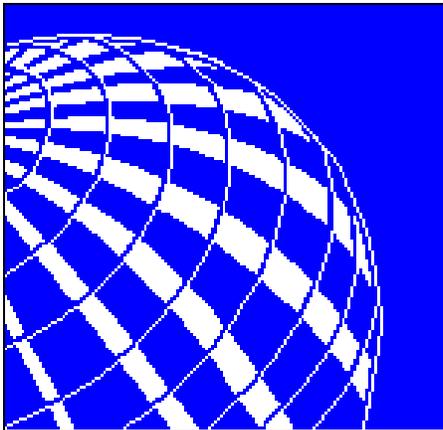


Agreement  
Between  
Continental Airlines, Inc.  
And  
The Airline Technicians  
And  
Related Employees  
In the Service of  
Continental Airlines, Inc.  
As Represented By  
The International Brotherhood of Teamsters



Jan. 1, 2009 – Dec. 31, 2012

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## **Preamble**

This Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Continental Airlines, hereinafter referred to as the “Company” and the International Brotherhood of Teamsters, hereinafter referred to as the “Union,” representing the employees composing the Craft or Class of mechanics and related employees, as certified by the National Mediation Board in case R-6513 on July 28, 1997.

## Article 1 – Purpose, Scope, And Status of Agreement

### A. Purpose

1. The purpose of this Agreement is, in the mutual interest of the Company and of the employees, to provide for the operation of the services 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 under conditions of reasonable hours, proper compensation, and reasonable working conditions. It is recognized by this Agreement to be the duty of the Company and of the employees to cooperate fully, both individually and collectively for the advancement of this purpose.
2. No employee covered by this Agreement will be interfered with, restrained, coerced, or discriminated against by the Company, its officers or agents because of membership in or lawful activity on behalf of the Union.

### B. Scope

1. The Company hereby recognizes the Union as the sole collective bargaining agent and authorized representative for those employees of Continental Airlines, Inc. composing the craft or class of Mechanic and related employees, as certified by the National Mediation Board in Case No R-6513 issued on July 28, 1997.
2. All aircraft maintenance work, facilities maintenance work and ground equipment maintenance work on current, new or later acquired aircraft, or on current or later acquired ground equipment and facilities, performed for the Company is recognized as coming within the jurisdiction of the Union and shall be performed by employees on the Continental Airlines, Inc. Technical Operations seniority list, except as otherwise provided in this Article.
3. Supervisors and higher ranking officials shall not be permitted to perform work of any hourly rated job covered by this Agreement, except in emergencies as defined in Article 2, or when instructing, or training employees, or signing off work performed by covered employees, or troubleshooting.
4. Except as set forth in this Paragraph, the Company shall not contract out work. The parties agree that the Company may:
  - a. Continue to contract out work heretofore customarily contracted out,
  - b. Return equipment, parts, or assemblies to the manufacturer or to a manufacturer approved repair station for warranty work, repair or replacement,

- c. Contract out any work when the Company's facilities and equipment are not sufficient, or personnel are not available, or where available employees do not have the qualifications, within the meaning of Article 3, to perform the work required,
  - d. Contract out work at any location where such work has heretofore not been performed by unit employees on a regular basis, or at any location where the Company has not heretofore maintained permanent maintenance facilities or employees.
- 5. If the Company has need to contract out work presently performed by employees covered by this Agreement, the Company will so notify the Union by written notice. In no case will the Company contract out work when such contracting out results or will result in a reduction in force for any employee covered by this Agreement.
- 6. When Company facilities are available, in order to increase the opportunity for covered employees to perform work which has customarily been contracted out or work which has not been customarily performed by covered employees, such work may be performed by covered employees without losing its character as work which has historically been contracted out or work which has not been performed by unit employees on a regular basis.
- 7.
  - a. At any domestic airport with scheduled Continental service where the Company contracts out aircraft line maintenance work requiring work schedules of six (6) continuous hours or more per day (excluding repositioning aircraft) for a period of thirty (30) days or more in any forty-five (45) day period, a full time position for an Aircraft technician shall be created in accordance with this Agreement.
  - b. Subject to expiration/non-penalty cancellation of existing contracts, at any domestic airport with scheduled Continental service where the Company contracts out GSE scheduled recurring maintenance work requiring work schedules of at least six (6) continuous hours or more per day for thirty (30) days or more in each forty-five (45) day period, a full time position for a GSE technician shall be created in accordance with this Agreement.
  - c. Subject to the Union's execution of an appropriate confidentiality agreement, the Company will provide the Union with readily available information regarding work performed as referenced in subparagraphs (a) and (b) above. This provision shall not require the Company to create information not readily available.
- 8. If after the effective date of this Agreement, the Union believes the Company is abusing the right to contract out as provided in this Paragraph, it shall notify the

Company of such belief not later than five (5) days after the conclusion of such discussion.

9. The Company and the Union shall proceed to resolve the issue up to and including the final and binding arbitration decision.

C. Parallel Operations

1. The Company shall not directly or through an Affiliate:
  - a. Establish any new airline or acquire a Controlling interest in any carrier, which operates jet equipment or jet replacement aircraft with a maximum FAA certificated capacity of sixty (60) seats or more for the purpose of avoiding the terms of this Agreement.
  - b. Establish any new repair station or acquire a controlling interest in any entity which repairs or maintains aircraft within the United States, except an air carrier, unless employees covered by this Agreement perform the entity's repair or maintenance work.
2. The Company shall not allow its code to be placed on any domestic flight operated by a commuter feeder airline, which is Controlled by the Company or an Affiliate, if the flight utilizes jet equipment or jet replacement aircraft with a maximum FAA certificated capacity of sixty (60) seats or more.
3. Alliance Flying and Marketing Agreements
  - a. For purposes of this Section, "Marketing Agreement" shall mean flying performed by another carrier whereby the other carrier transports passengers and/or cargo pursuant to a code-share, marketing, interline, joint venture, pro-rate, block-space agreement, or any other agreement or arrangement whereby another carrier uses the Company's designator codes or operates aircraft bearing the Company's name, trade mark, logo, livery, trade marks or service marks or otherwise holds out to the public that the Company or an Affiliate of the Company, as defined in paragraph H of this Article, is performing or is otherwise associated with the flying. Flying pursuant to Marketing Agreements is permitted so long as the requirements of this Section are satisfied.
  - b. During the period any Marketing Agreement remains in effect:
    1. There shall be no reduction in the Company's scheduled flying (aggregate scheduled block hours measured monthly as an arithmetic average of the level for the twelve (12) months prior to the initial implementation of the Marketing Agreement); and

2. There shall be no reduction in permanent mechanic and related positions (measured monthly as an arithmetic average of the level for the twelve (12) months prior to the implementation of the Marketing Agreement), or in the status or pay rate of any employee covered by this Agreement; and
3. There shall be no reduction in the number of aircraft in the Company's fleet (including equipment on order), except for aircraft retirements in the normal course of business,

unless the Company demonstrates any such reductions were attributable to economic or other reasons not related to the Marketing Agreement.

