finding meeting.
2. If there is a possibility that the pilot may be disciplined, either at the time the conversation is first initiated or during the course of the conversation, then the Chief Pilot must advise the pilot of the possibility of discipline, of his right to a Notice of Investigation, and of his right to a fact-finding meeting. At this point, the pilot may agree to continue the conversation or choose not to discuss the matter until the fact-finding meeting, with no adverse consequence for electing to defer the discussion.

C. Counseling

Counseling sessions and written counselings shall not be considered as discipline but may be recorded chronologically in a Counseling Log. The pilot shall receive a copy of all written counselings and notification of any entry in the Counseling Log. Entries in the Log shall be purged after one (1) year provided the pilot does not have an additional entry within that one (1) year period. In no event shall an entry be maintained in excess of two (2) years.

D. Grievances Pertaining to Discipline

1. Only a non-probationary pilot who is disciplined may file a Grievance-System Board Submission. Such Grievance-System Board submission shall be filed within thirty (30) calendar days after receipt of the Company's decision and shall be processed according to the provisions of Section 21.
2. All time limits within this Section 19 shall be complied with by the Company and the pilot. If the Company does not comply with the time limits, the grievance shall be considered denied and appealable. In the event the pilot fails to comply with the time limits, the Company's action shall be sustained.
3. All time limits within this Section 19 may be extended, orally or in writing, by mutual agreement. Oral agreements shall be confirmed in writing as soon as practicable.

E. Probationary Pilots

1. A probationary pilot shall be entitled to the rights contained in paragraphs 19.A and 19.B above. The Association and probationary pilots retain the right to file grievances alleging the Company's failure to provide the procedural rights of Section 19.A and 19.B to any pilot.
2. If the probationary pilot requests a postponement of the meeting under Section 19.A.5 above, the pilot shall be placed on unpaid status as of the date of the originally scheduled meeting. If a postponement results in the

meeting being held after a pilot's probationary period has ended, he shall still be considered probationary for the purposes of Section 19.

3. A probationary pilot shall not be eligible to utilize the provisions of Section 19.A with respect to employment action taken related to his training during his probationary period.
 4. Nothing contained herein shall be considered to grant a probationary pilot (or the MEC on behalf of a probationary pilot) the right to file a grievance/ submission challenging a probationary pilot's discharge on the merits.
- F. If, as a result of any meeting, hearing or appeal therefrom as provided herein, a pilot is exonerated, he shall be made whole for any loss of pay and/or Company-provided benefits, and he shall, if he has been held out of service, be reinstated without loss of seniority or longevity. In addition, the personnel records shall be cleared of the charges and all documents relating thereto, and the pilot shall be notified, in writing, that his record has been cleared.

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Section 20

Grievances other than Discipline or Dismissal

- A. Any pilot or group of pilots who have a grievance concerning the application or interpretation of this Agreement shall be entitled to have such grievance handled in accordance with this procedure.
- B. A pilot who has a complaint upon which a grievance may be based under this Section 20 must, before filing a grievance, make every reasonable effort to bring the matter to the attention of the Vice President of Flight Operations or his designee and the MEC Chairman or his designee for discussion and possible resolution.
- C. Grievances under this Section 20 must be filed with the Vice President of Flight Operations or his designee, within sixty (60) days after the affected pilot(s) has, or would reasonably be expected to have, knowledge of the event(s) from which the dispute arises. It is not intended that this limitation preclude claims arising out of clerical errors pertaining to pay or benefits under this Agreement. The grievance must set forth a statement of facts giving rise to the grievance and the relief or remedy requested.
- D. Grievances under this Section 20 shall be handled in accordance with the following procedure:
 - 1. An initial hearing shall be held by the Vice President of Flight Operations, or his designee, within twenty (20) calendar days after the Company receives the grievance.
 - 2. The Company shall give the pilot(s) at least seventy-two (72) hours confirmed notice of the time and date of the hearing. The Company will check the pilot(s) schedules and not schedule meetings during the pilot's trips but rather reasonably before or after trips or on the pilot's days off.
 - 3. The Association will be provided access to Company information relevant to the grievance. The parties will enter into a confidentiality agreement on documents as needed.
 - 4. A grievant shall have the right to be represented at the initial hearing by a Company employee of his choice or by his duly accredited a representative(s) of his choice.
 - 5. Within ten (10) days following the completion of such hearing, the Company will issue its decision in writing to the pilot with a copy to his MEC Chairman, Grievance Chairman, and ALPA Contract Administrator.
 - 6. If the decision of the Company is not satisfactory to the Association, the Association may appeal the decision to the System Board of Adjustment within thirty (30) days of the receipt of the decision.
- E. All time limits within this Section 20 may be extended, orally or in writing, by mutual agreement. Oral agreements shall be confirmed in writing as soon as practicable. In the event the Company does not comply with the time limits, the grievance shall be considered denied and appealable. In the event the pilot fails to comply with the time limits, the grievance shall be considered withdrawn and have no value as a precedent.

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Section 21

System Board of Adjustment

- A. In compliance with Section 204, Title II of the Railway Labor Act, as amended, a System Board of Adjustment is established for the purpose of adjusting and deciding disputes which may arise under the terms of this Agreement, any amendments or additions thereto, and which are properly submitted to it. The Board shall be known as the "Spirit Airlines Pilots' System Board of Adjustment," hereinafter referred to as the "Board."
- B. Composition of the Board
1. The Board shall consist of three (3) members, one (1) appointed by the Company, one (1) appointed by the Association and one (1) member (hereinafter referred to as the "neutral member") selected in accordance with Paragraph E. of this Section 21.
 2. An individual appointed as a Board member for a case shall continue as a member until the final and binding decision is issued on that case.
 3. The neutral member of the Board shall preside at meetings and hearings of the Board and shall be designated as chairman of the System Board of Adjustment. It shall be the responsibility of the chairman to guide the parties in the presentation of testimony, exhibits and argument at hearings to the end that a fair, prompt, and orderly hearing of the dispute is afforded.
 4. It is understood and agreed that each and every Board member shall be free to discharge his duty in an independent manner, without fear that his individual relations with the Company, the Association or with the employee(s) may be affected in any manner by any action taken by him in good faith in his capacity as a Board member.
- C. Jurisdiction
1. The Board shall have jurisdiction over disputes between any pilot covered by this Agreement and the Company arising out of grievances concerning the interpretation or application of any of the terms or provisions in the Agreement and disciplinary grievances submitted by nonprobationary pilots. The action of the Board will not extend to proposed changes in hours of service, rates of pay, or working conditions. The Board shall, however, be empowered to grant, modify, or deny relief or remedy requested.
 2. The Board will consider any grievance properly submitted to it by the Association or the Company when such grievance has not been previously settled in accordance with the terms provided for in this Agreement.
- D. Submission

All disputes properly referred to the Board for consideration shall be addressed to the Company member and the Association member jointly with a copy to the Company-Executive Vice President-Legal Counsel or his designee. The petition will include:

- Question or questions at issue.
- Statement of facts.

- Position of employee or employees.
- Position of the Company as set forth in its decision.
- Relief or remedy requested.

E. Selection of Neutral Member

1. Upon the filing of the submission with the Company members and Association members, the Company and the Association shall, within fifteen (15) days, agree upon the selection of a neutral member to sit with the Board in the consideration and disposition of the case, and if agreement is reached, shall advise the members of the Board of the name and address of the neutral member. The following neutral arbitrators are deemed acceptable to the parties and shall be contacted in rotation to serve as chairpersons:
 - a. Bonnie Weinstock
 - b. Robert Harris
 - c. Fred Horowitz
 - d. Dennis Nolan
 - e. Lawrence Holden
 - f. Carol Wittenburg
2. In the event none of the above arbitrators is available, the parties may mutually agree upon another or request an appointment from the National Mediation Board. An arbitrator shall be considered unavailable if he is not able to schedule a hearing within 120 days, unless the parties mutually agree otherwise.
3. Upon the selection or the appointment of a neutral member the appealing party shall forward a copy of the submission to the neutral member. All subsequent documents to be filed with the Board shall be addressed to all three (3) members of the Board.

F. Hearings

1. The Chairman shall set a date for hearing which shall be mutually satisfactory with the Association and the Company members of the Board.
2. Pilots having a grievance being heard by the Board may be represented at Board hearings by such person or persons as they may choose and designate. The Company and Association may be represented by such person or persons as they may choose and designate.
3. Evidence may be presented at the hearing either orally or in writing, or both. The Chairman may subpoena evidence and witnesses who may be deemed necessary by the parties to the dispute, or by either party, or by the Board itself.
4. A stenographic report shall be taken of the hearing unless mutually agreed otherwise. The costs of the report shall be borne equally by the parties.

G. Board Decisions

A majority vote of all members of the Board shall be final and binding between the Company and the Association and anyone they may represent having an interest in the dispute. Decisions shall be rendered within thirty (30) days after the close of the hearing and/or briefs have been submitted.

H. Record of Proceedings

The Board shall maintain a complete record of all matters submitted to it for its consideration and of all findings and decisions made by it.

I. Expenses

1. Each of the parties hereto will assume the compensation and expenses of the Board member selected by it, its representative(s), and of the witnesses called or summoned by it, except where otherwise provided herein.
2. The expenses and compensation of the neutral member shall be shared equally by the parties, unless the neutral Chairman determines that such costs should be assessed in whole or in part (greater than an equal share) against the nonprevailing party.
3. Board members who are employees of the Company shall be granted necessary leaves of absence for the performance of their duties as Board members.
4. Board members shall be furnished free positive space transportation over the lines of the Company, or transportation over the lines of other companies with which the Company has exchange or reciprocal agreements, to the extent permitted by law, for the purpose of attending meetings of the Board.

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Section 22

Seniority

A. Except as otherwise specifically provided in this Agreement, seniority shall govern all pilots in case of filling of positions and displacements, furlough and recall after furlough, schedule awards and where otherwise provided for in this Agreement.

B. Establishment of a Seniority Date

1. Seniority shall begin to accrue from the date of hire as a pilot with the Company and shall continue to accrue during such period of employment, except as otherwise provided in this Agreement. The date of hire shall establish such pilot's position on the Spirit Airlines Pilots' System Seniority List.
2. When two (2) or more pilots, who are hired after the signing of this Agreement, have the same date of hire, they shall be placed on the Seniority List according to the last four digits of the pilots' social security number, with the lowest number receiving the lowest seniority number.

C. Pilots' Seniority List

1. The seniority list, as approved by the MEC, accepted by the Company, updated periodically in accordance with this Agreement, shall be attached as an Appendix to this Agreement.
2. Within the first ten (10) days of January and July of each year, the Company will publish the pilot seniority list, brought up to date as of January 1st and July 1st, and will supply the MEC and each pilot with a copy. Such list will be known as the Spirit Airlines Pilots' System Seniority List and will contain the names of all pilots entitled to seniority, whether active or inactive, the date of seniority, date of longevity if different than seniority, and, with respect only to the list maintained by the Company and provided to the MEC, the last four digits of the pilots' social security number.
3. When a junior pilot is promoted over a senior pilot by reason of the failure of the senior pilot to qualify in his turn, the senior pilot will retain his position on the Pilots' Seniority List.

D. Protest

A pilot will be permitted thirty (30) days after any posting of the Pilots' Seniority List to protest to the Company an omission or incorrect posting affecting his seniority. A pilot on leave or away from his domicile at the time of posting of the list shall have thirty (30) days from the date of his return to his domicile to file such protest. A pilot making no protest within the time specified is bound by the list and has no further recourse, except that: clerical errors may be corrected at any time; and a pilot may protest a subsequent seniority list only if his position relative to other pilots varies from the list immediately preceding it.

E. Loss of Seniority

A pilot will lose his seniority and be removed from the seniority list if he resigns, is discharged and not reinstated, fails to return from authorized leave, or fails to accept recall under the provisions of Section 23.

F. Period of probation

A pilot is on probation for first twelve (12) months of active service from date of hire as a pilot with the Company (exclusive of time spent on furlough or leave of absence).

Section 23

Reduction in Force, Furlough and Recall

A. Furlough and Furlough Notification

1. When a reduction in pilots becomes necessary, pilots will be furloughed in the reverse order of system seniority.
2. Voluntary furloughs will be offered by the Company prior to any involuntary furlough. Voluntary furloughs may be restricted by status and equipment and shall be awarded in seniority order to those pilots who have applied for a voluntary furlough, provided such pilots meet the specified restrictions. Pilots who wish to accept a voluntary furlough will be granted a furlough on the same terms and conditions as specified in this Section. Voluntary furloughs will be posted in accordance with Section 24.F.
3. Each pilot to be furloughed will be notified of the furlough by certified mail, return receipt requested, at his last filed address. Whenever possible, a pilot will be given thirty (30) days notice of furlough (unless more notice is required by federal law), but in no event shall a pilot be given less than fourteen (14) days notice, or pay in lieu thereof for each day the notice is less than fourteen days. The notice period shall begin on the postmarked date of the certified mail.
4. Probationary pilots shall be furloughed in reverse order of system seniority just as all other pilots and shall not be terminated to effectuate the reduction in force.

