



TEAMSTERS LOCAL 747
"Professional Flight Deck Crewmembers"

COLLECTIVE BARGAINING AGREEMENT

Between

USA 3000 AIRLINES

And

**INTERNATIONAL BROTHERHOOD OF TEAMSTERS
LOCAL 747**

Representing

THE PILOTS OF USA 3000 AIRLINES

TABLE OF CONTENTS

SECTION 1: RECOGNITION AND SCOPE.....	8
A. National Mediation Board Certification	8
B. Purpose of Agreement	8
C. Sole Agreement	8
D. Scope	9
E. International Bases	9
F. Sale/Transfer/Lease of Company Aircraft	10
G. Successorship and Mergers.....	10
H. Seasonal Dry/Wet Lease.....	12
I. Expedited Board of Adjustment Procedures.....	14
J. Definitions used in Section 1	15
SECTION 2: DEFINITIONS	16
SECTION 3: COMPENSATION AND PAY CREDITS.....	23
A. Pay Scales	23
B. Minimum Bid Period Guarantee	23
C. Overtime Pay	25
D. Report Pay	26
E. Training Pay	26
F. Value of a Reserve Day	27
G. Value of a Duty Day	27
H. Rescheduling	27
I. Pilot Pay Calculations	27
J. Check Airman Pay	27
K. Captain Qualified First Officer	28
L. Drug/Alcohol Testing	28
M. Tail-End Ferry Pay	28
N. Timing Out.....	29
O. Pay Procedures.....	29
P. Credit Values.....	30
Q. No Credit Overlaps.....	31
SECTION 4: EXPENSES.....	32
A. Accommodations.....	32
B. Per Diem	32
C. Transportation	33
D. General	34
E. Moving Expenses.....	35

F. Moving Benefits.....	35
G. Moving Days	36
H. General	37
SECTION 5: DEADHEADING.....	38
A. Cost of Deadhead	38
B. Responsibility for Delays	38
C. Commercial Air Transportation	38
D. Deadhead To and From Duty Assignments	38
E. Deadheading on Company Aircraft	38
F. Deadhead Pay	39
SECTION 6: SCHEDULING	40
A. Introduction	40
B. Scheduling Committee	40
C. PBS/General	41
D. Bidding	43
E. Bid Construction	45
F. Bid Awards	47
G. Time Line of Scheduled Events prior to the Bid Period:	48
H. Open Time	49
I. Pairing Trades	52
J. Pay Protection for Trip Removal	54
K. Reassignment	54
L. Reassignment After Report Time	55
M. Reschedules	55
N. Pairing Extension Ferry Flights (Tail-End Ferry)	57
O. Layover Responsibilities	57
P. Recorded Conversations	58
Q. Temporary Duty Assignments (TDY)	58
R. Reserve.....	59
S. General	60
SECTION 7: FILLING OF VACANCIES.....	62
A. Vacancies.....	62
B. Procedural Mechanics for Executing a System Staffing Award.....	62
C. Filling Vacancies	62
D. Displacements.....	64
E. Base Closure.....	65
F. Initial Assignments	65
G. Special Assignment.....	65

SECTION 8: PAID TIME OFF (PTO)	67
A. Usage	67
B. Accrual	67
C. Eligibility for PTO	67
D. PTO Credit	67
E. PTO Sell Back	67
F. PTO Carryover	67
G. General	68
H. Occupational Injury	68
I. Return to Work	69
SECTION 9: VACATION	70
A. Vacation Accrual	70
B. Vacation Pay	70
C. Vacation Buyback	70
D. Vacation Carryover	71
E. Vacation Accrual In Case of Leave or Furlough	71
F. Vacation Bidding	71
G. Vacation Payout at Separation	72
H. Vacation Trades	72
I. Open Vacation Period	72
J. Starting and Ending Vacations	73
K. Death of a Pilot	73
SECTION 10: SENIORITY	74
A. Seniority Accrual	74
B. Pilot Posting	74
C. Protest of Seniority List	75
D. Forfeiture of Seniority Rights	75
SECTION 11: TRAINING	76
A. General	76
B. Training Standards	78
C. Train to Proficiency	79
D. Notice of Training	79
E. Training Schedules	81
F. Assignment To and Release From Training	81
G. Travel To and From Training Away From Base	82
H. Recurrent Training and Line Checks	82
I. Upgrade and Transition Training	82
J. Scheduling of Training, Rest Periods, and Days Off	83
K. Requalification and Recency of Experience Training	85

L. Failure to Qualify	86
M. Training Review Board (TRB)	89
SECTION 12: FURLOUGH AND RECALL	91
A. Furlough	91
B. Recall	91
C. Return to Work After Recall.....	92
SECTION 13: LEAVES OF ABSENCE	94
A. Unpaid Personal Leave	94
B. Unpaid Company-Offered Leave.....	95
C. Unpaid Medical Leave.....	96
D. Military Leave	97
E. Bereavement Leave of Absence	99
F. Union Leaves	99
G. Jury Duty Leave	101
H. Witness Duty	101
I. Workers' Compensation Leave	101
J. General	101
SECTION 14: ALCOHOL/DRUG TESTING	103
A. Testing Occasions.....	103
B. Alcohol/Drug Testing Procedures.....	105
C. Alcohol Testing.....	107
D. Consequences of a Verified Confirmed Positive Drug Test	107
E. Consequences of A Positive Alcohol Test.....	107
F. No Notice Testing.....	108
G. Voluntary Rehabilitation	109
H. Refusal or Failure to Cooperate	109
I. General	109
SECTION 15: PHYSICAL STANDARDS	111
A. Medical Standards	111
B. Medical Examinations	111
C. Medical Review Process	112
SECTION 16: INSURANCE AND OTHER BENEFITS	113
A. Life and Accidental Death and Dismemberment Insurance	113
B. Health Insurance	113
C. Retirement Savings Plan (401(k) Plan)	117
D. Travel Benefits	117

SECTION 17: TRANSFER TO A MANAGEMENT OR OTHER NON-FLYING POSITIONS	121
A. Management Pilots	121
B. Management Line Flying.....	121
C. Probationary Pilots Transferred to Management and Other Non-Flying Positions.....	121
D. Discipline of Management Pilots	122
SECTION 18: INSTRUCTORS AND CHECK AIRMEN	123
A. General	123
B. Selection of Instructor Pilots and Check Airmen	123
C. Scheduling	124
D. Compensation.....	125
E. General	125
SECTION 19: BASES	126
A. Establishment of Bases.....	126
B. Staffing.....	126
C. Area Bases.....	127
SECTION 20: RESOLUTION OF DISPUTES.....	128
A. Settlement of Disputes	128
B. Investigative Hearing – Discipline and Discharge	128
C. The Grievance Process.....	129
D. System Board of Adjustment.....	130
E. Resolution of Disputes –General.....	134
SECTION 21: DUES CHECKOFF AND UNION SECURITY	137
A. Dues Checkoff.....	137
B. Agency Shop.....	137
SECTION 22: NEW AIRCRAFT.....	140
SECTION 23: GENERAL.....	142
A. Property Damage and Civil Liability Indemnification	142
B. Legal Representation	142
C. Agreement Distribution.....	142
D. Bulletin Board.....	142
E. Union Access to Company Trainees	142

F. Recorded Data	143
G. Appearance Standards	143
H. Uniforms.....	143
I. Masculine Pronouns.....	143
J. Pilot List.....	143
K. Death Benefits.....	143
L. Accident Investigation	144
M. Payment for Equipment.....	144
N. Orders in Writing	144
O. ID Badges	144
P. Personal Information	145
Q. Committees	145
 SECTION 24: HOURS OF SERVICE	 147
A. Duty Time.....	147
B. Rest Period	147
C. Report and Release Times.....	147
 SECTION 25: MISSING, INTERNMENT, HOSTAGE, OR PRISONER OF WAR BENEFITS	 149
 SECTION 26: MANAGEMENT RIGHTS.....	 152
 SECTION 27: STRIKE/LOCKOUTS/PICKET LINE.....	 153
A. Strike	153
B. Lockouts.....	153
C. Picket Line.....	153
 SECTION 28: DURATION	 154
 LETTER OF AGREEMENT #1 (Existing Management Pilots)	 155
 LETTER OF AGREEMENT #2 (Employee Travel Program).....	 156
 USA 3000 SYSTEM SENIORITY LIST	 157

SECTION 1: RECOGNITION AND SCOPE

A. National Mediation Board Certification

Pursuant to the certification by the National Mediation Board in Case No. R-6871, dated May 23, 2002, the Company hereby recognizes the International Brotherhood of Teamsters, Airline Division, as the duly designated and authorized representative of the Pilots in the employ of the Company for the purposes of the Railway Labor Act, as amended.

B. Purpose of Agreement

It is in the mutual interest of the Company, the Union, and the Pilots in the employ of the Company to provide for the operation of the Company under methods which will further, to the fullest extent possible: the safety of air transportation, the efficiency of operation, and the continuation of employment of Pilots under agreed-upon working conditions and compensation, and maintain profitability of the carrier. It is recognized to be the duty of the Company, the Union, and the Pilots to cooperate fully for the attainment of these purposes.

C. Sole Agreement

1. This Agreement shall supersede all existing or previously executed agreements by and between the Company and the Union or any other labor organization or individual with respect to the rates of pay, rules, or working conditions specifically covered by the provisions of this Agreement in accordance with the provisions of the Railway Labor Act, as amended. Any and all subsequent agreements between the parties altering or amending this Agreement generally shall be reduced to writing, signed by their authorized representatives, and become a part of this Agreement.
2. Whenever the words "Pilot(s)", "employee(s)", or "crew member(s)" are used in this Agreement, they designate and refer to only such Pilots as covered by this Agreement. It is further recognized that whenever in this Agreement Pilots or jobs are referred to in either the masculine or feminine gender, it shall be understood to mean both male and female Pilots. It is further understood that there shall be no discrimination by either party against any Pilot who is now, or may become, subject to the terms of this Agreement because of any reason defined and delimited by such applicable law.

D. Scope

1. This Agreement covers the Company, any subsidiary of the Company and any entity operating under the Company's certificate.
2. Except as otherwise provided in this Agreement, all present and future flying, including international, and all charters, ferry flights, training flights, test flights, (except test flights assigned to management), or other flying by the Company or subsidiary of the Company on the present, or any future, certificate of the Company or subsidiary of the Company shall be performed by Pilots on the USA 3000 Pilots' System Seniority List in accordance with the terms and conditions of this Agreement or any other applicable agreement between the Company or a subsidiary of the Company and the International Brotherhood of Teamsters, Airline Division.
3. The Company or Subsidiary of the Company shall not establish any new U.S. certificated airline (alter ego or otherwise) or acquire a controlling interest in any U.S. certificated carrier whether directly or through the Company or a Subsidiary of the Company, and maintain it as a separate carrier. A "Controlling Interest" or "Control" means the ownership of an equity interest representing more than fifty percent (50%) of the outstanding capital stock of an entity or voting securities representing more than fifty percent (50%) of the total voting power of outstanding securities then entitled to vote generally in the election of such entity's board of directors or other governing body. Nothing in this Section shall prohibit the Company from doing business under any one or more different trade names.
4. The Company will not transfer aircraft on hand or aircraft on firm order, whether owned or leased, or operating authority to any subsidiary for the purpose of evading the terms of this Agreement. The Company will also not establish any third party leasing device in order to accomplish a transfer of aircraft to a subsidiary for the purpose of evading the terms of this Agreement.

E. International Bases

If the Company establishes a Pilot base outside of the forty-eight (48) Contiguous United States and the District of Columbia, Pilots assigned to such base shall be covered by all terms of this Agreement. The Company waives any argument that the Railway Labor Act or the System Board of Adjustment, as set forth in this Agreement, do not apply and the decision of the System Board in cases involving Pilots assigned to, or otherwise involving, such bases shall be enforceable in any court of competent

jurisdiction in the United States to the same extent and in the same manner as other cases arising out of interpretation and application of this Agreement.

F. Sale/Transfer/Lease of Company Aircraft

Except as otherwise provided for in this Agreement, the Company or Subsidiary of the Company will not sell, lease or transfer an aircraft to another air carrier or entity for the purpose of evading the terms of this Agreement. The Company and any Subsidiary of the Company may sell, lease or transfer an aircraft to another air carrier or entity when the Company no longer requires such aircraft for its operation.

G. Successorship and Mergers

1. This Agreement including the rates of pay, rules and working conditions set forth in this Agreement shall be binding upon any successor or assign of the Company unless and until changed in accordance with the provisions of the Railway Labor Act, as amended. For purposes of this paragraph, a successor or assign shall be defined as an entity which acquires all or substantially all of the assets or equity of a Company through a single transaction or multi-step related transaction which closes within a twelve (12) month period.
2. The Company shall not enter into any contract or other legally binding commitment which would result in the sale, lease or transfer of all or substantially all of the Company's assets (whether in a single transaction or set of related transactions closing within any twelve (12) month period), unless, as a material and irrevocable condition of such agreement, the purchaser, transferee or lessee agrees to hire the employees on the then-current USA 3000 Pilots' System Seniority List, assume this Agreement (including the rates of pay, rules and working conditions set forth therein) and to maintain and merge post-transaction operations and employees in accordance with the provisions of this Agreement. The Company shall give notice of the existence of this Agreement to any purchaser, transferee, lessee, or assignee of the operation covered by this Agreement or any substantial part thereof. Such notice shall in writing with a copy to the Union at the time the seller, transferor, or lessor executes a definitive agreement with respect to a transaction as herein described.
3. In the event of a merger of airline operations between the Company or a subsidiary of the Company and another air carrier, the Company or subsidiary of the Company will require, as a condition

of any such operational merger that provisions be included requiring that the surviving carrier shall provide for fair and equitable integration of the pre-merger Pilots' seniority lists in accordance with Articles 3 and 13 only of the Allegheny Mohawk LPPs. In any arbitration proceeding under Section 13, the arbitrator shall have authority only to determine a fair and equitable integration of the seniority lists and shall not have authority to impose layoff restrictions, pay protection provisions or any other labor protective provisions other than those already provided for in this Agreement.

4. Integration of the Pilot groups shall not occur until the Pilot seniority lists are merged pursuant to procedures as described above.
5. The following additional requirements shall be applicable in the event of a merger, purchase or acquisition involving the Company, or subsidiary of the Company, regardless of the identity of the surviving carrier or whether formerly separate operations are to be integrated.
 - a. Unless and until any operational merger is finally effectuated, the Union will continue to be recognized as the representative of the pre-merger Company Pilots, so long as such recognition is consistent with the Railway Labor Act and any applicable rulings or orders of the National Mediation Board. Recognition of a post-merger representative shall be governed by the Railway Labor Act and by any applicable rulings or orders of the National Mediation Board.
 - b. Subject to applicable securities and other laws and regulations, the Company will, in a timely manner upon request, review with the Union any of the terms of the transaction material to the implementation and administration of the terms of this Agreement, provided that no financial or other confidential business information need be disclosed unless the Company or the surviving carrier if different from the Company seeks changes in the terms and conditions of this Agreement based upon a claim of financial hardship.
 - c. The flying operations, routes and the Pilot groups of the Company and those of the other air carrier shall be kept separate unless and until the processes described in paragraph b. above is completed and the seniority lists of the two Pilot groups are integrated in accordance with Sections

3 and 13 of the Allegheny-Mohawk Labor Protective Provisions are completed. During such time of separate operations, neither aircraft nor Pilots shall be interchanged without the Union's written consent.

- d. Until the processes described in paragraph c. above are completed, no Pilot covered by this Agreement shall be reduced in status or pay category as an effect of the merger, purchase or acquisition; provided, however, that this provision shall not protect any Pilot from reduction in status or pay category as a result of business, economic or other conditions other than the merger, purchase or acquisition.
- e. During the period of separate operations, Pilots on the USA 3000 Pilots' System Seniority List prior to the merger, purchase, or acquisition shall operate all aircraft listed on the Company's or subsidiary's FAA Operations Specification at the time of the public announcement of the transaction and all aircraft thereafter acquired by the Company or subsidiary, other than as a result of the transaction; provided, however, that (a) nothing herein shall be construed to prevent fleet reductions which are attributable to economic or other reasons and conditions not related to the transaction or the retirement of existing aircraft in the normal course of business; and (b) where the Company acquires an aircraft which was on firm order or to replace an aircraft which was on the FAA Operating Specification of the other party to the transaction at the time of the public announcement of the transaction, Pilots on the other party's seniority list may operate such aircraft.
- f. The Company or surviving carrier, if different than the Company, shall meet promptly with the Union upon request to negotiate the implementation of the requirements of this Section.

H. Seasonal Dry/Wet Lease

Set forth below are the provisions governing seasonal leases, unless otherwise agreed to by the parties.

1. Dry Lease Out

The Company shall have the right to "dry lease out" any of its aircraft to another carrier or entity (government, military or commercial). Such dry lease shall not exceed six (6) months within

a twelve (12) month period. For the terms of such lease, operations involving the aircraft shall not constitute flying covered by this Agreement. During the term of such dry lease, no more than four (4) aircraft may be leased and no more than four (4) crews (eight Pilots) per aircraft will be displaced or reduced in status.

2. Wet Lease Out

a. General

The Company shall have the right to “wet lease out” any of its aircraft and crews to another carrier or entity (government, military or commercial). During the term of such wet lease, all provisions of the Collective Bargaining Agreement shall apply.

b. Specially Assigned Pilots

Unless the Company establishes a base in connection with the wet lease, all Pilots shall be treated as “specially assigned” and the provisions of Section 7 (Filling of Vacancies – “G. Special Assignment”) shall apply.

c. International

Unless the Company establishes a permanent or international base in connection with such a Wet Lease, Pilots who are wet leased out for international flying will receive an international per diem rate for the location of assignment as recommended by the U.S. Government as of the date of signing of this Agreement. If a Pilot is involuntarily assigned to an international wet lease out, the Pilot may, at the Pilot’s option, work sixteen (16) days on and twelve (12) days off in a twenty-eight (28) day bid period.

d. Wet Lease to Base

If the Company establishes a base in connection with such wet lease, the provision of Section 19 (Bases) and the other sections referenced therein shall apply.

3. Dry Lease In

The Company shall have the right to “dry lease in” aircraft from another carrier or entity (government, military or commercial). During the term of such dry lease, all provisions of the Collective Bargaining Agreement shall apply.

4. Wet Lease In

a. General

The Company shall have the right to “wet lease in” aircraft from another carrier or entity (government, military or commercial). During the term of such wet lease, operations involving the wet lease aircraft shall not constitute flying under the terms of this Agreement.

b. Commercial Wet Lease

Unless it is to replace a USA 3000 aircraft which has been rendered unserviceable, such wet lease shall not exceed one hundred eighty (180) days within a twelve (12) month period, shall be limited to four (4) aircraft, and no USA 3000 Pilot will be reduced in status, be paid less than the MBPG or lose any employee benefits during the term of such wet lease.

c. Emergency Wet Lease

Where necessary to replace a USA 3000 aircraft which has been rendered unserviceable, a wet lease of a different aircraft type may continue until a substitute aircraft can be placed in service by the Company but in no case shall the term of the Wet Lease exceed nine (9) months and is limited to one (1) aircraft. The pay protection of sub-paragraph b. above shall not apply. This provision shall not be used as a subterfuge to circumvent the provisions of the Agreement.

I. Expedited Board of Adjustment Procedures

The Company agrees to arbitrate any grievance filed by the Union alleging a violation of this Section on an expedited basis directly before the System Board of Adjustment sitting with a neutral arbitrator mutually acceptable to both parties. If a mutually agreed upon arbitrator cannot be selected within three (3) days of the filing, an arbitrator will be selected pursuant to Section 20 (Resolution of Disputes) of this Agreement. The dispute shall

be heard no later than thirty (30) days following the submission to the system board (subject to the availability of the arbitrator), and shall be decided no later than thirty (30) days following submission, unless the parties agree otherwise in writing.

J. Definitions used in Section 1

1. "Company" means Brendan Airways, LLC, presently d/b/a USA 3000 Airlines; Brendan Airways, LLC d/b/a any one or more different trade names; or any Subsidiary of Brendan Airways, LLC; or any entity operating under the current or any future certificate of Brendan Airways, LLC or any subsidiary of Brendan Airways, LLC; or any future airline certificate created or acquired by Brendan Airways, LLC, or Subsidiary of the Company.
2. "Entity" means a natural person, corporation, association, partnership, trust or any other form for conducting business.
3. "Subsidiary" means any entity that is owned and/or controlled by the Company as defined above, herein.

SECTION 2: DEFINITIONS

Active Payroll Status: Any Pilot who is not on an approved leave of absence or on a furlough.

Agreement: The Collective Bargaining Agreement duly executed and legally binding between the Pilots of USA 3000 Airlines, as represented by the International Brotherhood of Teamsters ("IBT"), and the Company.

AIMS: Airline Information Management System.

Base: A geographical location where Pilots are stationed from which a Pilot's duty assignments are scheduled to begin and end. A Pilot may only have one Base at a time. A single base may encompass multiple airports in accordance with this Agreement.

Base Month: The month designated in which a Pilot is required to fulfill his FAR qualifications and currency requirements.

Bid: Any of the following: preferential bid, a standing base bid, a standing PBS bid and/or vacation bid as set forth in this Agreement.

Bid Award: An electronic record of all duty assignments for a bid period that includes pairings, training assignments, reserve days, days off, and programmed leaves of absence that have been awarded in accordance with the terms of this Agreement.

Bid Period: A twenty-eight (28) day bid period, or as otherwise provided in this Agreement.

Bid Preferences: Bid preferences may include, but not be limited to, flight pairings, reserve assignments and days off as entered into the PBS for each period.

Block Time: The elapsed time starting with the removal of chocks or other restraining devices from the wheels of the aircraft when the aircraft first moves and ending when the aircraft is stopped and chocks or other restraining devices are put in place.

Business Casual: Collared shirt with sleeves (not tank tops), any full length pants, other than jeans, or a non-denim skirt for females, full shoes (no sandals).

Calendar Day: Midnight to midnight local base time.

Call Out: A duty assignment for which a Pilot is called to report for duty.

Captain: A Pilot who is entitled to be a Pilot in command of an aircraft and its crewmembers and who holds a bid as a Captain whose responsibility includes the safety of the aircraft, crew and passengers.

Captain Qualified First Officer (CQFO): A Pilot who has completed his Captain upgrade but does not hold a Captain bid.

Category: A Pilot's status, base and equipment type.

Check Event: Any proficiency check, line check, oral examination, or other testing or checking event required by the FAA to qualify, re-qualify, or maintain qualification to operate an aircraft.

COBRA: Consolidated Omnibus Budgeted Reconciliation Act.

Company: Brendan Airways, LLC d/b/a USA 3000 Airlines or as otherwise defined in this Agreement.

Credit Hour: The hourly unit by which Pilots will be credited for compensation as set forth in this Agreement.

Current: When a qualified Pilot has completed all required ground and flight training, including all applicable examinations and checks, inclusive of route and airport qualifications and ninety (90) calendar days recency of experience necessary to perform flight duties.

Date of Hire: The date the Pilot first reports to the Company's Pilot Training Program as evidenced by the class sign-in sheet.

Day Off: A day that begins and ends at 0200 local time at the Pilot's base free from all duty required by the Company.

Deadhead: The time spent by a Pilot traveling from one point to another, at the direction of the Company as set forth in this Agreement.

Displace: The right of a Pilot to occupy the category of another Pilot.

Displacement: The process by which one Pilot displaces another Pilot as set forth in this Agreement.

Domestic: Geographically, the forty-eight (48) contiguous states and the District of Columbia. Operationally, those areas specified for domestic operations in the USA 3000 Airlines FAA approved Operations Specifications.

DOS: Date of signing.

Drafting: Involuntary assignment as set forth in this Agreement.

Dry Lease: The lease of an aircraft without operational crew.

Dues Checkoff: The Pilot's authorized deduction of Union dues, service fees and/or assessments from a Pilot's pay by the Company.

Duty Assignment: Any specific duty activity assigned to a Pilot by the Company.

Duty Day: A day that begins and ends at 0200 in which a duty is performed, including all days away from base while operating a pairing (including deadheading), any scheduled day of reserve duty, training, or other Company directed business.

Duty Period/Time: The elapsed time from the time a Pilot is required to report for duty or the actual reporting time, whichever is later, until the time the Pilot is released from duty following the debrief period or as otherwise specified in this Agreement.

EAP: Employee Assistance Program.

Equipment Freeze: A period of time that restricts a Pilot from bidding on other equipment.

Equipment Type: The make, type and model of aircraft equipment.

FAR: Federal Aviation Regulation.

First Officer: A Pilot who is qualified to be second in command (SIC) and who holds a bid as a First Officer and is responsible for the manipulation of, or who manipulates the flight controls of an aircraft under the direction of the Captain.

Flight Time Credit: Credit hours for all activities as outlined in this Agreement for pay purposes.

FMLA: Family and Medical Leave Act.

GOM: General Operations Manual.

Immediate Family Member: Defined by this Agreement as a spouse, child(ren), parent, brother or sister.

Inactive Status: A Pilot on an approved leave of absence or furlough.

International: Geographically any point or area outside of the forty-eight (48) contiguous states and the District of Columbia. Operationally, those points and

areas that are outside the domestic areas as specified in the USA 3000 Airlines' operations specifications.

International Relief Officer: A Pilot assigned to the duty to relieve the PIC or SIC of duty as required by the FAR's.

Intervening Rest Period: The period between two (2) duty assignments.

Involuntary Assignment (IA): Duties that are assigned to a Pilot in inverse seniority order as set forth in this Agreement.

IOE: Initial Operating Experience.

Jumpseat: A vacant seat available for crew travel.

Junior: A less senior Pilot; one who has a higher system seniority number.

Known Flying: All flights that the Company plans to operate, either scheduled or unscheduled, including position and ferry flights, known at the time the pairings are published.

Layover: The period of time within a pairing between arrival and departure time when a Pilot is relieved from duty at a location away from base.

Leg: A flight segment between two (2) points within a pairing from block-out to block-in.

Line Check: A performance evaluation of a Pilot administered by a Check Airman in an aircraft during flight operations.

Line Pilot: A Pilot who is not a Management Pilot, as described in this Agreement, and who is covered by this Agreement.

Line Value: The time value of a Pilot's awarded schedule.

LOA: Leave of Absence.

LOFT: Line Operational Flight Training.

Longevity: The period of time commencing with the date the Pilot first entered initial ground school training with the Company, adjusted as set forth in this Agreement.

Minimum Bid Period Guarantee ("MBPG"): The minimum contractual flight time credit hours worked by a Pilot in a bid period as set forth in this Agreement.

Minimum Rest: Required rest between duty assignments in accordance with the Federal Aviation Regulations (FARs), or the provisions of this Agreement.

MRO: Medical Review Officer.

Open Time: Duty assignments (pairings, reserves, etc.) to which a Pilot has not been assigned.

Open Time Window: The time period within which a Pilot may submit a bid for open time which will be awarded in accordance with the provisions of this Agreement.

Pairing: A series of one (1) or more flight segments that begins and ends at the same base (a flight between two cities). Pairings may include multiple legs, layovers, and deadhead. Trip Pairing, Trip and Pairing are all synonymous.

Pay Protected: Activities which a Pilot does not actually conduct but receives compensation in accordance with the provisions of this Agreement.

Per Diem: Payments made to a Pilot for incidental expenses while away from Base in accordance with the provisions of this Agreement.

PIC: Pilot in Command.

Pilot: A Pilot who perform the duties of a PIC, SIC or IRO.

Positive Space: A confirmed seat provided on a flight.