D. Successorship And Mergers

1. 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 the Company through a single transaction or multi-step related transactions.
2. No contract or other legally binding commitment involving the transfer of ownership or control pursuant to a successorship transaction, whether by sale, transfer or lease of the Company or substantially all of its assets, will be signed or otherwise entered into unless it is agreed as a material and irrevocable condition of entering into, concluding and implementing such transaction that the rates of pay, rules and working conditions set forth in this Agreement will be assumed by the successor employer, and employees on the then current technician and related seniority list will be employed 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 be 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 and another air carrier the Company will require, as a condition of any such operational merger that provisions be included requiring that the surviving carrier provide for fair and equitable integration of the pre-merger technician and related seniority list in accordance with Sections 3 and 13 of the Allegheny Mohawk LPPs.
4. In the event of a merger of airline operations, this Agreement shall be considered to be amendable as provided in the Duration Article and Section 6 of the Railway Labor Act. Integration of the technician and related craft and class groups shall not occur until the applicable seniority lists are merged pursuant to procedures as described above, and agreement is reached over rates of pay, rules, and working

conditions for the post-merger craft or class. Prior to such agreement, the terms and conditions of this Agreement shall continue to apply to the employees whose names appear on the Company's technician and related seniority list.

5. The following additional requirements shall be applicable in the event of a merger, purchase or acquisition involving 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 technician and related employees, 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. In advance of any operational integration, the Company or surviving carrier, if different than the Company, will accept the integrated seniority list accomplished in accordance with Sections 3 and 13 of the Allegheny Mohawk LPPs.
    - c. The maintenance operations of the Company and those of the other air carrier shall be kept separate unless and until the processes described in paragraphs (D) (3) and (4) above are completed. During such time of separate operations, technician and related employees shall not be interchanged without the Union's written consent.
    - d. Until the processes described in paragraphs (D) (3) and (4) above are completed, no employee covered by this Agreement shall be reduced in status or pay category as an effect of the merger, purchase or acquisition.
    - e. 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 paragraph.
  6. Subject to applicable securities and other laws and regulations, the Company will review with the union the details of any material agreements relating to successorship transactions in a timely manner, provided that no financial or other confidential business information need be disclosed unless suitable arrangements are made for protecting the confidentiality and use of such information.
- E. This Agreement shall cover all work by covered employees on international field trips or performed by them in the course of other foreign operations.
1. In the event the Company opens a maintenance facility outside the United States

or its territories, and staffs the facility with covered employees, technicians assigned to such domicile shall be covered by all terms of this Agreement and shall continue to enjoy all the rights, privileges and immunities of the Railway Labor Act during their foreign service.

2. Disputes concerning covered employees based at foreign domiciles shall be heard by the System Board of Adjustment pursuant to Articles 19 and 20 of this Agreement and paragraph G of this Article, as appropriate, and the decision of the System Board in such cases 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 pursuant to Articles 19 and 20 of this Agreement and/or paragraph G of this Article.

F. Review Committees

1. A Committee (the "Review Committee") consisting of equal numbers of Company and Union representatives, with a maximum of three (3) members each, shall meet at least quarterly for the purpose of discussing the Company's current practice and future plan for contracting aircraft maintenance, including opportunities for efficiently and economically increasing work done in-house. The Company will provide the Review Committee, upon request, information necessary to facilitate these discussions. Proprietary, sensitive, or confidential information shall be reviewed under standard confidentiality agreements at the Company's request.
2. A Committee (the "GSE/Facilities Committee") consisting of equal numbers of Company and Union representatives, with a maximum of three (3) members each, shall meet at least quarterly for the purpose of discussing the Company's current practice and future plan for contracting ground service equipment and facilities maintenance, including opportunities for efficiently and economically increasing work done in-house. The Company will provide the GSE/Facilities Committee, upon request, information necessary to facilitate these discussions. Proprietary, sensitive, or confidential information shall be reviewed under standard confidentiality agreements at the Company's request.

G. Expedited Board of Adjustment Procedures

If the Union believes that the Company is abusing the foregoing subcontracting provisions, or if either party alleges violation of the provisions of this Article, the matter shall be grieved and the parties shall attempt to resolve their dispute in conference. Failing resolution, the parties agree to arbitrate any grievance alleging a violation of this Article 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, the parties shall request the National Mediation Board to submit a list of seven (7) persons qualified to act as the impartial arbitrator. Each party may reject the list once. A representative of the

Company and a representative of the Union shall meet within five (5) days of the receipt of the list and shall alternately strike three (3) names from the list, the party to strike first to be selected by lot. The seventh (7<sup>th</sup>) remaining person shall thereupon be selected as the impartial arbitrator. The Board of Arbitration shall consist of one (1) member selected by the Union and one (1) selected by the Company, and the impartial Arbitrator. 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.

#### H. Management Rights

1. Except as restricted by the express terms of this Agreement and the practices under any prior Agreement, the Company shall retain all rights to manage and operate its business and work force, including but not limited to the right to sell or discontinue all or part of the business; to sell or lease aircraft or facilities; to determine where and when to operate scheduled or unscheduled flights; to determine its marketing methods and strategies, and to enter into code sharing, affiliation or marketing agreements with other carriers; to invest (including equity investments) in other business entities including, without limitation, other air carriers; and to determine the type of aircraft it will utilize.
2. The exercise of any right reserved herein to management in a particular manner, or the non-exercise of such right, shall not operate as a waiver of the Company's rights hereunder, or preclude the Company from exercising the right in a different manner.