B. Rights and Obligations of the Furloughed Pilot

1. Each furloughed pilot will file his correct address in writing with the Company and will promptly advise the Company in writing of any subsequent change of address.
2. A furloughed pilot shall retain and accrue seniority and have recall rights for a period of seven (7) years.
3. A pilot on furlough shall retain on-line pass privileges for one year and the same medical, dental, and life insurance on the same terms and at the same pilot contribution rates as pilots on active status for one hundred twenty (120) days if he is furloughed during his first sixteen (16) full months of service and one-hundred-eighty (180) days if he is furloughed after his sixteenth full month of service. The Company may withhold from the pilot's final paycheck the balance due, if any, for the pilot's portion of the monthly insurance premium contribution(s) for the remainder of the month in which he is furloughed. Beginning in the next month, a pilot shall submit the pilot portion of the biweekly premium on the same biweekly timetable as normal payroll is distributed. If the pilot is in arrears in excess of forty-five (45) days, the Company may terminate the furloughed pilot's insurance.
4. A pilot who is furloughed may elect to be paid for all vacation earned and accrued as of the date of the furlough.

C. Recall From Furlough

1. Pilots will be recalled in system seniority order.
2. The Company will notify a furloughed pilot of recall by certified mail, return receipt requested, to the most recent address provided by the pilot.
3. A pilot shall contact the Company as soon possible, but in no event later than ten (10) calendar days from the date of receipt of the recall notice. The Company may consider a pilot to have deferred his recall under Section 23.D.1 below if a pilot has not contacted the Company within ten (10) calendar days from the date of receipt of the recall notice.
4. A pilot will have up to twenty-one (21) days from the date of receipt of the recall notice in which to return to active duty. Upon proper notification to the Company, a pilot may elect to return to active duty sooner than twenty-one (21) days.

D. Deferral of Recall

1. Pilots may defer recall in system seniority order. In the event a furloughed pilot defers a recall, such pilot will not be eligible for reassignment to duty until the next recall order is issued.
2. If there are not a sufficient number of responses to a recall, a mandatory recall will be made in reverse order of system seniority. A pilot must return to duty during the mandatory pilot recall. The Company will notify the furloughed pilot that he must either accept the mandatory recall or he will be removed from the pilot seniority list. A pilot will have up to fourteen days from the date of receipt of the mandatory recall notice in which to return to active duty. If he declines or does not respond to the mandatory recall, he will be removed from the pilot seniority list.
3. When a pilot who has deferred a recall returns to active service with the Company at a subsequent recall, he shall do so with no loss of pilot seniority, i.e., no change in relative position within pilot seniority for bidding purposes.

E. Return to Duty Following a Recall

1. A furloughed pilot's reassignment to duty with the Company will be contingent upon evidence of possession of a current FAA medical certificate required for the position to which he is being recalled.
2. A pilot returning to duty following a furlough shall be provided a reasonable opportunity to requalify, not less than the qualifying period provided in Section 11 (Training) of this Agreement.
3. After reassignment to duty, a furloughed pilot will serve any remaining portion of his probationary period.
4. If a pilot requires training upon recall, he will receive training pay as outlined in Section 3 (Compensation) of this Agreement.
5. Upon requalification, a pilot will be awarded a vacancy in accordance with Section 24 of this Agreement.

6. Upon recall (or upon requalification if required), a pilot shall work jointly with Crew Scheduling to build from open flying a regular, relief or reserve line that meets or exceeds his prorated guarantee.

F. General

1. The Company will provide a list of all pilots receiving furlough and recall notifications to the MEC Chairman.
2. The provisions of this Section 23 will be included in all furlough and recall notices.

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Section 24

Filling Of Positions

A. Pilot Staffing

1. Pilot positions shall be staffed with a sufficient number of pilots to accommodate the total flying time required to be performed by each position. In addition, the Company shall staff each position with additional pilots to provide for reserve coverage and to cover both planned and anticipated shortages due to sick leave, Association leave, training, annual and floating vacation, and special projects. Management pilots shall not count in the number of pilots required for adequate staffing.
2. The Company may designate as Captain Qualified First Officers ("CQFOs") no more than the most senior five percent (5%) of the first officers who have submitted a permanent preference bid for Captain and who meet the Captain qualifications set out in Section 24.G.11, prior to their captain position award to cover unforeseen staffing needs. These positions will be bulletined and awarded in conformity with this Section 24.

B. Positions

1. Permanent Positions

- a. A permanent position shall be awarded to each pilot. A pilot who performs duty within the scope of this Agreement shall do so pursuant to his awarded or assigned permanent position in accordance with the provisions of this Agreement.
- b. A permanent position vacancy shall exist and shall be filled when:
 - (1) The total required number of pilots assigned to a category is increased for a period anticipated to be greater than four (4) months;
 - (2) A pilot holding a position on a permanent basis vacates that position and there is no decrease in the number of pilots required;
 - (3) A temporary position is reclassified as a permanent position because it has existed for more than four (4) months. Each temporary position will be assigned a code for tracking purposes.

2. Temporary Position

- a. Except as provided in B.1.b.3 above, a temporary position shall exist when:
 - (1) The total number of pilots assigned to a position is increased for a period anticipated to be four (4) months or less.
 - (2) A pilot holding a permanent position is unable to fly in that position because of a lack of initial qualification.
 - (3) A pilot holding a permanent position is unable to fly in that position because his replacement has not been trained.

- b. Temporary positions shall be posted for bid and awarded in accordance with the provisions of Sections 25.B.3.c. and 25.C.5.

C. System-Wide Preference Listing

1. Each pilot should have on file with the Flight Operations Department, a completed preference listing on the approved form. This preference listing will indicate the pilot's desired order of preference for a position(s). Pilots shall be permitted to qualify their preference for a position by indicating one of the following: "will accept any line holding position" or "will not accept a reserve line position." The preferences will be honored at the time of the award only. Such qualification shall become a part of the pilot's preference listing and shall remain in effect for future bulletins or until the pilot changes his preference.
2. A pilot may change his preference listing at any time. Changes may be submitted on the approval form:
 - a. by hand delivery to the office of his chief pilot personally by the pilot or his duly authorized representative.
 - b. by registered or certified mail to his chief pilot,
 - c. by facsimile transmission to the Chief Pilot with follow-up copy by Company mail,
 - d. by depositing it in the official bid box in the base.
3. If a pilot does not have on file a preference listing or his preference listing reflects insufficient choices to accommodate his seniority, he shall be considered to be bidding in his current position, and if his seniority no longer entitles him to such position, he shall be considered to be bidding in the highest paying position to which his seniority entitles him at his domicile.
4. Preferences are effective immediately upon submission but will not be considered for a vacancy bulletin which has closed. A pilot's preference listing on file shall be canceled when he submits a new preference listing. A pilot may add a contingency to his current permanent position which will be effective immediately but not operative until the next occasion on which that position is bulletined and awarded.

D. Position Roster

The Company shall maintain a roster, revised monthly, on which will appear the name of each pilot on the Spirit Pilots Seniority List. Current copies of such roster shall be maintained in the office of each Chief Pilot and on the pilot's bulletin board at each base and shall be made available at all times for examination by the pilots. A copy shall be provided on each publication date to the Master Executive Council Chairman. Such list shall include:

1. The pilot's seniority number,
2. The pilot's current permanent position and its effective date,
3. Any temporary position and its effective date,

4. Whether the pilot is in an equipment freeze and if so, the projected release date.
5. Whether the pilot is serving as a training pilot or a trainee during the month who will not bid a schedule.
6. Whether the pilot is qualified for his permanent position,
7. Whether the pilot is leave, vacation, furlough or other inactive status,
8. Whether the pilot is transferred to management duty.

E. Position Vacancy Bulletins

1. Position Vacancy Bulletins shall be numbered consecutively with the Position Reduction Bulletins using a numbering system indicating the year and bulletin number, e.g., 03-01, 03-02, 03-03, etc.
2. A Position Vacancy Bulletin may reference more than one position but shall have the same effective date for all listed positions, which shall be the first of a month.
3. All Position Vacancy Bulletins shall be published to all pilots. Notice of a Position Vacancy Bulletin shall be considered as furnished to each pilot by posting at each domicile, and/or electronic posting, when available.
4. New hire pilots shall bid for their positions on bulletins with all other pilots. Except, so long as all other pilots have had an opportunity to bid on the positions, the new hire pilots may bid later among themselves.
5. A Position Vacancy Bulletin shall include:
 - a. The number of vacancies by position.
 - b. The effective date of the position.
 - c. A general statement regarding the reason for the bulletin.
 - d. A deadline date for bid closing which will be no earlier than ten (10) days from the bulletin date.
 - e. The award date of the Position Vacancy Bulletin. The awards shall be posted immediately at the conclusion of the awarding process but in no event later than ten (10) days after bulletin closing.
 - f. A statement that the position vacancies may produce secondary vacancies and that all such vacancies will be awarded or assigned concurrently.
6. Any Position Vacancy Bulletin may be canceled at any time up to its effective date. Any changes to a bulletin at any time will require a cancellation or a rebulletin and reaward.

F. Position Reduction Bulletins

1. All positions which are being reduced will be bulletined.
2. Position Reduction Bulletins shall be numbered consecutively with the Position Vacancy Bulletins using a numbering system indicating the year and bulletin number, e.g., 03-01, 03-02, 03-03, etc. Position Reduction Bulletins may be combined with Position Vacancy Bulletins.
3. A Position Reduction Bulletin may reference more than one position but shall have the same effective date for all listed positions, which shall be the first of a month.
4. All Position Reduction Bulletins shall be published to all pilots. Notice of a Position Reduction Bulletin shall be considered as furnished to each pilot by posting at each domicile, and/or electronic posting, when available.
5. A Position Reduction Bulletin shall include:
 - a. The number of reductions by position.
 - b. The effective date of the position.
 - c. A general statement regarding the reason for the bulletin.
 - d. A deadline date for bid closing which will be no earlier than ten (10) days from the bulletin date.
 - e. The award date of the Position Reduction Bulletin. The awards shall be posted immediately at the conclusion of the awarding process but in no event later than ten (10) days after bulletin closing.
 - f. A statement that a pilot holding the reduced position may volunteer for displacement under the bulletin.
 - g. A statement that the position reductions may produce secondary displacements and that all such secondary displacements will be awarded or assigned concurrently.

G. Awarding Positions

1. The bid of each pilot shall be that reflected on his permanent preference bid.
2. Position vacancies and voluntary displacements shall be awarded in system seniority order, honoring the most senior pilot's bid first.
3. When Position Vacancy Bulletins and Position Reduction Bulletins close simultaneously, Position Vacancies will be awarded before Position Reductions.
4. When awarding reductions, the Company will offset the reductions by the number of displacees who have been awarded new positions, and award the voluntary displacements first. If reductions still remain, pilots will be involuntarily displaced in reverse seniority order.

5. When awarding vacancies, all bulletined positions (primary vacancies) and those vacant positions resulting therefrom (secondary vacancies) shall be awarded concurrently.
6. In the event there are insufficient bidders, the position will be filled by assignment in reverse seniority order.
7. Seniority notwithstanding the Company may:
 - a. Aircraft-type freeze (DC-9 and MD-80): elect to bypass a pilot when the pilot is in training or has performed duty in a different aircraft-type for fewer than twelve (12) months from the earlier of (1) the start of training or (2) the effective date of his permanent position, except the pilot shall not be bypassed when the new position is an upgrade or transition to a new aircraft-type on the property.
 - b. Aircraft-type freeze (all other aircraft types): elect to bypass a pilot when the pilot is in training or has performed duty in a different aircraft-type for fewer than twenty-four (24) months from the earlier of (1) the start of training or (2) the effective date of his permanent position, except the pilot shall not be bypassed when the new position is an upgrade to a new aircraft-type on the property.
 - c. elect to bypass a pilot on leave of absence unless the pilot volunteers to return to service in order to accept the position.
 - d. elect to bypass a pilot for upgrade to captain who does not meet the qualifications in paragraph G.11 below.
8. No pilot shall be required to maintain qualifications on more than one aircraft-type. For the purposes of paragraphs G.7.a, .c, .d, G.8, G.9 and G.10, MD-80 (all models) and DC-9 (all models) are considered two different aircraft-types. However, a nonprobationary pilot may elect to stay qualified in both aircraft via alternating PC Checks and may bid on vacancies in either aircraft type without incurring a bidding lock.
9. A pilot (except Check Airmen and Management Pilots), will be restricted from flying any aircraft-type other than what he is assigned/awarded.
10. All vacancy bids and awards will be aircraft-type specific.
11. A pilot being considered for upgrade to captain must meet all FAA qualification requirements including successful completion of ATP written exam and submit the results to his Chief Pilot prior to the bid closing date for such position. In addition, he must possess:
 - a. 4,000 hours total pilot time
 - b. One of the following:
 - (1) 750 hours PIC (turboprop and/or turbojet) and 750 hours flight time with Spirit Airlines; or
 - (2) 500 hours PIC turbojet, and 500 hours FAR Part 121 turbo jet PIC or SIC, and 250 hours flight time with Spirit Airlines; or

- (3) 250 hours DC-9/MD-80 PIC; or
 - (4) 1,000 hours SIC FAR Part 121 turbojet and 500 hours flight time with Spirit Airlines.
12. The Company may change the minimum qualifications set forth in paragraph G.11 above for any status or adopt minimum qualifications for a new status under the following conditions:
- a. The change (or new standard) is applied uniformly to the pilot group;
 - b. The change (or new standard) is posted on the bulletin board at each domicile a minimum of thirty (30) days prior to implementation;
 - c. The Association is given advance notice and is able to meet with the Company to discuss an intended change(s). Any intended change(s) will not go into effect without input from the Association and until thirty (30) days after said meeting between the Company and the Association.
13. When a reduction in the number of permanent positions takes place, pilots in the positions affected may be voluntarily displaced in their order of preference in accordance with their system seniority. Pilots wishing to be voluntarily displaced shall indicate so by checking a box on the preference listing. If a pilot checks this box, he is indicating that he wishes to have his displacement preferences processed in seniority order prior to the process of inverse seniority order displacements.
14. An involuntarily displaced pilot may exercise his seniority to fill any vacancy or displace a more junior pilot in any position, provided he satisfied the qualification requirements of paragraph G.11 above, if applicable.
15. A voluntarily displaced pilot will have the same vacancy and/or displacement rights as the pilot who would have been displaced, i.e., the most senior volunteer may use the most senior displacee's rights.
16. The aircraft-type freezes contained in paragraph G.7.a and .b above will be broken in the case of involuntary displacement. They will not attach to a position awarded as a result of an involuntary displacement.