Primary Residence: The place where one actually lives as distinguished from one's domicile or a place of temporary abode.

Probation: A Pilot's first twelve (12) months of employment (exclusive of furlough or leave of absence) with the Company.

Reassignment: A duty assignment to which a Pilot was not originally assigned due to removal from a previous assignment as set forth in this Agreement.

Release Time: The time at which a Pilot is released from Company duty.

Report Pay: A Flight Time Credit provided to a Pilot for reporting for duty.

Report Time: The time a Pilot is scheduled to report for duty or the time he actually reports, whichever is later.

Reschedule: A change to the Pilot's originally scheduled assignment.

RON: Remain Over Night.

Scheduled Block Time: The scheduled time between block-out and block-in for a flight.

Scheduled Flight Assignment: An assigned pairing in accordance with this Agreement.

Secondary Residence: A dwelling other than a Pilot's primary residence.

Senior: A more senior Pilot; with a lower system seniority number.

Seniority List: A list of Pilots in seniority order maintained by the Chief Pilot.

SIC: Second in Command.

Standing Bid: A bid registered with the Company expressing a Pilot's preferences for future assignment of vacancies or as used in PBS.

Statutory Holiday: New Year's Eve, New Year's Day, Easter, Memorial Day, July 4th, Thanksgiving, Christmas Eve, Christmas Day.

Status: A Pilot's position (Captain or First Officer).

System Seniority: A ranking right that commences on the Pilot's first day of initial ground school training and continues to accrue thereafter during his period of service with the Company, except as otherwise provided for in this Agreement.

Tail End Ferry: A ferry flight assigned to a crew to be operated at the conclusion of its regularly scheduled flight duties.

TDY: Temporary Duty Assignment.

TRB: Training Review Board.

Union: The International Brotherhood of Teamsters ("IBT"), Local 747.

Upgrade Program: The curriculum through which a First Officer trains to qualify as a Captain.

USERRA: Uniformed Services Employment and Reemployment Rights Act.

Vacancy: A vacancy is an unfilled category.

Vacation Day: A day (0200 to 0200) free of all duty as the result of and part of an awarded vacation period.

Voluntary Assignment (VA): A duty assignment awarded to a Pilot that has volunteered for that assignment.

Voluntary Seniority Displacement: When a more senior Pilot voluntarily accepts a displacement in lieu of a more junior Pilot being given an involuntary displacement.

Wet Lease: The lease of an aircraft with operational crew.

SECTION 3: COMPENSATION AND PAY CREDITS

A. Pay Scales

Pilots will be paid and credited for flight time credit based on status and Company longevity (i.e., in-seat longevity) in accordance with the hourly rates below. In computing hours for pay purposes, the actual or the scheduled block time, whichever is greater, will be used.

Captain's A318/A319/A320/A321 Pay Rates will be as follows:

<u>Year</u>	<u>DOS</u>
1	102.00
2	107.00
3	113.00
4	118.00
5	120.00
6	122.00
7	124.00
8	127.00
9	129.00
10	133.00

First Officer's A318/A319/A320/A321 Pay Rates will be as follows:

<u>Year</u>	<u>DOS</u>
1	54.00
2	58.00
3	63.00
4	68.00
5	73.00
6	74.00
7	75.00
8	76.00
9	77.00
10	77.00

B. Minimum Bid Period Guarantee

1. A Pilot who is available for duty for the full twenty-eight (28) day bid period will be guaranteed a minimum of sixty-five (65) hours of pay. Minimum guarantee will consist of scheduled or actual block hours, whichever is greater, plus any applicable credits. No Pilot will be

obligated to perform any duty in excess of the minimum guarantee plus three hours (3:00).

2. A Pilot who is on an approved unpaid leave, which may include unpaid personal, unpaid medical, unpaid military leave, or unpaid FMLA leave will have the guarantee prorated for the days the Pilot is available.
3. When availability during a bid period is reduced for an unpaid leave, the minimum guarantee will be reduced in accordance with the following table, rounded to the nearest number:

Unpaid Leave Pro-Ration Table

<u>Days Available</u>	<u>Days Off Entitlement</u>	<u>Pro-Rated Min Credit Hours for Days Available</u>
1	0	2:20
2	1	4:40
3	1	7:00
4	2	9:15
5	2	11:35
6	2	13:55
7	3	16:15
8	3	18:35
9	4	20:55
10	4	23:15
11	4	25:30
12	5	27:50
13	5	30:10
14	6	32:30
15	6	34:50
16	6	37:10
17	7	39:30
18	7	41:45
19	7	44:05
20	8	46:25
21	8	48:45
22	9	51:05
23	9	53:25
24	9	55:45
25	10	58:00
26	10	60:20
27	11	62:40
28	11	65:00

4. When availability for a duty assignment during a twenty-eight (28) day bid period is reduced for paid vacation, the minimum guarantee will be adjusted upward and scheduled days off pro-rated in accordance with the following table:

**Pro-Ration Table for Vacation
02:30 Hours Per Day**

<u>Days Available</u>	<u>Days Off Entitlement</u>	<u>Pro-Rated Min Credit Hours for Days Available</u>
1	0	2:30
2	1	5:00
3	1	7:30
4	2	10:00
5	2	12:30
6	2	15:00
7	3	17:30
8	3	20:00
9	4	22:30
10	4	25:00
11	4	27:30
12	5	30:00
13	5	32:30
14	6	35:00
15	6	37:50
16	6	40:00
17	7	42:30
18	7	45:00
19	7	47:30
20	8	50:00
21	8	52:30
22	9	55:00
23	9	57:30
24	9	60:00
25	10	62:30
26	10	65:00
27	11	67:30
28	11	70:00

C. Overtime Pay

1. A Pilot whose pay credit exceeds eighty hours (80:00) per bid period shall be compensated at his applicable hourly rate plus fifteen percent (15%) for those hours credited above eighty hours (80:00).

2. A Pilot who is involuntarily assigned to any Company duty will be paid the greater of the hourly duty performed or four hours (4:00) at his applicable hourly rate plus fifteen percent (15%). In the event that any hours of the involuntary assignment are in excess of eighty hours (80:00) in a bid period, then the involuntarily assigned Pilot will receive his applicable hourly rate, plus thirty percent (30%) for those hours in excess of eighty hours (80:00) in the bid period.
3. A Pilot may receive only one (1) type of premium pay for any hour worked. There shall be no pyramiding of overtime of premium pay.

D. Report Pay

When a Pilot reports on schedule or on a revised schedule for duty and the Pilot does not operate the flight, the Pilot will be credited for the value of the cancelled trip or four hours (4:00), whichever is greater.

E. Training Pay

1. A Pilot who attends any training for seven (7) days or less will be paid and credited with four hours (4:00) pay for each day the Pilot is attending training at a Company designated location.
2. A Pilot who attends any training for more than seven (7) days but less than fifteen (15) days will be paid and credited with three hours (3:00) pay for each day the Pilot is attending training at a Company designated location.
3. A Pilot who attends any training for fifteen (15) days or more will be paid and credited with two hours and thirty minutes (2:30) pay for each day the Pilot is attending training at a Company designated location.
4. Deadheading pay will apply to a Pilot traveling to and from training, in accordance with paragraph P.2. of this Section.
5. A Pilot attending any training will not have his days off pro-rated and is entitled to eleven (11) days off per twenty-eight (28) day bid period.
6. A Pilot in training will be paid no less than the minimum bid period guarantee in accordance with paragraph B. above, except initial new hire Pilots who will be paid training pay of two thousand dollars (\$2,000.00) per month, per diem of twenty-five dollars (\$25.00) per day and hotel accommodations, commencing on the first day of ground school and continuing until the Pilot is released for IOE.

7. When the Company reschedules a training assignment and the reschedule interferes with a Pilot's awarded bid assignment, the Pilot will be paid the greater of the conflicting pairing or the value of the training assignment.

F. Value of a Reserve Day

A reserve Pilot will be credited four hours (4:00) for reserve duty up to eight hours (8:00) in any twenty-four hour period, or the value of the assignment, whichever is greater.

G. Value of a Duty Day

A Pilot will be credited the value of a duty day at four hours (4:00) or the value of the assignment, whichever is greater, for any Company-directed duty other than items covered under this Section (e.g., training, mandatory drug test, etc.).

H. Rescheduling

Whenever a Pilot is available for a scheduled trip and is rescheduled to perform different flying, the Pilot will be paid the greater of the original scheduled trip or the value of the rescheduled trip.

I. Pilot Pay Calculations

A Pilot will be paid the greater of the following:

1. Four hours (4:00) flight time for reporting and/or operating an aircraft; or
2. Actual or scheduled flight time; or
3. One hour (1:00) credit for each six hours (6:00) away from base, calculated from report to release time.

J. Check Airman Pay

1. A Pilot who is qualified as a Line Check Airman only, will be paid an override of ten percent (10%) of his or her applicable hourly rate as set forth in this Section on all hours paid for whatever reason.
2. A Pilot who is qualified as a Simulator Check Airman only, will be paid an override of ten percent (10%) of his or her applicable hourly

rate as set forth in this Section on all hours paid for whatever reason.

3. A Pilot who is qualified as both a Line Check and Simulator Check Airman ("All Check Qualified"), will be paid an override of fifteen percent (15%) of his or her applicable hourly rate as set forth in this Section on all hours paid for whatever reason.

Notwithstanding any other provision of this Agreement, to be entitled to the fifteen percent (15%) All Checks Qualified override, a Pilot must agree to accept any non-flying training or checking assignment made by the Company (for which he is qualified and authorized) including, but not limited to simulator training, simulator proficiency checks, other non-flying training duties, FAA oral exams, type rating rides and FAA approved designated examiner duties.

4. A Check Airman performing line check duties, including IOE, other check or related flying duties will have his or her pay calculated as provided in paragraph I. above.
5. A Check Airman performing simulator instructor or other non-flying check or instruction related duties will have their pay calculated at a rate of five hours (5:00) per day, for each day actually performing simulator instructor or other non-flying check or instruction related duties.

K. Captain Qualified First Officer

A Captain Qualified First Officer ("CQFO") who flies as Captain at any time during a bid period shall be compensated at the applicable Captain rate of pay for the entire bid period.

L. Drug/Alcohol Testing

A Pilot will not be called in for random drug testing on a scheduled day off. If alcohol or drug testing occurs at the end of a trip pairing, the Pilot will be notified at release. The Pilot will be paid an additional two hours (2:00) of pay over and above his minimum bid period guarantee.

M. Tail-End Ferry Pay

Where a Pilot is required to operate a tail-end ferry which exceeds a sixteen hour (16:00) duty period, the Pilot will be compensated one and one-half (1½) times his regular hourly rate of pay for those hours which

exceed the sixteen hour (16:00) crew duty day to the completion of the tail-end ferry.

N. Timing Out

1. A Pilot who has flown 1,000 block hours in a calendar year will be credited for all work performed. A Pilot who times out within a calendar year will continue to earn minimum guarantee for any bid period(s), or part thereof, remaining in the calendar year.
2. If a Pilot's flight schedule would cause him to be in violation of the FARs, the Company shall pay protect the Pilot for the trips dropped.

O. Pay Procedures

1. Pilots will be paid on a bi-weekly basis, i.e., twenty-six (26) pay periods per year.
2. A Pilot will be paid by direct deposit into an account for that Pilot at a financial institution of the Pilot's choice.
3. Longevity increases will be paid as follows:
 - a. A First Officer will receive his longevity salary increase on the day of his employment anniversary with the Company unless otherwise adjusted in accordance with Section 13 (Leaves of Absence).
 - b. A Captain will receive his longevity increase on the anniversary of the effective date of his first Captain bid award, unless otherwise adjusted in accordance with Section 13 (Leaves of Absence).
4. Clerical pay errors involving one hundred (\$100.00) dollars or more shall be reconciled within ten (10) working days after it is first brought to the Company's attention. Errors of less than one hundred (\$100.00) dollars will be reconciled in the next issued paycheck.
5. If it is determined that a legitimate clerical pay error of more than one hundred dollars (\$100.00) has not been resolved and paid within thirty (30) days of the Pilot bringing the error to the Company's attention, in writing, then the Company shall compensate the Pilot for the error amount, plus fifty dollars (\$50.00) for inconvenience.

P. Credit Values

1. Deadhead Credit

a. Air Transportation

A Pilot who deadheads by air will be credited for one-half (1/2) of the scheduled flight time or two hours (2:00), whichever is greater. If a Pilot deadheads by air on a segment for which there is no published schedule, these credits will be calculated from actual block to block time.

b. Surface Transportation

A Pilot who deadheads by surface transportation will be credited with one-half (1/2) flight time credit for the published surface transportation time as determined by Mapquest or any other acceptable online mapping system hereafter agreed to between the Union and the Company. If a Pilot Deadheads by surface transportation on a segment for which there is no published schedule, the credit will be calculated from the estimated journey time.

c. Co-Terminal Transport Credit

Pilots will receive no flight time credit for time spent on surface transportation between co-terminal airports.

d. Training

Travel to and from training from a Pilot's base is considered deadhead and will be paid in accordance with this Section.

2. Vacation Credit

A Pilot shall receive two and one-half (2 ½) hours flight pay credit per day of vacation.

3. Paid Time Off (PTO) Credit

A Pilot shall be credited the value of the scheduled trip pairing lost, or portion thereof, or four hours (4:00) flight pay, whichever is greater, and it shall be deducted from his PTO bank.

4. Jury Duty Leave Credit

A Pilot shall receive two and one-half (2 ½) hours flight pay credit per day of jury duty leave.

5. Bereavement Leave Credit

A Pilot shall receive two and one-half (2 ½) hours flight pay credit per day of bereavement leave.

6. Short Term Union Leave

A Pilot shall receive four hours (4:00) of flight time credit for short term Union leave or the value of a scheduled trip pairing lost, whichever is greater. The Union will reimburse the Company for the full amount paid to any Pilot for short term Union leave.

Q. No Credit Overlaps

There will no cumulative overlap of credits. Only one (1) type of flight time credit will be counted per day for pay calculations.

SECTION 4: EXPENSES

A. Accommodations

1. The Company and the Union will designate comfortable and adequate single occupancy lodging at all overnight stations, while a Pilot is in training away from his base and on temporary duty assignments. The Company will pay the cost of such lodging.
2. The Company will provide the Union Hotel Committee Chairman written notice within a reasonable period of time that it is considering an alternate or new hotel. The Hotel Committee will provide the Company with its comments and recommendations on any proposed changes. The Committee may also make recommendations to the Company at any time on current hotels.
3. The Company will make prompt inquiries into complaints related to deterioration of service at any facility that has been approved for layovers. Prompt remedial action will be taken in those cases where investigation affirms a deterioration of service.
4. In designating layover accommodations, the Company will attempt to select hotels with minimum driving time from the airport, not to exceed fifteen (15) minutes, if available.
5. Between the hours of 07:00 and 21:00 local time at the point of the layover or delay, one (1) room will be provided for a crew's layover or delay of four hours (4:00) or more but less than eight (8) hours. Time spent does not count towards required rest.
6. Individual rooms will be provided for all layovers of eight hours (8:00) or more and for layovers or delays of four hours (4:00) or more that occur past 21:00 local time at the point of the layover or delay.

B. Per Diem

A Pilot will be paid per diem in lieu of expenses:

1. When a Pilot is scheduled for and flies a flight pairing that involves a layover in excess of four hours (4:00) at a station other than his base for each hour commencing at block out from base and ending at block in at base.

2. When a Pilot is assigned training away from base, other than initial training, for each hour commencing at scheduled departure time for training and ending at scheduled arrival from training, as established by the Training Department.
3. When a Pilot is assigned TDY, other than scheduled flight pairings, away from his base, for each hour commencing at departure time for the TDY assignment and ending at arrival time from the assignment, as established by the Chief Pilot.

The per diem rate for the United States, Canada, Mexico, Central America, Bahamas and the Caribbean:

<u>Effective Date</u>	<u>Rate</u>
DOS	\$1.50
DOS +1	\$1.55
DOS +2	\$1.60

4. The per diem rate for all other locations will be as follows:

<u>Effective Date</u>	<u>Rate</u>
DOS	\$2.25
DOS +1	\$2.30
DOS +2	\$2.35

5. Per diem, when owed to a Pilot, will be included in each regularly scheduled paycheck and will include all per diem owed for the previous two (2) week pay period.

C. Transportation

1. The Company will provide transportation between the airport and the lodging facility. If there is no suitable eating facility at the hotel or within reasonable walking distance (taking into account environmental conditions), transportation will be provided to a restaurant. If the usual transportation from the airport to a hotel is not available within sixty (60) minutes following block-in, the Company will reimburse a Captain for cab fare to the hotel for the crew if traveling together. The Captain must provide the Company with a receipt when he files for reimbursement.
2. When a Pilot agrees to drive his personal vehicle at the request of the Company, that Pilot will be reimbursed at the published IRS

mileage rate point to point and return. A Pilot will not be required to drive his personal vehicle.

3. The reimbursement rate for personal car use covers all operating costs including gasoline, depreciation, insurance, repairs, etc. As such, any damage to the employee's car is not reimbursable as a business expense.
4. The Company will provide travel on a positive space basis when a Pilot is deadheading on line between a Pilot's base and the point of his assigned duty.
5. If a pairing starts or ends with a deadheading leg, and on-line travel to or from a Pilot's base is not available, the Company will provide a positive space ticket or alternate transportation to or from the Pilot's base.

D. General

1. The Company will provide crew room facilities at each base, including space for a Union bulletin board. Each crew room facility, in addition to containing a Union bulletin board, shall contain at least one Company-networked computer, telephone, fax machine, as well as reasonable and comfortable seating accommodations.
2. The Company will pay any fee associated with local and /or toll free calls made from a layover hotel.
3. When, due to irregular operations, special assignments, etc., a Pilot incurs lodging or transportation expenses, that Pilot will be reimbursed upon presentation of receipts for such expenses, provided that the Pilot requests and receives advance approval for such expenses.
4. The Company will provide, at no cost to the Pilot, parking at their assigned base. Pilots who have Company paid airport parking permits must use the airport employee parking lot for all business related travel.
5. If an airport parking badge is lost, stolen or misplaced, the loss must be reported immediately to the airport authority involved. Additionally, the Pilot will be responsible for his own parking expense (as well as the expense connected with the replacement badge) until a new badge is secured.

6. Pilots will not be reimbursed for short-term parking (unless specifically authorized in emergency or call-out situations).
7. A Pilot will only be provided parking for the base to which he is assigned. The badge or authority from the previous base must be surrendered upon the new assignment or when leaving the Company's employ.
8. Pilots are responsible for passports, and any required FAA or FCC Licenses.
9. The Company shall reimburse the Pilot for any airport government charges incurred in traveling on Company business.
10. When a visa, vaccination or other documentation is required by a Pilot to enter a destination Country, the Company will bear the cost.

E. Moving Expenses

1. Eligibility

Successful vacancy bidders and Pilots moving to a base upon initial employment are not entitled to moving expenses.

2. The Company will pay moving expenses when:

- a. A Pilot is involuntarily displaced to another base for any reason; or
- b. A Pilot accepts voluntary seniority displacement as provided in Section 7 (Filling of Vacancies); or
- c. A Pilot is recalled from furlough to a base other than the base he held at the time of the furlough.

F. Moving Benefits

A Pilot eligible under the preceding paragraph shall be entitled to the following in connection with the move of the Pilot's primary residence only, unless otherwise indicated:

1. One relocation trip (prior to the actual move) for employee (and spouse) to consist of two (2) days off with one overnight, transportation (mileage reimbursed at the prevailing IRS rate), lodging and meals.

2. Actual moving expenses for a professional mover, including packing and materials, shipping and insurance of household goods and effects up to a total weight of 15,000 lbs. The mover must be approved by the Company.
3. The Company will reimburse a Pilot at the IRS mileage rate or \$.36 per mile, whichever is greater, for up to two (2) of the Pilot's registered vehicles driven to the new base, using the most direct mileage between bases. One car may be moved prior to the move of the primary or secondary residence, and the other (or both) cars would be moved in conjunction with the actual move.
4. The Company will reimburse a Pilot for meals and lodging for the Pilot and his immediate family for the time required to travel to the base up to seven (7) consecutive days. A Pilot will be removed from trips and pay-protected for the trips missed which conflict with the time allowed for travel. The daily allowance for meals shall be \$36.00 per day for the Pilot, \$36.00 per day for the spouse traveling with the Pilot, and \$20.00 per day for each dependent traveling with the Pilot.
5. The Company will pay up to two hundred dollars (\$200.00) for termination and hook-up of gas and electric utilities, telephone and cable television resulting from a move to a new base.
6. If a primary or secondary lease is broken as a result of moving to a new base, and a penalty is incurred, the Company will pay the penalty; not to exceed two (2) months rent.
7. If a Pilot elects to move a primary or secondary residence himself, the rental truck and/or trailer, packing materials, insurance, fuel, mileage rate, and six hundred dollars (\$600.00) to offset other costs not included in this paragraph, will be paid to the Pilot.
8. The Company's total liability for moving expenses under this Section shall not exceed seven thousand five hundred dollars (\$7,500.00). Payment for cost of moving household goods shall be paid directly from the Company to the Pilot following the submission of actual receipts for actual costs incurred.

G. Moving Days

A Pilot who is moving his primary residence will be entitled to seven (7) consecutive days off in addition to his regularly scheduled days off for that bid period. A Pilot who is moving his secondary residence will be entitled to three (3) consecutive days off in addition to his regularly scheduled

days off for that bid period. In no event shall a Pilot be entitled to days off for moving more than one residence in connection with any base change. These days off are to be taken in conjunction with the actual move. The Pilot will be paid for the value of any trip(s) missed. The Pilot will coordinate scheduling of days off for moving with the Chief Pilot and the Manager of Crew Scheduling.

H. General

1. The Company will not be responsible for paying any expenses incurred under this Section after six (6) months from the actual effective date of the Pilot's assignment to the new base.
2. A Pilot who is eligible for Company paid moving expenses may elect to have his move paid from a location other than the base from which the Pilot is being transferred. However, the Company's financial responsibility will not exceed the cost of moving the Pilot from the base from which he transferred to his new base.

SECTION 5: DEADHEADING

A. Cost of Deadhead

The cost of Deadhead transportation will be paid by the Company.

B. Responsibility for Delays

When the Company provides transportation to an assignment for a Pilot, the Pilot will not be held responsible for delays beyond his control.

C. Commercial Air Transportation

The Company will provide business class travel or better, if available, for commercial deadhead if total scheduled flight time exceeds nine (9) hours.

D. Deadhead To and From Duty Assignments

1. If a Pilot deadheads to duty assignments and is not provided an intervening rest period, all deadhead time will be credited toward duty time limitations contained in this Agreement.
2. If a Pilot deadheads from a duty assignment, the deadhead time will not be credited toward duty time limitations. If total duty exceeds eighteen hours (18:00), including deadhead, a hotel room will be provided upon request prior to the deadhead.
3. When deadheading to or from a duty assignment, the report time is one hour (1:00) before the scheduled or rescheduled departure time of the deadhead flight.
4. The release time from a deadhead flight is the scheduled arrival time of that flight.

E. Deadheading on Company Aircraft

1. Pilots will not be required to operate the aircraft when deadheading on Company aircraft.
2. Pilots will be provided a passenger seat on Company aircraft if one is available at departure time.
3. If a Pilot is attempting to jumpseat on Company aircraft to a duty assignment and no seats are available (including jumpseats), the Pilot should report the incident to the Chief Pilot's office

immediately. The Chief Pilot, in his sole and absolute discretion, will have the ability to make a determination if the absence will be recorded as excused or unexcused.

F. Deadhead Pay

Deadhead will be paid in accordance with Section 3 (Compensation and Pay Credits).

SECTION 6: SCHEDULING

A. Introduction

The purpose of this Section is to establish a Crew Scheduling process that has as its objectives: safety, maximized productivity, system operating efficiencies, Pilot quality of life, and customer service.

The Company retains the right to determine the geographical location of bases, the assignment of flight time to bases, and the construction of flight pairings, subject to the provisions of this Agreement.

B. Scheduling Committee

1. The Union will advise the Company in writing of its Scheduling Committee members. The committee will consist of a representative from each base and a Chairman.
2. The Chairman, with a maximum of two (2) other Scheduling Committee members, shall consult with Company representatives quarterly on mutually agreed dates.
3. All scheduling meetings with the Company will be scheduled sufficiently in advance to insure that committee members have no conflicts in their current or future bid.
4. Should the Company request a meeting that conflicts with a Scheduling Committee member's pairing, that member shall receive credit for such pairing. No more than three (3) Scheduling Committee members shall receive credit under this paragraph.
5. The Company will provide the Chairman of the Scheduling Committee, or his designee, access to Scheduling Department records for the purpose of investigating any specific scheduling issues.
 - a. Requests to view Company scheduling records will be made by the Chairman of the Scheduling Committee in writing to the Manager of Crew Scheduling. The Scheduling Committee will be given access to non-confidential information regarding aircraft flows, block time reports, scheduled training, check rides, vacations, leaves of absence and current staffing in order to ensure compliance with this Agreement. The Scheduling Committee may submit recommendations to the Company. The Company will

consider and attempt to accommodate the Scheduling Committee's recommendations to the extent that such recommendations do not compromise efficiency of operations.

- b. A request to review scheduling records will be for the express purpose of an investigation of a specific issue upon the written request of a Pilot.
6. The Scheduling Committee chairman and his designee will receive initial training on the Crew Scheduling/Planning system. The Scheduling Committee Chairman or his designee shall have access to the system to review schedules and crew tracking.
7. Crew Reports
- a. Within two (2) weeks of the end of each bid period, if specifically requested by the Scheduling Committee Chairman or his designee, the Company will furnish the Scheduling Committee with the following crew information:
 - (i). Pilots drafted by category.
 - (ii). Block hours flown by each Management Pilot.
 - (iii). Vacations cancelled or moved.
 - b. The following crew information shall be provided to the Scheduling Committee Chairman or his designee upon request:
 - (i). Open time awards.
 - (ii). Pilots drafted by category.

C. PBS/General

- 1. The Company will utilize and maintain a Preferential Bidding System (PBS), meeting the requirements of this Section and any other terms, which have been mutually agreed upon by the Company and Union, for the construction and awarding of crew assignments. The Company will provide a means of distribution and receipt of monthly bid packages and awards so that all Pilots have access to the bid process. This will include allowing the Pilots to confirm the Company's receipt of their bids. The PBS shall

become operable within six (6) months from the date of ratification of this Agreement.

2. Pilots may bid their preferences for pairings, reserve duty periods, or any combination of pairings and reserve duty periods. The pairings and or reserve duty periods will be awarded by seniority as determined by the PBS.
3. If the report time for any trip commences in one (1) pay period and ends in the following pay period, all of a Pilot's calculable pay credit earned for the trip shall be paid and credited in the pay period in which it is earned.
4. The scheduling of Pilots in each base will be in accordance with seniority and Pilot category.
 - a. Category refers to a Pilot's Status, Base and Equipment; i.e., PHL A320 Captain.
 - b. Status refers to a Pilot's bid status as follows:
 - (i) Captain (CA)
 - (ii) First Officer (FO)
5. The Company shall make available in each Crew Base a computer(s) and printer(s) with access to the Company's Pilot Website. In addition to what is currently provided, the Company shall include the following capabilities on a website system:
 - a. The ability to bid for all items that require bidding (e.g., PBS, base bids, vacation bids, open time, pairing trades, etc.);
 - b. The ability to access all bid awards;
 - c. The ability to view each pairing showing all flight and cabin crew names;
 - d. List of Pilots on reserve in each base by category. Upon request by a Pilot, Crew Scheduling will identify those Pilots that request to be assigned a pairing first while on reserve.
6. A trip add/drop/trade system.
7. The ability to review all available open time.