#### I. No Strike Commitment

1. From the effective date of the Agreement through thirty (30) days following the date, if any, that the parties are released from mediation by the National Mediation Board in connection with negotiations for a successor Agreement (the "Release Date"), the Union, including its directors, officers, representatives and agents, will not engage in, promote, or cause any strike or work stoppage at the Company, including but not limited to sympathy strikes or recognition of picket lines at the Company, and the Union will not otherwise support picket lines established at the Company, or cause any other organized job action and the Company will not lock out any employee covered by this Agreement.
2. The commitment stated in paragraph I(1) above shall be inapplicable as of the Release Date, without regard to whether the parties are then engaged in collective bargaining under the Railway Labor Act. The Company waives any claim that the commitment stated in paragraph I(1) above remains applicable on or after the Release Date pursuant to the Railway Labor Act's status quo provisions or otherwise.
3. It shall not be a violation of this Agreement, and it shall not be cause for

discharge, permanent replacement or any other disciplinary action if any employee covered by this Agreement:

- a. Refuses to perform work or services on aircraft of another carrier where the Company, pursuant to an agreement or arrangement with that carrier, is performing that carrier's maintenance during a lawful strike by that carrier's mechanics (i.e., performing "struck work"), provided that it shall not be considered to be performing struck work for the Company to expand the Company's maintenance activities or to continue to perform maintenance on its own aircraft, including aircraft on which other carriers performed contract maintenance prior to the strike, or
- b. Refuses to cross or chooses to honor the lawful picket lines of fellow technicians employed by any Affiliate of the Company, or
- c. Refuses to undergo training or perform maintenance work or services on the property of another carrier during a lawful strike by that carrier's mechanics.

J. Status Of The Agreement

1. The parties agree that any past practices, employment policies, interim agreements, or other understandings established prior to the date of this Agreement shall not create any contractual or legal obligation to continue such practices, policies, agreements or understandings following the effective date of this Agreement.
2. It is understood, wherever in this Agreement employees or jobs are referred to in the male gender, it shall be recognized as referring to both male and female employees.
3. It is further agreed that there shall be no discrimination by either party against any employee who is now, or may become subject to the terms of this Agreement, because of race, color, religion, sex, age, national origin, creed, handicapped or veteran status.
4. It is the intent of the parties that they be and remain in compliance with all applicable laws and regulations. In the event that it is discovered that any provision of this Agreement or any Company policy or practice which pertains to a mandatory subject of bargaining is in violation or potential violation of any applicable law or regulation, the parties will, in a timely manner, meet and confer for the purpose of curing the violation or potential violation in a way which requires the least change, disruption of the existing circumstances, and additional cost as is possible while minimizing any negative impact on the employees.

K. For the purposes of this Article, the following definitions will apply:

1. “Affiliate”, with respect to a specified Entity, means:
  - a. any Subsidiary, Parent or division of the specified Entity, or
  - b. any other Subsidiary, Parent or division of either a Parent or a Subsidiary of the specified Entity, or
  - c. any Entity that Controls the specified Entity or is Controlled by the specified Entity whether directly or indirectly through the Control of other Entities.
2. “Subsidiary” means any Entity that is Controlled by another Entity.
3. “Parent” means any Entity that Controls another Entity.
4. “Entity” means a natural person, corporation, association, partnership, trust or any other form for conducting business, and any combination or concert of any of the foregoing.
5. “Control” or a “Controlling interest” of an Entity shall mean 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.

## **Article 2 – Definitions**

### A. Introduction

The definitions contained in this Article are provided for the convenience of the parties and are intended to facilitate a quick reference to different terms used in this Agreement. They are not intended to add to, delete from, or otherwise alter or affect the terms and conditions of employment provided for in this Agreement. Those terms and conditions are contained in the substantive Articles of this Agreement. Certain Articles in this Agreement may refer to this Article for the purpose of defining specific terms.

### B. Trade Test

A Trade Test is a CBT-based, written, oral and/or practical test for competency. Trade tests for employees will be developed and administered by the Company, but will be reviewed with the Union prior to implementation. Within six (6) months of the ratification of this Agreement, the parties will meet to mutually agree upon the administration and content of the trade tests. The trade test results will be made available to the employee and the Union upon request.

### C. Shift

A Shift is the scheduled period of work during the twenty-four (24) hour work day. The shifts are described in Article 7, Hours Of Service.

### D. Work Week

The term "work week" refers to the number of regularly scheduled consecutive work days within each seven (7) consecutive day period. The types of work weeks are described in Article 7, Hours Of Service.

### E. Day Off

A "Day Off" is a day which is not a Work Day.

### F. Work Day

A work day is a twenty four (24) hour period during which an employee is regularly scheduled to work, beginning with the employee's regularly scheduled starting time.

### G. Hours Of Service

Hours of Service are an employee's scheduled shift, days off, work days, starting time, meal period, and rest period(s).

H. Bid Areas

A Bid Area is the basic work area to which each employee is assigned, as defined in Article 3.

I. Work Area

The specific work area and/or crew an employee reports to on a daily schedule. Work areas are generally smaller divisions of a larger Bid Area.

J. Facilities

Facilities may encompass any and all Maintenance Bases, Shops, and Line Stations throughout the System at which employees covered hereunder are stationed or assigned.

K. License

The term "License" as used herein, shall mean the certificate of competence which is now (i.e., A, P, or FCC), or may be in the future, required by a regulatory body for the type of work to be undertaken by employees covered under this Agreement.

L. Management Representative

The term "management representative" means not only persons holding the title Manager, but also any other person(s) properly designated and appointed by such official to act in his stead.

M. Emergency

The term emergency means "Acts of God," "Acts of War" (as declared by Congress), national emergency, natural disaster, revocation of the Company's operating certificate, the grounding of a significant portion of the Company's fleet, a shutdown of any substantial portion of the air transportation system, danger posed by the elements of weather, or any other unexpected circumstance posing significant danger to persons, property or the business. "Significant danger" does not mean the typical circumstances encountered in normal daily operations.