H. Temporary Positions

1. A temporary position vacancy will be any vacancy anticipated to exist for four (4) or fewer months. Such temporary positions may be filled in accordance with seniority as follows:
- a. By available qualified pilots at the domicile.
 - b. If no qualified pilots are available at the domicile, the temporary vacancy will be offered to qualified, available pilots system-wide.
 - c. If no qualified pilots are available system-wide, then the junior qualified pilot may be assigned to the vacancy. If there are no qualified pilots in the system to be assigned, the Company will assign the most junior initially qualified pilot in the system.

2. The Company will post temporary position vacancies with the bid package. Pilots desiring to bid temporary positions shall bid schedule choices in both their permanent and desired temporary positions.
 3. A pilot filling a temporary position away from his domicile will be provided lodging, per diem, and transportation to and from his domicile and the lodging facility pursuant to Section 5.B.4 and 5.C.4.
 4. A pilot holding a temporary position away from his domicile will be permitted to drive his car to and from such temporary position and be reimbursed at 26 cents per mile based on the shortest mileage between those two points.
 5. Temporary positions will not occur in domiciles where displacements are occurring.
- I. New Domiciles and Settlement Time for New Permanent Positions
1. The Company will provide notice to the Association when it intends to open a new domicile.
 2. No pilot will be required to report to a new domicile on fewer than thirty (30) days written notice.
- J. Co-Domiciles
1. Co-domiciles means two or more airports served by pilots within the same domicile provided that any of the airports are no more than fifty (50) statute driving miles distance from the primary domicile and no two airports are more than seventy-five (75) statute driving miles distance from each other.
 2. Every effort will be made to originate and terminate pairings at the same airport. If the pairing terminates at a different airport from where the pairing originates, the Company shall provide transportation. Time spent traveling between co-domiciles shall be considered surface deadheading and the provisions of Section 8.C shall apply.
 3. If a pilot's trip originates at one airport and terminates at another, release time, per diem calculations, and Section 12 duty period limitations will apply and will not terminate until thirty minutes following the pilot's arrival back at the airport of origination.
 4. The Company shall notify the Association if it wishes to designate a domicile as a co-domicile. Details of the co-domicile operation (e.g., report times, crew facilities, parking, v-files, computer access, line construction) will be discussed between the Company and the Association prior to the establishment of the co-domicile.
 5. If co-domiciles are established, one of the airports will be designated as the primary airport and reserve reporting requirements will be based on that location. In the event the primary airport is deactivated, the parties will meet and confer to determine the appropriate report time.
- K. Commencement of Training, Pay and Duties in New Position
1. Assignment to Training

- a. Except as otherwise provided in this Agreement, pilots shall be trained in seniority order.
 - b. K.1.a. above notwithstanding, in the event pilots on the same bulletin award have varying degrees of qualification, pilots may be grouped according to such qualification, and trained in those groups out of seniority order. However, within each grouping pilots must enter training in seniority order.
 - c. When there is more than one training class for a bulletin award, a pilot eligible to enter training may, seniority permitting, elect to bypass a training class and enter a later class.
2. Currently Qualified Pilots
 - a. A pilot awarded a position who is currently qualified for the position as of the effective date of the award, shall commence his duties and pay rates in the position on the effective date of the position.
 - b. Paragraph K.2.a above notwithstanding, pilots on the same bulletin shall go on the line in seniority order.
 3. Pilots Not Currently Qualified
 - a. When an award is made to a pilot who is not currently qualified in the position, the pilot shall commence flying duties and pay rates in such position as of the first day of such qualification, or on the effective date of the position, whichever is later. However, a pilot who has not completed qualification, for reason other than his own unavailability, within sixty (60) days after the effective date, shall be assigned to the awarded position for pay purposes, but may fly in his previous position.
 - b. Paragraph K.3.a above notwithstanding, pilots on the same bulletin shall, when qualified, go on the line in seniority order.
 4. In the event that a pilot is required to attend training as the result of an awarded or assigned bid, and that training coincides with the pilot's scheduled vacation, the pilot shall have the option to reschedule his vacation.
 5. Notwithstanding K.3.a above, a pilot will be considered to have successfully completed the training required for a position the day following successful completion of I.O.E.

L. General

A pilot who is absent due to vacation, sick leave, or leave of absence may notify the Chief Pilot of the location to which bulletins shall be sent.

Section 25 Scheduling

A. Association Scheduling Committee

1. Association and Company representatives shall meet monthly on pre-scheduled dates. Association Scheduling Committee Chairman or his designee attending monthly pre-scheduled meetings and/or Company requested meetings that result in missed trips shall receive credit for such trips up to a maximum of eight hours credit per month.
2. The Association Scheduling Committee members, upon reasonable notice, shall have access to Scheduling Department records in order to evaluate compliance by the Company with the Agreement. The Company shall provide the Association Scheduling Committee with electronic, real time access to all scheduling related transactions governed by the Agreement. In addition, the Association Scheduling Committee Chairman shall not be denied access to the Scheduling Department except during periods of irregular operations.
3. The Scheduling Committee and Crew Planning will work together during the pairing and line construction process. The Association Scheduling Committee will have access to planning and marketing data used in the pairing and line construction process.
4. Crew Scheduling related transactions governed by the Agreement will be recorded and preserved for sixty (60) days. In the event a question or dispute arises relative to such data, the MEC Chairman or his designee shall be provided with the opportunity to review such data, and upon request be provided with copies. Transactions in question will be preserved for ninety (90) days.
5. The Company and the Association Scheduling Committee will review the monthly bid package prior to its publication and will confer on other occasions to discuss scheduling problems and improvements.

B. Monthly Bid Package Preparation

1. Prior to the construction of bid lines, the Company may select and withhold up to five percent (5%) of the total scheduled flight time in each position. In addition, with MEC notification, the Company may withhold an additional three percent (3%) for the purposes of building OE training lines.
2. All trips and schedules will be constructed so as to conform to the provisions of this Agreement.
3. The pilot bid package will contain all regular, reserve and an estimated number of relief lines grouped by aircraft-type at each domicile. It is not necessary that every domicile have reserve and/or relief lines. The package will also include the following:
 - a. Date issued.
 - b. The current monthly bidding sequence and timing.

- c. General Information:
 - (1) The number of regular, relief and reserve lines for each position, indicating how many, if any, are temporary.
 - (2) Training and Checking Scheduling and the names of pilots eligible to bid such training and checking.
 - (3) Awarded vacation listing by position and name and open vacation periods.
 - (4) Hotel information.
 - (5) Known charters.
 - (6) Scheduling telephone and telefax numbers.
 - (7) A statement regarding from which bases pilots can bid on temporary schedules in category.
 - (8) date of the opening and closing of the next month's bid.
 - (9) medical certificate due dates
- d. Trip Parings by aircraft-type.
- e. Specific trip listing, which will include:
 - (1) Trip number.
 - (2) Flight numbers and frequency.
 - (3) All scheduled stops by station.
 - (4) Departure and arrival times.
 - (5) Intermediate flight/stop block-to-block times.
 - (6) Total block-to-block times.
 - (7) Report time at domicile and layover stations.
 - (8) Daily on-duty period.
 - (9) Layover station and off-duty time.
 - (10) Total time away from domicile.
- f. Bid List

The Company will publish at each domicile a bid list, which shall include the names of all pilots anticipated to be eligible to bid a line and the position in which they are eligible to bid or receive assignments, including an assignment to a temporary position. The bid list will also

include a list of those pilots anticipated to be assigned as training pilots for the month. A line of time in a position shall be bid by:

- (1) pilots who are initially qualified at the time of the preparation of the bid package, or who have completed their observation (if required) and are qualified (including IOE) by 0001 of the fifth (5th) day of the month preceding the start of the bid period; and
- (2) pilots who are scheduled to enter ground school for transition or upgrade training will be listed in the bid package as a non-bidder and shall remain in this status until released to the line;
- (3) training pilots who are anticipated to be available for a line of flying.
- (4) a pilot who, if he is returning to flight duty from a period of extended illness or injury, is current and holds a valid medical certificate as of the time of the close of the bid.
- (5) A pilot who is disqualified from bidding a schedule under the provisions above, and who thereafter becomes qualified/active shall work jointly with Crew Scheduling to build from open flying a regular or relief line that meets or exceeds his prorated guarantee.

g. "Regular Lines" which shall contain:

- (1) A planned sequence of trips with intervening days off arranged in a schedule for the month and a variety of bid lines;
- (2) No more than eighty-five (85) block hours;
- (3) No out of base trips;
- (4) No reserve days;
- (5) To the maximum extent possible, blocks of five (5) consecutive days off in domicile. In lieu of the above, to the maximum extent possible, no less than four (4) consecutive days off in domicile, except regular lines may contain blocks of less than four (4) consecutive days off in domicile on the first three and last three days of the month. Exceptions to multiple day-off blocks may occur with prior consultation of the Scheduling Committee Chairman.
- (6) No more than 28.5 block hours within a seven-day period.

h. "Relief Lines" which shall, at the time of publication of the bid package, contain the same range of days off as regular lines. A pilot bidding a relief line may request specific blocks of days off. The relief pilot may indicate his willingness to waive the blocks of days off requirements in paragraph h.2 below, or his preference for specific blocks of days off in lieu of the blocks of days off requirements in paragraph h.2 below. Relief lines will be constructed so as to honor, to the extent possible, the pilot's request for days off, in seniority order. By the time of award and publication of the final schedule, relief lines shall contain:

- (1) In the following order: as many trip(s) as possible, then reserve days and/or charters;
 - (2) To the maximum extent possible, blocks of five (5) consecutive days off in domicile. In lieu of the above, to the maximum extent possible, no less than four (4) consecutive days off in domicile, except relief lines may contain blocks of less than four (4) consecutive days off in domicile on the first three and last three days of the month. Exceptions to multiple day-off blocks may occur with prior consultation of the Scheduling Committee Chairman.
 - (3) High Minimums and Green On Green
 - (i) A pilot with fewer than 100 hours in category may be awarded a relief line to avoid his being paired on a schedule with another pilot who also has fewer than 100 hours in category, or to avoid his assignment to a reserve schedule. Any pilot awarded or assigned a reserve line as a result of the out-of-seniority award of such relief line shall have the value of his line, or his minimum monthly guarantee, increased by five (5) hours. This reserve line will contain the same days off as his originally awarded relief line.
 - (ii) The Company may assign a relief line to a pilot on high minimums or a green pilot for one (1) complete bid period. The number of hours which will be required for a pilot to complete high minimums shall be established by FARs.
 - (4) No more than 28.5 block hours within a seven-day period.
- i. "Reserve Lines" which shall contain:
- (1) Intervening periods of availability and planned days off arranged in a schedule for the month;
 - (2) To the maximum extent possible, blocks of five (5) consecutive days off in domicile. In lieu of the above, to the maximum extent possible, no less than four (4) consecutive days off in domicile, except reserve lines may contain blocks of less than four (4) consecutive days off in domicile on the first three and last three days of the month. Exceptions to multiple day-off blocks may occur with prior consultation of the Scheduling Committee Chairman.
 - (3) Eight immovable days off (nonworking, nonmoveable, and immune from assignment). Four consecutive immovable days shall be designated by the pilot and four consecutive immovable days shall be designated by the Company prior to the issuance of the final schedule, except that days off during the transition period may not be designated as immovable. The remaining days off shall be moveable.
4. The Company and the Association agree to explore the use of bi-monthly bid periods on a trial basis.

C. Bidding and Awarding Schedule

1. Bidding will be accomplished by completing the prescribed bid form. Pilots will be permitted to submit bids by e-mail, telefax or personal delivery to Crew Scheduling. Any additional method of communicating bid information which is mutually agreeable will be adopted.
2. If a pilot is on vacation, sick leave, jury duty, military leave, training or other Company duty other than active line flying at the time the bid closes, he may call in his bid to the Crew Scheduling office prior to bid closing.
3. A pilot not bidding a monthly schedule, not bidding enough lines, or submitting an incomplete bid form, will be assigned the lowest numerical line after all other pilots in the same position have been awarded their lines.
4. The results of the Initial Bid shall be available to all affected pilots in writing, telephonically, via telephone message, and on computer for electronic retrieval, or any additional method of communicating bid information which is mutually agreeable will be adopted.
5. Monthly schedules shall be awarded to pilots holding permanent and temporary positions in the base in system seniority order.

D. Monthly Bid Sequence and Timing

1. Adequate numbers of the monthly bid packages will be published and distributed in the pilot domiciles and the Company website no later than 1200 hours local time on the eighth (8th) business day of the preceding month. Bidding will be open for six (6) calendar days (one-hundred-forty-four hours), closing at 1200 hours local time, and be awarded and posted at 1200 hours local time the next day after the close of the bid (the "initial bid award").

2. Final Schedule and Initial Open Time

Initial Open Time will be posted on the Company website and published and distributed no later than 1700 hours local time on the third (3rd) business day after the posting of the initial bid award. The Final Schedule will be available at the same time.