8. A bid period will consist of at least twenty-eight (28) days, not to exceed forty-two (42) days starting and ending on a weekly rotation. Example: bid period starts on a Tuesday and ends on a Monday. However, the Company may reduce the bid period to a minimum of fourteen (14) days twice during any calendar year.
9. A Captain qualified First Officer who is legal to do so may fly as a Captain if there are no other Captains available base wide to fly the trip and will be pay protected at Captain pay rates for the entire bid period and may be used to fly other Captain pairings in accordance with paragraph H. of this Section.

D. Bidding

1. Eligibility to Bid

A Pilot will bid in his specific category as indicated within the PBS.

- a. A Pilot who will begin or end a known training event, i.e., attending recurrent, requalification, transition, or upgrade training, during the bid period may bid a schedule for that portion of the bid period for which the Pilot will be available.
- b. Pilots not eligible to bid but performing duty during the bid period will receive their schedules as outlined in the appropriate sections of this Agreement (i.e., training).
- c. A Pilot who will be available to work during the bid period will be allowed to bid during the bid process and will be awarded a schedule for that portion of the bid period that the Pilot will be available.
- d. A Pilot will not be awarded a bid or reserve schedule if the Pilot is expected to be absent from flying during the entire bid period, i.e., medical, military, personal leave, etc.

2. Standing Bid for Scheduling

A Pilot failing to submit bid preferences prior to the closing of the bids will be awarded a bid based on that Pilot's standing bid contained in the PBS. A standing bid is a bid that a Pilot can file within the PBS indicating general preferences for bidding and may or may not be specific to a particular bid period.

- a. A Pilot is not required to file a standing bid with the Company.

- b. Should a Pilot fail to bid prior to the close of the bid window, and elect not to file a standing bid, that Pilot forfeits rights acquired by his seniority for bidding purposes.
- c. Pilots may submit updates to their PBS standing bids at any time through access of the Company's Pilot website.
- d. Pilots will be able to confirm receipt of updated standing bids through access of the PBS.

3. Bid Packages

Bid packages will be made electronically available via a home access computer system and the Company computer terminals located in each base on or before the date of bid package distribution. All bid packages shall contain a minimum of the following information:

- a. Bid period;
 - (i). See C.6. of this Section.
 - (ii). The duration of all bid periods within each calendar quarter shall be determined by the Company and published prior to each quarter.
- b. A list of Pilots eligible to bid in each base (bid eligibility list).
- c. All known flying at the time of release of the bid package arranged in trip pairings which will include the following information:
 - (i). Report and release times.
 - (ii). Pairing number.
 - (iii). Flight number.
 - (iv). Block and credit time of each segment.
 - (v). Block and credit time of each pairing.
 - (vi). Duty time.
 - (vii). Ground time.

- (viii). Deadhead time.
 - (ix). Originating, intermediate, and terminating stations.
 - (x). Remain Over Night (RON) information, including hotel information, ground transportation, etc.
 - (xi). Minimum required rest on the originally scheduled pairing.
 - (xii). Trip time (time away from base, or TAFB).
 - (xiii). Aircraft type.
 - d. A listing of all known required reserve periods.
 - e. Known training events.
 - f. Vacation awards and available vacation time for the ensuing bid period.
 - g. Any other known assignments such as Union or Company business.
 - h. FAA Medical due dates.
4. Pairing Construction
- a. It is the responsibility of the Company to prepare and publish the pairings to be entered into the PBS to be bid on by the Pilots. The Scheduling Committee Chairman or his designee may consult with the Company in the preparation and review of the pairings.
 - b. Pairings will not be constructed that exceed FAR flight and duty time limits or the provisions of Section 24 (Hours of Service) of this Agreement.

E. Bid Construction

All values referenced in the following paragraphs will be based on the standard bid period of twenty-eight (28) days. Any bid period other than twenty-eight (28) days will have the respective values pro rated accordingly.

1. The following procedures will precede bid construction:
 - a. The Company will apply any known absences to a Pilot's schedule. The credit value of known paid absences will be reflected in the total value of the bid for purposes of building parameters set forth in this Section.
 - b. Credit value(s) as set forth in Section 3 (Compensation and Pay Credits) will be credited to a Pilot's line value for all known paid absences.
2. The minimum pay guarantee for a twenty-eight (28) day bid period is sixty-five (65) credit hours.
 - a. Pilots may be awarded up to minimum guarantee plus three (3) credit hours for a standard twenty-eight (28) day period.
 - b. Pilots will not be awarded more than three (3) credit hours above guarantee for a standard twenty-eight (28) day bid period without the Pilot's consent.
 - c. Pilots who bid for and are awarded hours in excess of the minimum guarantee, plus three (3) hours, will be considered as having given their consent.
 - d. Any pairing not assigned in that bid period will be placed in open time.
3. Should there be any Pilots on furlough status, the average bid awards in any base will not exceed the minimum guarantee for two (2) consecutive twenty-eight day periods unless the Company initiates a recall.
4. Bid awards will not include pairings that exceed the duty time limitations or the trip length limitations set forth in Section 24 (Hours of Service) of this Agreement.
5. Bid awards will not contain pairings that extend beyond six (6) days into the subsequent bid period without the Pilot's consent.
6. Days Off
 - a. All days off will be scheduled at the Pilot's base. Days off may be moved if mutually agreed upon by the Pilot and Crew Scheduling.

- b. Days off will begin and end at 0200 local time at the Pilot's base.
 - c. A Pilot required to be on duty after 0200 local time on the Pilot's scheduled day off has the option of having that day restored within that bid period or the subsequent bid period or may elect to be compensated in accordance with Section 3 (Compensation and Pay Credits).
 - d. In no case will a Pilot suffer a loss of pay as a result of restoration of day(s) off.
 - e. In any twenty-eight (28) day bid period a Pilot will be awarded eleven (11) scheduled days off. Each Pilot will be entitled to block two (2) groups of three (3) consecutive days in any twenty-eight (28) day bid period. The Company and the Union agree that the grouping of days is on a trial basis and that this provision may be changed with mutual consent of the parties.
 - f. A Pilot who is available for less than an entire bid period will have scheduled days off prorated based upon the total number of days available for crew duty assignment.
8. International Relief Officers (IRO):
- a. Flight segments requiring an IRO shall be constructed into separate IRO Pairings, which will consist of working IRO flight segments and, if applicable, positioning segments.
 - b. IRO Pairings will be awarded in seniority order to type-rated First Officers in base. IRO Pairings may be awarded to Captains if there are an insufficient number of First Officers available in base.

F. Bid Awards

- 1. Subject to the provisions of this Agreement, Pilots' duty assignments within a base will be awarded in accordance with the provisions of the PBS.
- 2. Bid awards will not conflict with FARs.
- 3. Provisions and settings of PBS will be discussed and mutually agreed upon with the Company and Scheduling Committee.

4. A buffer of no more than forty (40) minutes shall be applied to the FAR flight time/duty time limitations to allow a Pilot to fly consecutive pairings in the most efficient manner.
5. Flying that cannot be included in the PBS bid awards will be published as open time at the time the awarded bids are published.
6. Pairings awarded to a Check Airman may be withheld from PBS for the purpose of IOE.
7. The Company may remove a Pilot from a pairing that was awarded to a Check Airman for training.
8. The Company shall continue to investigate, develop and implement technology to enhance the functionality of bidding open time, the bid award process, notifications, confirmation, etc., utilizing the Company's crew website and email.

G. Time Line of Scheduled Events prior to the Bid Period:

1. The Company shall make available to Pilots all on the Company's Pilot website all known pairings for the upcoming bid period on all equipment types.
2. The Company shall distribute to the PBS all known eligible pairings associated with each Pilot category and other information, further identified in this Section.
3. Pilot pairings will be made available to the Pilots for viewing at least eighteen (18) days prior to each bid period.
4. No changes will be made to Pilot pairings after 2359 hours ET fifteen (15) days prior to the start of the bid period.
5. The bid window will close at 1200 hours ET thirteen (13) days prior to the start of the bid period.
6. Bid awards will be transmitted to the general Pilot population no later than 2359 hours ET eleven (11) days prior to the start of the bid period.
7. Any changes made to Pilot pairings will be communicated to the Pilots.
8. The above time line may be modified with the concurrence of the Union Scheduling Committee.

H. Open Time

1. Introduction

- a. Open time consists of all pairings, including reserve duty periods, that become available after the bid awards. All line Pilots will be eligible to bid for and fly open time provided that the pairing is legal and does not conflict with any pairing, reserve or other duty assignment in accordance with the provisions of this Agreement. All open time will be awarded in accordance with the provisions of paragraph H.3. of this Section.
- b. A Pilot may bid or volunteer and be awarded open pairings and/or duty assignments during a Pilot's vacation period and will receive a vacation credit (2.5) plus the value of the trip.

2. Open Time Bid Award Process

- a. Any line Pilot may bid for a specific open time pairing or reserve assignment or place himself on the voluntary assignment list in accordance with the provisions of paragraph H. of this Section.
- b. If an IRO Pairing is placed into open time, it will be awarded first to First Officers and then to Captains in accordance with paragraph H. of this Section.
- c. If a First Officer Pairing is placed into open time, it will be awarded first to First Officers and then to Captains in accordance with paragraph H. of this Section.
- d. All known open time pairings and reserve assignments shall be posted as they become known. The pairings/reserve assignments will remain open for bid until 1200 ET on the third calendar day after the pairings/reserve assignments were posted. This will be considered the open time window. Example: The window for a trip that became known on Monday will close on Thursday at 1200 hours ET.
- e. If a Pilot does not bid for or volunteer to pick up an open pairing during the open time window, the pairing shall remain in open time until picked up in accordance with paragraph H. of this Section. If no Pilot has bid an open pairing, the open time pairing will close for bid at 1200 ET two (2) days prior to the day of the pairing. Example: For a trip that departs on

Monday the open time will close on Saturday at 1200 hours ET.

- f. In the event a pairing becomes available after 1200 ET five (5) days prior to the day of the pairing, it shall be posted until the bid closes at 1200 ET two (2) days prior to the pairing. Example: A pairing that begins on a Friday that is not posted until Tuesday will remain open for bid until 1200 hours ET on Wednesday.
- g. The Company will post the awards no later than 1700 ET two (2) days prior to the day of the assignment.
- h. In the event a pairing or reserve assignment becomes available after 1200 ET two (2) days prior to the trip, the open time will be awarded in accordance with the provisions and in the order of paragraph H. of this Section.

3. Open Time Bid Award Order of Assignment

- a. In the event that a Pilot's bid award is less than the minimum guarantee, the Pilot may voluntarily bid for open time or the Company may involuntarily assign that Pilot to open time in accordance with paragraph H.3.e.(i). of this Section. Such assignment may be for no more than four (4) days away from base.
- b. At the end of the open time window (either the standard three (3) day window or 1200 ET two (2) days prior to the pairing, whichever comes first) the open time pairings that were available will be awarded to the Pilots that had specifically bid for or placed themselves on the voluntary assignment (VA) list in the following order:
 - (i). In seniority order by category; then
 - (ii). In seniority order in base different status; then
 - (iii). In seniority order out of base same status; then
 - (iv). In seniority order out of base different status.
- c. Out of base Pilots awarded open time assignments (whether by open time bid or volunteer flying) will accept those assignments with no travel related costs to the Company

except the cost of a hotel before an AM flight departure, or after a PM flight departure, if requested by the Pilot.

- d. If there is a period of time between the end of the open time window and the close of the open time bidding process (1200 ET two (2) days prior to the pairing) any remaining open time not awarded at the end of the open time window will be awarded in status on a first-come, first-serve basis.
- e. Pairings that are not awarded after the open time bid closes (1200 ET two (2) days prior to the pairing) shall be assigned in the following order:
 - (i). A Pilot whose bid award is less than MBPG in reverse seniority order in category.
 - (ii). Voluntary assignments.
 - (iii). Reserves.
 - (iv). Management.
 - (v). Involuntary assignment in the following order:
 - (1). A Pilot in the same category with no scheduling conflicts, in order of reverse seniority who has not had a previous involuntary assignment in the current or previous two (2) bid periods.
 - (2). A Pilot in the same status with no scheduling conflicts, in order of reverse seniority system wide who has not had a previous involuntary assignment in the current or previous bid period; then
 - (3). A Pilot in the same status with no scheduling conflicts, in order of reverse seniority system wide, who has had a previous involuntary assignment in the current or previous bid period.
- f. A Pilot may not be involuntarily assigned more than four (4) times within a calendar year without the Pilot's consent unless there are no available Pilots system wide who have not been assigned four (4) times within a calendar year.

- g. A Pilot must be legal in accordance with the FARs and the provisions of this Agreement to be awarded an open time or volunteer flight or duty assignment.
 - h. Any open pairing or reserve assignment once awarded becomes the responsibility of the Pilot to which the assignment is made.
4. Volunteer Assignments (VA)
- a. Pilots may volunteer to be assigned or awarded a VA by submitting their name and dates of availability to Crew Scheduling via appropriate electronic means. A Pilot may designate the type of VA (i.e., international, domestic, turn, multi-day VA, minimum credit, reserve, etc.) assignment. VAs will be made by category. These Pilots will be awarded a VA before any other Pilot is involuntarily assigned.
 - b. When more than one available Pilot in a category is on the VA list, the Company will offer the open time assignment in that category in seniority order. In such instances, the Company will allow each Pilot thirty (30) minutes to contact the Company before contacting the next most senior Pilot.
 - c. The Company may contact the Pilot for VA while he is operating an aircraft.
 - d. A Pilot may delete his name from the VA list at any time prior to being offered a VA assignment.
5. Involuntary Assignment (IA)
- a. The Company will not contact a Pilot for involuntary assignment while operating the aircraft below 18,000 feet until arriving at the gate.
 - b. In the case of an involuntarily assigned Pilot, the Company shall provide positioning transportation (to and from an assignment, from the Pilot's home or base at the Pilot's discretion), per diem and hotel accommodations when necessary.
- I. Pairing Trades
- 1. Pilots may request a pairing trade that meets all contractual and regulatory requirements. Mutual pairing trades will be between

Pilots in the same status. Pilots may mutually trade an entire pairing. Segment trades may also be approved by the Company, which approval shall not be unreasonably withheld. The Company will not incur any additional travel-related costs, including hotel expenses, or additional overtime hours as a result of pairing trades. The Company may decline to approve more than six (6) pairing trades per Pilot per bid period.

2. Requests for mutual trades must be submitted to Crew Scheduling no later than 0800L PHL time the day prior to the first affected pairing. Crew Scheduling will review and, if legal, award the mutual trade by 1500L PHL time each day. Requests for mutual trades submitted to Crew Scheduling after 0800L PHL time the day prior to the first affected pairing will be granted if possible.
3. Mutual trip trades, once approved, are considered an assigned schedule.
4. A Pilot who mutually trades a trip will be paid for the trip he actually flies.
5. If a trip trade is denied, scheduling will provide the reason for the denial upon request by the Pilot.
6. Each Pilot must be legal to protect both the pairing for which the Pilot has traded and the Pilot's next scheduled duty assignment.
7. Permissible types of mutual trades and trades with open time. At any time after the publication of the bid award, unless otherwise indicated below:
 - a. A Pilot may trade an assigned flight pairing with another Pilot's assigned flight pairing or with an open time flight pairing.
 - b. A Pilot may trade an assigned flight pairing for another Pilot's reserve assignment or an open time reserve assignment.
 - c. A Pilot may trade a reserve assignment for another Pilots' reserve assignment.
 - d. A Pilot may trade a reserve assignment that is seven (7) days or more in the future for any open time reserve assignment.

- e. A Pilot may trade a reserve assignment that is less than seven (7) days in the future, only with the approval of the Crew Scheduling Department.
 - f. A Pilot may not trade a reserve assignment for an open time flight pairing.
 - g. A Pilot may drop an assigned flight pairing into open time as long as he remains above MBPG but he remains responsible for the flight pairing unless and until another Pilot picks it up.
- 8. If the trade results in either Pilot falling below minimum bid period guarantee (“MBPG”) at the end of the bid period, then the Pilot will be docked for each hour below guarantee.
 - 9. Nothing in this Section shall preclude the awarding of trip trades outside the timeline specified herein with the mutual agreement of the Pilots and the Company.
- J. Pay Protection for Trip Removal
- 1. Once a pairing or reserve duty period is assigned or awarded, it is part of a Pilot’s schedule.
 - 2. A Pilot who is involuntarily assigned on a scheduled day off and subsequently has such involuntary assignment removed by the Company as telephonically informed by Crew Scheduling will be placed back on his originally scheduled day off and receive Report Pay in accordance with Section 3 (Compensation and Pay Credits).
- K. Reassignment
- 1. A Pilot’s awarded pairing may be subject to reassignment if he is removed from a trip due to a cancellation, projected FAR or contractual legality, or misconnect not caused by the pilot. If the Pilot is reassigned, he will be pay protected for the greater of the value of the scheduled trip from which he was removed or the actual credit hours of the reassigned trip flown. If the Company removes a Pilot for any other reason, the Pilot will not be subject to reassignment and he will be pay protected for the originally awarded trip from which he was removed unless suspended in accordance with Section 20 (Resolution of Disputes) of this Agreement.

2. A reassigned Pilot is subject to the following:
 - a. The Pilot may be given a pairing or reserve assignment for which he is scheduled to report no earlier than the scheduled report time of the original flight for which the Pilot was scheduled to operate. The Pilot may waive the time constraints at his option, however, the Company must provide one (1) hotel night, upon request, either before or after the rescheduled flight when operating away from base.
 - b. Unless a Pilot agrees, the Company may not change a Pilot's days off or reduce his number of days off when adjusting his schedule for reassignment.
 - c. If the Pilot's awarded or assigned schedule consists of a multiple-day pairing or the Company reschedules a single-day pairing, the Pilot may be given a combination of multiple and/or single duty period pairing reassignments during the reassignment period described above, provided that the Pilot is given a hotel upon request when operating away from base.
3. If a reassignment is scheduled to or actually interferes with the origination of the next pairing in the Pilot's bid award, the loss of the subsequent pairing(s) will not subject him to further reassignment.
4. If a Pilot has been removed from a portion of a pairing because of the reasons set forth above, the Company will attempt to return the Pilot to the balance of his original pairing or to base as applicable, either by deadheading/positioning or operating a ferry or live flight segment(s). If the Company cannot return the Pilot to his original pairing and the Pilot is out of base, the Pilot will be provided with hotel accommodations at the Company's expense.

L. Reassignment After Report Time

If the Company has been unable to notify the Pilot prior to report time or if the Pilot has reported for duty, such Pilot must be given a reassignment within three hours (3:00) of the posted cancellation time.

M. Reschedules

1. A reschedule is any change to a pairing after its first distribution as a final bid award. The Company may modify a pairing in order to meet operational necessities within the original trip hour periods.

2. A Pilot's pairing will not be modified to extend the pairing into any of his scheduled days off for any reason except for weather, mechanical or ATC delays, unless mutually agreed.
3. All rescheduling will be subject to all other applicable provisions of this Agreement.
4. A Pilot holding a bid award who has received a duty assignment may be rescheduled within the limitations of this Section and Section 24 (Hours of Service).
5. When a Pilot is rescheduled prior to the date on which a flight or deadhead assignment is scheduled to operate, he shall be subject to the following:
 - a. When the Company notifies a Pilot of a reschedule, the notification will be in a timely and appropriate manner.
 - b. The Pilot will not be given an assignment that is scheduled to operate earlier than the scheduled report time of his original pairing without the consent of the Pilot.
6. The Pilot will not be given an assignment with a scheduled release time more than eight hours (8:00) later than the original scheduled release time, without the Pilot's consent. On a multiple day pairing, the release time will be considered to be the scheduled release time on the last day of the originally scheduled assignment.
7. When a Pilot is being rescheduled on the same day on which an original flight or deadhead assignment is scheduled to operate, the Company will notify the Pilot and, at its option:
 - a. Direct the Pilot to remain on rest if the Pilot has not reported for duty;
 - b. Assign the Pilot to complete any remaining flight segment(s) in the pairing;
 - c. Assign the Pilot to remain available to move the aircraft for maintenance or repositioning of the crew and/or aircraft;
 - d. Assign the Pilot to another pairing with a scheduled release time no more than eight hours (8:00) later than the scheduled release time of his original pairing without the Pilot's consent;

- e. Release the Pilot from all duty. For a multi-day pairing, the Pilot shall contact Crew Scheduling after 1700 ET the day before each day of the pairing. If there is no assignment he will be released for the following day.
- 8. When a Pilot is delayed due to mechanical, weather or ATC delays, and is away from base and is delayed into a scheduled day off, that Pilot shall be returned to base and released into rest at the base as early as possible. The Pilot may elect to fly additional segments if legal.
- 9. When delayed for any reason, a Pilot shall remain on the scheduled trip and not be rescheduled, provided: (a) the remainder of the trip operates; and (b) the Pilot is legal (by both FAR and contractual limits of this Agreement).
- 10. If a rescheduled pairing(s) conflicts with a previously scheduled leave of absence/PTO, the Pilot may be required to fly the portion of the pairing(s), which does not conflict with the leave of absence. Whenever possible, and when staffing permits, the Pilot may be added or removed at the point in which the pairing traverses the Pilot's base. If Crew Scheduling determines that it is not feasible to keep the Pilot on his pairing, he will be released and pay protected for the value of the pairing.

N. Pairing Extension Ferry Flights (Tail-End Ferry)

Crew Scheduling may assign a tail-end ferry flight to a Pilot provided the total duty time including the tail-end ferry does not exceed sixteen hours (16:00). If, because of a tail-end ferry flight, a Pilot becomes illegal or unable to fly for a subsequent pairing, the Pilot shall be released and pay protected for the pairing or portion of the missed pairing.

O. Layover Responsibilities

- 1. Pilot on a layover will leave a contact phone number if it is different than the phone number for the Company provided hotel or his cell phone number on record.
- 2. A Pilot is released twenty (20) minutes after block in on a layover. Except in the event of reschedule, to which the provisions of paragraphs K., L. and M. above shall apply, the Company will not assign any duty other than what was assigned on the original pairing once released. A Pilot on layover will be given at least nine

hours (9:00) notice of any earlier rescheduled duty. The Pilot may waive all or part of this notice requirement.

3. The Company may make direct contact with a Pilot during a layover subject to the following conditions:
 - a. Any time during the layover in case of a personal or family emergency affecting the Pilot.
 - b. For cancellation of the trip.
 - c. If the scheduled departure time will be delayed more than thirty (30) minutes, the Company will contact a Pilot on a layover two hours (2:00) prior to the originally scheduled departure time. If the delay is at the beginning of the pairing, the Company will contact a Pilot three hours (3:00) prior to the originally scheduled departure time and any revised departure time that becomes available thereafter.
 - d. Unless provided in O.3.a., O.3.b. and O.3.c. above, the Company may not directly contact a Pilot during the last eight hours (8:00) prior to scheduled report time.
4. The Company may make indirect contact at any time with a Pilot on a layover through means of hotel resources (such as, but not limited to, having the desk activate the phone message light, a hand written note under the door, or message at the front desk).

P. Recorded Conversations

All telephone conversations between Pilots and Crew Scheduling will be recorded. The tapes/recording shall be retained and available for a minimum of sixty (60) days. If a dispute arises concerning the content of any recorded conversation, the tapes/recording shall be made available for review, by email if possible, to Local 747's representative(s). Should a recording not be available for review within the sixty (60) days to settle a dispute, the dispute will be settled in the Pilot's favor. The provisions of this Section will be implemented within six (6) months after the ratification of this Agreement.

Q. Temporary Duty Assignments (TDY)

The Company may award Pilots a TDY in the same status from a base with less flight time. When a Pilot is awarded an assignment out of base, that Pilot will be considered to be on a temporary duty assignment (TDY). The Company will award TDY according to the procedures set forth below.

1. As soon as practical, but not later than one (1) week prior to the posting of the bid package, the Company will publish the information required of the TDY to all Pilots system wide. This information will include, but is not limited to, the designated portion of the bid period for the TDY, which bases it affects, the number of Pilots needed, and which Pilots in status are eligible to bid the TDY.
2. When a bid package includes a TDY, the Company will include in the bid package the Pilots awarded TDY so that those Pilots may submit bid preferences for the TDY assignments.
3. Pilots in the base with the TDY assignment, including the Pilot awarded the TDY will bid their preferences in the PBS.
4. Pilots awarded a TDY shall be treated as "Specially Assigned" and the provisions of paragraphs G.2. and G.3. of Section 7 (Filling of Vacancies) shall apply.
5. The Company will provide positioning between the Pilot's base or any other mutually agreed point of origin and the TDY base at the beginning and end of the TDY assignment.
6. A pairing that originates in the prior bid period will take precedence over a TDY.

R. Reserve

1. There shall be one (1) class of reserve duty, which shall be served in base.
2. A reserve duty assignment shall not exceed two (2) shifts.
3. A reserve assignment shall not exceed eight (8) total hours in any (24) hour period.
4. A Pilot shall be allowed to bid for up to five (5) consecutive reserve days at a time and the Company will award such days if possible.
5. A Pilot on reserve will be responsible for reporting to his assignment within two hours (2:00) of notification by the Company.
6. Reserve Contact
 - a. "Notification" as used in this reserve section is defined as direct verbal contact from Crew Scheduling.

- b. A reserve Pilot shall be required to be available by telephone. If a Pilot holding a reserve assignment plans to use a contact number other than the primary number listed with Crew Scheduling, the Pilot will provide that number to Crew Scheduling prior to initiating his reserve duty. Beepers or other telephone answering devices fulfill this requirement. Pilots utilizing any form of telephone answering device while serving as a reserve shall return a call to Crew Scheduling within twenty (20) minutes of being paged or from the time of the message. The Company will provide a toll-free telephone line to Crew Scheduling for this purpose.
- c. Scheduling will call Pilots (for assignment) on reserve in inverse system seniority unless a more senior Pilot has called Scheduling and indicated his preference to be called out first.
- d. Pilots on reserve may only be assigned to cockpit duties. However, no Pilot will be required to perform ground aircraft operations at a base where there are qualified mechanics on duty.

7. Bidding of Open Time

Reserve Pilots may bid for trips in open time as specified in paragraph H., "Open Time," above. A Pilot holding reserve assignments may not bid any pairing that conflicts with reserve days or that would make the Pilot illegal for a reserve assignment pursuant to the restrictions set forth in the FARs flight time limitations.

8. Release from Reserve Duty

- a. A Pilot may request to be released from contact for an agreed time.
- b. Once assigned a pairing, a Pilot on reserve status shall no longer have reserve day(s) of that assigned pairing.

S. General

- 1. A Pilot who has not reported by the designated show time but who subsequently shows prior to departure will be required to operate his trip, provided there will be no delay of the trip as a result of the late show. The Pilot who was called out to replace the late Pilot and

who does not operate the trip will return to his previous assignment (e.g., reserve or days off). The Pilot who misses his trip due to a late show is subject to reassignment to another trip(s) without the limitations set forth in paragraph K., "Reassignment" of this Section.