### **Article 3 - Covered Crafts, Classifications, Qualifications and Bid Areas**

- A. All employees covered by this Agreement shall be recognized as being in the Craft, Classification, and Bid Areas listed herein. The Classifications and Bid Areas, the work of such Classifications and Bid Areas and the job requirements and job descriptions contained within this Article shall not be added to, reduced, deleted, or amended except by mutual agreement between the Company and the Union. Employees in higher Crafts may be directed to perform the work of lower Crafts. If the Company determines that a new Classification, Craft, or Bid Area coming within the scope of this agreement is necessary, the Company agrees to negotiate and reach by mutual consent, the duties, job descriptions, job requirements, staffing procedures and the rates of pay for the new Classification, Craft, or Bid Area with the Union, prior to its implementation. (See, LOA #16, at page 1.)
- B. New Hires, employees bidding permanent vacancies, employees filling temporary vacancies, employees exercising seniority in a reduction in force or those being recalled, either from furlough or from a reduction to a different/lower Classification, Craft, or Bid Area, must meet the license, trade tests, and other requirements, as spelled out herein, except that an employee who has previously completed a Qualifying Period for a particular Bid Area shall not be required to meet these qualifications. Prior to implementation, the trade tests and administration process will be reviewed with the Union.
- C. Employees covered by this Agreement are recognized as being in a Craft and in a Classification within that Craft. The exercise of seniority as it relates to Craft and Classification is described in the Seniority, Filling of Vacancies, and Reduction In Force Articles, as well as other Articles herein.
- D. The following are brief descriptions of the Classifications within each Craft:
  - 1. Technician Craft  

The following Classifications are part of the Technician Craft:

    - a. Technician - An employee whose job includes all work generally recognized as Technician's (mechanic) work in Company shops, maintenance bases and line stations on aircraft (including power plants), parts, ground equipment, facilities and other related work. Technicians will be held responsible for the work they perform, and may be required to test, check and certify for service the work they perform. Specialties within this Classification include Aircraft Technician, Machinist, Welder, GSE Technician and Facilities Technician.
    - b. Lead Technician - A Technician who, as a working member of the group, may be charged by his Supervisor with the responsibility of planning, leading, directing, coordinating, instructing, on-the-job training and delegating, the

work of his assigned group. Leads may be required to sign for their own work, and the work of others in their group, provided, however, that such signing shall not relieve any other member of his group of license requirements and/or legal responsibility for the work they have performed or from being required to complete and/or sign appropriate Company/Federal work records. Leads must hold such valid licenses as are required by Federal law for their assignment. The method for selecting Lead Technicians is described in Article 5, Filling of Vacancies.

- c.
    1. RAMS Team Structural Technician - In addition to his duties as a Technician in his regular Bid Area and station, a RAMS Team Structural Technician will also be responsible for responding to significant structurally damaged aircraft. They may be required to repair structurally damaged aircraft in the fleet and at their home base station, either when the repairs are of a significant nature or when assigning other employees would adversely affect the operation.
    2. RAMS Team Structural Technicians will bid shift and days off within their Bid Area and will work scheduled hours when in their home/base station.
    3. The method for selecting RAMS Team Structural Technicians is described in Article 5, Filling of Vacancies.
  - d. Inspector - An employee whose primary job includes the overall inspection of Company aircraft and/or components (including power plant) in connection with repairs and/or overhaul at Points on the Company system. Inspectors must hold valid licenses and Continental RII authority to fulfill their duties. Inspectors do not lead or direct the work force. The method of selecting Inspectors is described in Article 5, Filling Of Vacancies.
  - e. G.S.E. Coordinator - An employee whose job includes controlling inventory, the work order system, and running appropriate reports. The G.S.E. Coordinator orders parts from vendors, operates the G.S.E. stock room, and provides parts needed by G.S.E. Technicians. A G.S.E. Coordinator also may be required to perform Technician's work in the G.S.E. shop.
2. Utility Specialist Craft
    - a. Utility Specialist - An employee whose job may include:

- i. Identifying, checking and issuing of Class I & II tooling for Aircraft, GSE or Facility Maintenance test equipment, and
- ii. Accountability for materials, parts and supplies located within the Tool Room or Parts Room, GSE and/or Facilities Maintenance, including the servicing, cleaning, storage and inventorying of commodities and tooling. The work may also include receiving and shipping of parts, supplies and hazardous materials; and
- iii. Performing minor repairs on food service equipment, as well as cutting, sizing, and forming materials for aircraft interiors; and
- iv. Servicing of batteries on ramp equipment in compliance with OSHA, EPA and/or Company standards as it relates to the handling of hazardous materials and/or dangerous goods; and
- v. Accountability for tooling, test equipment and certain commodities used in the daily operation with Aircraft Tool Rooms, Thermal Forming, GSE and Facilities Maintenance; and
- vi. Cutting, sizing and forming materials for aircraft interiors within the Thermal Forming shop; and
- vii. Performing ground equipment tire repairs in accordance with OSHA standards for all ramp, aircraft maintenance and customer service equipment; and
- viii. General knowledge and operation of general ramp and warehouse equipment (e.g., forklifts, trucks, semi-trucks and lifting equipment).

A Utility Specialist may be required occasionally to assist a Technician in the performance of his work. The requirements for a Utility Specialist to become a Technician are addressed in Article 5, Filling of Vacancies.

b. Lead Utility Specialist

A Lead Utility Specialist is a working member of the group who may be charged by his supervisor with the responsibility of planning, leading, directing, coordinating, instructing, on the job training and delegating the work of his/her assigned group.

3. Cleaner Craft

The work of a Cleaner shall include, but not be limited to, cleaning, washing, polishing, and waxing the interior and exterior of aircraft, aircraft parts,

maintenance equipment, shops and hangars, including the replacement of aircraft seat covers and carpets on aircraft checks, turnarounds, and through flights, as well as the operation of motor vehicles when necessary for the performance of their duties, when such work is to be performed in and around the hangars and shops. Cleaners will not be allowed to perform the work of a higher Craft unless all employees within such Craft have first been given the opportunity to perform such work in a timely manner and are unable to do so, or the work is necessary or required to maintain a schedule and is emergency in nature. Work which only requires the use of physical exertion, and no hand tools, may be performed by Cleaners on an as-needed basis. (See, LOA #16, at page 1.)