3. Closing and Awarding of Initial Open Time Bids

Bidding for initial open time shall be open for three (3) calendar days, closing at 1200 hours local, and shall be awarded one calendar day later at 1200 hours local time.

4. The dates set forth in subparagraphs D.1-3 above may be amended with the concurrence of the Association scheduling committee.

E. Final Schedule

After the initial bid award, the Final Schedule will be completed as follows:

1. Bid to Bid Transition

- a. Trips in the new month which conflict with trips carried in from the previous month will be dropped in their entirety. A pilot's credit in the new month will be reduced on an hour-for-hour basis, but the pilot's minimum monthly guarantee shall not be reduced below sixty-four (64) hours.
 - b. A pilot who loses a trip(s) due to bid to bid transition adjustments shall select from the following options on his monthly bid sheet:
 - (1) Be released from duty; or
 - (2) Be released from duty and bid a trip(s) from initial open time; or
 - (3) Be assigned, from open time, a trip(s) or 'R' days only on the days of the originally dropped trip(s). Scheduling will first assign available trips then reserve days if necessary. A pilot who elects this option will be pay protected to not less than his original line value in the new month, whether or not he is assigned a trip or reserve.
2. Preparation of the Final schedule
- a. Remove all bid trips and carry-in trips which conflict with known vacation, training, Section 12 and FAR hours of service limitations and place them in relief lines and/or open time;
 - b. Complete and award relief lines (if there are fewer relief lines than anticipated at the time of bid package publication, additional reserve lines will be constructed and assigned to those pilots not able to hold a relief line; the reserve line will be constructed so as to honor, to the extent possible, the pilot's request for days off, in seniority order); and
 - c. Prepare the Initial Open Time list containing all open time remaining after steps E.1 and E.2.a and E.2.b above have been completed.
 - d. The results of the Final Schedule will be available on crew menu and crew voice and published in each domicile and distributed in the pilot's mailboxes/v-files. The results will also be published by e-mail when the Company determines it is feasible to do so.

F. Initial Open Time Publication

1. Initial Open Time will be published at the same time as the Final Schedule. At the time of publication, it will be posted on the Company website, in writing at each base, and in the computer for electronic access; it will also be available by telephone message or distributed by any other mutually agreeable method.
2. Regular and Relief Line Holders may submit trip drops, trip adds, trip trades with initial open time, and/or mutual trip trades by submitting a written transaction form, by fax, e-mail, electronic message, or by any other method mutually agreed upon.
3. Reserve Line Holders may request R day adds, trades with R days in initial open time or mutual R day trades by submitting a written transaction form, by fax, e-mail, electronic message, or by any other method mutually agreed upon.

4. Initial open time will be awarded in the following order:
 - a. Pilots who have dropped trip(s) due to the bid to bid transition and have elected the option available in paragraph E.1.b.2 above, but only to meet the value of the credit lost.
 - b. Award to regular and relief pilots in seniority order adding and/or trading with open time (as defined in Paragraphs G.3.a-c, below).
 - c. Award to regular and relief pilots submitting mutual trades.
 - d. Award to regular, relief, and reserve pilots in seniority order picking up or trading R days in open time or with each other.
5. The results of the awarding/assigning of initial open time shall be available to all pilots in writing at each base, by electronic message, telephonically, or distributed by any other mutually agreeable method. In addition, a copy of the results shall be e-mailed to the Association Scheduling Committee Chairman.

G. Daily Open Time

1. Bidding and Awarding Daily Open Time Available Beyond Two Calendar Days
 - a. Approved trip drops and trips dropped due to floating vacation may be posted in open time at the straight time rate.
 - b. At 1200 EST/EDT each day of the bid period, the Company will publish a current list of daily open time available beyond two calendar days. It will be published telephonically or by any other method mutually agreeable.
 - c. Pilots may request trip adds, trip drops, trades with daily open time and/or mutual trip trades by submitting a fax, e-mail, written transaction form or by any other method mutually agreeable, no later than 2400 EST/EDT of the current day.
 - d. The results of the awarding/assigning of daily open time will be available to all affected pilots and published telephonically by 1200 EST/EDT the next calendar day. A copy of the daily open time bid awards will be sent to the Association scheduling committee. Pilots who bid daily open time must call crew scheduling to verify the results of the bidding.

Example: On Monday at 1200 EST/EDT, the Company will publish for bid daily open time available Wednesday and beyond. Bids will close Monday at 2400 EST/EDT and be awarded at 1200 EST/EDT Tuesday.
 - e. Daily open time available beyond two calendar days will be awarded/ assigned in the following order:
 - (1) Assign to regular and relief pilots who have been removed from a trip or portion thereof and who are time available pursuant to Sections 25.1.;
 - (2) Award regular/relief pilots in seniority order adding, dropping or trading trips with open time;

- (3) Award regular/relief/reserve pilots in seniority order picking up or trading R days with open time or each other.
- (4) Award regular/relief pilots in seniority order submitting mutual trade.

2. Filling Open Time within Two Calendar Days

- a. Daily open time for the current calendar day and the next day shall be awarded or assigned from the following groups. Group "A" pilots must be exhausted prior to assignment of Group "B" pilots. The pilot shall be personally advised of his award or assignment as soon as practical given pilot rest considerations. Awards/assignments of daily open time are subject to section 12 and 25 limitations.

Group "A" Pilot Classifications may be used in any order, except classification (4) must be used before (5) and (6) and (7):

- (1) Pilots with fewer than one hundred hours in category;
- (2) Pilots on reserve who can accommodate the assignment within their reserve period;
- (3) Regular and relief pilots who have been removed from a trip or portion thereof and who are time available pursuant to Sections 25.I. (i.e., the pilot can accommodate the trip within his original trip hour period);
- (4) Regular and relief pilots who have placed their names on the Standing Availability List (Section 25.G.7) for the day(s);
- (5) Regular and relief pilots, irrespective of seniority, who are within a trip hour period who could accommodate the assignment within the Section 12 limits, but not necessarily the Section 25.I.2 limitations (the trip may be in or out of the pilot's trip hour period) by acceptance of a general solicitation with the pilot's concurrence;
- (6) Regular and relief pilots, irrespective of seniority, who have been removed from a trip or portion thereof and who are time available pursuant to Sections 25.I.1 and .4 who could accommodate the assignment within the Section 12 limits but not the 25.I.2 limitations (the available trip is outside the pilot's trip hour period) by general solicitation with the pilot's concurrence.
- (7) By general solicitation, with the pilot's concurrence.

Group "B" Pilots (Used only if no Group "A" pilot is available and used) in the following order:

- (1) Reserve Pilots for whom the assignment would schedule them into a moveable day off but are otherwise within the more restrictive limits of Section 12 and 25;
- (2) Assign to management pilots pursuant to Section 25.N.2;

- (3) The junior available pilot in category domiciled where the open flying occurred (subject to the more restrictive of Section 25.J and 12 limits);
- (4) The junior available pilot in category in the system (subject to the more restrictive of Section 25.J and 12 limits).
- (5) In the event a pilot in subparagraphs 1-4 above cannot get into position to timely cover the open flying, the Company may select the junior available pilot in category physically closest to the location where the open flying occurs.

3. Filling Daily Open Time – General

- a. A trip drop or a floating vacation, whether a single transaction or part of a trade with open time, shall be granted when there is adequate reserve coverage, as determined by crew scheduling. This dropped time may be posted in open time at the straight time rate.
- b. A pilot who submits a trip add and a trip drop simultaneously may indicate a desire to have one transaction approved only if the other can be likewise approved (i.e., a trip trade with open time).
- c. Crew Scheduling will provide a specific operational explanation for any disapproval of the awarding/assigning of daily open time/trip trades.
- d. All denials for trip trades, drops and open time requests will be forwarded to the pilot via COMAT using the trip trade/drop/mutual trade form on which the request was made.

4. Awarding Open Time within Sequence

Open time awards will be made in seniority order unless specifically provided otherwise.

5. Trip adds which conflict with the FARs, other scheduled duty or contractual rest and duty provisions will not be approved. Trip adds or trades which result in more than 28.5 block hours within a seven-day period will not be granted.
6. Trip drops which take the pilots' projected monthly actual time below his appropriate minimum monthly guarantee shall cause the guarantee to be reduced on an hour-for-hour basis by the number of hours the trip goes below the guarantee.
7. Standing Available

There shall be a Standing Availability List, maintained in crew scheduling and accessible for pilot review, on which pilots may place their names for open time which is available for the current or next day. Pilots may indicate a preference for a particular type of flying such as one (1) day trip, two (2) day trip, maintenance check, R day, charter, etc. Pilots must indicate their required call out time in order to report for a trip and will be called if the time before departure is at least as long as the indicated call out time plus thirty (30) minutes. Pilots are not required to be available for call, nor shall they be required to accept a trip outside the original request.

8. Posting and Awarding of Reserve Days in Open Time

- a. The Company may place additional R day(s) in open time at any time for pick up by regular, relief or reserve pilots.
- b. Regular and relief pilots who pick up R days may be assigned a trip(s) which is not scheduled for completion within the R day(s) picked up. By bidding on an R day, the pilot agrees to waive schedule integrity for the subsequent trip only.
- c. R days not picked up from open time will not be junior manned, except in the case of an emergency within twenty-four (24) hours of the needed R day, in which case the junior assigned pilot will receive an additional hour of pay and credit.
- d. For purposes of determining a pilot's eligibility to pick up an R day within FARs, an R day which is picked up will have an assumed block time of 4.0 hours.
- e. For purposes of determining a pilot's eligibility to pick up an R day or pick up a trip after an R day, a pilot must have ten (10) hours of scheduled rest between assignments.

H. Trip Trades (Open Time or Mutual)

1. Trip trades will be processed coincidental with daily open time and awarded by 1200 EST/EDT each day. However, a pilot who has not submitted a mutual trade within the time limits may contact Crew Scheduling and request a short notice trade. Such requests shall be followed up with a written transaction form, and will be granted at Crew Scheduling's discretion.
2. Trades must not conflict with training or vacation days, and must be in accordance with the provisions of the Agreement and the FARs.
3. All trip trades (including open time adds) must be within category.
4. When a trip trade is denied, scheduling will provide the specific reason for the denial.

I. Rescheduling

1. Except as provided in Section 12.H, Crew Scheduling shall notify pilots of changes to their trips or time available status as soon as they are known.
2. Rescheduling
 - a. A reserve pilot assigned to a trip must be rescheduled within the more restrictive limitations of Sections 25 and 12.
 - b. A regular pilot may not be rescheduled to report more than two (2) hours before the report time of his original trip hour period or be released later than two (2) hours after the release time of his original trip hour period. In addition, the rescheduled report and release times may not exceed the limitations in Section 12 or other paragraphs in Section 25.

- c. When, due to weather or mechanical conditions which prevent and/or eliminate all transportation options, a pilot who would otherwise be scheduled to complete his trip hour period, is forced to remain overnight away from domicile, he shall be returned to his domicile and released into domicile rest as early as possible the next day, by the most direct routing. A pilot may fly the direct routing to domicile, but under no condition shall he fly more than two (2) legs back to his domicile. Nothing in this paragraph shall prevent the pilot from later flying a scheduled trip, so long as he has first received actual domicile rest in Section 12.A.2.

3. Crew Move-Up

In the event of an uncovered flight segment, trip, or the absence of a pilot, a trip may be reassigned to a pilot(s) who is/are already present at the airport, who is/are legal, qualified, and available to fly the uncovered flight segment or trip. When assigning or rescheduling a pilot for a move-up it must be made with the pilot's consent, under the following guidelines:

- a. Restore pilot to his original trip as soon as possible if economically and logistically feasible.
- b. Assign pilot to a trip or open flight segments, which will return the pilot closest to the return date/time of their original trip.
- c. If accepted the pilot receives one and one half (1.5) additional hours of pay and credit per duty period.

4. Time Available Pilots

- a. A pilot will be notified of time available status if the Company has reasonable cause to believe it will need to reschedule him during the trip hour period. Pilots will only be rescheduled in accordance with Section 25.1.2.b.
- b. Time available pilots not scheduled for a trip by 24 hours before the report time of the original trip hour period will be automatically released from all duty for the first day of their time available period. A pilot shall be released from multi-day pairings one day at a time.
- c. Time available pilots not scheduled for a trip by 24 hours before the beginning of each subsequent calendar day (0001) of the original trip hour period will be automatically released from all duty for that day of their time available period.

Example: On Tuesday, a pilot is removed from a three-day trip which begins at 0700 on Friday and is placed on time available status. If the pilot has not been assigned a trip by 0700 on Thursday, he shall be automatically released from all duty for Friday, but he is still time available on Saturday and Sunday. If the pilot has not been assigned a trip by 0001 Friday, he shall be automatically released from all duty for Saturday. If the pilot has not been assigned a trip by 0001 Saturday, he shall be automatically released from all duty for Sunday.

- d. If a pilot is removed from a trip within 24 hours of the report time of the first day of the original trip hour period, he must be rescheduled concurrently with the removal.

Example: On Thursday at 1500 EST/EDT, a pilot is removed from a three-day trip beginning on Friday at 0700. He will not be required to be time available on Friday. He can be given a flight assignment for Friday, but it must be given at the time of the removal. He will be time available for Saturday and Sunday pursuant to paragraph I.4.c above.