2. A Pilot will not be assigned any additional pairings or assignments on his scheduled days off, except as otherwise set forth in this Agreement.
3. A Pilot on a layover who is to receive a required 24/7 rest will not have this rest period counted as a day off.
4. When two (2) or more Captains are assigned to fly the same pairing, the Pilot who was originally awarded the pairing as Captain is the Pilot in Command ("PIC"). If neither Pilot was originally awarded the pairing as Captain, the senior Pilot is the PIC.
5. If a pairing or assignment is changed after awarded, those changes will be communicated to the Pilot by direct verbal or electronic contact with Crew Scheduling to ensure that notification is acknowledged.
6. The Company will use the Pilot's telephone numbers on record as the primary means of contact.
7. Even though a Pilot may be legal under the FARs, he has the obligation to advise the Company that, in his honest opinion, safety will be compromised due to fatigue if he operates as scheduled or rescheduled. This advisement must be furnished to Crew Scheduling at the earliest possible time to allow for the least possible disruption to service. A Pilot who calls in fatigued shall be removed for the portion of his duty assignment in which he is fatigued.
8. Pilots check in for a pairing(s) or reserve duty no later than 1800 PHL the day prior and no earlier than four (4) days prior to the date of the assignment. Confirmation shall be accomplished through Crew Scheduling, Company email, or other electronic systems.
9. A Pilot who elects to position himself to/from an assignment in lieu of using Company provided transportation will be considered to have completed the pairing for pay purposes.
10. Once a Pilot has received a bid award, that Pilot will be considered assigned to the duty assignments contained in the bid award.

SECTION 7: FILLING OF VACANCIES

A. Vacancies

A vacancy is an unfilled position established by the Company that will be filled by system seniority. If no eligible bid is received, the Company may fill the vacancy by assignment in reverse seniority order.

B. Procedural Mechanics for Executing a System Staffing Award

1. Each staffing award will begin with the most senior Pilot on the USA 3000 Airlines Pilot Seniority list unless he is encumbered by an equipment freeze.
2. If the Pilot is involuntarily displaced, he may exercise his rights under paragraph D.2. of this Section.

C. Filling Vacancies

1. Vacancy Notice

The Company will determine the number of vacancies and post a notice announcing all known vacancies forty-five (45) days in advance of the proposed effective date. The notice will state the Effective Date for each vacancy and the total number of positions, by Base, Type and Crew Class required system wide. A copy of such notice will be e-mailed to each Pilot on the USA 3000 Seniority List ten (10) days prior to a system bid closure.

2. Vacancy Closing And Bid Submission

The notice will include a deadline by which bids must be received by the Chief Pilot, or his designee. This date will not be less than ten (10) days after the date such notice is e-mailed to the Pilots. Each notice will be numbered consecutively during a calendar year. By mutual agreement, the Union and the Company may reduce the deadline period.

3. Bid Award

Bids will be awarded in seniority order to Pilots who can be expected to be available on the date training for the award commences or on the effective date of the award. A Pilot appointed by the Union will be present at the time the bid awards are made, if the Union so requests provided no undo delay occurs.

4. Additional Vacancies

Additional vacancies created by the bid awards will be filled concurrent with the bid awards in seniority order. No additional vacancy notice will be required.

5. Unfilled Vacancies

Vacancies that remain unfilled after bids have been awarded may be assigned in reverse category seniority order or filled by new-hire Pilots.

6. Award Disputes

If a Pilot disagrees with the published results of the initial staffing award, he must file a written appeal with the Chief Pilot with seven (7) days after the posting of the award. Any appeal is limited to the most recent bid and will not affect the effective date of the award. A corrected, final system staffing award will be issued after the appeals are considered.

7. General

- a. A Pilot may change base, and/or status by filling vacancies or through displacement rights using his system seniority.
- b. A Pilot who completes training on an equipment type as the result of a system staffing award will be frozen in that or like equipment for a period not to exceed two (2) years commencing from the date the Pilot began training on that equipment type. During that time the Pilot will be considered a non-eligible Pilot. A Pilot who is frozen in his current equipment will be considered an eligible Pilot when he meets any of the following conditions:
 - (i). Is upgrading from First Officer to Captain.
 - (ii). Is bidding a new equipment type in the system of common cockpit design (e.g., A320/A330/A340 family of aircraft).
 - (iii). Is bidding a defined equipment type being introduced or reintroduced to his base.
 - (iv). Is displaced.

- (v). The Pilot's equipment freeze will end prior to the posting date of the results of the system bid.
- c. A Pilot not staffed in his new base by the effective date of the award who has terminated his primary or secondary residence or relocated his primary or secondary residence to within two hundred (200) miles of his newly awarded base (with acceptable proof of termination of previous residence) will be afforded the following out of base benefits until such time as the Pilot is scheduled for duty in his awarded base:
 - (i). As of the effective date of the bid, positive space travel between the Pilot's newly awarded base and his former base.
 - (ii). From the effective date of the bid, hotel accommodations to meet the Pilot's flying schedule.
 - (iii). Pilots will be entitled to per diem when operating away from their awarded base.
- d. Bidding of Vacancies:
 - (i). An eligible Pilot shall be awarded a vacancy according to seniority.
 - (ii). A Pilot under an equipment freeze shall be awarded a vacancy on present or like equipment according to seniority.
- e. A Pilot may not decline his base selection after his bid has been awarded.
- f. In the event that an upgrade or transition award is made and then the planned training ground school is cancelled, the bid award shall be cancelled.

D. Displacements

1. A Pilot is displaced when he loses his base or status.
2. A Pilot who is displaced will be awarded any base and status which he has bid and is entitled to in accordance with his seniority.

3. A more senior Pilot, in eligible status, may elect to be displaced rather than a more junior Pilot being involuntarily displaced (voluntary seniority displacement).
4. A Pilot who elects voluntary seniority displacement will be entitled to the benefits of Section 4.E. (Moving Expenses).
5. A Pilot who does not bid sufficient displacement choices will be assigned his present equipment in the next lower status in his current base. If the Pilot's seniority does not permit that assignment, the Company may assign him subject to his current qualifications.

E. Base Closure

If a base closes, a Pilot waiting staffing on different equipment will be assigned in system seniority, based on the Pilot's preference and the needs of the Company. The commencement of the displacement assignment will be limited to the effective date of the Pilot's system staffing award. A displaced Pilot will bid his seniority within the assigned base. He will be given all the travel, per diem, and lodging benefits of a special assigned Pilot unless he is advanced to his awarded base.

F. Initial Assignments

Initial assignments to new hires will be made based on preference, in seniority order, from positions available to that new hire class. A new Pilot, who actually relocates their primary or secondary residence in connection with the Pilot's initial base assignment, will be given seven (7) days free from duty, before or after completion of I.O.E. These days may be taken consecutively or broken at the Pilot's discretion within one hundred twenty (120) days from completion of simulator training.

G. Special Assignment

1. A special assignment is any assignment for a period of one hundred twenty-one (121) days or less away from the Pilot's home base.
2. In the event of a special assignment, the Company will arrange for travel to and from the work location and its associated hotel. (Whenever possible, courtesy transportation will be utilized.)
3. The Pilot will receive per diem expense for each hour away from his permanent base. This will be claimed on the appropriate Company form and submitted to the Chief Pilot for approval.

4. In certain cases, the Chief Pilot may approve the use of a Pilot's personal automobile. In this event, mileage will be paid at the rate then in use by the Company controller.

SECTION 8: PAID TIME OFF (PTO)

A. Usage

The Pilot will be given Paid Time Off (herein "PTO") to use as:

1. Sick days;
2. Personal days;
3. Emergency Leave of Absence; and
4. Statutory holidays.

B. Accrual

1. A Pilot will accrue PTO at the rate of four hours (4:00) per month or pro-rata thereof to the nearest full hour for each month of completed service upon the effective date of this Agreement, up to a maximum of forty-eight hours (48:00) per calendar year.
2. PTO days will not accrue when a Pilot is on an unpaid LOA, unless otherwise prescribed by law.

C. Eligibility for PTO

PTO may be taken after a Pilot has completed his first one hundred and twenty (120) days of employment with the Company.

D. PTO Credit

A Pilot shall receive flight pay credit per day of PTO as set forth in Section 3 (Compensation and Pay Credits).

E. PTO Sell Back

At the end of each calendar year, the Pilot shall have the option of selling any unused PTO hours to the Company at the Pilot's rate of pay effective on December 31st of that calendar year.

F. PTO Carryover

A Pilot may carry over unused PTO hours up to a maximum of ninety-six hours (96:00) at the end of each calendar year. The PTO carryover bank may not exceed ninety-six hours (96:00) at the end of each calendar year.

G. General

1. A Pilot is entitled to use PTO when a Pilot is unable to work because of illness, injury or for personal reasons.
2. PTO must be taken in increments of one (1) day.
3. When a Pilot is unable to fly he will be removed from all pairings until he is able to fly again.
4. When the Pilot is able to return to work he will be assigned to the next pairing on his line schedule.
5. PTO may not be used until it has been accrued by the Pilot.
6. If a Pilot's accrued PTO is exhausted or if he is ineligible to take PTO hours, the Pilot may borrow up to twenty-four PTO hours (24:00) or use remaining accrued vacation days to cover for days away from work. If the Pilot is separated from employment with the Company, any PTO days advanced will be deducted from the Pilot's final paycheck.
7. Any unused sick days accrued prior to the signing of this Agreement will be retained in the Pilot's bank and converted at the value of four hours (4:00) per sick day accrued.
8. Similarly, any sick days used in excess of what has been accrued will be deducted from the Pilot's bank at the rate of four hours (4:00) per one (1) day of sick leave.

H. Occupational Injury

1. In the event a Pilot suffers an occupational injury, which is approved for benefits by the Workers' Compensation carrier, the Pilot will be entitled to one hundred percent (100%) of the average weekly earnings based on calculations over the last quarter preceding the injury, for each week, or prorated week, of lost time. The Company will reimburse the difference between this amount and the time-loss benefits compensated by the Workers' Compensation carrier.
2. The Pilot's PTO bank will be reduced by the equivalent of one hour and twenty minutes (1:20) per day for each day covered by the Worker's Compensation Carrier's payments until the Pilot's annual PTO entitlement for that calendar year is exhausted.

I. Return to Work

The Company may require a Pilot to obtain a doctor's written Medical Release to return to flight status. Any disputes concerning a Pilot's ability to return to work after sick leave shall be handled in accordance with the provisions of Section 15 (Physical Standards).

SECTION 9: VACATION

A. Vacation Accrual

1. A Pilot shall accrue vacation as set forth below:

<u>Years of Service Completed</u>	<u>Vacation Days Accrued</u>
0-1	1 day per each month of service
1-3	12 days
4-5	14 days
6-10	21 days
11+	28 days

2. Any vacation days accrued prior to the signing of this Agreement will be retained in the Pilot's bank and converted at the value of four hours (4:00) per vacation day accrued.
3. Similarly, any vacation days used in excess of what has been accrued will be deducted from the Pilot's bank at the rate of two hours and thirty minutes (2:30) per one (1) day of vacation leave.

B. Vacation Pay

A Pilot shall receive vacation pay during the period he is on vacation. Vacation pay will be paid at the regular pay periods while a Pilot is on vacation and shall be computed at the Pilot's rate of pay in effect at the time such vacation is taken. A Pilot will be paid a two hours and thirty minutes (2:30) hour pay credit for each vacation day taken. In no event shall a Pilot receive for a bid period which all or part of his vacation may occur, less than any minimum bid period guarantee he may be entitled to as specified in Section 3 (Compensation and Pay Credits) of this Agreement.

C. Vacation Buyback

1. A Pilot may elect to sell back any vacation periods to the Company, subject to the following provisions:
 - a. A Pilot will notify Crew Scheduling of his intent to sell back vacation by notifying Crew Scheduling before publication of the bids for the month in which the vacation is scheduled to be taken.

- b. A Pilot will be paid a minimum of two hours and thirty minutes (2:30) pay credit for each vacation day sold and the Pilot's vacation bank will be reduced accordingly.
- c. In addition to his normal vacation pay as set forth in B. above, a Pilot who sells back his vacation and is assigned or awarded trip(s) during the previously awarded vacation period shall be paid for the actual or scheduled value of the trip(s) flown.

D. Vacation Carryover

Vacation should be taken in the calendar year after which it was accrued. A maximum of fourteen (14) days of accrued but unused vacation may be carried over from one year to the next. The maximum vacation bank cannot exceed a total of twenty-eight (28) days. If a Pilot has accrued more than fourteen (14) days vacation at the end of a calendar year, the Company will buy back any days in excess of fourteen (14) at the rate of two hours and thirty minutes (2:30) credit hours per day.

E. Vacation Accrual In Case of Leave or Furlough

Pilots on furlough shall have their vacation reduced by one-twelfth (1/12) (1/12) for each full month that they are on leave or furlough, except that a Pilot who receives payroll benefits for any part of a month will receive vacation credit for that month(s).

F. Vacation Bidding

1. The Company shall provide a Vacation Bid Preference Sheet or an alternative electronic format for the succeeding year on November 1st of each year and post a notice to that effect. The total amount of available vacation for bid shall not be less than the total accrued vacation. Each week of the calendar year shall have at least one (1) available vacation period available for bid at each base. A Pilot shall bid and be awarded vacation periods based on his seniority and category as of December 20th. If a Pilot cancels vacation, he must reschedule that vacation at that time.
2. The vacation bid will remain open during the period November 1st through November 20th. Vacation bidding closes at 1200 hours (Eastern Standard Time EST) on November 20th. The Company will post the results of the vacation bids by December 5th.

3. If a Pilot is entitled to two (2) weeks or more vacation he may file a preference for a split “secondary vacation period” at the time of his bid. Secondary vacation choices will be awarded by seniority after all primary vacations have been awarded.
4. Vacation periods will be a minimum of seven (7) consecutive calendar days unless vacation eligibility is less than seven (7) days.
5. In the event a Pilot is voluntarily awarded a new base or status, the Company may change his primary or secondary vacation period if there is a vacation conflict at the new base. The Company will provide the Pilot with a notice of the need to change a vacation period within fifteen (15) calendar days of the assignment to the new base or status and, will advise the Pilot of all remaining vacation options.

G. Vacation Payout at Separation

1. If a Pilot resigns, is furloughed, or is otherwise separated from employment, he will be paid for all accrued vacation for which he is eligible at the time of separation.
2. When a Pilot, at the time of separation, has taken vacation in excess of that which has been accrued, the unaccrued pay credits will be deducted from the Pilot’s final paycheck.
3. If a Pilot resigns and fails to provide a minimum of two (2) weeks written notification to the Company, the Pilot forfeits any accrued vacation pay credits.

H. Vacation Trades

Pilots in the same category may trade their vacation(s) periods with other Pilots or unused vacation slots, subject to Company approval. Notification of trades must be submitted to Crew Scheduling no later than two (2) weeks prior to the distribution of the bid package containing the earliest vacation period involved.

I. Open Vacation Period

1. Vacation periods may become open during the year for various reasons, among which are the Company adding additional weeks or weeks becoming available due to a Pilot changing seat position or equipment type.

2. Pilots will be notified of the availability of open vacation periods by including the information in each bid period package. Bids for the open weeks will be returned with the bid sheets.
3. Open vacation will be awarded in seniority order among the bids received.
4. To accommodate bidding and awarding vacations which become open, Pilots shall be allowed to notify Crew Planning on their Line Bid Sheet or alternative electronic format of their desire to change a vacation from a subsequent month to an open week.
5. A Pilot activated in a different category, prior to taking his awarded vacation, shall be allowed to select vacation from the open weeks available in that new category. After completion of ground school, each Pilot from the same ground school class shall notify Crew Scheduling of his preference for vacation weeks. These weeks shall be tentatively assigned to the Pilot, by seniority, and shall be finalized within ten (10) days following the completion of Initial Operating Experience (IOE) by all affected Pilots.
6. A Pilot awarded vacation that conflicts with required transition or upgrade training associated with an awarded assignment, must cancel that vacation and have it re-awarded as provided in paragraph 5. above.
7. In the event of an emergency situation which does not permit a Pilot to take his vacation as scheduled, he may be requested by the Company to reschedule his vacation. Such requests must be approved by both the Pilot and the Union.

J. Starting and Ending Vacations

Vacation periods will begin and end at 0200 local time at the Pilot's base.

K. Death of a Pilot

In the event of a Pilot's death, any accrued and unused earned vacation will be paid to his beneficiary or his estate.

SECTION 10: SENIORITY

A. Seniority Accrual

1. The seniority of a Pilot shall commence on the Pilot's first day of initial ground school training and shall continue to accrue thereafter during his period of service with the Company, except as otherwise provided for in this Agreement. A Pilot's longevity shall commence concurrently with his seniority date, and shall accrue thereafter during his active service with the Company, excluding leaves of absence, furlough, or other periods as may be provided for in this Agreement. For initial pay and benefits purposes, the Pilot's date of hire shall be the date he first reports for duty with the Company but in no case shall it be more than thirty (30) days from his seniority date.
2. When two (2) or more Pilots are placed on the Company's System Seniority List on the same date, their names shall be placed according to their age; i.e., the older Pilot shall receive the lower number. When two (2) or more Pilots are placed on the Company's System Seniority List on the same date and have the same birth date, their relative seniority position shall be determined alphabetically by last name with the first letter of the last name closest to "A" being more senior.
3. Except as otherwise provided for in this Agreement, the Company's System Seniority List shall govern each Pilot in case of promotion or demotion, filling of vacancies, his assignment or reassignment due to expansion or reduction in schedules, his retention in case of reduction in force and his reemployment after his release due to reduction in force.
4. Once having established a seniority date and relative position on the seniority list, a Pilot shall not lose that date and relative position, except as provided in this Agreement.

B Pilot Posting

The Company will post a list of names of all Pilots, arranged in the order of system seniority. Such list will contain the names of all Pilots entitled to seniority, whether active or inactive, and the date of employment of each Pilot indicating the seniority to which the Pilot is entitled. Such list will be brought up to date and posted, electronically or otherwise, at each Pilot's base on a monthly basis with a copy to the Union and each of the Union Executive Council members.

C. Protest of Seniority List

1. A Pilot will have thirty (30) days after the posting of the Pilots' System Seniority List to protest any omission or incorrect posting affecting his seniority or position on the posted list.
2. A Pilot who, at the time of posting of the Pilots' System Seniority List is on vacation, leave of absence, or furlough may file a protest within thirty (30) days of his return to duty.
3. A Pilot may protest a subsequent Pilots' System Seniority List only if it varies from the one immediately preceding it, except when such a list is later changed because of the filing of a subsequent protest by any other Pilot on said list, in which case the Pilot shall be permitted to file an additional protest.
4. All protests to the Pilots' System Seniority List shall be made in writing to the Chief Pilot. The Company shall investigate the protest and shall respond to the Pilot in writing within fifteen (15) calendar days.

D. Forfeiture of Seniority Rights

A Pilot whose employment with the Company is permanently severed shall forfeit his seniority rights and that Pilot's name shall be removed from the seniority list. Such circumstances include, but are not limited to, resignation, discharge for cause, retirement, failure to return to active service following a furlough or leave of absence, or other reasons provided for in this Agreement.

SECTION 11: TRAINING

A. General

1. Training programs will emphasize “training to proficiency.”
2. Except as otherwise explicitly provided for in this Agreement, once a Pilot is employed by the Company, all training by the Company shall be at Company expense. Ground school, simulator and flight training, training facilities, training aids, training materials and equipment utilized for any required training will be provided at no cost to the Pilots employed by the Company.
3. A Pilot will have access to his training records during normal business hours. Upon reasonable request, a Pilot will be furnished a copy of all his training records. A Pilot may file a written objection to any portion of his training file to the General Manager of Training. The objection will be placed in the Pilot’s personnel file and become a part of his permanent record. The affected Pilot alone reserves the right to remove any such objections from his permanent file at any time.
4. The Company will make all reasonable efforts to minimize instructor changes throughout the training curriculum. However, with the exception of ground school, in no case will a Pilot have more than two (2) instructors for any one (1) segment of training. A “segment of training” includes, but is not limited to, fixed-base simulator and full-flight simulators.
 - a. With the exception of ground school, a Pilot may request and will be granted a change of instructor or evaluator one time during a training segment, subject to availability.
 - b. A Pilot who does not successfully complete a proficiency check, upon written request, will be granted a change of Check Airman for his re-check.
5. Upon request, videotapes of a Pilot’s performance in a simulator or aircraft training will be shown to the Pilot upon completion of the Pilot’s training session and then erased in the Pilot’s presence. If erasure is not possible, the videotape will be destroyed in the Pilot’s presence. Videotapes will only be made with the consent of the Pilot.

6. To the extent practical, the Company will continue to use state-of-the-art training devices, specific to the aircraft type, to train on normal, abnormal, and emergency procedures.
7. Aircraft will not be used for training purposes in flight other than during normal flight operations.
8. Simulators will not be programmed for unrecoverable or experimental maneuvers during proficiency checks.
9. A Pilot will not be evaluated or required to demonstrate proficiency in simultaneous multiple emergencies or equipment failures in unrelated aircraft systems.
10. Pilots authorized by the Company, and on the seniority list, qualified in the applicable aircraft type and position, may serve as a non-flying Pilot (NFP) during training events. For a checking event, a Pilot must be current and qualified in the applicable aircraft type and position.
 - a. A Pilot assigned to initial training may serve as a NFP for another Pilot who has been assigned the same training if they should both concur.
 - b. No Company Check Airman will serve as a NFP in a simulator while performing a proficiency check.
 - c. The Pilot being evaluated may waive NFP stipulation contained in A.11. of this Section.
11. A Pilot's right to request and have present a Pilot representative of his choice during any phase of his training and evaluation shall not be infringed.
12. Prior Failures: When a Pilot successfully completes an upgrade program, prior failures shall no longer be counted against him in subsequent upgrade training. Once a Pilot successfully completes transition training from one type to another type in the same status, prior failures shall no longer be counted against him when transitioning to another type in the same status.
13. No Pilot shall be required to maintain qualification on more than one type of equipment that requires a separate type rating.

B. Training Standards

1. The Company will have a training program for each aircraft type, including differences for each sub-type, which will be uniform, definitively outlined, conformed to FAA guidelines, designed to promote positive motivation, and administered to provide adequate training. The curriculum will include all phases of training, including criteria used during stage checks and proficiency checks and hours scheduled in ground school, simulator, and flight training if applicable. The program will be available for review by the Training Committee ("TC").
2. The Union will establish a Training Committee (TC) composed of Pilots which will confer with the Company on matters related to Company training programs and whose members perform those functions as set forth in paragraph M. (TRB) of this Section.
3. Upon request, the Company will meet with the TC to review any training programs including, but not limited to, home study materials, manuals, study guides, etc.
 - a. Historical data will be reviewed to determine the continued viability of the training syllabi. All relevant data used in training programs will be made available to the TC.
 - b. Any changes in training programs will be brought to the attention of the TC prior to its implementation.
 - c. The Company will consider a written recommendation of the TC regarding the content of training programs. If the Company rejects a recommendation, it will meet with the TC and discuss the reasons for the rejection within thirty (30) days of a recommendation.
4. Proficiency checks will be based on criteria contained in the Company's FAA approved Flight Operations Training Manual. The grading system used will be in accordance with the Company's FAA approved training program and will reflect whether:
 - a. the Pilot has met the qualifications; or
 - b. the evaluation is incomplete.

An incomplete evaluation will not be considered a failure.

C. Train to Proficiency

1. The purpose of this Section is to enhance a Pilot's ability to complete training successfully and to continue employment as a Pilot while maintaining safety of operations as the primary objective.
2. Unless otherwise recommended by the Training Review Board (TRB) established by this Section, the Company may terminate training only when, in the opinion of two (2) instructors who have independently and separately evaluated the Pilot, determine that the Pilot cannot be recommended for a proficiency check.
3. Voluntary withdrawal from training will not be counted as a failure on the Pilot's permanent record. A Pilot who is attending any training program shall be afforded the option to withdraw from the training curriculum for personal or medical reasons. At the Pilot's option, such Pilot may:
 - a. be reinstated to the interrupted curriculum, subject to training availability; or
 - b. return to their previously held position, subject to seniority and satisfactory completion of any necessary training.
4. Nothing in this Agreement shall be construed to restrict the Company's ability to offer additional training.

D. Notice of Training

1. Initial, Upgrade and Transition Training
 - a. The Company will provide a Pilot at least fifteen (15) days written notice of the actual scheduled training start date required for an awarded or assigned position, except for initial new hires. Such notice will include the location, the actual scheduled training start date, the projected training end date and the name of the Pilot's Company point of contact while in each segment of training. If the Company reschedules training within seven (7) days prior to the start of the original training scheduled date, the Company will not reschedule such training prior to the original training schedule date.
 - b. The Company will provide a Pilot with the ground school portion of his training schedule at least seven (7) days prior

to the start of ground training with the exception of initial training. This schedule will also include any applicable travel information.

- c. All notice provisions in this Section (D.1.) may be waived with the Pilot's consent.

2. Recurrent and Requalification Training

- a. The Company will provide notice in the applicable bid package that a Pilot's recurrent proficiency check is due. The Company will provide a Pilot with at least fifteen (15) days written notice of his scheduled recurrent performance evaluation that will include the location, date, and start time of the recurrent performance evaluation. This schedule will also include any applicable travel information.
- b. If a Pilot's performance evaluation is rescheduled prior to its commencement, the Company must provide the Pilot at least seven (7) days notice prior to the rescheduled evaluation.
- c. If the Company reschedules training within seven (7) days prior to the start of the original training scheduled date, the Company will not reschedule such training prior to the original training schedule date.
- d. The Company will provide a Pilot with at least forty-eight (48) hours notice of a performance evaluation rescheduled as a result of the Pilot not successfully completing his original performance evaluation.
 - (i). A subsequent simulator event will not be scheduled to begin within three (3) days of the unsuccessful performance evaluation.
 - (ii). The rescheduled performance evaluation will be scheduled to begin within fourteen (14) days following the unsuccessful performance evaluation.
 - (iii). The Pilot will not be denied a different evaluator should he request a change.

- 3. All written training notices will be delivered to the Pilot's email address or to the Pilot by any other means agreed by the Pilot and the Training Department.

4. A Pilot may waive any of the notices within this paragraph.

E. Training Schedules

1. Except for initial ground school and simulator training, training schedules, with a list of Pilots requiring such training, will be published in the applicable bid package for that bid period. A Pilot requiring training may bid and be awarded available training periods in accordance with his seniority.
2. A training period may be rescheduled for reasons beyond the control of the Company. A Pilot will not suffer a loss in pay as a result of having a training period rescheduled. If a Pilot's rescheduled training interferes with any part of his awarded bid assignment, the Pilot will be compensated in accordance with Section 3 (Compensation and Pay Credits) until the training event is concluded and he is returned to duty. The Company will use its best efforts to return the Pilot to the remainder of the trip or trips from which he was removed for training.
3. If the rescheduled training conflicts with scheduled day(s) off, the Company and the Pilot will mutually agree on a schedule that will not result in lost day(s) off for the Pilot.
4. A Pilot who fails to bid for a training schedule will be assigned to any remaining available schedule.

F. Assignment To and Release From Training

1. A Pilot will be considered assigned to training when he reports to training or begins travel for the first day of training.
2. A Pilot will not be released from training prior to becoming qualified in the position in which he is being trained, except as a result of:
 - a. voluntary withdrawal from training; or,
 - b. a recommendation of the Training Review Board (TRB); or,
 - c. cancellation of that Pilot's training; or,
 - d. unsatisfactory performance.

G. Travel To and From Training Away From Base

The Pilot will notify the Company of his travel preference to and from training within three (3) days of the Pilot's receipt of the final bid award. The Company will provide travel based on the Pilot's preference.