E. Bid Areas

1. A “Bid Area” is the basic work area to which each employee is assigned. In some Stations, generally the larger ones, an employee may have the option to bid into different work areas within his assigned Bid Area.
2. To be considered fully qualified for a particular Bid Area, an employee must meet the requirements listed below, except that any employee, including an employee whose work has been transferred to a reorganized or redefined Bid Area, who has previously completed the Qualifying Period, as provided in Article 5, will be considered qualified regardless of the qualifications (including license requirements) listed below.
3. Each employee shall be responsible for ensuring that his qualifications for each Bid Area are properly recorded.
  - a. Initial qualifications and any subsequent qualification claims shall be reviewed by the Company. The Company will provide a system that permits employees to update and/or change the record of their qualifications. Employees will be deemed qualified in the Bid Area: (i) in which they are employed on the effective date of this Agreement; or (ii) into which they were previously grand-fathered as properly reflected in their Bid Area Qualifications (BAQ) within ninety (90) days of ratification of this Agreement; or (iii) into which they were qualified on January 1, 2009 and whose Bid Area Qualification(s) reflect such qualifications within ninety (90) days of ratification of this Agreement; or (iv) in which they previously completed the “Qualifying Period” pursuant to Article 5.
  - b. If there is any question regarding the qualifications the shop steward, the affected employee and the Company will confer to resolve the matter by examination of confirming documents and/or interview of the employee. If the qualification is still in doubt, it may be resolved by administration of an appropriate trade test or via the grievance process.
  - c. No employee shall be regarded as qualified for any Bid Area that he has

not affirmatively claimed qualification unless he was employed in that Bid Area on the effective date of this Agreement.

- d. The Company will use these Bid Areas Qualifications in determining eligible employees when filling vacancies in accordance with Article 5. The Company shall continue to review personnel files and/or employee resumes and applications, to determine qualifications, for the first ninety (90) days after ratification of this Agreement, after which it shall rely solely on the employee's updated Bid Area Qualifications.
4. The following list contains the Bid Area titles, Bid Area numbers, and the license and experience requirements for each Bid Area.

**Bid Area Title, Number,**  
**And License Requirements Experience Requirements**

Series 100-Technicians And Lead Technicians

101 - Line Technician

A&P License and Twelvemonths experience in trouble shooting, repair, and maintenance of aluminum and/or composite skinned, pressurized jet/turboprop aircraft, or  
At least 12 months' experience as Radio/Electrical, Sheet metal, Trim, Power plant, and/or A.I.R. technician and successful completion of a trade test.

102 - Base Technician

A &P License and Twelvemonths experience in trouble shooting, repair, and maintenance of aluminum and/or composite skinned, pressurized jet/turboprop aircraft, or  
At least 12 month's experience as a Sheet metal, Composite, Trim, and/or Radio/Electrical technician and successful completion of a trade test.

103 - Powerplant Technician

A&P License and Twelvemonths experience in power plant limited heavy maintenance on power plant components and accessories, up to but not including the compressor case, or  
Successful completion of a trade test.

104 - Avionics Technician

A&P License and Twelve months aircraft experience in radio and electrical/avionics trouble shooting and repair, or  
Successful completion of a trade test.

105 - Sheet Metal Technician (Line/Base)

A&P License and Twelvemonths experience in general structural sheet metal overhaul and repair, or  
Successful completion of a trade test.

106 - Sheet Metal Technician (Shop)

A&P License and Twelve months experience in general structural sheet metal overhaul and repair, or  
Successful completion of a trade test.

107 - Composite Technician

A&P License and Twelve months experience in metal to metal bonding, fiberglass and composite repair, or  
Successful completion of a trade test.  
Must be physically able to wear and use a respirator in accordance with OSHA regulations.

108 - Weld Technician

No License Requirement Twenty-four months general welding experience and successful completion of a Continental certification test, or  
Certificate of completion from an accredited vocational school for the following: Arc, Heli-Arc, Mig and Acetylene; and successful completion of a Continental certification test.

109 - Machinist Technician

No License Requirement Twenty-four months general machinist work and successful completion of a trade test.

110 - A/C Interior Repair Technician

A&P License and Twelvemonths experience in recovering, replacing, and refurbishing aircraft interiors, including seats, or  
Twelve months experience as a Line, Base, Avionics, Sheet Metal, or Shop technician.

111 - Trim Technician

A&P License and Twelve months experience in recovering, replacing, and refurbishing aircraft interiors, including seats, or  
Twelve months experience as a Line, Base, Avionics, Sheet Metal, or Shop technician.

112 - Paint Technician

A License, or Twenty-four months experience in automotive and/or aircraft painting, or  
Successful completion of a trade test.  
Must be physically able to wear and use a respirator in accordance with OSHA regulations.

113 - Calibration Technician

A&P License, and Twelve months experience in the calibration and repair of electronic test and measurement equipment, or Successful completion of a trade test.

114 - Airport Communications Technician

FCC License, and Twenty-four months component level repair and overhaul in two of the three following areas:  
UHF/VHF transceiver systems;  
Video display systems (including TV repair, FIDS repair, or closed circuit systems repair); and  
Airport security systems (magnetometers or x-ray), or Certificate of completion from an accredited electronic school and successful completion of a trade test.

115 - Pattern Technician

A&P License and Twelve months experience making form blocks, mold pattern, fixtures, and forming tools of the type used in plastic and metal, or Successful completion of a trade test.

116 - Tooling Repair Technician

A&P License and Twelvemonths experience as a Technician.

117 - Electric Harness Shop Technician

A&P License and Twelvemonths experience in fabrication, repair, overhaul and/or calibration of electrical equipment, including wire harnesses, or Successful completion of a trade test.

118 - Facilities Maintenance Technician

Local Requirements and Twelvemonths experience including at least three of the following areas:  
Electrical (including 480 volt, 3 phase);  
Structural (including steel frame construction);  
HVAC (including building management systems);  
Mechanical (including conveyors);  
Plumbing; and  
PLC electronic/computer controls.

119 - Ground Service Equipment Technician (or GSE Coordinator)

No License Requirement Twelve months experience in trouble shooting, repair, and maintenance of gas and diesel engines; electrical and hydraulic systems; or motorized equipment supporting airport ground handling operations, or  
A certificate of completion from an accredited automotive school.