- e. A time available pilot:

- (1) shall not be assigned reserve,
- (2) shall provide Crew Scheduling with a contact number for his rescheduling period as set out in Section 25.I.2 above. Pagers or other telephone answering devices fulfill this requirement. Pilots utilizing a pager or other telephone answering device, if contacted, shall return Crew Scheduling's call prior to the twenty-four hour release.
- (3) may be released from his time available obligation without pay at his request with the consent of Crew Scheduling, so long as the request is made in advance of the automatic release set forth in paragraphs I.4.b, .c, and .d above.

- f. A pilot who is rescheduled to accommodate FAR 121.47(a) (30 in 7) shall not be required to deadhead more than two (2) legs before resuming flight deck duty.

J. Junior Assignment

- 1. Prior to any junior assignment, the Company will first attempt to fill the open time with Group A and Group B.1 and B.2 pilots pursuant to Section 25.G.2.a.
- 2. Any pilot who is junior assigned will be paid for such junior assignment over and above his monthly guarantee, at two hundred percent (200%) of his applicable hourly rate, the greater of the hours flown or four hours. With crew scheduling's concurrence, he may be restored an equal number of days off.
- 3. No pilot will be junior assigned to fly on more than two (2) occasions in any month and not more than five (5) calendar days in any calendar year. In addition, no pilot may be scheduled on a day off which takes him below ten (10) days off nor on any immovable day off. A pilot who is junior assigned will be sent confirmation of the junior assignment prior to commencing the trip to which he is junior assigned.
- 4. The Company may only attempt to junior assign a pilot by calling him on his contact number(s). The Company is prohibited from involuntarily junior assigning the pilot through base operations, dispatch, flight control, phone patch to the aircraft, or on a Company layover. A pilot may not be given an involuntary junior assignment when scheduling has contacted the pilot for a purpose other than junior assigning. A pilot will not be junior assigned solely because he has contacted crew scheduling regarding routine inquiries.

5. The Company shall maintain a junior assignment log each day, indicating:
 - a. Who it has contacted or attempted to contact;
 - b. At what number;
 - c. The time of such transaction;
 - d. The result of such transaction;
 - e. Flight numbers attempting to be covered;
 - f. The employee number and initials of the crew scheduler making the entry.
6. Junior assignment log sheet(s) for each day of the month for all bases shall be delivered upon request to the MEC Chairman or his designee no later than ten (10) days following the end of each month.

K. Reserve Duty

1. Reserve Days Off
 - a. Reserve days off will be scheduled from 0001 and continue to 2400 that day (calendar day).
 - b. A reserve pilot will not be involuntarily scheduled, rescheduled or assigned to any flying (including deadhead) which will cause him to be away from his base on his immoveable days off nor will he be required to perform any other duty or assignment for the Company on his immoveable days off, except under the conditions described in paragraph I.2.c.
 - c. Subject to Section 12.E, when a flight to which a reserve pilot is assigned returns to his base after the start of a day off, the pilot will be released and the pilot will be eligible for an additional day off pursuant to Section 25.K.1.f below.
 - d. For purposes of calculating days off, a reserve day will be considered a day of work.
 - e. If crew scheduling intends to move a reserve pilot's moveable day(s) off, it will notify him of the change prior to the end of the reserve assignment block before the move.
 - f. If crew scheduling moves a reserve pilot's moveable day off, the new day off shall be replaced by mutual agreement between the pilot and crew scheduling. Absent mutual agreement, the additional day off will be placed at the beginning or end of an existing block of reserve days during the remainder of the month if possible, or the next month. The new day off shall not be placed in the middle of a block of reserve assignment days. A reserve assignment will not be moved into the middle of a block of days off.

2. Reserve Days on

- a. Each of the four reserve periods listed below has definitive limits of time a pilot can be scheduled on duty as described below. All assignments to reserves must comply with the requirements of the FARs and Sections 12 and 25 of the Collective Bargaining Agreement. "Protected time" is a rest period during which the Company may not contact a pilot.
- (1) RESERVE A – Protected time is from 1800 to 0400. Reserve duty is from 0400 to 1800. A scheduled duty period cannot have a release time later than 1800. No pilot will be required to be on duty after 2000. If the actual release time is between 1900 and 2000, the pilot will have been considered to have been on reduced rest and all requirements for that condition must be met.
 - (2) RESERVE B – Protected time is 0000 to 1000. Reserve duty is from 1000 to 0000. A duty period cannot have a scheduled release time later than 0000. No pilot will be required to be on duty after 0200. If the actual release time is between 0100 and 0200, the pilot will have been considered to have been on reduced rest and all requirements for that condition must be met.
 - (3) RESERVE C – Protected time is from 0400 to 1500. Reserve duty is from 1500 to 0400. A duty period cannot have a scheduled release time later than 0400. No pilot will be required to be on duty after 0700. If the actual release time is between 0500 and 0700, the pilot will have been considered on reduced rest and all requirements for that condition must be met.
 - (4) RESERVE D – Protected time is from 0700 to 1800. Reserve duty is from 1800 to 0700. A duty period cannot have a scheduled release time later than 0700. No pilot will be required to be on duty after 1000. If the actual release time is between 0800 and 1000, the pilot will have been on reduced rest and all requirements for that condition must be met.
- b. The Company may adjust the times and change the reserve periods listed above with the mutual consent of the Association.
- c. Pilots will bid reserve periods (Reserve A, B, C or D) on the monthly bid packages and/or in open time. Awards are protected; periods may not be changed without the pilot's concurrence. However, rest requirements may require altering the remaining reserve periods in the block.
- d. After termination of a reserve assignment at his domicile, a reserve pilot shall check with scheduling before departing the airport. If he is released, he shall be free from all duty and receive actual domicile rest pursuant to Section 12.A.2 (Hours of Service, Actual Domicile Rest).
- e. Reserve Contactability

All pilots holding a reserve assignment will provide crew scheduling with a primary contact number(s) for the duration of their reserve assignment. Pagers or other telephone answering devices fulfill this requirement. Pilots utilizing a pager or other telephone answering device while

serving as a reserve shall return a call to crew scheduling within 15 minutes of being paged or from the time of the message.

3. Reserve Assignments

- a. A reserve pilot may be assigned to a trip for the length of his reserve availability period.
- b. Low Flight Time/High Flight Time

A pilot scheduled for reserve will be assigned on a low flight time/high flight time basis. That is, pilots shall be ranked daily for trips available for that day and the next calendar day from lowest flight time accumulation for the month to highest flight time accumulation for the month. The lowest flight time pilot shall be the first assigned with the remaining pilots assigned in order of flight time accumulation. Crew scheduling will maintain a daily list of ranked pilots available for assignment. A reserve pilot will be bypassed from the low flight time/high flight time order if the flying assignment would conflict with the pilot's days off.

- c. Report Time

(1) General

A reserve pilot shall report to an assignment within one and one-half (1.5) hours of notification, and shall be ready to depart within two (2) hours of notification by crew scheduling. If the reserve pilot is unable to report within 1.5 hours, he shall notify crew scheduling. In the event the Company opens new bases in the future, the parties will meet and confer to determine the appropriate report time. To expedite report times crew scheduling may authorize the reimbursement of long-term airport parking fees.

- (2) If co-domiciles are established, one of the airports will be designated as the primary airport and reserve reporting requirements will be based on that location. In the event the primary airport is deactivated, the parties will meet and confer to determine the appropriate report time.

- d. Reserve assignments will be documented by the Company and made available to pilots.

4. Reserve Assignments-General

- a. Reserve pilots who are assigned flying will be notified of such flying in a reasonable fashion.
- b. A reserve pilot will be considered assigned a trip once notified by crew scheduling. Once assigned to a trip a reserve pilot no longer has an obligation to be available for contact on the day of such trip assignment until report time. This does not prevent crew scheduling from changing a reserve pilot's assignment prior to the day of the trip assignment. In addition, crew scheduling may change a reserve pilot's assignment on the day of the trip assignment with the reserve pilot's consent.

- c. A reserve pilot may only be called to the airport for a specific trip assignment; except, if a reserve has completed an assignment and still has duty time available or has reported for a trip which cancels, he may be required to wait at the airport for a further assignment for no more than one (1) hour.
- d. A reserve pilot is considered assigned to a trip until released by crew scheduling.
- e. There shall be no ready-reserve or stand-by reserve system.
- f. A reserve pilot may be released on the last day of his reserve duty with the concurrence of crew scheduling.
- g. A reserve pilot shall not be assigned more than 28.5 block hours within a seven-day period.

L. Multiple Bid Trips

If two or more pilots are scheduled to fly the same trip on the same day, the senior qualified pilot will have the choice of whether or not to remain on the trip. The pilot removed from the trip shall be handled as a time available pilot under Section 25.I. and be paid in accordance with Section 4.C or 4.D.1 and .2.

M. Displacements

- 1. A regular pilot is entitled to "schedule integrity," that is, the right to take and remain on his bid trip and not be rescheduled so long as the trip operates, he is legal to fly the trip under the provisions of the FARs and this Agreement; and his estimated time of arrival on his current flight is no later than fifteen minutes (:15) prior to his next flight's scheduled or amended scheduled departure time, or he is displaced as provided in M.2 below.
- 2. Pilots who have voluntarily added reserve days prior to schedule assignments retain no schedule integrity for the subsequent trip.
- 3. When a line pilot is displaced from his assigned flight(s) by a management pilot, an IOE/Line Check Airman, or by a line pilot who is being trained or checked by an IOE/Line Check Airman, he shall be released for the trip hour period from which he is displaced and will receive trip pay pursuant to Sections 4.D.1 and .2. Normally, displacement may only occur at the pilot's domicile. A pilot may only be required to pick up the remainder of his original trip and in accordance with the time available provisions of paragraph I.4.

N. Management Flying

- 1. A management pilot may displace a line pilot. When a line pilot is displaced from his trip(s), the pilot will be subject to the provisions of Section 25.M.
- 2. A management pilot may:
 - a. be assigned a trip from open flying pursuant to Section 25.G.2.a. Group B.2, or

- b. bid an open time trip pursuant to Section 25.G.1, but not earlier than seven (7) days prior to the report time of the trip.
 - c. perform test flights and special events;
 - d. evaluate a pilot at the request of the Company or the Association;
 - e. conduct training for the purpose of evaluating the training program;
 - f. perform other non-revenue flying.
3. Management pilots shall not bid or hold a regular, relief, or reserve line of time.

O. Commuter Policy

1. A pilot who is attempting to commute to duty shall notify crew scheduling as soon as practical upon the cancellation, denial of jump seat or delay of his first commuting flight.
2. If a pilot attempts to travel on two (2) consecutive scheduled flights and because of flight cancellations, denial of jump seat, or delays beyond the pilot's control, is unable to arrive in time to permit normal check-in at his domicile, the pilot will again notify scheduling immediately. In any event, a pilot shall notify the Company at least two hours prior to the scheduled departure time of his trip. The pilot will not be paid for the scheduled credit lost or deadhead credit to rejoin. A pilot may rejoin his trip at a point mutually agreed upon with crew scheduling.
3. Crew scheduling has the option to release the pilot for the duration of the trip or assign another trip in accordance with 25.I.
4. A pilot who complies with the provisions of this commuter policy shall not be subject to discipline.
5. A pilot may use this provision one (1) time per rolling six (6) month period.

P. Crew Scheduling Taping

1. The Company shall maintain a recording system using tapes to record scheduling telephone conversations between pilots and crew scheduling personnel and between pilots and dispatch personnel which complies with all relevant state and federal laws.
2. All recordings shall be kept in a secure (locked) storage area in the care of the Manager of Crew Scheduling. The Manager of Crew Scheduling and the Director of Operations shall authorize access to this storage facility. The Association will be notified of those personnel authorized access. This access will be limited to a reasonable number of individuals and will not include crew schedulers.
3. All tapes will be retained for a period of no less than sixty (60) days, except in instances where there is a dispute regarding a specific recorded conversation in which case the tape will be copied and retained until both parties agree that the tape may be erased. Upon request, the Association MEC

Chairman or Grievance Chairman or his designee and the pilot affected will be provided with the opportunity to review the original tape recorded conversation.

4. A log shall be maintained by the Manager of Crew Scheduling indicating the date, time, by whom, and reason a tape has been removed for review. No tape will be removed and examined without appropriate log entries.
5. Upon request, accompanied by an explanation as to the basis for the request, from the MEC to Director of Operations, the MEC Chairman will be afforded to access to a specific recorded conversation, and upon request, be provided with a copy.
6. The Grievance Chairman and the pilot will be notified when an investigation reveals that a specific recorded conversation may be used in a disciplinary matter involving a pilot. This notification will occur prior to the fact finding meeting.
7. In the event that a dispute arises relative to the existence or non-existence of a tape, and/or whether content of a conversation recorded on the tapes may be relevant, such tapes may be consulted by the Manager of Crew Scheduling or designee and a representative of the Association and used as an aid in determining if a conversation took place and/or what was said. Tapes shall not be randomly nor regularly reviewed or screened for the purpose of discovering potential violations, but may be reviewed to promote the highest standards of courtesy and professionalism. A pilot will not be subject to investigation or discipline based upon a review provided for in the preceding sentence.
8. In the event an original tape that is requested within the initial sixty (60) day period is erased, misplaced, destroyed or otherwise unavailable (except for circumstances beyond the control of the Company, e.g., failure or interruptions in power or equipment), there shall be a rebuttable presumption that the material previously contained therein is favorable to the pilot and/or the Association.
9. If there appears to be an alteration to or tampering with a recording, that recording will not be used as evidence at a hearing.
10. Prior to implementing, should the Company implement tape recording on other lines, the Company and the Association will agree on the governing provisions.
11. References to "tape," "taping," "tape recording," "recording," etc., contained in this paragraph P shall apply to electronic or digital recording.