H. Recurrent Training and Line Checks

1. The Company will provide recurrent training as outlined in the Company's FAA approved Flight Operations Training Manual. A Pilot will take all required recurrent training, proficiency checks, qualifications and line checks as outlined in the training curriculum. Such checks will be given by an FAA authorized Company Check Airman or FAA examiner, as required.
2. A First Officer may be given a line check at the same time as the Captain with whom he is paired.
3. A Pilot who does not successfully complete an oral examination administered in connection with a recurrent proficiency check (PC) will be provided with additional training and a second oral examination. The additional training and second oral examination will not occur on the same day as the first oral examination unless the Pilot and the Company agree otherwise. A Pilot who does not successfully complete a second oral examination will be referred to the TRB.

I. Upgrade and Transition Training

1. A Pilot assigned to training will be removed from line flying for ground school, simulator, and flight training.
2. Procedure for Upgrade and Training
 - a. Consistent with other provisions of this Agreement, bidding and bid awards for Captain vacancies shall be in seniority order.
 - b. If a Captain vacancy is published for bid and the successful bidder is not expected to have completed upgrade training by the effective date of the bid, the Pilot shall be assigned upgrade training in seniority order and the vacancy may not be awarded to a junior, trained Pilot, unless the senior Pilot is pay protected from the effective date of the bid.

- c. In anticipation of future vacancies, Pilots eligible for upgrade to Captain will be selected for upgrade in seniority order. The Company may train selected Pilots for upgrade training in any order system wide. However, when there is more than one Pilot selected for upgrade within a base, the more senior Pilot will have the option to go first.
 - d. A First Officer may defer upgrade training once for a period not to exceed twelve (12) months.
- 3. Once upgrade training has commenced, a Pilot will not fly as a First Officer or an International Relief Officer until fully qualified as a line Captain unless the Pilot agrees.
 - 4. The Company will not hire a Captain who has not been previously employed as a First Officer with the Company unless there are no qualified First Officer bids to fill the Captain vacancies.

J. Scheduling of Training, Rest Periods, and Days Off

1. Scheduling of Training

- a. Ground school will be scheduled during normal business hours, between 0800 and 1800 local time, for no more than nine (9) classroom hours per day, exclusive of breaks. If the training curriculum requires an extra day of less than four hours (4:00), that time may be prorated over the period of the ground school.
- b. The Company will not schedule simulator, flight training or performance evaluation to commence between the hours of 2201 and 0559 local time without the Pilot's consent.
- c. Except for IOE, a Pilot in training will not be required to remain on duty for more than ten (10) consecutive hours without the Pilot's consent.
- d. Holidays
 - (i). Other than IOE and line checks, training will not be scheduled on Thanksgiving, Christmas, or New Year's Day without the Pilot's consent.
 - (ii). Travel to return a Pilot to his base or home from training will be scheduled to be completed by 1700 on Thanksgiving Eve, Christmas Eve or New Year's Eve.

Travel to return a Pilot to training from his base or home will not be scheduled to commence prior to 0700 on the day after Thanksgiving, the day after Christmas or the day after New Year's Day.

- (iii). The Company will not conduct training that takes place outside of North America, except in abnormal circumstances.
- e. Except with the Pilot's consent, in no case will a Pilot be required to perform an initial qualification proficiency check on the same calendar day as his FAA oral examination. In addition, a minimum rest period of not less than twelve (12) hours will be given between completion of his FAA oral examination and his initial qualification proficiency check.
- f. Travel days will not be considered days off.

2. Rest Periods

- a. A Pilot in training will be provided a rest period of at least nine hours (9:00) prior to and between ground school sessions.
- b. A Pilot in training will be provided a rest period of at least nine hours (9:00) between ground school and simulator training.
- c. A Pilot in training will be provided a rest period of at least nine hours (9:00) between simulator training sessions.
- d. If, upon completion of training away from base, the Company is unable to return a Pilot to his base within the duty limitations set forth in this Section, the Pilot will be provided a rest period of at least nine hours (9:00) in the training city. A Pilot may waive this requirement in coordination with Crew Scheduling.
- e. Immediately following the completion of training or travel related to training, a Pilot will be provided a rest period of at least minimum base rest as provided in Section 24 (Hours of Service) of this Agreement.
- f. Immediately following the completion of travel to or from training outside of North America that is scheduled for at

least four (4) block hours, a Pilot will be provided a rest period of at least thirty-six (36) hours.

3. Days Off

- a. Prior to Training: Pilots assigned to upgrade or transition training shall have a minimum of two (2) calendar days free of duty at their base prior to the commencement of training. The Pilot may waive this requirement.
 - b. During Training: scheduled days off will be published in the training schedule in accordance with the following:
 - (i). A Pilot in training, ground school or simulator will be provided at least two (2) days off in any ten (10) consecutive day period and scheduled for at least two (2) consecutive days off after five (5) consecutive days of ground school.
 - (ii). A Pilot in training will be provided at least one (1) day off in any seven (7) consecutive day period.
 - c. After Training: a Pilot in training will be provided sixteen hours (16:00) in base after the completion of ground school or simulator training, unless waived by the Pilot.
4. For reasons of safety, a Pilot will not be given, or asked to do, an assignment unrelated to his training while he is assigned to training.
 5. A Pilot will not be scheduled for recurrent training during his vacation. A Pilot whose training conflicts with his vacation will have his vacation rescheduled in accordance with Section 9 (Vacation).

K. Requalification and Recency of Experience Training

1. A Pilot who loses qualification as a result of an approved leave of absence will be provided the requalification training required to regain qualification as set forth in the Company's Flight Operations Training Manual and in accordance with Section 13 (Leaves of Absence) of this Agreement.
2. A Pilot who loses currency as required by FARs will be provided the recency of experience training required to regain currency as set forth in the Company's Flight Operations Training Manual.

L. Failure to Qualify

1. Events constituting a Pilot's "failure to qualify" while in training shall be as follows:
 - a. Failure of a FAA required oral examination; or
 - b. A failing grade on a required written test; or
 - c. Unsatisfactory completion of a proficiency check, type-rating ride or line check.
2. Events constituting a Pilot's "failure to maintain qualification" shall be as follows:
 - a. Substandard proficiency check (including the associated oral examination).
 - b. Substandard line check.
3. Initial, Upgrade or Transition Failures
 - a. A Pilot shall be provided the following opportunities to complete his first attempt at initial, upgrade or transition training while participating in a traditional training program:
 - (i). A Pilot who does not successfully complete an oral examination administered in connection with a proficiency check will be provided with additional training and a second oral examination. The additional training and second oral examination will not occur on the same day as the first oral examination unless the Pilot and the Company agree otherwise.
 - (ii). A Pilot who does not successfully complete any portion of a proficiency check, other than the oral examination, will be provided additional training in the simulator, followed by a second proficiency check or line check.
 - (iii). At the Pilot's request, the second proficiency check may be monitored by the FAA, if available, or a Pilot representative of his choice. Such request shall not unreasonably delay the proficiency check.

- b. The Pilot may defer the beginning of the additional simulator training for up to forty-eight (48) hours from the conclusion of the failed proficiency check.
- c. Notice of a rescheduling of an upgrade or transition performance evaluation due to failure will be the same as stated in D.2.c. of this Section.
- d. Unless the TRB recommends otherwise, a Pilot who does not successfully complete his second consecutive attempt at a proficiency check during his first attempt at upgrade or transition training as provided in this subsection, will be returned to his former equipment and position, provided he can successfully complete the proficiency check for that equipment. If, after a second attempt, he does not successfully complete the proficiency check for his former equipment and position, he may be discharged.
 - (i). Unless the TRB recommends otherwise, a Captain who does not successfully complete training and cannot return to his former position because it no longer exists, will be downgraded to First Officer in the equipment to which he was attempting to transition provided he can successfully complete the First Officer proficiency check for that equipment. If, after a second attempt, he does not successfully complete the First Officer proficiency check, he may be discharged.
 - (ii). A Pilot who fails to successfully complete his first attempt for upgrade or transition training will not be eligible to be awarded another vacancy for twelve (12) months from the end of the month containing the failure.
- e. Unless the TRB recommends otherwise, a First Officer who does not successfully complete upgrade and/or transition training and cannot return to his former equipment and position because it no longer exists shall be assigned his position in other equipment, if available. He will not be eligible to be awarded another vacancy for twelve (12) months from the end of the month containing the failure.
 - (i). A Pilot will be given two (2) opportunities, following the required training, to successfully complete a

proficiency check on his second attempt at upgrade or transition training on the same aircraft type.

- (ii). A Pilot who does not successfully complete the second proficiency check may be discharged.

4. Recurrent Training and Line Check Failures

- a. A Pilot who does not successfully complete an oral examination administered in connection with a recurrent proficiency check will be provided with additional training and a second oral examination. The additional training and second oral examination will not occur on the same day as the first oral examination unless the Pilot and the Company agree otherwise.
- b. A Pilot who does not successfully complete any portion of a recurrent qualification check or line check, other than the oral examination, shall be provided additional training in the simulator, followed by a second proficiency check or line check.
- c. Unless the TRB recommends otherwise, a Pilot who does not successfully complete any portion of recurrent training on his second consecutive attempt will be downgraded for six (6) months to the position of First Officer in the same equipment and base, provided he successfully completes a First Officer proficiency check in that equipment. The six (6) month downgrade will begin upon the start of the first bid period immediately following successful completion of the First Officer proficiency check. If, after a second attempt, he does not successfully complete a First Officer proficiency check, he may be discharged.
 - (i). Upon completion of the six (6) months, the Pilot will be given the option of additional training and a proficiency check in the next available training class to requalify as a Captain.
 - (ii). Upon successful completion of the proficiency check, the Pilot will be given any necessary IOE, as determined by the Company or the FAA, and returned to his previous equipment and position.
 - (iii). If the Pilot does not successfully requalify as a Captain, he will lose his Captain vacancy and will not be eligible to be awarded another vacancy for one (1) year following the date of his failure to requalify. Such Pilot must successfully complete a First Officer proficiency check in that equipment.

If, after a second attempt, he does not successfully complete a First Officer proficiency check, he may be discharged.

- d. Unless the TRB recommends otherwise, a First Officer who does not successfully complete recurrent training on his second attempt may be discharged.

M. Training Review Board (TRB)

1. The TRB will be established by the Company and the Union and will comprise the General Manager of Training, the Standards Captain for the aircraft type involved, the Director of Flight Operations or their respective designees, and two (2) Pilots selected by the Training Committee ("TC").
2. The purpose of the TRB is to review and evaluate the progress of a Pilot's training in a timely and expeditious manner. Three (3) TRB members, consisting of no more than two (2) Company representatives and one (1) Union representative, will be present at all sessions of the TRB and will constitute a quorum. Participation may be by telephone. All recommendations of the TRB will require a unanimous vote of the quorum.
3. The TRB will review and evaluate the progress of a Pilot's training when:
 - a. requested by the General Manager of Training, the Standards Captain for the aircraft type involved, the Chief Pilot, or the Director of Flight Operations; or,
 - b. a Pilot does not successfully complete his second proficiency check attempt during transition, upgrade or recurrent training; or,
 - c. a Pilot fails a line check.
4. The TRB will consider any information directly related to the training and/or proficiency of the Pilot.
5. The TRB will have access to all training records pertaining to a Pilot whose training and/or proficiency is being reviewed and may call or question any individual who may have information relevant to the Pilot's training and proficiency.

6. The TRB has the authority to recommend:
 - a. additional training for the Pilot;
 - b. a change of instructor for the Pilot;
 - c. the voluntary withdrawal of the Pilot from training in accordance with the provision of C.3. of this Section;
 - d. the involuntary withdrawal of the Pilot from training; or,
 - e. other appropriate action the TRB deems necessary.
7. The TRB will issue a written report on its recommendations. Copies will be made available to the Director of Flight Operations, the TC Chairman and the affected Pilot. The Pilot will be given the opportunity to submit a rebuttal letter that will become a part of his permanent record as set forth in A.3. of this Section.

SECTION 12: FURLOUGH AND RECALL

A. Furlough

1. All furloughs will be in reverse order of seniority. Pilots to be furloughed will be given thirty (30) days written notice of furlough, measured from the date of delivery or transmission of the notice or pay in lieu thereof, except in cases of emergency, strikes, acts of God, grounding of aircraft by governmental order, or other causes beyond the control of the Company. Notice may be by certified mail, return receipt requested, hand delivered and signed for, express delivery signature required, or electronic delivery, receipt required.
2. Before a furlough takes place, Company Leaves of Absence will be offered to all Pilots, in seniority order, to minimize the effects of a reduction in force. If offered, the Company will specify the status, equipment and base(s) from which leaves of absence will be granted, and the number and duration of such leaves. Requests for such leaves will be granted in seniority order.
3. When a Pilot is furloughed, he will be paid for vacation time and PTO accrued but not taken. If a Pilot has received vacation (or any other paid time off) in excess of that which would have been accrued, the Company will deduct the excess days advanced from his final paycheck.
4. A furloughed Pilot will continue to receive Company provided insurance benefits through the end of the calendar month in which the effective date of the furlough occurs. Thereafter, the employee is eligible to continue certain insurance benefits through COBRA. These insurance benefits will be at the Pilot's expense. COBRA benefits are available for the period required by law.
5. A Pilot who is furloughed will retain and continue to accrue seniority during his furlough. Longevity will continue to accrue for the first ninety (90) days of his furlough.

B. Recall

1. Recall will be offered in seniority order by sending a written recall notice to the Pilot by certified mail, return receipt requested; hand delivered and signed for; express delivery, signature required; or electronic delivery, receipt required to the address on file with the Company. The Pilot will be responsible for insuring that the Human

Resource Department is in possession of a postal or electronic address to which a recall notice can be delivered and received within seven (7) days.

2. A Pilot will have seven (7) days from the date of the recall notice to notify the Company in writing that he is accepting recall or is electing to bypass. A Pilot may bypass recall without forfeiting his seniority rights provided there is a furloughed Pilot junior to him on the seniority list. A Pilot who elects to bypass will return (in seniority order) only as vacancies occur. A Pilot who accepts recall will have a minimum of twenty-one (21) days after acceptance of recall to report for duty from furlough.
3. A Pilot on furlough status will retain his seniority under this Agreement until: (1) the Pilot fails to respond to a notice of recall, whether he accepts or bypasses; or (2) the Pilot bypasses twice on the same furlough; or (3) the Pilot has not been recalled from furlough within four (4) years from the date of furlough notice. If either (1), (2) or (3) occur, the Pilot will be removed from the seniority list and will not be entitled to recall.
4. A Pilot who is recalled from furlough can use his system seniority to bid on available vacancies. A Pilot accepting recall from furlough will be guaranteed at least sixty (60) days of employment or pay. A Pilot who is on a paid status after recall and released can be immediately recalled while he is on paid status. If the Pilot declines an immediate recall, he will be considered to have abandoned his job.
5. A Pilot who is furloughed will retain Company pass benefits for ninety (90) days following the effective date of furlough or as provided in applicable pass policies, whichever is greater.
6. A furloughed Pilot will retain their base and position when on furlough. Furloughed Pilots will have the ability to bid on any base bid during his furlough period. On recall, the Pilot will return to his original base or to the Pilot's most current base award.
7. All Pilots on furlough will be recalled and will receive full pay and benefits at their appropriate longevity prior to any new hire Pilot(s) commencing IOE training.

C. Return to Work After Recall

In the event of a recall notice, Pilots may return to work out of seniority sequence where availability permits a Pilot within the number being

recalled to return to work ahead of a more senior Pilot who has delayed recall as approved by the Company.

SECTION 13: LEAVES OF ABSENCE

A. Unpaid Personal Leave

1. General

An unpaid personal leave of absence may be requested by a Pilot by completing a Request for Leave of Absence form and submitting it to the Chief Pilot no later than thirty (30) days before the closing for the bid period in which the leave is requested to begin. A Pilot must have been continuously employed for one (1) year before a request will be considered. Granting of personal leave will be at the sole discretion of the Company. Normally, unpaid personal leave of absence will be granted for an initial term not to exceed thirty (30) days and may be extended at the sole discretion of the Company for successive thirty (30) day terms.

2. Return to Employment

- a. A Pilot on an unpaid personal leave will normally return on a bid award. A Pilot may apply to return earlier than scheduled if a position for which he is trained and qualified is available.
- b. If upon return from an approved leave of absence training or requalification is necessary, the Pilot shall be assigned to the first available class to requalify for the status to which the Pilot is returning.
- c. If the Pilot is not eligible for immediate reinstatement due to training requalification requirements, the Company will reinstate the Pilot to active service and assign ground duties until the next scheduled class date. The Pilot's pay status will commence effective the date of return from leave.
- d. If the Company should not have a planned class scheduled within thirty (30) days of the Pilot's announced return date, it shall, by that time, schedule special training for the Pilot to requalify for his position.

3. Seniority

A Pilot will retain seniority for the duration of the leave. A Pilot will continue to accrue his seniority not to exceed one (1) year.

4. Longevity

A Pilot will accrue longevity for the first ninety (90) days of personal leave, but not thereafter.

B. Unpaid Company-Offered Leave

1. General

A Company-offered leave will be posted for bid whenever a furlough is anticipated. Company-offered leaves will be granted in seniority order up to a maximum of one (1) year. Once the leave is approved it must run through the duration. If during the leave the Pilot is furloughed, his status will be changed and appropriate notice will be given. The Company will consult with the Union concerning the terms of any Company-offered leave before it is offered. Unless otherwise provided by the particular offer, Company-offered leave must be requested by completing a Request for Leave of Absence form and submitting it to the Chief Pilot no later than thirty (30) days before the bid closing for the month in which the leave is requested to begin.

2. Return to Employment

- a. A Pilot on a Company-offered leave will have a guaranteed right to return to his job at the end of the leave. A Pilot will not be required to return to work during the leave period, except by mutual agreement or when recalled by the Company for staffing purposes. Such recall must be accomplished in accordance with Section 12 (Furlough and Recall).
- b. A Pilot on an unpaid Company-offered leave will normally return on a bid award. A Pilot may apply to return earlier than scheduled if a position for which he is trained and qualified is available.
- c. If upon return from an unpaid Company-offered leave training or requalification is necessary, the Pilot shall be assigned to the first available class to requalify for the status to which the Pilot is returning.
- d. If the Pilot is not eligible for immediate reinstatement due to training requalification requirements, the Company will reinstate the Pilot to active service and assign ground duties

until the next scheduled class date. The Pilot's pay status will commence effective the date of return from leave.

- e. If the Company should not have a planned class scheduled within thirty (30) days of the Pilot's announced return date, it shall, by that time, schedule special training for the Pilot to requalify for his position.

3. Seniority

A Pilot will retain and continue to accrue his seniority while on an unpaid Company-offered leave.

4. Longevity

Longevity will continue to accrue only for the first ninety (90) days of any Company-offered leave, unless otherwise stated in the offer.

C. Unpaid Medical Leave

1. General

A Pilot who is or will be unable to perform assigned duties due to a medical condition shall, upon written verification of the condition and the inability to perform assigned duties from a qualified medical doctor, be entitled to an Unpaid Medical Leave not to exceed four (4) years, subject to:

- a. exhaustion of all available PTO and vacation time;
- b. written verification of the continued inability to perform assigned duties every sixty (60) days;
- c. the provisions of Section 15 (Physical Standards) in this Agreement.

2. Return to Employment

- a. No Pilot may return from an Unpaid Medical Leave without written verification from an appropriately qualified physician that the Pilot is, in all respects, capable of performing assigned duties and otherwise fit for service.
- b. A Pilot on an unpaid medical leave will normally return on a bid award. A Pilot may apply to return earlier than

scheduled if a position for which he is trained and qualified is available.

- c. If upon return from an unpaid medical leave training or requalification is necessary, the Pilot shall be assigned to the first available class to requalify for the status to which the Pilot is returning.
- d. If the Pilot is not eligible for immediate reinstatement due to training requalification requirements, the Company will reinstate the Pilot to active service and assign ground duties until the next scheduled class date. The Pilot's pay status will commence effective the date of return from leave.
- e. If the Company should not have a planned class scheduled within thirty (30) days of the Pilot's announced return date, it shall, by that time, schedule special training for the Pilot to requalify for his position.
- f. A Pilot returning from Unpaid Medical Leave must requalify for the position within three (3) months of commencement of training unless unnecessarily delayed through no fault of the Pilot. Failure to qualify may result in termination.

3. Seniority

A Pilot on medical leave will retain and continue to accrue seniority. A Pilot returning from medical leave will be entitled to exercise his seniority within his last assigned base. If a Pilot's last assigned base is no longer a Company base, then he will be allowed to select any base, seniority permitting.

4. Longevity

A Pilot will accrue longevity during the first ninety (90) days of medical leave, but not thereafter.

D. Military Leave

1. General

A Pilot will be granted military leave for military service or reserve duty in accordance with applicable federal law. Military leave must be requested by submitting a Request for Leave of Absence form with accompanying documentation to the Chief Pilot as soon as

practical after the Pilot becomes aware of the military duty for which the leave is requested.

2. Eligibility

Leaves will be granted to Pilots who are members of reserve units of the U.S. military forces, including National Guard units ordered to active service. Leaves will also be granted to Pilots who are inducted or who enlist in the Armed Forces of the United States. Eligibility includes Pilots who have not completed their probationary year.

3. Seniority and Longevity

A Pilot's seniority and longevity will continue to accrue during military leave in accordance with applicable law.

4. Sick Leave

Sick leave will accrue during the first ninety (90) days of military leave but not thereafter.

5. Vacation

Vacation earned but not taken before the Pilot receives notice of active duty will be taken or paid by the Company at the Pilot's option. Vacation will accrue during the first ninety (90) days of military leave, but not thereafter.

6. Group Insurance Program

The Company will continue to provide benefits to eligible Pilots and their covered dependents while on Military Leave for the first thirty (30) days of a Pilot's leave, provided that timely payment of the employee's portion of the monthly premium is made. Untimely payments of benefit premiums may result in loss of Company paid benefits. If the period of military service is thirty-one (31) days or more, the Pilot may elect to continue benefit coverage at his own cost for a period up to the first twenty-four (24) months of military service.

7. In accordance with USERRA, a Pilot will be entitled to any non-seniority related benefits that the Company offers to non-military leaves of absence (e.g., jury leave).

E. Bereavement Leave of Absence

A Pilot shall be granted a bereavement leave of absence for the death of an immediate family member (immediate family, for the purposes of this Section, shall be defined as a spouse, children, parent, brothers or sisters). Bereavement leave shall be granted for a maximum of three (3) calendar days. Bereavement leave shall be requested through the Chief Pilot's office as soon as practical after the Pilot becomes aware of the need for the leave. When such absence causes the Pilot to fall below the monthly guarantee, he shall, nevertheless, receive the guarantee. In the event extended time is needed, the Pilot may use accrued vacation or Paid Time Off (PTO).

F. Union Leaves

1. Full Time Union Leave

Upon request of the Union, made at least sixty (60) days prior to the commencement of the proposed leave, a Pilot shall be granted an unpaid leave to accept employment with the Union. While on such leave, the Pilot shall continue to accrue seniority and longevity. No more than one (1) Pilot shall be permitted Union leave at one (1) time, except with Company approval. Provided that the Pilot attends all recurrent training required of active Pilots, and maintains the appropriate FAA medical certificate, a Pilot on Union leave will be permitted to fly for the Company to the extent necessary to remain current as a USA 3000 Pilot. While the Pilot is on Union leave, all such recurrent training and flying shall be without pay. While on such leave, the Pilot shall be covered by Company insurance which will be reimbursed to the Company by the Union. The Pilot will maintain all other benefits covered by this Agreement and may continue to participate in the 401k plan.

2. Time Off for Union Business

- a. The Union, the Company and the Pilot shall use their best efforts to schedule Union business so as to avoid the necessity of Pilots requesting time off from scheduled duty. At the request of the Union, Pilots shall be granted time off for leaves for Union business, provided that the request is submitted at least two (2) weeks prior to the beginning of the time off.
- b. For such time off, the Pilot shall remain in a pay status. The Union shall pay the Company an amount determined by adding the Pilot's pay, including 401(k) plan Company-

matching contributions, if applicable. In instances of Union business leave in excess of four (4) work days, an additional charge of twenty percent (20%) of the foregoing total will be made to cover payroll based taxes and benefits.

- (i). The Company shall invoice the Union for the recovery of salary and benefit costs as of the end of each month.
 - (ii). The Union shall pay the Company within forty-five (45) days of receipt of the Company's invoice.
- c. The request for time off for Union business shall be submitted to the Chief Pilot by the Union. Such request shall include the name(s) of the Pilot(s), the date and time of the release, the date and time of return to duty, and specific business for which the release is requested.
- d. The number of Pilots requesting time off for Union business will not exceed three (3) Pilots at any one time.
- e. Requests for Union business leaves submitted later than the required approval under the Section above, shall be approved when staffing levels permit.
 - (i). Such late requests shall be submitted to the Chief Pilot at least ten (10) days prior to the date of the first trip, or first trip in a series of trips, that would be dropped.
 - (ii). Such late requests shall include the name(s) of the Pilot(s) the specific trips for which release is requested and the specific business for which release is requested.
 - (iii). Approval of such late requests shall be on a "trip by trip" basis, given no less than twenty-four (24) hours prior to the trip.
- f. Nothing in this Section will preclude trip trading in accordance with the provisions of this Agreement for the purpose of allowing a Pilot time for Union business.

G. Jury Duty Leave

1. If a Pilot is summoned to jury duty, the Pilot must notify the Crew Scheduling Department at least ten (10) days prior to the reporting date. Upon completion of jury duty, the employee must submit to the Crew Scheduling Department and official notice of compensation paid by the Court.
2. The Company will pay a Pilot the difference between the jury duty fee and the Pilot's standard daily pay credit for each day of jury duty that the Pilot was scheduled to work for the Company.

H. Witness Duty

A Pilot subpoenaed to testify in a Company related matter (other than a labor arbitration proceeding) shall receive the greater of:

1. The value of any missed pairing, or
2. Four hours (4:00) per day he is called to testify.

I. Workers' Compensation Leave

A workers' compensation leave of absence shall be granted to a Pilot for the period of time that the Pilot receives disability payments under a workers' compensation statute. Once payment of workers' compensation earnings loss benefit ceases, workers' compensation leave may be terminated if the Pilot fails to provide the Company with documentation with respect to the continued disability.

J. General

1. FMLA

In addition to the enumerated leaves of absence provisions contained in this Section, Pilots shall also be eligible for leave under the federal Family Medical Leave Act or comparable state law.

2. Benefit Coverage

- a. Pilots may elect to continue their benefit coverage (i.e., health insurance, dental insurance, optional life insurance and short-term disability coverage when applicable) during an unpaid leave of absence at their own expense.

- b. Coverage under the Company group insurance plans will continue in accordance with the plans, thereafter, the Company will process an administrative payroll separation and the Pilot may continue group insurance coverage to the extent provided by COBRA, provided the Pilot complies with all COBRA requirements.
 - c. Untimely payment of benefit premiums may result in loss of the benefit.
 - d. Paid leave benefits (example: PTO and vacation) will not accrue during an unpaid leave of absence unless otherwise specified in this Agreement.
3. Failure to Return From a Leave of Absence

If a Pilot is unable to return to work on their scheduled return date, the Pilot shall have the obligation to notify the Chief Pilot in a timely manner; failure to notify the Company may be cause for termination unless appropriate notification and arrangements for an alternate return date have been made in advance of the leave expiring.