Series 200-RAMS Team

## 201 - Structures

A&P License, and Twenty-four months experience in general structural aircraft overhaul and repair, including at least twelve months combined experience in sheet metal repair and will include two of the following:

composite repair;  
fiberglass repair; and  
metal to metal bonding.

## Series 300-Inspectors

### 301 - Quality Control

A&P license and Twenty-four months total Mechanic and/or Inspector experience on and any others aluminum/composite skinned, turboprop/jet aircraft and successful required by the completion of a trade test.

FAA

## Series 500-Utility Specialist and Lead Utility Specialist

### 501 - Interior Recoverables Utility Specialist

No License Required High school diploma or equivalent or a Certificate from an accredited trade school; mechanical aptitude; working knowledge of tools associated with aircraft and automotive repair, or ability to work with cleaning solutions and chemical; possess valid state driver's license.

### 502 - GSE Utility Specialist

No License Required High school diploma or equivalent or a Certificate from an accredited trade school; mechanical aptitude; working knowledge of tools associated with aircraft and automotive repair, or ability to work with cleaning solutions and chemical; possess valid state driver's license.

### 503 - Tool Room Utility Specialist

No License Required High school diploma or equivalent or a Certificate from an accredited trade school; mechanical aptitude; working knowledge of tools associated with aircraft and automotive repair, or ability to work with cleaning solutions and chemical; possess valid state driver's license.

### 504 - Facilities Utility Specialist

No License Required High school diploma or equivalent or a Certificate from an accredited trade school; mechanical aptitude; working knowledge

of tools associated with aircraft and automotive repair, or ability to work with cleaning solutions and chemical; possess valid state driver's license.

5. In addition to the basic requirements listed above, the requirements for bidding a lead position shall include a minimum of twenty-four (24) months experience in the applicable Bid Area.

## Article 4 – Seniority

### A. Company Service Date

An employee's Company Seniority, or "Company Service" date, begins on the date the employee was placed on the payroll when he was most recently hired by the Company. The Company Service date reflects adjustments for periods of inactive service as defined herein. The adjusted Company Service date is retained until the employee is separated from Continental employment. Company Service date determines benefit eligibility, vesting in benefit programs such as retirement, rate of vacation accruals and vacation bidding, pass boarding priority, and service pins/awards. Company Service date should not be confused with Craft Seniority (see paragraph C, below) which is used for most bidding purposes.

### B. Pay Seniority

Pay Seniority determines an employee's position on the pay scale. While it is adjusted for periods of unpaid time off, such as leaves of absence, furloughs, LOAP, etc., step increases are given to employees after they complete the specified time as an active employee in a paid status, except as provided in paragraphs H.4 (a) and (b) below.

1. Employees going from one Classification to another Classification within the same Craft will retain their Pay Seniority.
2. Employees going from one Classification to another Classification within different Crafts will have a Pay Seniority date based on their Craft Seniority in the new Craft, including any that they previously retained/accrued, unless the employee is forced to move to a lower paying Craft in which case he shall retain the pay seniority from the previous Craft.

### C. Craft Seniority

1. An employee's "Craft Seniority" date is established upon entering a Craft. Employees hired or transferred into a Craft will be placed on that Craft Seniority List on the first day they work in the Craft, including training/orientation days. For this purpose, employees working the night/graveyard shift (with a starting time before midnight) are considered as working on the day on which they begin their shift.
2. When two or more employees hold the same Craft date, their seniority ranking will be established based on their Adjusted Company Service Date. When two or more employees hold the same Adjusted Company Service Date, the seniority order will be determined by placing the employees in the order in which their birth dates fall in the calendar year, with the earliest date in the year being the most senior. Effective on the date of signing of this Agreement, if two or more

employees hold the same Craft Date, adjusted Company Service Date and birthday, their seniority ranking will be established using the last four (4) digits of their social security numbers, the most senior being the one with the highest number.

3. Once an employee has attained a Craft Seniority date, that date is retained when moving to other Classifications within the same Craft.
4. Employees who move to a different Craft will continue to retain and accrue seniority in the previous Craft(s) while working in the new Craft, except that a Technician who moves to the Utility Specialist Craft will only retain Technician Craft Seniority for a period of six (6) years, and will not accrue Technician Craft Seniority while working as a Utility Specialist, unless the move to Utility Specialist is the next Bid Area following a RIF which bumped him from his Technician position or he was otherwise forced into the Utility Specialist position.

D. Classifications And Crafts

The Classifications and Crafts covered by this Agreement are:

<u>Classification</u>	<u>Craft</u>
Inspector	Technician
Lead Technician	Technician
RAMS Team (Structural)	Technician
GSE Coordinator	Technician
Technician	Technician
Utility Specialist	Utility Specialist
Lead Utility Specialist	Utility Specialist
Cleaner	Cleaner

E. Seniority Lists

1. The Seniority Lists, which are in effect on the date of signing of this Agreement plus thirty (30) days will be recognized as the basis for all future discussions or challenges to Seniority.
2. The Company shall prepare and post system Seniority Lists by Craft Seniority showing the name, Craft Seniority date, and Company Seniority date for each employee, in the order of their Craft Seniority. In addition to the system-wide list, the Company shall also prepare and post a Station Seniority List with the same information as above, but listing only information for the current employees at that station. Both lists will be updated and posted sixty to ninety (60 – 90) days before the posting of the Shift Bid in each station and each Bid Area. Such lists will be subject to correction upon protest for a period of thirty (30) days. If no complaint is made within thirty (30) days of the posting, the list as published will be assumed to be correct, and thereafter no changes will be made except under

extraordinary circumstances. Seniority lists will also be provided to the Union when they are posted. Electronic posting and transmission of seniority lists will be deemed sufficient to satisfy the posting and notice requirements of this Article, along with an electronic copy to each local union office.

### 3. **Probation**

- a. New employees shall be on probation for the first one hundred eighty (180) calendar days of active employment under this Agreement. Upon successful completion of their probationary period, employees will be retained on the Seniority List in the order of their craft date.
- b. An employee may be assigned and re-assigned to any shift and days off during the probationary period. Probationary employees will be allowed to bid for shift, work area and days off in accordance with Article 7, and the award of such bid shall become effective after successful completion of the probationary period.
- c. There is only one probationary period for each employee, except that an employee who leaves the service of the Company for any reason and is later rehired, will be treated as a new hire, including the serving of another period of probation. No credit for previous Company service will be given.
- d. With the Union's concurrence, the Company may extend an employee's probationary period, either for performance reasons, or because the employee is relocating to a different work area.
- e. The Company will evaluate probationary employees on a bi-monthly basis and document such evaluation for review by the Union if requested.
- f. Employees may be discharged during their probationary period without a fact-finding meeting or recourse to the Grievance Procedure.