Q. Preferential Bid System

The Company and the Association agree to explore the feasibility of implementing a preferential bidding system. The MEC Scheduling Committee Chairman and other Association representatives will be invited to meetings scheduled by the Company with individual vendors. No preferential bidding system will be implemented without a mutually agreed upon Letter of Agreement.

Section 26

General

A. Nothing in this Agreement shall be construed to limit or deny any pilot hereunder or the Company any rights or privileges to which he or it may be entitled under the Railway Labor Act, as amended.

B. Amendment to Agreement

Either party hereto may at any time propose in writing to the other party an amendment or amendments which they may desire to make to this Agreement, or supplemental agreements thereto, and if such amendment or amendments are agreed to by both the said parties, such amendment or amendments shall be stated in writing, signed by both parties hereto, and shall then be deemed to be incorporated in and shall become a part of this Agreement, or supplements thereto.

C. Should any part of this Agreement be rendered invalid by reason of any existing or subsequently enacted legislation, act of government agency or decree of court, such invalidation of any part or provision of this Agreement shall not invalidate the remaining portions thereof, and they shall remain in full force and effect.

D. All orders to pilots involving a change in base assignment, promotions, demotions, layoffs, recalls and leaves of absence shall be stated in writing, with a copy to the MEC Chairman.

E. No pilot shall be required to pay for the use of or damage to any Company equipment or property used in the course of his duties, unless the damage is the result of willful misconduct.

F. Pilots will be provided with a Jeppesen sized copy of this Agreement printed within sixty (60) days from the date of signing of this Agreement. All pilots shall be provided with a copy of this Agreement upon employment. The Company and the Association shall split the printing cost.

G. The Company will notify in advance pilots engaged in international operations when immunizations and visas are required. The Company will reimburse pilots for the cost of visas, immunizations and passports when they are required.

H. Any masculine pronoun used in this Agreement shall be deemed and understood to designate any employee, whether male or female.

I. The Company shall provide space for a glass-covered bulletin board at each station where pilots are based for the posting of matters of Association business. The Association shall be permitted to use the pilots' mailboxes for distribution of Association related business.

J. The provisions of this Agreement will apply equally to all employees hereunder, and the Company will comply with all laws preventing discrimination because of color, race, religion, age, national origin, disability or sex, or other classes protected by federal, state or local laws.

K. Monitoring Devices

1. The Company shall not use any information gathered from a cockpit voice recorder in any disciplinary or discharge action.

2. The Company will not regularly or randomly review flight data recorder data for the purpose of discovering pilot irregularities. The Company shall not use any information gathered from a flight data recorder in any disciplinary or discharge action, unless the information becomes a matter of public record in an NTSB proceeding.
 3. The Company shall not use any information obtained by use of an electronic device which monitors or records pilots' performance on an aircraft as a basis, in whole or in part, to conduct a nonrecurrent proficiency check or line check.
 4. MEC Notification
 - a. The Company shall advise the MEC in writing of the equipment presently on Company aircraft which is capable of monitoring pilot performance on an aircraft and what that equipment is currently used for. If such equipment is not presently being used for such purpose, the Company shall advise the MEC in writing before such equipment is used for such purposes.
 - b. The Company, on an ongoing basis, shall advise the MEC in writing of any equipment, and its intended use, which is to be installed on Company aircraft in the future and which is capable of monitoring pilot performance on an aircraft. The Company shall also immediately advise the MEC of any additions or changes to this intended use.
- L. The MEC Chairman or his designee shall receive copies of all Pilot Reading File (PRF) bulletins to pilots and new hires.
- M. Pilot Personnel and Training Files
1. Personnel and training files will be maintained for each pilot and shall contain all records of progress reports, evaluations, written orders, training records, records of a derogatory or disciplinary nature, and other reports involving the pilot's employment relationship with the Company.
 2. The provisions of the Pilots Records Improvement Act of 1996, as amended, notwithstanding, any records of a disciplinary or derogatory nature which are more than twenty-four (24) months old shall not be used in progressive discipline and shall be inadmissible in any meeting or hearing under this Agreement, so long as no further similar discipline has been imposed during that period.
 3. A pilot shall be provided with a contemporaneous copy of anything of a derogatory or disciplinary nature which is placed in his file(s).
 4. Upon request, a pilot's personnel and training files shall be made available for inspection and copying during normal working hours at no expense to the pilot. A copy of a former pilot's personnel and training files shall be provided upon request at no expense to the pilot.
- N. If a pilot loses his medical certificate while employed by the Company, he will be given every consideration for continued employment with the Company.

O. Association Committees

1. Pilot Air Safety Committee - At the Committee's request, the Company will meet with the Air Safety Committee and/or Accident Investigation Committee concerning safety and operational standards and issues. The Company will list the ALPA MEC Chairman, the Air Safety Committee Chairman, and the Accident Investigation Committee Chairman in its immediate Notification List in its Accident Procedures and ensure that at least one of these Chairmen is notified. The Company will provide free-from-duty periods for up to four pilots who report to the scene and are assigned as members of groups for the purpose of accident investigation. The Company may grant additional free-from-duty periods.

The Company and the Association Air Safety Committee will utilize all relevant documents, manuals, and other records to maintain and enhance safe flight operations. The Company will consider recommendations of the Association's Air Safety Committee.

2. Pilot Scheduling Committee – Unless mutually agreed otherwise, the Company and the Association Scheduling Committee will confer monthly for the purposes outlined in Section 25.A and meet as needed to discuss problems, exchange information, and review the crew scheduling process. The schedule for the monthly meetings shall be mutually established by the parties, considering both the needs of the service and the time frame necessary to accomplish the goals. If necessary, the Company will provide free from duty periods to the Committee chairman and a reasonable and appropriate number of committee members to attend meetings with the Company.
3. Training Committee – At the Company's or Committee's request, the Company will meet with the Association Training Committee concerning pilot training issues. The schedule for the meetings shall be mutually established by the parties, considering both the needs of the service and the time frame necessary to accomplish the goals. If necessary, the Company will provide free from duty periods to the Committee chairman and a reasonable and appropriate number of committee members to attend meetings with the Company. The Training Committee shall be provided, upon request, with access to pertinent training materials.
4. Pilot Hotel Committee – At the Company's or Committee's request, the Company will meet with the Association Hotel Committee. The schedule for the meetings shall be mutually established by the parties, considering both the needs of the service and the time frame necessary to accomplish the goals. If necessary, the Company will provide free from duty periods to the Committee chairman and a reasonable and appropriate number of committee members to attend meetings with the Company. The Company shall not bill the Association for Flight Pay Loss for one member of the Committee in connection with the inspection of each hotel facility due to a new or changed facility.
5. Security Committee – At the Company's or Committee's request, the Company will meet with the Association Security Committee concerning pilot security issues. The schedule for the meetings shall be mutually established by the parties, considering both the needs of the service and the time frame necessary to accomplish the goals. If necessary, the Company will provide

free from duty periods to the Committee chairman and a reasonable and appropriate number of committee members to attend meetings with the Company. The Security Committee shall be provided, upon request, with access to pertinent security materials to the extent permissible by law.

P. HIMS Program

1. The Company and the Association recognize the desirability of identifying and treating substance abuse or dependence resulting in personal or family crisis and especially before deterioration in flight safety.
2. Therefore, the Company will maintain a program that offers information and assistance to a pilot who seeks help as a result of his own motivation or the intervention of family or other interested parties. This program does not excuse pilots from their responsibility to comply with Company rules, including those governing alcohol and/or drugs.
3. This program contemplates treatment, monitoring and education designed to lead, as quickly as practicable, to FAA recertification, if necessary.
4. As a part of such program, Company and Association's representatives will attend a training program offered through the Association's Aero-Medical Office.
5. The first time a pilot seeks help through the HIMS program as a result of his own motivation or the intervention of family or other interested parties shall not incur job jeopardy. This shall be in addition to any assistance the pilot obtains through the Company's employee assistance program.
6. The Company will cover flight pay loss for the HIMS Chairman and for one HIMS member in order to prepare and execute an intervention, which shall be coordinated through the Chief Pilot's office.
7. The Company will provide one positive space round trip ticket for the HIMS Committee Chairman, one positive space round trip ticket for a HIMS member and one round trip ticket for the pilot to travel to treatment and assessment. The Company will provide positive space air travel for the assessment review by HIMS Chairman.
8. The Company and ALPA must mutually agree to the facilities used in the HIMS program. The Company will pay for a four-day assessment if warranted as a result of an intervention. Treatment charges will be borne by the pilot and/or the pilot's medical insurance policy, if applicable.
9. If the target pilot does not agree to go for an assessment after the HIMS committee recommendation for intervention, the pilot will be placed on a twenty-four hour HIMS medical leave. If the pilot does not agree to go for the assessment after the twenty-four hour period has elapsed, the pilot will have officially resigned from the Company.

Q. Professional Standards

In the interest of providing the highest standards of professionalism and safety among the pilots of Spirit Airlines, and to ensure that all pilots are treated fairly,

consistently and effectively, the Company and the Association have agreed to the following procedures for the resolution of conflicts and professional standards and attitudes of the flight crews at Spirit Airlines. Spirit Airlines traditional authority and responsibilities regarding proficiency and air safety shall not in any way be altered by the terms of this paragraph 26.Q.

1. When a professional standards problem arises, whatever the source, which precipitates a conflict, and is brought to the attention of the Association by a pilot, the Association will act as follows:
 - a. The individuals involved will be encouraged to discuss the matter privately in a forthright and reasoned manner, in an attempt to settle their dispute.
 - b. Failing this, the local Professional Standards Committee members will elicit both sides of the story, generally by telephone, and counsel both parties at a peer level (e.g., a Captain committee member will call a Captain involved, a First Officer committee member will call a First Officer involved). Again, agreement to resolve the dispute will be sought by all involved.
 - c. Should this fail, the pilots involved will be invited to a local Professional Standards Committee meeting. After each pilot has had the opportunity to present his or her view of the matter, the committee will seek a commitment from the parties to end the conflict and work together in the future constructively and without dissension.
 - d. Should one of the pilots refuse to participate, the Association will advise the Company of the conflict and request the Company to encourage all involved parties to attend the Professional Standards Committee meeting.
2. When a Professional Standards problem (as defined above) is brought to the attention of the Company in the first instance, at management's discretion, the Company will refer the issue and the parties involved to the local Professional Standards Committee's attention. Each pilot will be encouraged to attend the committee's meeting to settle the dispute in a reasoned, no-fault manner. Should a successful resolution of the problem not be attained within a 30-day time period, the Company will then be free to take whatever action it deems necessary to resolve the issue within the framework of the agreement.
3. Successful resolution of a problem will produce a committee report to the Company that states the matter is resolved. Lack of successful resolution will produce a report to the Company that the local Professional Standards Committee is unable to be of assistance. In any case, complete confidentiality regarding the committee's meeting will be maintained; further, the Company agrees not to cite a pilot's involvement with the Professional Standards Committee in any subsequent disciplinary proceeding.
4. No Fly List

If a pilot contacts the Professional Standards Committee in the first place, and wishes to generate a "No Fly List" with another pilot, the committee will act as follows:

- a. The committee will make every attempt to keep from generating a “No Fly List” for the benefit of all parties involved.
- b. Should a successful resolution be achieved, no further action will be required of any parties.
- c. Should the committee not be successful in achieving a resolution, then the committee will generate a report to the Company so stating and the individual will be free to contact the Company.

If a pilot contacts the Company in the first place and wishes to generate a “No Fly List” with another pilot, the Company will first make an attempt to get the parties involved to resolve the problem through their local Professional Standards Committee.

- a. If a successful resolution is achieved, then a report will be made to the Company stating so.
- b. When all attempts fail to achieve a resolution through the Professional Standards Committee, then a “No Fly List” report will be sent to the Chief Pilot’s Office stating that no resolution could be achieved. At this point the individual involved will have the choice to present his case to the Chief Pilot. In any case, complete confidentiality regarding the committee’s meeting will be maintained.

If a “No Fly List” is granted to an individual, then the individual shall accept the following conditions:

- a. When bidding, a pilot must list any individuals on his “No Fly List” on his monthly flight crew bid sheet.
- b. A pilot may have to bid extra lines. If an individual is awarded the same line as any of his “No Fly List” pilots, Crew Planning will go down the list until the pilot(s) is no longer matched in conflict with the “No Fly List.”
- c. No pilot will be displaced from his bid to accommodate another pilot’s “No Fly List.”
- d. A pilot may have to fly with an individual on his “No Fly List” if it becomes operationally necessary to do so. The Company will not cancel or delay a flight operation to accommodate a “No Fly List” pairing.
- e. This paragraph 26.Q.4 will only apply to First Officers at Spirit Airlines.

R. Tuition Assistance

The Company shall provide tuition assistance to eligible pilots under the same program that is extended to all other employees.

S. Pilot Protection/Defense Devices

In the event the Company or any regulatory agency requires a pilot to become trained in the use of any protective or defense device that the Company decided to use (e.g., mace, stun gun, taser or firearm) as a part of flight and/or aircraft security, the Company shall provide written notice to the Spirit MEC Chairman of such requirement. Pay for such required training shall be as per Section 3. The

Company and the Association shall meet for the purpose of reviewing training requirement(s) and liability associated with such device(s). Failure of a pilot to qualify on such device(s) shall not result in any disciplinary action, unless such qualification is required by federal regulation(s) as a necessary provision to continue to serve as a pilot.