SECTION 14: ALCOHOL/DRUG TESTING

A. Testing Occasions

1. Random Testing

- a. All Pilots will be subject to random drug and/or alcohol testing to the extent required by applicable federal regulations.
- b. The Company may conduct random drug and/or alcohol testing of Pilots any time just before, during, or just after a duty assignment. A Pilot undergoing drug and/or alcohol testing will, for the purpose of Federal Aviation Regulations relating to duty time and minimum rest, be deemed to be on duty until the testing collection process is completed; provided, however, that a Pilot who has reached contractual or FAR duty time limitations, shall not for that reason be excused from completing the testing process.
- c. Following positive verification of identification using photographic identification, or identification by a Company representative, Pilots selected for random drug and/or alcohol testing will be given notice prior to conducting the test. The Pilot will be advised that refusal or failure to immediately report and to provide the required urine and/or breath specimen will result in termination of the Pilot's employment.

2. Post Accident Testing

- a. Post accident drug and/or alcohol testing of Pilots will be required when the Director of Safety and Security, Director of Flight Operations or the Chief Operating Officer determines that an event has occurred which constitutes an aircraft "accident" as defined in applicable federal regulations and the Pilot's performance contributed to the accident and/or his performance can not be completely discounted as a contributing factor to the "accident".
- b. Pilots who are required to submit to post accident testing will do so as soon as possible after the accident. If unusual circumstances result in a delay of the testing, the Pilot(s) must remain readily available for alcohol testing for up to eight hours (8:00) after the accident or otherwise may be

deemed by the Company as having indicated a Refusal to Submit to alcohol testing. Pilots must remain readily available for drug testing for up to thirty-two hours (32:00) after the accident or otherwise may be deemed by the Company as having indicated a Refusal to Submit to drug testing. The crew will be provided with a hotel room if alcohol or drug testing cannot be conducted within two hours (2:00) after the accident.

- c. If the Pilot has incurred significant physical injury in the accident, medical treatment will take priority over drug and/or alcohol testing. Drug and/or alcohol testing shall be accomplished as soon as possible after necessary medical aid has been rendered.

3. Reasonable Cause Drug Testing

Reasonable cause must be established by direct observation of two (2) Company employees, one of whom must be trained in detecting the indications of drug use. When reasonable cause exists, based on observable and objective criteria, to believe that a Pilot is using drugs prohibited by applicable federal regulations, the Director of Safety & Security, the Director of Flight Operations or the Chief Operating Officer may require that the Pilot submit to drug testing. In all cases two (2) Company supervisors must concur in the testing decision. Once the determination is made, the testing will be done promptly. Reports and observations must be documented.

4. Reasonable Cause Alcohol Testing

When reasonable suspicion exists that a Pilot is using alcohol in a way prohibited by federal regulations, the Pilot shall be tested in accordance with Federal Aviation Administration (FAA) regulations. Reasonable suspicion will be based on a reasonable and articulable belief that the Pilot is using alcohol on the basis of specific contemporaneous physical, behavioral, speech, body odors, appearance or performance indicators of alcohol use. The Director of Safety & Security, the Director of Flight Operations or the Chief Operating Officer may require that the Pilot submit to Breath Alcohol Testing (B.A.T). The decision to alcohol test a Pilot will be based on indicators obtained or observations made during, just preceding or just after the period of the work day that the employee is performing, ready to perform or available to perform safety-sensitive functions. The test shall be administered within two hours (2:00) following the determination to conduct such a test. In

no case shall the test be conducted after eight hours (8:00) in accordance with the provisions of Part 121, Appendix j.

5. Transportation To/From Collection Site

The Company will be responsible for providing transportation to and from the collection site for reasonable suspicion or post accident testing.

B. Alcohol/Drug Testing Procedures

1. Consequences of a Decision to Test

In all incidents of reasonable suspicion and/or post-accident testing the Pilot to be tested:

- a. Will immediately be removed from their safety-sensitive function;
- b. Must be escorted by a Company employee or Company designee;

2. Specimen Collection

- a. The Company may elect to have collections services performed by a third party agency.
- b. Collection and shipment of urine specimens for drug testing shall be in accordance with applicable federal regulations.
- c. Urine specimens shall be split.
- d. If testing of the first half of the specimen yields a confirmed negative result, the Company shall require that the second half of the specimen be destroyed.

3. Drug Testing Laboratories

Drug testing will be performed only at laboratories certified by the National Institute of Drug Abuse (NIDA) or the appropriate successor entity, if any.

4. Medical Review Officers

- a. The Company shall designate the Medical Review Officer (MRO). The MRO will be a licensed medical doctor who has knowledge of substance abuse.
- b. The MRO shall perform his responsibilities in accordance with applicable federal regulations.

5. Retesting

A Pilot may submit a written request to the MRO for the testing of the split sample of any urine specimen producing a Verified Positive Drug Test, or an adulterated or substitute result not later than seventy-two hours (72:00) after having been given notice of that right by the MRO.

- a. A Pilot may make one (1) written request that a sample of the specimen (as split) be provided to another DHHS-certified laboratory for testing. The split sample cannot be retested at the original laboratory.
- b. The Laboratories shall follow Chain of Custody Procedures.
- c. The Pilot shall pay the cost of the additional test and all handling and shipping costs associated with the transfer of the specimen to the laboratory.
- d. The Pilot's removal from a safety-sensitive function shall not be stayed pending the re-test results.
- e. To the extent that is practically feasible and does not conflict with applicable federal regulations, a Pilot who has been notified of a confirmed verified positive result may elect to have the specimen(s) DNA tested at the Pilot's expense. DNA testing will only be done at accredited forensic laboratories, which have been certified through the American Association of Blood Banks, the American Society of Crime Laboratory Directors or a laboratory that follows the technical working group for DNA analysis methods. All specimen transfer shall be done in accordance with applicable federal regulations.
- f. Should the test of either the split portion of the initial specimen be negative, then the test shall be considered to

be negative. Similarly, should the DNA testing, if any, establish conclusively that either specimen is not that of the Pilot, the test shall be deemed to be negative.

6. Positive Drug Tests

- a. After receiving a confirmed positive, but before verifying that result, the MRO will make all reasonable attempts to contact the Pilot (including, if necessary requesting that the Director of Safety & Security or his designee direct the Pilot to contact the MRO) to discuss the test result. The MRO and the Company shall comply with the requirements of 49 CFR Section 40.131 in an effort to make contact with the Pilot.
- b. Following the discussion with the Pilot and any other appropriate inquiry, including inquiry into any claim by the Pilot of inadvertent and unknowing ingestion, the MRO will determine whether to verify the test result.
- c. In the event that the MRO verifies the confirmed positive result, he shall, in addition to any other duties, refer the matter to USA 3000 Airline's Director of Safety & Security or his designee who shall notify the Director of Flight Operations and the Chief Operating Officer.

C. Alcohol Testing

Testing for alcohol shall be conducted in accordance with applicable federal regulations by appropriately certified personnel. The Company shall not be obligated to preserve breath specimens for retesting.

D. Consequences of a Verified Confirmed Positive Drug Test

A Pilot who has a verified positive on a FAA-mandated drug test will be removed from his safety sensitive function and immediately terminated from employment.

E. Consequences of A Positive Alcohol Test

1. When a Pilot's breath alcohol test indicates an alcohol concentration between 0.02 and 0.039, he shall be retested no sooner than fifteen (15) minutes from the administration of the initial test. If the second test also indicates an alcohol concentration between 0.02 and 0.039, the Pilot shall not be permitted to resume flight duties until either eight hours (8:00) have elapsed since the

original test, or his breath alcohol test indicates an alcohol concentration of less than 0.02.

2. If the second test indicates an alcohol concentration below 0.02, the test shall be considered negative, and the Pilot shall be permitted to resume flight duties.
3. A Pilot whose breath alcohol test indicates an alcohol concentration between 0.02 and 0.039 twice within eighteen (18) months shall thereafter be subject to no notice alcohol testing for a period of twelve (12) months from the time of the second such test.
4. If a Pilot's breath alcohol test indicates an alcohol concentration of 0.04 or greater, the Pilot will be removed from his safety sensitive function and immediately terminated from employment.

F. No Notice Testing

1. No notice is drug and/or alcohol testing administered by the Company in aid of rehabilitation as described elsewhere in this Section. Pilots will be subject to no notice testing under each of the following circumstances.
 - a. The Pilot has submitted to a rehabilitation program requiring no notice testing.
 - b. A System Board of Adjustment has directed no notice testing.
 - c. The Pilot has had two (2) breath alcohol tests indicating an alcohol concentration between 0.02 and 0.039 within eighteen (18) months.
2. During the period a Pilot is subject to no notice testing, the Company may require no notice drug and/or alcohol testing as frequently as it deems necessary or advisable.
3. No notice testing may be conducted just before, during, or just after any duty assignment.
4. If a Pilot's breath alcohol test indicates an alcohol concentration of 0.04 or greater, the Pilot will be removed from his safety sensitive function and immediately terminated from employment.

G. Voluntary Rehabilitation

A Pilot who has not had a verified confirmed positive drug test result or a breath alcohol test indicating an alcohol concentration of 0.04 or greater, may enter voluntarily into any FAA approved drug and/or alcohol rehabilitation program, including any such program recommended by USA 3000's EAP. A Pilot who has voluntarily entered into a rehabilitation program pursuant to this Part shall be entitled to use any accumulated PTO and vacation to the extent needed to complete the rehabilitation program. Upon completion of the formal rehabilitation program and appropriate certification by the FAA, the Pilot shall assume the bid position to which he is otherwise entitled by the terms of this Agreement. If additional time off from work is required to complete a rehabilitation program, the Pilot may request a leave of absence in accordance with Section 13 (Leaves of Absence).

H. Refusal or Failure to Cooperate

A Pilot who refuses or fails to cooperate in any drug or alcohol test as mandated by applicable federal regulations or by this Agreement, or in any rehabilitation related testing by refusing to provide a breath or urine specimen will be withheld from service without pay pending investigation. If the investigation fails to find a valid medical reason for the Pilot's failure to cooperate, he shall be terminated.

I. General

1. Consistent with applicable federal regulations and Paragraph A.1.c. above, a Pilot will be permitted to notify the Union regarding any matter concerning this Section as soon as possible.
2. A Pilot who is subjected to random drug and/or alcohol testing shall receive an additional two hours (2:00) of pay for each such occasion. (Note: alcohol and drug testing are sometimes conducted together. A Pilot who is required to provide both a breath and a urine specimen on the same occasion shall receive only one payment of two hours (2:00) for such an occurrence, not two).
3. Except for no notice testing, drug testing shall be limited to those drugs (and their metabolites) listed in applicable federal regulations.
4. In the event that the Pilot requests, or applicable federal regulations require, that a blood test be accomplished, the drawing of the blood shall only be done by a trained, qualified, medical professional, and only in a clinical setting.

5. Nothing in this Section shall be construed to require the Company to utilize or compensate a Pilot who is not fully licensed and certified to perform flying for the Company.
6. It is the parties intent that this Section be and remain in full compliance with all applicable federal laws and regulations. In the event that any portion of this Section is found not to be in compliance with such laws and regulations, or if later amendments to existing laws and regulations or new laws and regulations are adopted which are not consistent with the provisions of this Section, the parties will meet and confer regarding changes necessary to bring the Section into compliance.
7. The Company shall remain free to promulgate, amend and apply the provisions of its Anti-Drug Program Manual to the extent that it is not in conflict with a specific provision of this Section.

SECTION 15: PHYSICAL STANDARDS

A. Medical Standards

The medical standards required of a Pilot shall be those established by the FAA, including its waiver policy. Each Pilot must maintain a first class FAA Medical Certificate, but First Officers may obtain such Medical Certificates every twelve (12) months.

1. If a Pilot fails a medical examination, he must notify the Company's Chief Pilot within twenty-four (24) hours. A Pilot who fails to qualify for a first class medical certificate, but who is able to qualify for a second-class medical certificate, may continue to fly for the Company as a First Officer at a First Officer's pay rate, provided that such practice is permitted by the FARs, there is a First Officer position available, that no bumping occurs, and the duration of this downgrade shall not exceed six (6) months.
2. A Pilot who fails an FAA medical examination may be required to take a physical from an FAA medical examiner designated by the Company.
3. A Pilot who is unable to hold a first or second class medical may request a leave of absence in accordance with Section 13 (Leaves of Absence).

B. Medical Examinations

1. If the Company has reasonable cause to question a Pilot's ability to perform his duties safely, or the Pilot reports that he is unable to undertake his duties, the Company may require a Pilot to submit to an examination or medical test. When an additional medical examination is required, the Pilot will be notified in writing of the reason. The examination may be by a Company-designated physician, and the Pilot will be furnished with a copy of the physician's report. The cost of such a Company-required examination or test shall be paid by the Company.
2. Such a Pilot will be removed from flight status with pay and benefits until the completion of the medical review process as set forth in Section C. below. However, a Pilot who fails to attend the scheduled examination will be removed from pay status unless the Company has agreed in advance to a later date.

3. Should the Company's doctor(s) determine that the Pilot is unable to perform the duties required of him, the Pilot shall thereafter be entitled to use accrued vacation/sick leave. Should the Pilot thereafter dispute the findings of the Company doctor(s) he may request a final resolution under the medical review process defined below.

C. Medical Review Process

1. Any Pilot who disagrees with the results of a Company medical evaluation may, at his option, have a review of his case in the following manner.
 - a. He may within seven (7) days of receipt of the medical evaluation employ a second qualified medical examiner of his own choosing, and at his own expense, for the purpose of conducting a medical examination for the same purpose as the original medical examination.
 - b. A copy of the findings of the medical examiner chosen by the employee shall be furnished to the Chief Pilot and Chief Operating Officer within seven (7) days. In the event that such findings verify the findings of the medical examiner employed by the Company, no further medical review of the case shall be afforded.
 - c. In the event that the findings of the second medical examiner chosen by the employee disagree with the findings of the medical examiner employed by the Company, the Company will, at the written request of the employee (within seven (7) days of such disagreement) ask that the two (2) medical examiners agree upon and appoint a third, qualified and disinterested medical examiner, preferably a specialist, for the purpose of making a further medical examination of the employee.
 - d. The neutral medical examiner shall then, as soon as practical, make a further examination of the Pilot in question and the case shall be settled on the basis of his findings. Copies of such medical examiner's report shall be furnished to the Company and to the Pilot as soon as practical.
 - e. The expense of employing the neutral medical examiner and the reasonable travel and lodging expenses directly related to such an examination shall be borne equally by the Pilot and the Company.

SECTION 16: INSURANCE AND OTHER BENEFITS

A. Life and Accidental Death and Dismemberment Insurance

1. The Company shall provide each Pilot with a life insurance policy, effective on the Pilot's date of hire. For Pilots on active payroll status, the Company shall pay one hundred percent (100%) of the premium for this coverage. Coverage will be in the amount of two (2) times the basic annual earnings, rounded to the next higher \$1,000 to a maximum of \$100,000.

2. Accidental Death and Dismemberment:

The Company shall provide each Pilot with an accidental death and dismemberment (AD&D) policy effective on the Pilot's date of hire. For Pilots on active payroll status, the Company shall pay one hundred percent (100%) of the premium for this coverage. Coverage will be in the amount of two (2) times the basic annual earnings, rounded to the next higher \$1,000 to a maximum of \$100,000.

3. The Company shall make available to Pilots the following supplemental insurance coverage options that may be purchased at the Pilot's own expense:

- a. Employee supplemental term life
- b. Spouse term life
- c. Dependent child(ren) term life
- d. Employee supplemental AD&D

4. Maximum Life and AD&D Benefit

The maximum Company paid benefit payable in the event of an accidental death is \$100,000 in life insurance and \$100,000 in AD&D, for a total of \$200,000.

B. Health Insurance

1. Group Medical and Prescription Drug Plan

The Company will provide group medical insurance and a prescription drug plan for each Pilot covered by this Agreement.

The group medical and prescription drug program will be consistent with coverage offered to other USA 3000 employee groups and shall be no less favorable, in total, than the coverage in effect as of the date of this Agreement. Such group medical and prescription drug program may be provided under two (2) or more different plans, so as to provide necessary geographic availability and a range of additional coverage options. At least one (1) such plan shall be an HMO or similar managed care plan and shall be designated as the "Basic Plan". These plans shall provide coverage for the Pilot and, at the Pilot's option, the Pilot's spouse and/or dependent children under a certain age as defined in these plans.

For Pilots on active payroll status with less than two (2) years of service, the Company shall pay eighty percent (80%) of the premium cost for the Pilot for the Basic Plan, provided the Pilot has met the minimum eligibility requirements for enrollment as defined by the plan document.

For Pilots on active payroll status with over two (2) years of service, the Company shall pay one hundred percent (100%) of the premium cost for the Pilot, per pay period for the Basic Plan.

For Pilots on approved FMLA leave, the Company will continue to pay the same percentage of the applicable premium, as if the Pilot were on active payroll status provided that timely payments of the employee's portion of any monthly premium is paid (e.g., dependent coverage).

The Pilot may elect to enroll in a plan other than the Basic Plan at the expense of the Pilot. Premium costs associated with the election of group medical insurance coverage over and above the Basic Plan will be deducted from a Pilot's pay as an automatic pre-tax payroll deduction. Similarly, the twenty percent (20%) premium cost for Pilots with less than twenty-four (24) months of service, and elected dependent coverage will be deducted from a Pilot's pay as an automatic pre-tax payroll deduction.

The group medical and prescription drug program basic plan will include:

- a. Vision care coverage
- b. Prescription coverage
- c. Child wellness care

- d. One annual routine OB/GYN visit per calendar year
 - e. Routine mammogram screenings; eligibility to be determined by the Plan Administrator
 - f. Routine PSA examinations; eligibility to be determined by the Plan Administrator.
2. Long Term Disability/Loss of License/Medical Certificate

- a. The Company will provide to Pilots covered by this Agreement, while on active payroll status, Company paid long term disability (LTD) insurance consistent with the coverage offered to other USA 3000 employee groups, and shall be no less favorable, in total, than the coverage in effect on the date of this Agreement. The LTD benefit will provide no less than sixty percent (60%) income reimbursement in accordance with the plan provisions. A disabled Pilot who has qualified for benefits under the LTD policy will continue to receive benefits under the terms of the policy, after the termination of active payroll status.
- b. The Company will cooperate with the Union in making available to Pilots, at the Pilot's expense, supplemental loss of license coverage.

3. Short Term Disability

The Company will make available to a Pilot, at the Pilot's cost, short term disability (STD) insurance consistent with the coverage offered to other USA 3000 employee groups, and shall be no less favorable, in total, than the coverage in effect on the date of this Agreement. For Pilots on active payroll status, premium costs associated with the election of STD coverage will be deducted from a Pilot's pay, as an automatic post-tax deduction. A Pilot who elects to continue STD coverage while on an approved LOA shall be responsible for paying the Company the cost of the STD insurance. The STD coverage will be cancelled if the Pilot fails to make timely payments for this insurance.

4. Dental Benefits

The Company will provide to Pilots covered by this Agreement the opportunity to be covered by the Group Dental Program. For Pilots on active payroll status or on an approved FMLA, the Company will

pay fifty percent (50%) of the cost for basic Group Dental Program for Pilots and their eligible dependents provided that timely payments of the employee's portion of any monthly premium is paid (e.g., dependent coverage). The Group Dental Program for Pilots and eligible dependents will be the same program offered to other USA 3000 employee groups and shall be no less favorable, in total, than the coverage in effect as of the date of this Agreement.

5. Enrollment In, Changes In and Termination of Coverage of Group Medical Plan and Prescription Drug Program and/or Group Dental Program.
 - a. A Pilot who desires to be covered under the Group Medical Plan and/or Group Dental Program must enroll in coverage within thirty (30) days of the date that the Pilot first becomes eligible for coverage. A Pilot who declines to enroll in the Group Medical Plan and/or Group Dental Program at the time of initial eligibility may enroll himself, his spouse or his eligible dependents during the annual open enrollment period, or if the Pilot experiences a change in family status as set forth in the Plan.
 - b. In the event of a family status change, the Pilot may change his coverage levels within thirty (30) days of the date of the change in family status.
 - c. Pilot coverage under the Group Medical Plan and Prescription Drug Program and/or the Traditional Dental Plan shall terminate at the end of the month in which one of the following events occurs:
 - (i). The Pilot is no longer eligible; or
 - (ii). The required premium contributions are not made; or
 - (iii). The Group Medical Plan and Prescription Drug Program and/or the Group Dental Program terminate.
 - d. Spouse and/or dependent coverage under the Group Medical Plan and Prescription Drug Program and/or the Group Dental Program shall terminate when the Pilot's coverage terminates, when any required premium contribution for the family member is not made, or when the family member is no longer eligible.

- e. Coverage for a dependent student over age twenty-three (23) will terminate at the end of the month following the individual's 23rd birthday.
- f. In the event the Pilot, due to federal guidelines regarding mandatory retirement for Pilots, is required to retire by the Airline before becoming eligible for Medicare, the Pilot may use accumulated Paid Time Off time as described in Section 8 (Paid Time Off) herein to continue the Pilot's benefits until the earlier of (a) the Pilot's accumulated Paid Time Off has been used in full or (b) Medicare is available to the Pilot.

6. Master Insurance Contracts

The Company will provide the Executive Council Chairman and the Union with copies of master insurance contracts for each policy required under the terms of this Agreement and a Summary Plan Description of all pension plans.

C. Retirement Savings Plan (401(k) Plan)

Pilots will continue to be eligible to participate in the Company-sponsored 401(k) retirement savings plan on the same terms as other Company employees. Those terms shall be no less favorable, in total, than the coverage in effect as of the date of this Agreement. As the plan is presently constituted, the Company will match one hundred percent (100%) of the first two percent (2%) contributed by the Pilot. The Company's match will be subject to a five (5) year vesting schedule. The Pilot will vest twenty percent (20%) for each year of service completed by the Pilot. The Company's matching contribution will be made by the end of the first quarter of the following calendar year in which the Pilots has contributed into the 401(k) Plan. In order to receive the Company's matching contribution, a Pilot must be employed on December 31st. The Company will provide the Executive Council Chairman and the Union with copies of master retirement savings plan Summary Plan Description (SPD).

D. Travel Benefits

- 1. Flight Deck Travel on USA 3000 Airlines
 - a. Pilots operating a Company aircraft shall be in Company uniform.

- b. Non-operating personnel occupying a flight deck jump seat shall be in Company uniform or at least business casual attire with Company identification displayed.
 - c. Personnel who ride on USA 3000 Airlines flight deck must meet all regulatory requirements imposed by the FAA and/or TSA.
2. Discounted Positive Space Travel on USA 3000 Airlines
- a. Eligibility
 - (i). All eligible USA 3000 Airline Pilots (eligible Pilots for the purposes of positive space travel is defined as Pilots on active payroll status, or on an approved LOA not to exceed six (6) months unless otherwise specified in the terms of the LOA being offered) and their eligible dependents (eligible dependents for the purposes of positive space travel is defined as spouse or companion, unmarried children under the age of twenty-one (21) and parents) will receive discounted positive space travel in accordance with the USA 3000 Airlines' Employee Travel policy as it may exist from time to time, on the same terms of all other employees of the Company.
 - (ii). Pilots and their eligible dependents must be able to produce proper photo identification upon check-in for their flight.
 - b. Payment

Payment should be by credit card, and must be made at the time of booking.
3. Non-Revenue Travel
- a. Eligibility

USA 3000 Airlines' staff and staff of airlines with which the Company has an interline agreement may stand by to utilize unoccupied passenger seats on USA 3000 aircraft at departure time in the following priority order:

 - (i). Eligible employees (eligible employees for the purpose of non-revenue, stand-by travel, is defined as

employees on active payroll status, with an active employee identification badge) and traveling companions (including eligible dependents), traveling with the employee, in the employee's Company seniority order.

- (ii). Employees of other carriers with whom USA 3000 Airlines has Interline Travel Agreements in order of the check-in time at the ticket counter.
- (iii). Crewmembers of other Part 121/135 carriers, or other carriers with whom USA 3000 Airlines has Jumpseat Agreements in order of the check-in time at the gate.

4. Revocation of Benefits

A Pilot or any other person traveling on a USA 3000 Airlines travel pass who abuses the travel privilege in any way will be subject to the loss of employee travel privileges.

5. International Travel

- a. For international travel, Pilots and eligible dependents must carry a valid passport and required visa for all countries listed as a final destination, and/or intermediate stop on any selected flight.
- b. In the event deplanement occurs at a stop, the Pilot and his dependents shall be responsible for all expenses related to deplanement at any en route station.
- c. Employees shall be held personally liable for himself and his dependents for any fine or violation levied upon USA 3000 Airlines by any government agency for failure to comply with passport and/or visas, customs or TSA regulation violation.

6. Miscellaneous

- a. If the Company is required by law or regulation to impute taxable income for any travel privileges provided by such policy, it shall set up appropriate administrative procedures to arrange for such payment (e.g., payment at an approved withholding rate for the value of the pass(es) or ticket(s) at time of issue).

- b. The Pilots shall assume full responsibility for unused pass(es) or ticket(s).
- c. The Company will furnish the Union a copy of the Employee Travel Policy, as well as any amendments that are in place from time to time.

7. Interline and Jumpseat Policies

The Company will endeavor to negotiate favorable interline and jump seat agreements with other air carriers. Employees should refer to the individual interline agreements for specific requirements of the Carrier. An employee will generally be able to pick up passes at the host carrier's ticket counter with their approved pass request and USA 3000 Airlines ID card.

SECTION 17: TRANSFER TO A MANAGEMENT OR OTHER NON-FLYING POSITIONS

A. Management Pilots

1. A Management Pilot is any officer, director, manager or supervisory employee of the Company who, after qualifying to be a Pilot at the Company, then serves in Flight Operations, Safety or Training related positions or in a position with direct authority over these positions without having left the service of the Company or having served in any other capacity. Nothing is to preclude the Company and the Union from mutually agreeing to expand the definition of "Management Pilots," which agreement shall not be unreasonably withheld.
 - a. A Management Pilot shall retain and continue to accrue Seniority and Longevity.
 - b. A Management Pilot may return to line flying in the status he holds.
2. A Management Pilot returning to the line may participate in all vacancy bids and will be awarded a new status in accordance with the permanent bid file and his seniority, the same as a regular line Pilot.

B. Management Line Flying

1. A Management Pilot shall not be assigned to trips that are made available for Pilot bids as part of the normal bid routine more than thirty (30) days in a calendar quarter. However this limitation shall not apply if such flying is needed:
 - a. to meet regulatory requirements, such as Initial or Consolidation experience.
 - b. to perform checking, training, or supervisory duties.

C. Probationary Pilots Transferred to Management and Other Non-Flying Positions

After the effective date of this Agreement, any Pilot who becomes a Management Pilot or who transfers to another non-flying position prior to completion of his probationary period shall be required to complete his probationary period if he returns to line flying as a Pilot.

D. Discipline of Management Pilots

A Management Pilot, or other non-flying Pilot as defined in paragraph A. above, with retained seniority who is disciplined by the Company may not avail himself of the grievance and arbitration procedures contained in this Agreement.

SECTION 18: INSTRUCTORS AND CHECK AIRMEN

A. General

1. A Pilot whose responsibility is to train other Pilots is classified as an Instructor Pilot. A Pilot whose responsibility is to evaluate other Pilots is classified as a Check Airman.
2. Operating experience (OE) and line checks on Company aircraft in revenue service shall be conducted only by qualified line Pilots and those management Pilots on the seniority list designated by the Company as Check Airmen.
3. The Company may also assign Pilots on the seniority list as Instructor Pilots or Check Airmen for the purpose of conducting ground training, flight training, simulator training and proficiency checking, including LOFT.
4. Line Pilots on the seniority list who are classified as Instructor Pilots or Check Airmen are not management Pilots.