### F. Loss Of Craft Seniority

Craft Seniority will be lost and the employee's name will be removed from the Craft Seniority list for the following reasons:

1. Resignation or termination, or
2. Retirement, or
3. Discharge for Just Cause, or
4. Failure to return to active service from a leave of absence, unless the failure to

report was due to verifiable circumstances beyond the control of the employee, or

5. Failure to accept recall from lay off within fourteen (14) calendar days after written notice was received by the employee, or failure to report to work within fourteen (14) calendar days after acceptance of recall. Notice will be sent Certified Mail, Return Receipt Requested, to the last address on record with the company. Once notice of recall is received, the employee must report to work within twenty-eight (28) calendar days unless an extension is mutually agreed to between the Company and the employee. It shall be the responsibility of the employee to maintain their current address with the Company, or
6. When an employee with less than six (6) years of craft seniority at the time of furlough does not return from lay off status for six (6) years; or, when an employee with six (6) or more years of craft seniority at the time of furlough does not return from lay off status within a period equal to the employee's length of service, or
7. Voluntary transfer or promotion to an hourly or salaried job not covered by this Agreement (excluding management positions in Technical Operations below the Director level), unless such transfer is because of a reduction in force that affects the transferring employee, in which case that employee will retain and accrue Craft Seniority, or
8. The employee does not return from a Medical Leave of Absence within five (5) years or the employee's length of service whichever is less, or as specified by applicable law.

G. Supervisory Or Special Assignment

1. Employees who are promoted on a permanent basis to any management or administrative position below the Director level will continue to retain seniority in the Craft(s) they vacated, but will accrue such seniority for only the first six (6) months while working in management.
2. When employees in management or administrative positions desire to return voluntarily to a Craft covered by this Agreement, in which they retain seniority, they may use their craft seniority to bid for available vacancies in said Craft, but in no event will an employee be furloughed or bumped from his location as a result of the return to the unit of a management or administrative employee.
3. When employees in management or administrative positions are involuntarily demoted, or reduced due to a Reduction-In-Force, they may exercise their Craft seniority to return to positions in Crafts in which they hold seniority, but in no event will an employee be furloughed or bumped from his location as a result of the return to the unit of a management or administrative employee.

4. Employees covered by this Agreement have priority to vacancies over those not covered by this Agreement, including employees in management or administrative positions who desire to return to a Craft covered by this Agreement.

H. Adjustment Of Seniority For Leaves/Furloughs

1. **30 Day Accruals**

During the following types of leaves, Company Service date and Pay Seniority will continue to accrue for the first thirty (30) days, independent of the calendar month. Beginning on the thirty-first (31<sup>st</sup>) day, Company Service date, and Pay Seniority will be adjusted for the remaining period of inactive service:

- a. Personal
- b. Educational
- c. Emergency

2. **90 Day Accruals**

During the following types of leaves, Company Service date and Pay Seniority will continue to accrue for the first ninety (90) days, independent of calendar month. Beginning on the ninety-first (91<sup>st</sup>) day, Company Service Date and Pay Seniority will be adjusted for the remaining period of inactive service:

- a. Adoption
- b. Parental
- c. Company Offered Leaves (“COLA”) (unless otherwise specified)
- d. Furlough - Company Service date and Pay Seniority will continue to accrue for ninety (90) days, independent of the calendar month. Beginning on the ninety-first (91<sup>st</sup>) day, Company Service date and Pay Seniority will be adjusted for the remaining inactive service while the employee is on furlough.

3. **120 Day Accruals**

During Unpaid Medical Leave (including Family Leave), Company Service date and Pay Seniority will continue to accrue for the first one hundred and twenty (120) days, independent of calendar month. Beginning on the one hundred and twenty first (121<sup>st</sup>) day, Company Service date and Pay Seniority will be adjusted for the remaining period of inactive service.

4. **Accruals for Longer Periods**

During the followings types of leaves, Company Service and pay seniority date will not be adjusted for the duration of the leave:

- a. Military
- b. Unpaid Occupational Injury (maximum five (5) years or length of service, whichever is less)

5. **Craft Seniority**

Craft Seniority will continue to accrue while on leave or furlough, except as otherwise expressly provided herein.

6. **Union Leaves**

Employees on Union Leaves will be treated as provided in Article 18 (Q) while working on Union leave.

## Article 5 - Filling Of Vacancies

- A. A vacancy, as used herein, refers to a position to be filled by the bidprocess. A position to which an employee has recall or displacement rights is not considered a vacancy.
- B. Any non-probationary employee may bid on any posted vacancy created as a result of a new or vacant position. The vacancy will be awarded to the senior qualified bidder in accordance with the procedures specified below. The qualifications required are specified in Article 3, Classifications of Employees. Notwithstanding the provisions in D 1 below, an employee may bid on more than one concurrent job posting at a time. If he is the senior qualified bidder, as defined in Article 3, on more than one position, he shall have the right to choose which to accept, without penalty. Except for special postings, employees shall be restricted from bidding for one (1) year after the commencement of their probationary period.
- C. When the Company fills a vacancy, it will do so in accordance with the following provisions:

### 1. **Standard Bid Procedure**

- a. All vacancies will be electronically "posted" in E-Bid, or its future equivalent, for twenty-one (21) calendar days. Additionally, the vacancies will be posted on the "Tech Ops Portal", or its future equivalent, and email notifications will be sent to any employee who requests the vacancy notices and provides a valid email address through the E-bid system or its future equivalent and sent to the Union. Bids must be completed on the appropriate electronic bid form and submitted by the closing date shown on the posting. Employees who will be out of work for a period of twenty-one (21) days or more may submit an electronic proxy bid for vacancies that may become available during their absence.  
Postings will contain:
  - i. Job Title, and
  - ii. The Station and Bid Area in which the vacancy is to be filled, and
  - iii. Other qualifications as stated in Article 3 of this Agreement, and
  - iv. The posting date, closing date and time of the bid, and the report date for the new position.
- b. Unless the bid has previously been canceled, immediately after the closing date and time, the bids will be reviewed and the successful bidder will be determined. The results of the bid selection will be electronically posted with a copy being sent to the Union, and the successful bidder will be

notified no later than three (3) business days after the closing date.