T. Airport Security ID Badges

1. When a specific local airport security identification (ID) badge is not required at a pilot's base, such pilot may request and the Company shall provide guidance and authorization, to the extent allowed by local regulations and policies, to obtain a local airport security ID badge.
2. Any time spent or cost involved with this process (e.g., background checks, local security indoctrination, local security annual refresher review, badge procurement, badge replacement, failure to return a station security badge when no longer valid, authorized or necessary, etc.) shall be borne exclusively by the pilot making the request.
3. It is the requesting pilot's responsibility to ensure adherence to all required security currency requirements/updates and any validation/revalidation processes that the federal and/or local airport authority may require.

U. Background Checks

The Company shall not request any background information from a pilot unless the Company is required by federal law to obtain such information.

V. The Association may post and hand out, in locations where new hire pilots attend training, information concerning orientation meetings.

W. No pilot shall be required to perform duties outside the scope of his employment. Required pilots duties will not include such duties as loading baggage or passengers, fueling aircraft, ticketing or maintenance.

X. New Aircraft

1. Except as provided in paragraph X.2 below, when an aircraft not covered by this Agreement (defined as having a seating capacity of either more than 180 passengers or less than 99 passengers) is placed into regular airline operation by the Company, conferences shall, irrespective of any provisions of this Agreement, be initiated by either the Company or the Association for the purpose of negotiating rates of pay, rules and working conditions of pilots for such equipment, such rate of pay to be retroactive as of the date that such equipment was so placed in service. Conferences shall begin within fifteen (15) days after request has been made for such conferences unless otherwise mutually agreed upon between the Company and the Association. Pilots agree to fly such aircraft while conferences are being conducted in accordance with the above provisions until a final resolution is reached through conferences or arbitration. If no resolution of the dispute is reached within sixty (60) days of the first conference, it may be submitted by either party to final and binding arbitration in accordance with Section 21. The arbitrator shall be selected by the parties or, in the event of failure to agree on a neutral, from a panel of five (5) neutrals provided by the National Mediation Board.

2. If the Company places into regular airline operation any aircraft with a seating capacity of more than 180 passengers and less than 200 passengers, the rates of pay shall be one hundred and ten percent (110%) of the rates set forth in Section 3 of this Agreement. Conferences shall be held to discuss the other items listed in paragraph X.1 above.
 3. In such an arbitration proceeding on pay rates for new equipment, the arbitrator may consider the following factors, and may base the pay determination on said factors:
 - a. Rates currently paid by Spirit under this Agreement.
 - b. Differences in seating capacity for the new equipment.
 - c. Rates paid by other carriers of similar revenues, nature of operations, and number of aircraft using the same equipment.
- Y. Spirit Airlines, Inc. shall indemnify, defend and hold harmless each FAA licensed flight crew personnel in the employ of the Company, and the personal estates of such flight crew personnel, from and against any and all liabilities, losses, damages, claims, suits, judgments and all expenses (including reasonable attorneys' fees) arising therefrom or related thereto for personal injury or death, or damage to property of any person whosoever, resulting from or arising out of any act or omission of such flight crew personnel occurring during the authorized operation of any aircraft for the Company by such personnel.
- Z. The Company will provide each pilot with all publications and manuals listed by the GOM as required to perform his duties.
- AA. Operations (PRF) Bulletins which have been in existence for a period of six (6) months or more and have not been incorporated into a permanent publication shall not be used or referred to during the processing of any disciplinary action which may be levied against a pilot. No materials (except mandatory inclusions prescribed by government regulation or law) shall be incorporated into the Company Operations Manual if such materials are in any way in conflict with or do not preserve the intent of anything in this Agreement. In addition, the Company will maintain a reading file of pertinent current Operation (PRF) Bulletins at each crew facility.
- BB. If requested, the following information shall be provided to the MEC Chairman on a periodic basis:
1. Annual list of vacation accruals
 2. Vacation bid packages and results
 3. Monthly management flying report identifying who was displaced and/or how the flying was assigned
 4. Current training programs and syllabi
 5. Annual list of sick leave accruals
 6. The Seniority List as required to be updated by Section 22.

7. A list of any pilots sent furlough or furlough recall notices.
8. Monthly Permanent Position Roster
9. All Position Vacancy Bulletins, Position Reduction Bulletins and their corresponding Awards.
10. Monthly Pilot Bid Package as provided in Section 25.B.
11. The systemwide results of monthly bidding
12. Standing Bid Lists
13. Standing Available List as provided in Section 25.G.7
14. General Solicitation Log
15. Junior Assignment Log as provided in Section 25.J.5
16. Reserve Assignment documentation as provided in Section 25.K.3.d
17. Any other documents required by this Agreement.

CC. ALPA Bank

1. There shall be an ALPA Bank established by the Company wherein pilots may transfer pay and credit hours from themselves to ALPA to offset ALPA Flight Pay Loss.
2. The Company shall donate two hundred and fifty (250) hours per year to the ALPA Bank.
3. A pilot shall designate, on a form provided by the Company, the amount of time in hours (minimum one hour increments) he wishes to transfer. The Company shall then calculate the dollar value of that time based on the pilot's then current category and credit it to the ALPA Bank accordingly.
4. The Company shall, once a month, credit the ALPA Flight Pay Loss Account with an amount from the ALPA Bank which is no higher than the outstanding balance in the Flight Pay Loss Account.
5. The Association shall receive from the Company on a quarterly basis a statement listing the pilots who contributed during the prior quarter, the amount of time transferred and the category the dollar amount was based on.

DD. The Company shall provide crew room facilities at each domicile.

EE. No pilot shall be required to maintain qualifications on more than one aircraft-type (as defined by FARs, section 1) at any one time.

FF. Pilots and their immediate family shall be granted the same pass privileges as other Company employees and their families. Retired pilots and members of their immediate family and the immediate family of deceased pilots shall be granted the same on line pass privileges as other Company employees and their families.

GG. Transportation over the routes of the Company will be provided on a space available basis for Association staff representatives for the purpose of official business with the Company subject to appropriate governmental regulations.

HH. The Captain responsible for the flight has the authority to grant an unreserved cockpit jumpseat on that flight to any pilot employed by the Company or any other authorized individual as set forth in the General Operations Manual.

The Company shall make every effort to assure that station employees are knowledgeable of, adhere to and are accountable for following the jumpseat provisions outlined in the Spirit General Operations Manual. The Company shall endeavor to negotiate favorable interline agreements, inclusive of jumpseat privileges, on other carriers.

II. The Company shall not solicit nor accept offers from pilots to violate contractual limitations. The Company shall not enter into arrangements with individual pilots which violate the Agreement.

Section 27

Insurance Benefits

- A. The terms of all insurance benefits (group medical, dental, basic and optional life, AD&D, long-term disability insurance, flexible spending plans, etc.) which are in effect as of the effective date of this Agreement, and any amendments described herein, will remain in effect for the duration of this Agreement, except as may otherwise be agreed to in writing by the parties to this Agreement. Nothing in this Section shall prevent the Company from changing insurance carriers or improving current insurance benefits.
- B. Pilot contributions, co-payments, deductibles and out-of-pocket maximums under the medical/dental plans shall not increase during the term of this Agreement at a rate in excess of the Consumer Price Index.
- C. The Company shall make available to furloughed pilots the same medical, dental and life insurance provided to active pilots at the same pilot contribution rates as paid by active pilots, as set forth in Section 23.B.3 of this Agreement. Medical, dental and life insurance shall be available to pilots on a leave of absence as provided in Section 13 of this Agreement.
- D. The Company shall provide, at no cost to the pilot, life insurance in the amount of fifty thousand dollars (\$50,000). Effective January 31, 2004, life insurance for Captains will be increased to \$75,000. Effective January 31, 2005, life insurance will be increased to \$100,000 for Captains and to \$75,000 for First Officers. The Company shall also provide, at no cost to the pilot, accidental death and dismemberment (AD&D) insurance in the same amount and same minimum as for life insurance.
- E. The life, supplemental life, AD&D, medical, dental and any other insurance policies shall not contain any exclusion or limitation for travel or flight in any type of aircraft, nor shall there be any exclusion or limitation less than one hundred thousand dollars (\$100,000) for any illness, injury, death or other loss connected in any way with war, acts of war, terrorism, acts of terrorism, insurrection, or riot while engaged in any company-directed activity.
- F. The Insurance Review Committee

There will be an Insurance Review Committee which shall include two (2) members selected by the Association. The Committee will meet on an as needed basis at the request of either party upon no less than ten (10) days notice. The Committee will discuss and make a good faith effort to resolve problems and issues regarding the insurance benefit plans. Such issues may, for example, include the review and discussion of claims processing problems that affect the pilot group. The Committee may also review the insurance plans, including plan design, deductibles, co-insurance, etc. in an effort to maximize benefits and minimize costs, but shall not make changes to plans or this Agreement without the consent of the MEC and an executed Letter of Agreement. The Company will provide the Association with information helpful to the review of such insurance benefit issues.

- G. The medical flexible spending account plan will be amended, effective beginning with calendar year 2004, to provide that the maximum amount a pilot may contribute to the plan will be the maximum allowable by law.

- H. All insurance improvements and/or additions offered to other employees of Spirit Airlines, Inc., during the term of this Agreement shall be made available on the same basis to the pilots of Spirit Airlines, Inc.

- I. The Company shall make available to pilots a voluntary gap insurance plan for pilots who retire from the Company for the period from their date of retirement until they are eligible for Medicare. The cost of the plan will be borne by the pilot. The Company will act as a facilitator of the plan but shall not be responsible for any administrative or operational expenses. The parties will meet thirty days from the date of ratification of the agreement to finalize providers. The Company will make available to the Association a list of providers with implementation dates within ninety days of ratification.

Section 28

Retirement

- A. The Spirit Airlines, Inc. Pilots' Retirement Savings Plan (the "Pilots' 401(k) Plan") which is in effect as of the effective date of this Agreement will remain in effect for the duration of this Agreement, except as provided below, and except as may otherwise be agreed to in writing by the parties to this Agreement.
- B. All pilots employed by Spirit Airlines, Inc. shall be eligible to participate in the Pilots' 401(k) Plan, subject to a one-year waiting period.
 - C. The Company shall continue to make monthly matching contributions under the Pilots' 401(k) Plan in an amount equal to 100% of a pilot's voluntary salary deferrals up to the first eight percent (8%) of compensation.
- D. The Pilots' 401(k) Plan will be amended to provide that at the end of each plan year the Company will make a true-up matching contribution for pilots who, due to the level of their contributions during a plan year, have had such contributions stopped during the year as a result of having reached the Internal Revenue Code section 402(g) limit (e.g., \$12,000 in 2003), and have therefore not received the full matching amount they would have been eligible to receive had their contributions been made on a lesser level and been evenly spread throughout the plan year. This true-up match will be made no later than March 15 following the plan year. To be eligible for the true-up matching contribution, a pilot:
 - 1. must be an active participant in the 401(k) throughout the plan year;
 - 2. must be deferring no less than 8% each pay period until reaching the maximum 402(g) contribution limit each plan year;
 - 3. A pilot who is furloughed, becomes disabled or retires is eligible for the true up if he meets the requirements as set forth in paragraph D.2 above.
- E. Pilot elective contributions and Company matching contributions shall be contributed to the Pilots' 401(k) Plan trust as of the earliest date on which the contributions can be reasonably segregated from the Company's general assets, but no later than the seventh business day following the month in which the pilot elective contributions were withheld or received by the Company.
- F. There will be a Retirement Committee of the Pilots' 401(k) Plan which shall consist of up to four (4) members, one-half of whom shall be Pilots in the service of Spirit Airlines, Inc. selected by the MEC Chairman and who are represented by the Air Line Pilots Association, International. The Committee will meet on an as needed basis at the request of either party upon no less than ten (10) days notice. The purposes of the Retirement Committee will include reviewing the performance of the investment options and considering changes to the options under the Plan. The Director of Benefit Administration or his designee will act as the Chairperson of the Committee. The Committee will consider two primary factors: performance of the investment options and cost to the Company and the participants. The Company shall bear the administrative costs of the Pilots' 401(k) Plan.

- G. Within one hundred and twenty (120) days from the effective date of this Agreement, the Pilots' 401(k) Plan will provide a brokerage option, subject to the requirements and restrictions of ERISA. The brokerage option will include internet online trading capability. Pilot Participants will be required to pay the annual fees in connection with the brokerage account and fees for related transactions. Pilots will continue to be permitted to direct investment of the vested and non-vested portions of the employer matching contribution account and the mandatory employer contribution on the same basis as the direction of individual account investments.
- H. In the event the Company establishes a Stock Participation Plan, the pilot group shall be included as participants in the plan on terms no less favorable than the terms offered to all other employees excluding positions of Director and above. Additionally, if the Company establishes a public stock offering, the pilot group will be allowed to participate in the plan on terms no less favorable than the terms offered to all other employees excluding positions of Director and above. The Company and the Association will meet no less than 60 days prior to the public issuance to discuss the method of distribution of the stock.
- I. All retirement benefit improvements and/or additions offered to other nonmanagement employees of Spirit Airlines, Inc. during the term of this Agreement, shall be made available on the same basis to the pilots of Spirit Airlines, Inc.

Section 29

Agency Shop and Dues Checkoff

A. Requirements

Each pilot of the Company covered by this Agreement will be required, as a condition of employment, beginning sixty (60) days after the effective date of this Agreement, or sixty (60) days after the completion of his probationary period, whichever will last occur, to either:

1. be, or become a member of the Association, or
2. pay to the Association a monthly service charge for the administration of this Agreement and representation of the pilot. Such monthly service charge will be equal to the Association's regular monthly dues, initiation fee, and periodic assessments, including MEC assessments, which would be required to be paid by such pilot if a member.