B. Selection of Instructor Pilots and Check Airmen

1. The Company shall post all vacancies for Instructor Pilots and Check Airmen on the Company's Pilot website for at least ten (10) days. Pilots expressing interest in the vacancies shall notify the Company within the said ten (10) day period. The Company shall select Check Airmen and Instructor Pilots from the list of Pilots expressing interest in these positions based on the recommendations provided by the Standards Captain in consultation with the Check Airmen, the Chief Pilot, Manager of Training, Director of Flight Operations and Standards Captain, who will consult with the Check Airmen.
 - a. The Company shall select line Check Airmen from a list of current and qualified captains.
 - b. The Company may select Instructor Pilots from a list of eligible first officers and captains.
2. A Pilot who accepts Check Airman status, does so voluntarily. A Check Airman who wishes to relinquish his position shall give at least thirty (30) days notice of his desire to vacate the position. By mutual agreement between the Pilot and the Company, the

effective date of the return to line flying may be advanced or delayed.

C. Scheduling

1. The General Manager of Training will determine all training and checking requirements, including operating experience ("OE").
2. Line Check Airmen and line instructors may bid their schedule based on their seniority.
3. The Company may select Check Airmen and Instructor Pilots to perform ground and simulator training and checking events for an entire bid period by mutual agreement with the Pilot. The selection will be done on a rotating basis from amongst qualified Check Airmen and Instructor Pilots. All provisions of the Collective Bargaining Agreement, including days off, shall apply to any Check Airman and Instructor Pilot.
4. Check Airmen and instructors will not be scheduled to work on any day off, except with the prior permission of the Pilot. A Check Airman or Instructor Pilot who volunteers to work on a scheduled day off will be paid at the applicable rates set forth in Section 3 (Compensation and Pay Credits).
5. Without the consent of the Check Airman/Instructor Pilot, the Company may not schedule him for more than a full day of work. A full day of work is defined as any of the following:
 - a. Five hours (5:00) of simulator training and associated pre-brief and de-brief; or
 - b. Line check including deadheading; or
 - c. Nine hours (9:00) of ground school instruction; or
 - d. Five hours (5:00) of oral prep or examination.
6. If a Check Airman/Instructor Pilot agrees to accept any training or checking events in addition to a scheduled full day of work, he will be compensated for such additional events in accordance with Section 3 (Compensation and Pay Credits).
7. Check Airmen and Instructor Pilots will be provided transportation between their base or home of record and the training city at the Pilots' discretion.

D. Compensation

Compensation will be in accordance with Section 3 (Compensation and Pay Credits).

E. General

1. Training or checking events will be scheduled on the following holidays with the Check Airman/instructor's agreement only:
 - a. New Years Day;
 - b. Thanksgiving Day; and
 - c. Christmas Day.
2. Travel to or from training will be scheduled to be completed by 1700 on Thanksgiving Eve, Christmas Eve or New Year's Eve. Additionally, travel to or from training will not be scheduled to commence prior to 0700 on the day after Thanksgiving, the day after Christmas or the day after New Year's Day, except with the agreement of the Pilot.
3. Except as set forth in this Section, the rights afforded by this Agreement apply to Check Airmen and Instructor Pilots.
4. Check Airmen will administer all annual and unannounced line checks from the jumpseat.

SECTION 19: BASES

A. Establishment of Bases

The Company may establish bases in accordance with the needs of the service of the Company and the criteria specified below:

1. Permanent Base

Once established, a base must remain open for at least one year.

2. Seasonal Base

Once established, a seasonal base must remain open for at least one hundred twenty-one (121) days but may not remain open for more than one (1) year.

3. Temporary Base

A temporary base may be established for less than one hundred twenty-one (121) days. Any Pilot assigned or awarded to a temporary base shall be considered a "specially assigned" Pilot as set forth in Section 7 (Filling of Vacancies). The specially assigned Pilot shall retain his permanent base for filling of vacancies and displacement rights.

4. International Base

An international base is any permanent base as set forth in A.1. above that the Company establishes outside the contiguous United States and the District of Columbia. The Railway Labor Act and all provisions of this Agreement shall apply to all international bases. All Pilots permanently staffed at international bases will receive moving expenses and benefits as set forth in Section 4 (Expenses).

B. Staffing

1. The Company will determine the number of crews required at each of its bases dependent on the number of aircraft and the anticipated flying hours that may be required by the operational flying program.

2. If the Company opens a new base or desires to increase staffing at an existing base, it will award such positions in seniority order in accordance with Section 7 (Filling of Vacancies).

3. If the Company desires to decrease staffing, it will displace Pilots in accordance with Section 7 (Filling of Vacancies) and Section 12 (Furlough and Recall).
4. Any Pilot assigned or awarded to a seasonal or temporary base shall retain his permanent base for filling of vacancies and displacement rights.
5. When a seasonal or temporary base is converted to a permanent base, it must be open for re-bid.
6. If the Company establishes an International Base, it will meet with the Union to discuss the necessity, if any, of a cost of living adjustment for Pilots assigned to an International Base. If a cost of living adjustment is not agreed between the Union and the Company, the issue will be submitted to expedited arbitration in conformity with paragraph I. in Section 20 (Resolution of Disputes).

C. Area Bases

1. A permanent base may encompass more than one airport in a city as set forth in the Official Airline Guide ("OAG") (i.e., New York = EWR/JFK/LGA; Chicago = ORD/MDW; Washington, DC = BWI/DCA/IAD). Where a city has more than one airport, it will be operated as a joint base.
2. Reserve Pilots based at permanent bases served by more than one airport will be considered to have met their reserve call-out obligation for that base if they reside within the call-out requirement for any airport within the base.
3. The Company will provide ground transportation associated with the Pilot's movements between airports within his own base city when the originating pairing ends at a different airport.
4. Pilots will receive thirty dollars (\$30.00) per month as an expense allowance for all toll fees associated with his movement between airports within his permanent base.
5. Parking expenses will be provided as set forth in Section 4 (Expenses D.4.) to all Pilots who park at any airport within a permanent base.

SECTION 20: RESOLUTION OF DISPUTES

A. Settlement of Disputes

All disputes of any kind between the Company and the Union or between the Company and any Pilot covered by this Agreement other than disputes which constitute "Major Disputes" within the meaning of the Railway Labor Act, shall be settled in accordance with this procedure.

B. Investigative Hearing – Discipline and Discharge

1. A Pilot shall not be disciplined or discharged without just cause and without previously being afforded a hearing before a manager in the Pilot's chain of command, provided that the Pilot has made himself available for the hearing. If the subject matter involves actual aircraft operations and the manager holding the hearing is not qualified on the aircraft type involved, another qualified management Pilot will attend the meeting.
 - a. The Pilot shall be notified of the time and place of the hearing and the nature of the matter discussed. The notice must specifically reference that discipline may be assessed and that the Pilot is entitled a Union Representative at the hearing as provided in paragraph b. below. Concurrently, the Union shall be notified.
 - b. The Pilot shall have the right to be accompanied to the hearing by an authorized employee of the Union, or the Pilot employee of his choice, provided such choice is reasonably available. In no case will the hearing be held without Union representation if such representation is requested and is available within a reasonable time.
2. When a Pilot is disciplined or discharged, the Company shall furnish him with a written statement of the charge(s) against him, with a copy to the Union. The statement shall be sufficiently specific to provide reasonable notice of the substance of the allegations.
3. Nothing herein shall prevent the Company from holding a Pilot out of service with pay. Pilots shall be retained on the payroll until a hearing has been held and the Pilot is in receipt of a written decision by the Company or forty-eight (48) hours after receipt of the written decision by the Union.

C. The Grievance Process

1. Discipline and Discharge

- a. A grievance challenging an action of discipline or discharge shall be in writing, signed by the affected Pilot or the Union representative, and must be submitted to the Director of Flight Operations within fifteen (15) calendar days after the Pilot is notified of the Company's decision under Section B.2., above.
- b. An investigation and hearing will be held by the Director of Flight Operations or his designee within the Pilot's chain of command, within thirty (30) calendar days after receipt of the Pilot's written appeal. If the subject matter involves actual aircraft operations and the manager holding the hearing is not qualified on the aircraft type involved, another qualified management Pilot will attend the meeting.
- c. Within fifteen (15) calendar days after the close of such investigation and hearing, a written decision will be issued and sent by certified mail to the grievant. A copy will also be provided to the Union.
- d. Further appeal of the matter may be filed by the Union to USA 3000 Airlines System Board of Adjustment by submission to the Board within thirty (30) calendar days after the Union's receipt of the Company's decision.

2. Non-Disciplinary Grievances

- a. A Pilot is encouraged to resolve any matter or event adversely affecting him that he believes is in violation of the Agreement through an informal discussion, in person or otherwise, with the Chief Pilot or member of his staff. A Pilot, or the Union (on behalf of a Pilot or group of Pilots), may file a grievance within the jurisdiction of this Section (Section D.3. below).
- b. Grievances concerning matters other than discipline or discharge shall be in writing. It shall be signed by the affected Pilot or a Union official and shall state in reasonable detail the facts upon which the claim is based and the relief sought. Unless otherwise provided for in this Agreement, the grievance must be submitted to the Director of Flight Operations or his designee within the Pilot's chain of

command within (30) calendar days from the time the Pilot knew, or reasonably should have known, of the event(s) giving rise to the grievance, whichever is earlier. If the subject matter involves actual aircraft operations and the manager holding the hearing is not qualified on the aircraft type involved, another qualified management Pilot will attend the meeting. No grievance not involving discipline or discharge may be filed by a Pilot directly with the Director of Flight Operations unless it has first been submitted to the Union.

- c. An investigation and hearing shall be held by the Director of Flight Operations, or his designee within the Pilot's chain of command, within thirty (30) calendar days after receipt of the Pilot's written grievance. If the subject matter involves actual aircraft operations and the manager holding the hearing is not qualified on the aircraft type involved, another qualified management Pilot will attend the meeting. Within fifteen (15) calendar days after the close of such investigation and hearing, the Company shall announce a decision, in writing, by certified mail, return receipt requested; express delivery with proof of receipt; by hand delivery; by telecopy; or by electronic mail to the grievant. A copy will also be provided to the Union.
- d. If the decision by the Company is adverse to the Pilot or Union, the Union may appeal the decision to USA 3000 Airlines Pilot's System Board of Adjustment by proper submission to the Board within thirty (30) days after the Union's receipt of the decision.

D. System Board of Adjustment

1. Establishment

In compliance with Section 204, Title II of the Railway Labor Act, as amended, there is hereby established a System Board of Adjustment for the purpose of adjusting and deciding disputes which may arise under the terms of the Agreement and which are properly submitted to it, which Board shall be known as the "USA 3000 Airlines Pilots' System Board of Adjustment", hereinafter referred to as the "Board." The Company shall administer the Board with regard to ministerial matters.

2. Membership

- a. The Board shall be comprised of three (3) members, one (1) selected by the Union, one (1) selected by the Company, and one (1) neutral member.
- b. The third member neutral shall be selected by mutual agreement of the parties. The Company and the Union, on alternating basis, shall proffer a list of five (5) arbitrators within thirty (30) days of the System Board filing. Such arbitrators shall have aviation experience. The party to whom the list is proffered shall select an arbitrator within thirty (30) calendar days of receipt of the arbitrator proffer list. If a party fails to select an arbitrator from the proffered list, or the parties are otherwise unable to agree on the selection of an arbitrator, either party may request the National Mediation Board to provide the parties with a panel of seven (7) neutrals with aviation experience. The parties shall, by the alternate strike method, select an arbitrator from the panel within fifteen (15) calendar days of receipt of the panel. The party who proffered the original list of arbitrators or whose turn it was to do so shall have the first strike from the National Mediation Board panel.
- c. The System Board hearing shall convene within sixty (60) calendar days following the selection of the arbitrator if the arbitrator proffers available dates within the time period prescribed. If the arbitrator is not available within sixty (60) calendar days, the hearing shall convene as soon as possible thereafter. In the event that the arbitrator is not available within six (6) months of selection, the parties will select another arbitrator in conformity with 2.b., above.

3. Jurisdiction

The Board shall have jurisdiction over disputes between any employee covered by this Agreement, or the Union and the Company, growing out of grievances or out of the interpretation or application of this Agreement, or any other matter constituting a "minor dispute" under the Railway Labor Act; provided, however, that the jurisdiction of the Board shall not extend to changes in hours of employment, rates of compensation or working conditions covered by existing agreements between the parties herein. The Board shall consider any dispute properly submitted to it by the Union when such dispute has been previously submitted to, but not

settled, in accordance with the grievance procedure provided for in this Agreement.

4. Submission of Dispute

- a. All submission of disputes properly referred to the Board for consideration shall be addressed to the Board with one (1) copy each to the Company and the Union, and one (1) copy for each member. One (1) copy of the submission shall be submitted to the neutral third member. The submission shall include a copy of the underlying grievance and the Company response thereto and shall set forth:
 - (i). question or questions at issue;
 - (ii). statement of facts;
 - (iii). position of the Union;
 - (iv). the understood position of the Company; and
 - (v). the relief sought
- b. Nothing in this provision shall limit the right of the responding party to make any pre-hearing submission it wishes.

5. Documents, Witnesses, Evidence and Representation

- a. The Union will designate its representative and the Company will designate its representative. Evidence may be presented either orally, in writing, or both; provided, however, that either party remains free to argue that a particular piece of proffered evidence should be excluded entirely or given less weight.
- b. The System Board shall, when requested by the Company representative, by the Union representative, or by an individual member of the System Board, summon any witnesses who are employed by the Company and who may be deemed necessary by either party to the dispute or by a System Board member.
- c. Upon request, the Union will be provided all documents and reports in the Company's possession on which the action taken is based.

- d. The number of witnesses summoned at any time shall not be greater than the number which can be spared from the Company's operation without interference with the services of the Company.

6. Decisions Final

A majority vote of all members of the Board shall be competent to make a decision. Decisions of the Board in all cases properly referred to it shall be final and binding upon the parties. Board findings and decisions shall be in writing and shall be rendered within forty-five (45) days from the close of the hearing, or as soon as practical thereafter.

7. Location of Board Hearings

The Board shall meet at a mutually agreeable location.

8. Rights and Privileges of Parties

Nothing herein shall be construed to limit, restrict or abridge the rights and privileges accorded to either the Pilot employees, the Union or the Company, or their accredited representatives, under provisions of the Railway Labor Act, as amended, or other applicable laws.

9. Expenses – Board Members/Witnesses

- a. The expenses of the Board and the expenses and reasonable compensation of the neutral member will be borne equally by the parties. Each of the parties will assume the compensation, travel expenses of their witnesses and representatives.
- b. The grievant (whether an employee of the Company or not), employee witnesses, and representatives who are employees of the Company shall receive free transportation on the lines of the Company, or its affiliates and/or subsidiaries, from their point of duty or assignment to the point at which they must appear as witness or representatives, and return, so far as space is available, to the extent permitted by travel agreements and law.
- c. Employee Board member shall, when attending meetings or hearings of the Board receive Company business positive space passes for Company transportation on its affiliates

and/or subsidiaries, to the extent permitted by travel agreements and law.

- d. Should a hearing be postponed or canceled without mutual consent of the Company and the Union, the party requesting such postponement or cancellation shall bear any and all expenses incurred by the neutral member.

10. Stenographic Report

When it is mutually agreed that a stenographic report is to be taken of any hearing, the cost will be borne equally by both parties to the dispute. In the event it is not mutually agreed that a stenographic report of proceeding will be taken, any transcripts made by either party shall be furnished to the other party upon request, provided that the stenographic costs shall be borne equally by both parties. No stenographic report or other recordings are permitted at other hearings.

E. Resolution of Disputes –General

1. The Pilot shall be entitled to have a Union representative present at any step of the grievance procedure and at any other such time a Pilot is requested to meet with a member of management where there exists the potential that such meeting may result in disciplinary action being taken against the Pilot. Teleconferencing may be used in lieu of in-person investigations and hearings upon request by either party.
2. Any time limits prescribed in this Section may be waived by mutual consent of the Company, on the one hand, and the grievant or the Union on the other. If any hearing or decision required of the Company under the provisions of this Part is not provided within the time limits prescribed herein, or any extension mutually agreed upon, the Pilot may consider the grievance denied and it shall automatically be appealed to the next step in the grievance procedure as specified in this Section.
3. A Pilot shall be on probation for the first twelve (12) months of active service with the Company. Nothing in this Agreement shall be construed to extend the right to arbitrate a grievance concerning his discipline or discharge to a probationary Pilot, or to require that such discipline or discharge be based on just cause. However, a probationary Pilot shall have the right to submit any grievance.

4. If, as a result of any hearing or appeal therefrom as provided herein, the grievant is exonerated, he shall if he has been withheld from service, be reinstated without loss of seniority and shall be paid for such time lost in an amount which would have ordinarily been earned had such Pilot been continued in service, during such period. The personnel records shall also be cleared of any and all charges related to that matter. The Board shall have the authority to order a party to comply with any provision(s) of the Agreement as necessary to remedy or correct violations or to require specific performance of a provision of the Agreement.
5. It is agreed by the parties hereto that the periods of time for hearings, decisions, and appeals established in this Section shall be considered as maximum periods and that when hearings, decisions and appeals can be handled in a period of less than the maximum time stipulated, every effort will be made so as to expedite such cases.
6. Copies of all notices and decisions shall be mailed to the grievant and the Union. For the purposes of this Section, "notice" may be by certified mail, return receipt requested; express delivery, signature required; hand delivery and signed for, or electronic mail, receipt required; and, upon request, cases shall also be faxed.
7. Personnel File
 - a. Pilots shall be permitted to inspect their personnel file and make copies of any reports contained in such file by making an appointment with reasonable notice, during regular business hours.
 - b. The Company shall not place any negative report, or any other material of any unfavorable nature, in a Pilot's personnel file without providing a copy to the Pilot. A Pilot shall be allowed to place in his personnel file his own statement on the incident or report. The Company cannot use any disciplinary letters, reports or notices of any kind in support of disciplinary action if the Pilot had not been provided with written notice of the prior disciplinary action at the time discipline was assessed.
 - c. If an employee has not had a documented incident of discipline during a thirty-six (36) month period, previous matters of discipline and complaint letters will not be used in assessing future discipline or making performance evaluations.

- d. An employee who has not had a documented incident of discipline during a thirty-six (36) month period, may require to the extent permitted by law, that all previous letters of discipline be removed from his personnel file. If invoked, the Company will sign a Letter of Acknowledgement at the time of the expungement of the personnel file.
 - e. To the extent permitted by law, all discipline and complaint, or memoranda related thereto, shall be expunged from all Pilots' personnel files on the date of signing of this Agreement.
 - f. Nothing in this paragraph shall apply to training or proficiency matters.
- 8. Decisions rendered pursuant to this Section may not add to, subtract from, or alter in any way the Agreement, but may only interpret or apply it.
 - 9. Grievants may be represented at any hearings held pursuant to this Section by any Pilot employee or any other advocate authorized by the Union.
 - 10. It is understood and agreed by the parties that the procedure outlined in this Section shall be followed only in cases pertaining to and covering alleged grievances, disputes, claims and causes of action arising or accruing and filed subsequent to the effective date of this Agreement.

SECTION 21: DUES CHECKOFF AND UNION SECURITY

A. Dues Checkoff

1. During the life of this Agreement, the Company shall deduct on a monthly basis from the pay of each Pilot and remit to the Union, along with an accounting thereof, an amount equal to the Union's regular and usual monthly dues or service charges, and assessments, provided such Pilot voluntarily executes a Union Dues Checkoff form.
2. A properly executed checkoff form filed before the fifteenth (15th) day of any month will become effective the first (1st) day of the month following its receipt by Human Resources.
3. A Pilot who has executed a checkoff form, and who resigns, is otherwise terminated from the employ of the Company, is transferred or promoted outside of the bargaining unit, or enters a non-pay status, shall be deemed to have suspended his dues checkoff assignment and authorization. For a Pilot who is transferred or promoted outside of the bargaining unit or enters non-pay status, the suspension shall continue until the Pilot rejoins the bargaining unit or reenters pay status, respectively. For a Pilot who resigns or is otherwise terminated, and is subsequently re-employed, no deductions of Union dues will occur until such time as the Pilot executes a new checkoff form in compliance with this Section.

B. Agency Shop

1. Each Pilot covered by this Agreement who fails to voluntarily acquire or maintain membership in the Union not later than the first month after the effective date of this Agreement or on or before the ninetieth (90th) day following the beginning of employment, shall as a continued condition of employment with the Company pay the Union a monthly service charge as a contribution for the administration of this Agreement and the representation of the Pilots. The service charge shall be in an amount equal to the Union's regular and usual monthly dues and assessments (not including fines and penalties).
2. If any Pilot covered by this Agreement becomes delinquent in the required payment of the service charge or if any Union member becomes delinquent in the payment of dues or assessments, the Union may immediately notify such Pilot by CERTIFIED MAIL,

RETURN RECEIPT REQUESTED, with a copy sent by regular U.S. mail and a copy to the Director of Flight Operations, that the Pilot is delinquent in the payment of such service charge or membership dues or assessments as specified herein and is subject to discharge as a Pilot for the Company. Such letter shall also notify the Pilot that the required payment must be remitted within a period of thirty (30) days or the Pilot will be discharged.

3. If upon the expiration of the thirty (30) day period the Pilot remains delinquent, the Union may certify in writing to the Director of Flight Operations, copy to the Pilot, that the Pilot has failed to remit payment within the grace period allowed and is to be discharged. The Director of Flight Operations shall thereafter notify the Pilot within ten (10) days of receipt of notice from the Union that he is to be discharged from the service of the Company, of the reasons for this action, and of his rights under this Section to appeal this decision.
4. A Pilot who is to be discharged as the result of the provisions of this Section shall be entitled to challenge the validity of such action only by using the following procedures:
 - a. The Pilot must submit his request in writing to the Director of Flight Operations for review within ten (10) days from the date of notification by the Director of Flight Operations, as provided in paragraph 3., above. The Director of Flight Operations or his designee will review the grievance and render a decision in writing within a reasonable time not to exceed ten (10) days following receipt of the grievance, with a copy to the Union.
 - b. The decision of the Director of Flight Operations or his designee shall be final and binding on all interested parties unless appealed by either the Pilot or the Union within thirty (30) days from the date it was sent. The appeal shall be submitted in writing to the Director of Flight Operations who shall with assistance from the Pilot and a representative of the Union, select a third party neutral using the arbitrator selection method set forth in Section 20 (Resolution of Disputes). The decision of the neutral referee shall be final and binding on all parties to the dispute. The fees of the neutral referee and all other costs of the proceeding shall be borne by the Union.

- c. During the pendency of an appeal by the Pilot, a Pilot shall be in non-pay status and shall not be permitted to fly, except as set forth in paragraph e, below.
 - d. It is expressly agreed that the Company shall not be liable for any claim of loss by any Pilot adversely affected by any Company action taken pursuant to a written request by the Union related to the terms of this Section. It is further expressly agreed that the Union shall defend the Company in any legal proceedings related to such action, and the Union will indemnify and hold the Company harmless from all costs relating to such legal proceedings, or from any final adverse judgment which results from them.
 - e. In order to provide adequate time for the Company to hire a suitable replacement, in no event will the terms of this Section be construed to require the Company to terminate or take out of service any Pilot prior to thirty (30) days after the Union's notification to do so.
5. It is understood that the requirements of paragraph A. above, shall not apply to a Pilot during periods of time he holds a management position.

SECTION 22: NEW AIRCRAFT

Should the Company announce its intent to place into revenue service aircraft other than the aircraft specified in this Agreement, any other specific conditions for that aircraft will be determined as follows:

1. The Company will give the Union notice of its intent to introduce the new equipment at least four (4) months prior to the estimated scheduled revenue service date, or within thirty (30) days after entering into the contract for procurement or lease of the new aircraft type, whichever is later in time.
2. The parties will meet within (15) days following the Company's written notice of intent, in order to negotiate any necessary amendments to this Agreement. If negotiations do not result in an amendment to this Agreement within sixty (60) days following the Company's written notice of intent, either party may submit the dispute to final and binding interest arbitration.
3. The dispute shall be heard before an arbitrator selected from a panel of seven (7) neutrals provided by the National Mediation Board. The Neutral must possess aviation arbitration experience. The parties shall, by alternate strike method, select an arbitrator from the panel within fifteen (15) calendar days of receipt of the panel.
4. The Hearing will be conducted and briefing by the parties, if any, will be completed ninety (90) days from the date of the appointment of the arbitrator. The arbitrator shall issue a decision no later than thirty (30) days after the submission of Briefs.
5. If the Company operates a new aircraft type in revenue service before the parties agreed upon, or the arbitrator established, the applicable wage rate and the wage rate as ultimately agreed, or awarded, differs from the wage rate actually paid, the difference shall be paid by the Company to the affected Pilots, or reimbursed to the Company by the affected Pilots who voluntarily bid such position, as the case may be, within twenty-eight (28) days of the agreement or award.
6. Nothing set forth in this Section shall prevent the Company from introducing a new aircraft type into revenue service before agreement is reached over the rates applicable to that aircraft, as long as the pay rates assigned to such aircraft type are not less than the rates provided by this Agreement. All other Sections of the

Agreement shall apply to the operations of such new aircraft until and unless amended in accordance with this Section.

SECTION 23: GENERAL

A. Property Damage and Civil Liability Indemnification

1. A Pilot will not be required to compensate the Company for Company property damaged by the Pilot while performing his duties in a professional and responsible manner with the Company. The Company, through its insurers, will indemnify and hold harmless any Pilot from any Pilot's negligence.
2. This indemnification will also apply to civil actions for damages against a Pilot's estate. It is expressly understood that all indemnification and holding harmless of any Pilot is limited by the terms and exclusions of the Company's policy with its insurers.

B. Legal Representation

Where a Pilot is the subject of an FAA enforcement action or other legal proceeding directly related to the performance of his Company duties, the Company shall provide the Pilot with legal representation, selected or otherwise approved by the Company, in that proceeding, provided that (a) the action with which the Pilot is charged was in furtherance of or otherwise consistent with Company policy or instructions and (b) there is no legal conflict between the position of the Company and the Pilot in the proceeding.

C. Agreement Distribution

Each Pilot will be given a digital copy of this Agreement and all revisions at the Company's expense.

D. Bulletin Board

The Company will provide space (3' x 4') for a Union bulletin board in all crew rooms. If the necessary space is not available, the Company will meet with the Union to discuss alternatives.

E. Union Access to Company Trainees

The Company shall cooperate with the Union in scheduling an opportunity for Union representatives to meet with each new hire class during their initial training. Such meetings shall be voluntary and scheduled at the conclusion of the training day.

F. Recorded Data

Information gathered from cockpit voice recorders, flight data recorders, or any other recording devices installed in the aircraft shall not be used as the sole basis to initiate disciplinary or discharge investigations. Such information may form the basis, in whole or in part, for disciplinary actions resulting from an aircraft accident or incident or a report, concern or complaint about aircraft operations. Further, the Company will make no use of the cockpit voice recorder other than what is permitted by the FARs.

G. Appearance Standards

A Pilot is expected to adhere to the uniform and other personal appearance standards established in the General Operations Manual (GOM) and in effect at the time that this Collective Bargaining Agreement is executed.

H. Uniforms

1. The Company is responsible for uniform costs.
2. If the Company changes the uniform, it will pay the total cost of the replacement uniform or of adapting the uniform to accommodate any changes.
3. Uniforms are Company material and must be returned upon request or on separation from the Company.

I. Masculine Pronouns

The masculine pronouns used herein shall include the feminine unless otherwise specified.