B. Exceptions

1. The provisions of this Section will not apply to any employee covered by this Agreement to whom membership in the Association is not available upon the same terms and conditions as are generally applicable to any other member, or to any pilot to whom membership in the Association was denied or terminated for any reason other than the failure of the pilot to pay initiation (or reinstatement) fees, dues and assessments uniformly required by the Association or the MEC. Nothing in this Section will require the payment of any initiation (or reinstatement) fee, by any pilot not required to make such payment pursuant to the Association's Constitution and By-Laws.
2. The requirements of paragraph A. of this Section shall not apply to a pilot during periods of time he holds a management position.

C. Notice of Delinquent Payments

1. If any pilot of the Company covered by this Agreement becomes delinquent in the payment of his service charge or membership dues, the Association will notify such employee by Certified Mail, Return Receipt Requested, copy to the Vice President of Flight Operations of the Company, or his designee, that the pilot is delinquent in the payment of such service charge or membership dues as specified in paragraph A. Such letter will notify the pilot of the following:
 - a. the total amount of money due;
 - b. the period for which he is delinquent;
 - c. he is subject to discharge as a pilot of the Company;
 - d. that he must remit the required payment within a period of fifteen (15) days or be discharged.
2. The notice of delinquency required under this paragraph will be deemed to be received by the pilot, whether or not it is personally received by him, when mailed by the Treasurer of the Association by Certified Mail, Return Receipt

Requested, postage prepaid to the pilot's last known address, or to any other address which has been designated by the pilot.

3. It will be the duty of every pilot covered by this Agreement to notify the Association's Membership Services Department of every change in his home address, or of an address where the notice required by this paragraph can be sent and received by the pilot, if the pilot's home address is at any time unacceptable for this purpose.

D. Notice of Discharge From The Company

If, upon the expiration of the fifteen (15) day period, the pilot still remains delinquent, the Association will certify in writing to the Vice President of Flight Operations, copy to the pilot, both by Certified Mail, Return Receipt Requested, that the pilot has failed to remit payment within the grace period allowed and is therefore to be discharged. The Vice President of Flight Operations will discharge such pilot from the service of the Company within five days of the receipt of said notice from the Association.

E. Protests And Appeals

A protest by a pilot who is to be discharged as a result of an interpretation or application of the provisions of this Section will be subject to the following procedures:

1. A pilot who believes that the provisions of this Section have not been properly interpreted or applied as they pertain to him, may submit his request for review in writing within ten (10) days from the date of receipt of this notification by the Vice President of Flight Operations as provided in paragraph D., above. The request must be sent by Certified Mail, Return Receipt Requested, to the Vice President of Flight Operations, or his designee, who will review the protest and render his decision in writing not later than ten (10) days following receipt of the protest.
2. The Vice President of Flight Operations, or his designee, will forward his decision to the pilot, with a copy to the Association, both by Certified Mail, Return Receipt Requested. Said decision will be final and binding on all interested parties unless appealed as hereinafter provided.
3. If the decision is not satisfactory to either the pilot or the Association, then either may appeal within ten (10) days from the receipt of the decision, by filing a notice of appeal. Such notice will be sent to the other party and to the Company, by Certified Mail, Return Receipt Requested.
4. Appeal will be directly to a Neutral Referee who will be agreed upon by the pilot and the Association within ten (10) days after receipt of the notice of appeal. In the event the parties fail to agree upon a Neutral Referee within the specified period, either the pilot or the Association may request the National Mediation Board to name such Neutral Referee.
5. The hearing before the neutral will be as soon as possible, and the decision of the Neutral Referee will be requested within thirty (30) days after the hearing. The decision of the Neutral Referee will be final and binding on all parties to the dispute. The fees and charges of such Neutral Referee will be borne equally by the pilot and the Association.

F. Appeal Period

During the period a protest is being handled under the provisions of paragraph E., above, and until final award by the Vice President of Flight Operations, his designee or the Neutral Referee, the pilot will not be discharged from the Company nor lose any seniority rights because of noncompliance with the terms and provisions of this Section.

G. Discharge

1. A pilot discharged by the Company under the provisions of this Section will be deemed to have been "discharged for cause" within the meaning of the terms and provisions of this Agreement.
2. The Association agrees to indemnify and hold the Company harmless against any suits, claims, and liabilities which arise out of or by reason of any action taken by the Company pursuant to a written demand by an authorized Association representative under this Section.

H. Calculation of Payments

1. The Association will treat members and nonmembers alike in calculating the amounts due, in establishing the due date of payments and in determining whether a pilot's account is delinquent.
2. The Company will provide the Association with a listing of all pilot's annual W-2 income for the prior year for the purpose of determining if proper dues are collected.
3. The Company shall, within forty-five (45) days of the close of each calendar year, forward to the Association comptroller and Master Executive Council Chairman a complete list of all pilots employed during the year who are paying dues or service fees. The list shall include each pilot's payroll number and each pilot's total gross earnings for that year. In addition, information shall be provided which shows changes in a pilot's active or inactive status, the date such pilot was placed on furlough or leave, and subsequent recall or return, if applicable.

I. Dues Assignment and Authorization

1. During the life of this Agreement, the Company agrees to deduct from the pay of each pilot covered by this Agreement and remit to the Air Line Pilots Association, International, membership dues uniformly required by the Air Line Pilots Association, International, as a condition of acquiring or retaining membership, and in accordance with the provisions of the Railway Labor Act, as amended, or a service charge provided such pilot voluntarily executes the following agreed upon form. This form, "Assignment and Authorization for Payment of Association Service Charge and Dues," also to be known as Service Charge and Dues Form, will be prepared and furnished by the Air Line Pilots Association, International.
2. When a pilot properly executes such Service Charge and Dues Form, the Treasurer of the Air Line Pilots Association, International, will forward an original copy to the Company Vice President of Flight Operations. Any Service Charge and Dues Form which is incomplete or improperly executed

will be returned to the Treasurer. Any notice of revocation as provided for in this Agreement or Railway Labor Act, as amended, must be in writing, signed by the pilot and delivered by Certified Mail, addressed to the Company Vice President of Flight Operations, with a copy to the Air Line Pilots Association, International. Service Charge and Dues Forms and notices received by the Company will be stamp dated on the date received and not when mailed.

3. When a Service Charge and Dues Form, as specified herein, is received by the Company Vice President of Flight Operations, on or before the first day of the month, deductions will commence with the second payday of the month following, and will continue thereafter until revoked or canceled as provided in this Section. The Company will remit to the Air Line Pilots Association, International, a check in payment of all dues and assessments collected on a given payday, on or as soon after the payday as possible. These remittances will be subject to normal accounting practice with respect to adjustments necessary because of the methods involved in the deduction procedure. The Company remittance of Air Line Pilots Association membership dues to the Air Line Pilots Association will be accompanied by a list showing names, payroll numbers and amount deducted for pilots for whom deductions have been made in that particular period.
4.
 - a. No deductions of Air Line Pilots Association dues will be made from the wages of any pilot who has executed a Service Charge and Dues Form and who has been transferred to a job not covered by this Agreement, who is on furlough, or who is on leave without pay. Upon return to work as a pilot covered by this Agreement, whether by transfer, termination or leave without pay, or recall from furlough, deductions will be automatically resumed, provided the pilot has not revoked the assignment in accordance with the other appropriate provisions of this Section and of the Railway Labor Act, as amended.
 - b. A pilot who has executed a Service Charge and Dues form and who resigns or is otherwise terminated (other than by furlough) from the employ of the Company, will be deemed to have automatically revoked his assignment and if he is re-employed, further deductions of Air Line Pilots Association dues will be made only upon execution and receipt of a new Service Charge and Dues Form.
5. Collections of any back dues owed at the time of starting deductions for any pilot and collection of dues missed because the pilot's earnings were not sufficient to cover the payment of dues for a particular pay period, will be the responsibility of the Air Line Pilots Association and will not be the subject of payroll deductions.
6. Deductions of membership dues will be made monthly provided there is a balance in the paycheck sufficient to cover the amount after all other deductions authorized by the pilot or required by law have been satisfied. In the event of termination of employment, the obligation of the Company to collect dues will not extend beyond the monthly period in which his last day of work occurs.

**ASSIGNMENT AND AUTHORIZATION FOR
PAYMENT OF
ASSOCIATION SERVICE CHARGE AND DUES**

TO: SPIRIT AIRLINES, INC.

I, _____, hereby authorize and direct
(Print Initials and Last Name)

SPIRIT AIRLINES, INC. to deduct from my pay such monthly dues as are now or may hereafter be established in accordance with the Constitution and By-Laws of the Association, or service charge in an amount equal to such dues for remittance to the Air Line Pilots Association.

I agree that this authorization will be irrevocable for one year from the date hereon or until termination of the check-off agreement between SPIRIT AIRLINES, INC. and the Association, whichever occurs sooner.

If the check-off agreement is terminated, this authorization will be automatically terminated. In the absence of a termination of the check-off agreement, this authorization may be revoked effective as of any anniversary date of the signing hereof by written notice given by me to SPIRIT AIRLINES, INC., and the Association by Certified Mail, Return Receipt Requested, during the ten (10) days immediately preceding any such anniversary.

Signature of Pilot _____ Date _____

Address of Pilot _____

Employee Number _____ Domicile _____

(This page intentionally left blank.)

Section 30 PAC Checkoff

The Company will monthly check-off and transmit to the Treasurer of the Air Line Pilots Association Political Action Committee (ALPA-PAC) voluntary contributions to ALPA-PAC from the earnings of those employees who voluntarily authorize such contributions on forms provided for that purpose by ALPA-PAC. The amount of such monthly check-off deductions and the transmittal of such voluntary contributions shall be as specified in such forms and in conformance with any applicable state or federal statute.

(This page intentionally left blank.)

Section 31 Duration

This Agreement shall become effective on January 31, 2003 and shall remain in full force and effect through January 30, 2007, except as otherwise provided herein, and shall renew itself without change until each succeeding January 31 thereafter, unless written notice of intended change is served in accordance with Section 6, Title I of the Railway Labor Act, as amended, by either party hereto no less than ninety days prior to January 31, 2007 or January 31 in any year thereafter.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this _____ day of _____, 2003.

FOR SPIRIT AIRLINES, INC.

FOR THE AIR LINE PILOTS
ASSOCIATION, INT'L

Jacob Schorr
Chief Executive Officer

Duane E. Woerth
President

Ned Homfeld
Chairman of the Board

David G. Sytsema
Chairman, Spirit MEC

Mark Kahn
General Counsel

Danny Clark
Chairman, Negotiating Committee

John Severson
Chief Financial Officer

Andy Nelson, Member
Negotiating Committee

James Weiland
Chief Operating Officer

Kevin Schmitke, Member
Negotiating Committee

Lawrence Murphy, Member
Negotiating Committee

LETTER OF AGREEMENT
between
SPIRIT AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
SPIRIT AIRLINES, INC.
as represented by
THE AIR LINE PILOTS ASSOCIATION
INTERNATIONAL

THIS LETTER OF AGREEMENT is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between SPIRIT AIRLINES, INC., its successors or assigns (herein "the Company" or "Spirit") and the Air Line Pilots in the service of Spirit Airlines, Inc. as represented by the AIR LINE PILOTS ASSOCIATION, INTER-NATIONAL (herein "the Association" or "ALPA").

WHEREAS, the Company is making good faith efforts to implement the Agreement;
and

WHEREAS the transition to implementation of the Agreement, particularly the section on Scheduling (Section 25) will take time to implement,

THEREFORE, the parties agree that no grievances shall be heard or filed regarding scheduling matters or arising out of Section 25 of the Agreement for events occurring during the first three bid periods in which the new scheduling rules are in place.

The rates of pay shall be effective on the date of ratification and shall be paid no later than the second pay check following ratification.

This Letter of Agreement shall be effective upon signing and shall remain in full force and effect concurrent with the Collective Bargaining Agreement between the Company and the Association effective January 31, 2003.

FOR SPIRIT AIRLINES, INC.

FOR THE AIR LINE PILOTS
ASSOCIATION, INT'L

Jacob Schorr
Chief Executive Officer

Duane E. Woerth
President

David G. Sytsema
Chairman, Spirit MEC

February 3, 2003

Captain Scott Justmann
Director of Operations
Spirit Airlines, Inc.
2800 Executive Way
Miramar, FL 33025

Re: Letter of Understanding on increasing the drug copayment

Dear Scott:

During the parties' negotiations to amend the Agreement effective January 31, 1999, the Company requested to increase the prescription drug co-payments under Section 27.B. The Company requested this adjustment prior to the ratification of the tentative agreement on the new Agreement because the Company needed to include the drug co-payment increase in the literature it distributes in connection with the insurance plan open enrollment period. The ALPA MEC agreed that the group medical plan may be amended to provide for pilot co-payment for prescription drugs at the rate of \$10.00 generic and \$20.00 brand name. The pilot co-payment for a 90-day supply of mail order prescription drugs shall be \$15.00 generic and \$20.00 brand name.

In exchange for this drug copayment adjustment, the Company has agreed that it will not make any other adjustments to the medical plan pursuant to Section 27.B of the Agreement for calendar year 2003.

If this letter accurately describes our agreement, please so indicate by signing below.

Sincerely,

Dave Sytsema
Chairman
Spirit MEC Chairman

SO AGREED.

Dave Sytsema
Chairman
Spirit MEC Chairman

Scott Justmann
Director of Operations
Spirit Airlines, Inc.

Dated: _____

Dated: _____