J. Pilot List

The Company will provide the Union on a monthly basis a complete Pilot list (including new hires) with date of hire, bid position, equipment, base, social security number, address, telephone number, earnings, and termination, furlough, or recall status.

K. Death Benefits

Upon the death of a Pilot, any pay and benefits due and owing, including unused earned vacation time, shall be paid to the Pilot's designated beneficiary or estate at the applicable prorated guarantee for such Pilot.

The Company shall continue to provide medical benefits and applicable travel privileges (if any) to the Pilot's family through the end of the calendar month following the calendar month in which the Pilot's death occurred.

L. Accident Investigation

A Pilot participating in an accident or incident investigation involving a Company aircraft as a Company appointed member of an NTSB team or otherwise at the request or instruction of the Company shall do so without loss of pay. A Pilot participating in an accident or incident investigation as a Union appointed member of an NTSB team shall be treated in accordance with the Time Off for Union Business section of this Agreement.

M. Payment for Equipment

1. The Company will provide adequate charts for all FAA approved destinations and alternates in the Company's operation specifications.
2. Manuals issued to Pilots by the Company will be paid for by the Company. Each Pilot must maintain his manuals in current condition at all times from the revisions supplied by the Company. Any Pilot who transitions to another aircraft-type or terminates employment shall return previously issued manuals (and any other requested material) in current, good condition, normal wear and tear excepted.
3. All Pilots are required as a condition of employment to own or have access to a computer and internet access sufficient for the receipt of Company material. The Company will compensate all Pilots twenty dollars (\$20.00) per bid period for the cost of monthly Internet access.

N. Orders in Writing

Pilots base assignments, promotions, demotions, furloughs, recalls, and leaves of absence shall be reflected in written or electronic Company records.

O. ID Badges

The Company shall furnish a Company identification badge and any airport issued ID badges required for Pilots. Pilots will bear the cost of replacement of any badges lost, destroyed or damaged. Pilots will also be

responsible for the replacement cost (including any applicable fines) for any airport issued identification cards. ID badges are the property of the Company and must be surrendered at termination of employment with the Company.

P. Personal Information

Pilots are required to update the Human Resources Department in writing within seven (7) days of any changes in their name, address, telephone number(s), email address, or emergency contacts.

Q. Committees

1. Professional Standards Committee

The Union will appoint a Professional Standards Committee composed of Pilots from the Company's seniority list which may confer with the Company on matters pertaining to the professional conduct and behavior of Pilots.

2. Safety Committee

The Union may appoint one Pilot from the Company's seniority list to serve on the Company's Safety Committee. The Pilot shall have the same access to information and right to attend hearings or investigations as any other member of the Company Safety Committee.

3. Scheduling Committee

The Union will establish a Scheduling Committee which will operate in accordance with Section 6 (Scheduling) of this Agreement.

4. Hotel Committee

The Union may appoint one Pilot from the Union's Hotel Committee which will meet with the Company to ascertain the suitability of all accommodations.

5. Jumpseat Committee

The Union may appoint a Jumpseat Coordinator to coordinate with the Company for the purpose of facilitating reciprocal jumpseat agreements, subject to applicable laws and regulations; provided, however, that final authority for jumpseat agreements lies with the Company. The Company will make available a list of all reciprocal

jumpseat agreements to the Pilots. This list will be furnished to the Pilots by the Jumpseat Coordinator via the Pilots' website.

SECTION 24: HOURS OF SERVICE

A. Duty Time

1. A Pilot shall not be scheduled or rescheduled in two (2) Pilot crews to be on duty for more than fifteen (15) consecutive hours, seventeen hours (17:00) with three (3) Pilot crews, and nineteen hours (19:00) with four (4) Pilot crews.
2. Actual duty may be extended to sixteen hours (16:00) if a series of flights exceed fifteen hours (15:00) because of weather delays, mechanical delays or delays that are caused by a third party. Scheduled or rescheduled duty may be extended by one (1) additional Pilot to as much as eighteen hours (18:00) and twenty hours (20:00) with two (2) additional Pilots.
3. Even though a Pilot may be scheduled legal under the FARs and in conformance with the limitations contained in this provision, he has an obligation that fatigue will result or safety will otherwise be compromised if he operates as scheduled or rescheduled. Such advice should be furnished to Crew Scheduling at the earliest possible and practical time to allow for the least possible interference with the service of the Company. This is also true whenever the Company requests a Pilot to do something outside the normal limitations of this provision. Such Company requests should be declined by the Pilot whenever the Pilot is of the opinion that fatigue will result or safety will otherwise be compromised.

B. Rest Period

1. Minimum rest periods must comply with the FARs.
2. A Pilot released from duty will receive at least the minimum rest, free from contact by the Company.
3. The Company shall not contact a Pilot within eight hours (8:00) prior to a scheduled report time unless it pertains to the next scheduled flight.

C. Report and Release Times

1. Report times will be sixty (60) minutes before scheduled or rescheduled departure.

2. Release times will be twenty (20) minutes after block in. There will be no debrief for deadhead flights.
3. Individual report times may be reduced to accommodate legality problems by agreement between the Pilot and the Company.

SECTION 25: MISSING, INTERNMENT, HOSTAGE, OR PRISONER OF WAR BENEFITS

- A. Pilots, while in the course of their employment with the Company, who through no fault of their own are interned or taken prisoner of war by a foreign government, or who are unlawfully detained by a person or persons within or without the boundaries of the United States shall accrue seniority and longevity credit, and shall be allowed the following benefits until they return or as otherwise provided below.
1. The average monthly compensation he received during the last paid three (3) months he worked with the Company, less legally mandated deductions and deductions previously authorized by the Pilot. Where such Pilot would be entitled to longevity raises, the Pilot shall be paid in accordance with those raises.
 2. Continuation of travel benefits for dependents of said Pilot until his situation is determined by the terms of this Agreement.
 3. Contributions that were being paid by the Pilot and deducted from his wages will continue to be deducted from wages paid under this Section.
 4. Full accrual of vacation and sick leave credit.
- B. In cases in which it is not apparent whether the Pilot is involuntarily or unlawfully detained, the above benefits will be paid retroactively if such status is later confirmed.
- C. In the event that the Union has concerns regarding the security of Pilots in foreign locations, the parties shall promptly meet and confer regarding appropriate security measures to be taken in light of the risk reasonably expected to be incurred. Any security measures that may be agreed upon shall be promptly implemented.
- D. If death is established, or if there is sufficient presumption of death, death and survivor benefits shall be paid in accordance with the appropriate benefit plans or policies of insurance.
- E. If the parties are unable to confirm whether a Pilot who is interned or unlawfully detained is alive or dead, compensation and other benefits shall continue to be paid by the Company to the beneficiaries (or trust account) indicated in the Pilot's letter of instruction to the Company for a period of eighteen (18) months, after such Pilot was last known to be alive. At the end of that eighteen (18) month period, if the Pilot's status is still

unconfirmed, death and survivor benefits shall be paid in accordance with the applicable benefit plans or policies of insurance.

- F. If a Pilot who has received death/survivor benefits pursuant to this Section is later found to be alive, he shall receive retroactively the difference in pay between the total compensation (including death benefits) paid by the Company under this Section and the monthly amounts he would have been due under this Section had the Company known he was alive. If the Pilot remains interned or imprisoned, monthly payments shall then be resumed for the duration of internment or imprisonment. If the death/survivor benefits are greater than the benefits provided pursuant to this Section, the Pilot shall reimburse the Company for the excess received.

- G. Each Pilot is requested to provide the following written direction. Where no such written direction has been provided, all monies provided for herein shall be held in trust.

To USA 3000 Airlines:

You are hereby directed to pay all monthly compensation allowable to me and any other benefits due under the provisions of this Agreement, minus appropriate deductions, while missing or resulting from death or any other condition which causes direct payment to be impossible as follows:

_____ % of my monthly pay to _____ (name)
_____ (address) as long as living,
thereafter to _____ (name)
_____ (address) as long as living.

_____ % of my monthly pay to _____ (name)
_____ (address) as long as living,
thereafter to _____ (name)
_____ (address) as long as living.

_____ % of my monthly pay to _____ (name)
_____ (address) as long as living,
thereafter to _____ (name)
_____ (address) as long as living.

The balance, if any, and any amounts accrued after the death of all persons named in the above designation shall be held for me, or in the event of my death before receipt thereof, shall be paid to the legal representative of my estate.

The foregoing direction may be modified from time to time or canceled by letter signed by the undersigned, and any such modification shall become effective upon receipt of such letter by you.

Payments made by the Company pursuant to this direction shall fully release the Company from the obligation of making further payments with respect thereto.

(Pilot's signature)

SECTION 26: MANAGEMENT RIGHTS

Unless otherwise limited by a specific term of this Agreement, management of the Company is vested exclusively in the Company and the Company shall retain the right to carry out the ordinary and customary functions of management, whether or not possessed or exercised by the Company prior to the execution of this Agreement and shall not be bound by any past practice that has not been reduced to writing and included in this Agreement. By way of example without limiting the foregoing, the Company shall retain the sole right to hire; to discipline or discharge for cause; to establish work rules, procedures and standards of performance (including policies and procedures for drug and alcohol testing) not in conflict of this Agreement; to determine alter, change and/or discontinue concepts of methods of operation, type and number of aircraft (including but not limited acquisition or disposal) and their allocation to bases or routes, location and staffing of bases, routes and schedules; to subcontract work; and to merge, consolidate, sell or otherwise dispose of all or part of its business.

SECTION 27: STRIKE/LOCKOUTS/PICKET LINE

A. Strike

During the term of this Agreement, the Union agrees that it will not cause, encourage or participate in a strike, sympathy strike, sit-down, stay-in, or slow down and such conduct by any Pilot shall be grounds for discipline, up to and including discharge.

B. Lockouts

During the term of this Agreement, the Company will not cause, permit or engage in any lockout of Pilots.

C. Picket Line

The Union and the Company will consult prior to the Company conducting any flight operations behind a picket line on behalf of an air carrier involved in a labor dispute.

SECTION 28: DURATION

This Agreement shall be come effective on January 9, 2006 and shall continue in full force and effect until January 9, 2010 and shall renew itself without change until each succeeding January 9th thereafter unless written notice of an intended change is served in accordance with Section 6, Title 1, of the Railway Labor Act, as amended, by either party hereto at least thirty (30) days, but not more than three (3) months prior to January 9th or any January 9th of any subsequent year.

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

FOR USA 3000 AIRLINES:

FOR THE INTERNATIONAL
BROTHERHOOD OF TEAMSTERS
LOCAL 747:

Angus Kinnear
Chief Operating Officer

E.E. Sowell, President
IBT Local 747

Jack Eastman
Director of Flight Operations

Don Treichler, Director
Airline Division

Tiffany Moline
Business Agent

Captain Ron Seidel
Chairman

Captain Kevin Cass
Negotiating Team Member

Captain Alan Amick
Negotiating Team Member

Captain Shmuel Dimentstein
Negotiating Team Member

Existing Management Pilots

LETTER OF AGREEMENT #1

between

USA 3000 AIRLINES

and

The Pilots in the service of

USA 3000 AIRLINES

as represented by

THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS, LOCAL 747

This LETTER OF AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between USA 3000 AIRLINES (hereinafter referred to as the "Company"), and the Pilots in the service of the Company, as represented by THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS, LOCAL 747 (hereinafter referred to as the "Union").

The parties agree as follows:

Captains Tim Lyons and Brian Delay shall be treated for all purposes as Management Pilots, notwithstanding any failure to have flown in line service prior to assignment to management positions.

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

FOR USA 3000 AIRLINES

FOR THE INTERNATIONAL
BROTHERHOOD OF TEAMSTERS
LOCAL 747

Angus Kinnear
Chief Operating Officer

E.E. Sowell, General Counsel
President
IBT Local 747

Don Treichler, Director
Airline Division

Employee Travel Program

LETTER OF AGREEMENT #2

**between
USA 3000 AIRLINES
and
The Pilots in the service of
USA 3000 AIRLINES
as represented by
THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS, LOCAL 747**

This LETTER OF AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between USA 3000 AIRLINES (hereinafter referred to as the "Company"), and the Pilots in the service of the Company, as represented by THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS, LOCAL 747 (hereinafter referred to as the "Union").

The parties agree as follows:

The Company will establish an Employee Travel Program within six (6) months of the date of signing of this Agreement to facilitate the pass policies and privileges referred to in this Agreement.

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

FOR USA 3000 AIRLINES

FOR THE INTERNATIONAL
BROTHERHOOD OF TEAMSTERS
LOCAL 747

Angus Kinnear
Chief Operating Officer

E.E. Sowell, General Counsel
President
IBT Local 747

Don Treichler, Director
Airline Division

USA 3000 SYSTEM SENIORITY LIST

Number	Employee #	Date of Hire	Last	First	Position	Date of Birth	Base
					Chief Pilot/Check		
1	3007	11/29/00	Lyons	Tim	Airman(S)	12/03/48	HDQ
2	3024	06/25/01	Wilson	Steve	Captain	02/13/55	ORD
3	3028	07/27/01	Cass	Kevin	Captain/Check Airman	11/15/62	FLL
4	3029	07/30/01	Sanz	Jose	Captain	12/06/53	NYC
5	3030	07/30/01	Betts	Steven	Captain	03/28/58	ORD
6	3059	09/19/01	Dimentstein	Shmuel	Captain/Check Airman	02/25/49	DTW
7	3060	09/19/01	Hill	N. Steven	Captain	12/18/54	PHL
8	3061	09/19/01	Loftus	Patrick	Captain	01/16/69	BWI
9	3080	10/03/01	Kulp	Randal	Captain	09/23/56	PHL
10	3081	10/03/01	Ellis	George	Captain	04/24/57	ORD
11	3082	10/03/01	Erazo	Erwin	Captain/Check Airman(S)	06/17/57	FLL
12	3084	10/03/01	McCarthy	James	Captain	12/09/66	BWI
13	3085	10/03/01	Bryant	Jeff	Captain/Check Airman	07/26/68	NYC
14	3102	10/24/01	Tootle	Lendon	Captain/Check Airman	10/03/46	PHL
15	3105	10/24/01	Wallin	Johan	Captain/Check Airman(S)	06/02/65	STL
16	3140	01/22/02	Rosenberg	Adam	Captain/Check Airman	01/20/72	NYC
17	3141	01/23/02	Baker	Matthew	Captain	06/10/71	DTW
18	3187	02/06/02	Lambert	Bradley Naim	Captain/Check Airman	11/04/63	PHL
19	3188	02/06/02	Latifi	"Mitch"	Captain	04/06/64	NYC
20	3196	02/13/02	Casella	Kenneth	Captain	11/20/64	NYC
21	3198	02/13/02	Haacke	Juliana	Captain	10/17/76	FLL
22	3209	03/20/02	White	Aubrey	Captain	03/06/52	PIT
23	3211	03/20/02	DeLiberty	Michael	Captain	06/20/65	PHL
24	3254	06/25/02	Colas	Parnell	Captain	04/21/59	FLL
25	3256	06/25/02	Perdue	Gordon	Captain/Check Airman	02/25/61	RSW
26	3258	06/25/02	Burke	Matthew	Captain	02/03/63	FLL
27	3259	06/25/02	Holmes	Nicholas	Captain/Check Airman(S)	11/14/63	STL
28	3261	06/25/02	Inkrott	Christopher	Captain/Check Airman	09/29/70	CLE
29	3280	07/10/02	Daza	Louis	Captain	01/19/56	RSW
30	3281	07/10/02	Surratt	Tony	Captain/Check Airman(S)	06/25/58	RSW
31	3282	07/10/02	Carpenter	William	Captain	01/20/62	BWI
32	3283	07/10/02	Turano	Kenneth	Captain	08/20/62	RSW
33	3284	07/10/02	Rutherford	Scott	Captain	09/12/62	PIT
34	3286	07/10/02	Tefft	Curtis	Captain	07/14/65	PHL
35	3287	07/10/02	Rowley	Dawn	Captain	07/30/66	BWI
36	3288	07/10/02	Satur	George	Captain	07/19/68	ORD
37	3290	07/16/02	Amick	Alan	Captain	10/25/63	CLE
38	3296	08/05/02	Jamshidi	Saeed	Captain	03/12/51	PIT
39	3303	08/20/02	Miller	Hugh	Captain	11/08/59	DTW
40	3304	08/20/02	Dardano	Roberto	Captain/Check Airman(S)	01/08/60	CLE
41	3306	08/20/02	Schmackers	Steven	Captain	08/30/68	ORD

USA 3000 SYSTEM SENIORITY LIST

Number	Employee #	Date of Hire	Last	First	Position	Date of Birth	Base
42	3307	08/20/02	Ferguson	Wayne	Captain/Check Airman	11/05/69	RSW
43	3308	08/20/02	McCaig	Corwin	Captain	03/08/70	ORD
44	3311	09/03/02	Hart	Mark	Captain	09/08/55	MKE
45	3312	09/03/02	Griffith	Charles	Captain	04/04/61	PIT
46	3313	09/03/02	McFarlane	Scott	Captain	11/20/61	ORD
47	3314	09/03/02	Roque	Oscar	Captain	09/10/65	PHL
48	3315	09/03/02	Arroyo	Rafael	Captain	03/25/66	STL
49	3316	09/03/02	Chidester	Daniel	Captain/Check Airman	04/30/67	PIT
50	3317	09/03/02	Martin	Ivor	Captain	05/16/68	STL
51	3319	09/10/02	Harn	James	Captain	03/16/59	CLE
52	3320	09/10/02	Edelman	Michael	Captain	11/22/60	DTW
53	3321	09/10/02	Pennypacker	Paul	Captain	02/10/65	PHL
54	3322	09/10/02	Harvin	Vanna Kay	Captain	12/03/68	DTW
55	3318	09/03/02	Klimoff	Ronald	Captain	02/26/73	PHL
56	3324	09/10/02	Chomiak	Kevin	Captain	04/19/70	ORD
57	3342	09/24/02	Joshi	Bijayandra	Captain	08/20/57	ORD
58	3343	09/24/02	Coomans	Jeffrey T.	Captain	10/13/61	ORD
59	3344	09/24/02	Xander	Brian	Captain/Check Airman	04/16/63	ORD
60	3346	09/24/02	Ozbiligin	Ercan	Captain	01/21/64	BWI
61	3347	09/24/02	Chester	Shawn	Captain	10/06/65	NYC
62	3348	09/24/02	McAllister	Kevin	Captain	10/29/66	BWI
63	3349	09/24/02	Paulino Van Der	Carlos	Captain	12/01/66	PHL
64	3350	09/24/02	Schaar	Felix	Captain	01/24/69	PHL
65	3351	09/24/02	Santos	Antonio	Captain	03/14/69	PHL
66	3386	10/15/02	Clark	Scott	Captain	03/16/61	PHL
67	3387	10/15/02	Mack	David	Captain	11/26/65	PIT
68	3538	07/06/03	Delay	Brian	Director of Safety	02/18/69	HDQ
69	3576	10/01/03	Ridder	Robert	First Officer	06/19/55	BWI
70	3577	10/01/03	Yanus	Jeffrey	Captain	12/01/58	CLE
71	3578	10/01/03	Munevar	Alejandro	Captain	02/16/59	DTW
72	3579	10/01/03	Marsicano	Mark	First Officer	01/07/60	PHL
73	3580	10/01/03	Orantes	Juan-Carlos	Captain	02/20/63	STL
74	3583	10/01/03	Dunbar	James	First Officer	08/20/69	PHL
75	3584	10/01/03	Grafton	Matthew	Captain	08/13/73	CLE
76	3588	10/06/03	Seidel	Ronald	Captain	10/23/58	ORD
77	3604	10/06/03	Santiago	Alberto	First Officer	07/07/65	NYC
78	3627	10/16/03	Meyersohn	Michael	Captain	02/10/59	MKE
79	3629	10/16/03	Sektnan	Scott	Captain	02/06/62	MKE
80	3630	10/16/03	McKenzie	Greg	First Officer	07/23/62	BWI
81	3631	10/16/03	Wittreich	Carolyn	First Officer	04/12/68	NYC
82	3635	10/20/03	Schocker	Pete	First Officer	06/09/51	PIT
83	3636	10/20/03	Labadie	Bruce	First Officer	03/23/53	RSW
84	3637	10/20/03	Hansen	Mitchell	First Officer	05/25/62	ORD
85	3540	10/20/03	Lund	David	Captain	10/10/64	ORD
86	3641	10/20/03	McKenna	Mark	Captain	05/25/66	ORD

USA 3000 SYSTEM SENIORITY LIST

Number	Employee #	Date of Hire	Last	First	Position	Date of Birth	Base
87	3642	10/20/03	Orensteen	Michael	First Officer	05/25/67	DTW
88	3646	10/20/03	Toro	Luis	Captain	05/22/73	STL
89	3839	11/16/03	Moulton	William	Captain	03/13/55	ORD
90	3841	11/16/03	Pearce	William	First Officer	05/02/63	BWI
91	3940	01/20/04	Slayback	Todd	Captain	12/07/62	MKE
92	3941	01/20/04	Salley	Ben	First Officer	01/16/70	NYC
93	4000	03/09/04	Smith	Edward	Captain	09/25/56	ORD
94	4001	03/09/04	van Swaay	Jay	First Officer	10/13/62	STL
95	4005	03/09/04	Bautista	Rafael	Captain	02/10/68	ORD
96	4006	03/09/04	Fath	Jerome	Captain	04/03/70	MKE
97	4079	05/03/04	DuBois	Benjamin	First Officer	05/22/59	CLE
98	4080	05/03/04	Clingan	James	First Officer	06/24/62	BWI
99	4222	09/06/04	Rosai	Alberto	First Officer	09/17/64	STL
100	4220	09/06/04	Honda	David	First Officer	11/07/65	STL
101	4145	09/17/04	Williams	David	Captain	03/25/58	MKE
102	4149	09/17/04	Lauletta	Joseph	First Officer	01/10/65	PHL
103	4140	09/17/04	Innella	Gerald	First Officer	11/06/66	NYC
104	4153	09/17/04	Weingram	Andrew	First Officer	04/28/67	NYC
105	4141	09/17/04	Lundberg	Robert	First Officer	05/01/68	STL
106	4131	09/17/04	Kwiatt	Ron	First Officer	07/26/68	ORD
107	4247	10/04/04	Synnestvedt	Jeremy	First Officer	01/09/48	PHL
108	4242	10/04/04	Herold	David	First Officer	01/09/54	STL
109	4249	10/04/04	Turbett	William	First Officer	02/26/62	PHL
110	4245	10/04/04	Rhodes	James	First Officer	01/10/66	NYC
111	4243	10/04/04	Madden	Timothy	First Officer	04/07/66	NYC
112	4240	10/04/04	Dickson	Courtney	First Officer	06/27/68	DTW
113	4251	10/04/04	Harwood	Nicholas	First Officer	05/29/69	ORD
114	4204	10/04/04	Payne	Jason	First Officer	03/31/70	PHL
115	4252	10/04/04	Salahshour	Sahar	First Officer	08/05/74	ORD
116	4208	10/04/04	Austermeier	Sven	First Officer	02/25/75	FLL
117	4142	10/18/04	McKee	Joseph	First Officer	12/14/55	RSW
118	4132	10/18/04	Lewis	Peter	First Officer	12/31/58	PIT
119	4137	10/18/04	Boye	Karl	First Officer	11/20/60	CLE
120	4160	10/18/04	Sink	James	First Officer	03/28/61	ORD
121	4157	10/18/04	Sasala	Terrance	First Officer	11/11/61	PIT
122	4136	10/18/04	Veitch	Desmond	First Officer	03/10/62	FLL
123	4134	10/18/04	Manusos	Daniel	First Officer	04/27/65	ORD
124	4168	10/18/04	Asbury	Dustin	First Officer	07/03/68	PHL
125	4214	10/18/04	Pearson-Moss	Brian	First Officer	08/09/68	STL
126	4161	10/18/04	Laughman	Jennifer	First Officer	09/19/70	ORD
127	4215	11/01/04	Stevens	Roman	First Officer	07/02/50	PHL
128	4209	11/01/04	Fucci	Peter	First Officer	01/26/55	PHL
129	4213	11/01/04	Corsetti, III	Emilio	First Officer	01/18/57	STL
130	4244	11/01/04	Powers	Robert	First Officer	05/06/59	PHL
131	4212	11/01/04	Pokorny	Brian	First Officer	10/19/66	ORD
132	4158	11/01/04	Saylor	Sean	First Officer	08/30/67	BWI

USA 3000 SYSTEM SENIORITY LIST

Number	Employee #	Date of Hire	Last	First	Position	Date of Birth	Base
133	4210	11/01/04	Gooch	David	First Officer	03/31/68	PHL
134	4211	11/01/04	Bowers	Christopher	First Officer	03/27/72	ORD
135	4151	11/01/04	Trettin	Anthony	First Officer	01/16/73	DTW
136	4449	11/29/04	Bernstein	David	First Officer	12/15/72	ORD
137	4483	12/15/04	Turner	Michael	First Officer	05/09/68	BWI
138	4484	12/15/04	White	Shawn	First Officer	03/13/73	ORD
139	4646	06/07/05	Thomas	Stephen	First Officer	11/09/60	ORD
140	4643	06/07/05	Johnson	Ronald	First Officer	01/01/61	ORD
141	4645	06/07/05	Penney	Ronald	First Officer	08/02/64	ORD
142	4644	06/07/05	Miller	Stephen	First Officer	03/08/71	FLL
143	4649	06/06/05	Brown	Fraser	First Officer	12/21/71	FLL
144	4655	06/07/05	Courtney	Alan	First Officer	06/03/75	PIT
145	4684	08/29/05	Wilkie	Steve	First Officer	09/16/50	PHL
146	4686	08/29/05	Walker	Frank	First Officer	04/23/57	RSW
147	4688	08/29/05	Lapmardo	Charles	First Officer	1/3/1960	CLE
148	4690	08/29/05	Manno	Frederick	First Officer	6/3/1967	ORD
149	4691	08/29/05	DaSilva	Alexandre	First Officer	6/26/1969	FLL
150	4693	08/29/05	Sarson	Stuart	First Officer	10/6/1972	ORD
151	4694	08/29/05	Dodich	Keith	First Officer	7/15/1974	DTW
152	4696	08/29/05	Burbank	Kyle	First Officer	3/10/1977	ORD
153	4685	09/05/05	Sweate	Clifford	First Officer	01/29/52	ORD
154	4700	09/05/05	Dalton	Joseph	First Officer	11/17/53	ORD
155	4687	09/05/05	Irish	George	First Officer	08/21/59	PIT
156	4704	09/05/05	Wittmayer	Mark	First Officer	11/05/62	PIT
157	4715	09/05/05	Finan	Michael	First Officer	06/04/65	ORD
158	4716	09/05/05	Rivera	Orlando	First Officer	07/17/69	ORD
159	4703	09/05/05	Ventresca	Marc	First Officer	04/29/71	RSW
160	4702	09/05/05	Velez	Alejandro	First Officer	07/20/71	RSW
161	4708	09/12/05	Lopranos	Linda	First Officer	10/08/55	RSW
162	4705	09/12/05	Cehade	Fadi	First Officer	09/10/64	MKE
163	4706	09/12/05	Grill	Joseph	First Officer	03/15/66	CLE
164	4707	09/12/05	Herrman	Olaf	First Officer	03/28/67	ORD
165	4718	09/12/05	Rosanova	Albert	First Officer	06/22/68	MKE
166	4719	09/12/05	Thompson	John	First Officer	07/15/70	DTW
167	4709	09/12/05	Mansour	Tamer	First Officer	10/10/73	DTW
168	4720	09/12/05	Willard	Daniel	First Officer	02/17/78	MKE