- c. Bid postings will include the names of all who had a bid on file at the time of selection, in seniority order. Within sixty (60) days of ratification the Company shall put a system in place that will allow the Union, upon request, to review all vacancy postings, bids on file and bid selections. The system shall allow the Union to view the entire bid process from start to finish, including the time and date of all postings, bid(s) submitted or withdrawn, and positions awarded.

#### D. Bid Awards

1.
  - a. Absent extenuating circumstances, once an employee has been contacted and notified of the bid award, the employee must report to the awarded position or remain at his current position, location, and lose all bid rights for the next two (2) years, unless the employee is bidding to a higher paying position, or he is affected by a Reduction In Force, in which cases he retains all bid rights.
  - b. Absent extenuating circumstances, once awarded a vacancy which an employee reports to, the employee will have one (1) opportunity within a two (2) year period following notification of the first award, to bid and be awarded another vacancy, unless the employee is bidding to a higher paying position, or he is affected by a Reduction In Force in which cases he retains all bid rights.
  - c. If the Bid File is empty, the two (2) year waiting period will be waived by the Company, and qualified employees covered by this Agreement shall have preference to the vacancy over those from outside the unit.
2. Except as otherwise specified by law, an employee on a leave of absence must have returned to work by the closing date of the bid in order to be considered for filling the position.
3. Provided that the same standards for filling the vacancy are used as were listed on the original posting, a vacancy which is not filled by a bargaining unit employee may be filled by a new hire or management employee exercising Craft seniority. Alternatively, the qualifications may be reduced, changed, or eliminated by mutual agreement between the Company and the Union, and the vacancy reposted, for bargaining unit employees to bid on with the altered qualifications prior to filling the vacancy with a new hire or management personnel. The Company may also re-post a vacancy without altering the qualifications (“Special Posting”), waiving any other restrictions employees may be under pursuant to this Article. In all cases, employees covered by this Agreement shall have preference to vacancies over those from outside the unit, including employees in management who desire to fill a vacancy.

4. An employee who, through the bidding process, is awarded a vacancy to a Bid Area or Classification in which he has never worked, will be placed on a “Qualifying Period” of sixty (60) calendar days. During this period the employee shall be required to demonstrate his ability to learn and perform the work of the new assignment. During this period the employee will give his full co-operation to management, and likewise, management will give the employee their full co-operation and assistance. If during the Qualifying Period it is determined that the employee is not making reasonable progress in the new position, management will;
  - a. Counsel the employee on the specific work areas which need improvement, and allow a reasonable opportunity to monitor that improvement. If, following that opportunity, the employee is still not progressing satisfactorily, management will;
  - b. Give the employee a written statement, detailing the specific areas needing improvement, again allowing a reasonable opportunity to monitor that improvement. If, following that opportunity, it is determined that the employee is not qualified to perform the job satisfactorily, the Company will give him a written letter of disqualification.
  - c. With the Union’s concurrence the Company may extend an employee’s Qualifying Period up to thirty (30) calendar days.
  - d. If an employee is disqualified under this Section or resigns from his new Bid Area during the Qualifying Period, he will be required to return to his former Bid Area and shift. If that position is no longer available, the employee will be allowed to exercise his seniority as described in Article 6, Reduction In Force
  - e. If an employee is disqualified under this Section or resigns from his new Bid Area during the Qualifying Period, the next most senior qualified employee from the original bid will be offered the position vacated by the disqualification/ resignation.
  - f. An employee who is disqualified or resigns hereunder will not be allowed to bid/displace for one (1) year to the same Bid Area. If an employee is disqualified/resigns a second time from the same Bid Area, the employee will not be allowed to bid/displace that same Bid Area, regardless of station again, without demonstrating new or additional qualifications.
  - g. Employees on a Qualifying Period shall be allowed to bid; however, for the remainder of the Qualifying Period the Company may assign them where needed. Upon completion of the employee’s Qualifying Period he shall assume the shift and days off which he was awarded on the shift bid.

5. If an employee is the successful bidder for a position located at a Point other than the Point where he is based, unlimited space available fee waived transportation will be furnished the employee and eligible family members for a period of thirty (30) calendar days. All other expenses of the transfer will be paid by the employee. At the employee's option he may elect to use any vacation time he has available for the purpose of moving. A reasonable period of unpaid time (determined by the employee and management) will be provided to the employee at the time of transfer, or shortly thereafter, to move. An employee will not be obligated to report to his new assignment sooner than fourteen (14) calendar days after notification of the award unless mutually agreed to by the employee and management.
6. Unless a different report date is mutually agreed upon by the employee and the Company, a successful bidder who is prevented by the Company from actually transferring to his new position on the report date as stated in the posting will be compensated for any lost compensation resulting from a difference in his base pay rate resulting from being held in his present position.

E. Temporary Upgrades And Assignments

All vacancies (as defined in paragraph A of this Article), staffing outages in Lead positions currently, filled by incumbent employees and Inspector work at Stations where Bid Area 301 is not staffed may be filled in accordance with the following:

1. If the need arises to temporarily upgrade an employee to a Lead or Inspector (RII), the upgrade will be assigned to either an available Lead or RII qualified Technician on overtime or working a trade in the Work Area where the upgrade is needed, or by offering it to the senior qualified employee in the Craft in that Bid Area, shift, and permanent crew. If no employee on the crew volunteers for the position, it will be filled by assignment to a Lead or RII qualified Technician on overtime or working a trade outside the Work Area where the upgrade is needed, or to the junior qualified employee in the Craft in that Bid Area, shift, and permanent crew.
2. Except for positions occupied by incumbent employees who are absent in accordance with Article 10, Leave Of Absence, positions covered by this Agreement may not be filled on a temporary basis by upgrade, or assignment to another Work Area and/or Bid Area, for more than sixty (60) cumulative working days within a rolling twelve (12) months. To allow for accurate tracking, notice of temporary upgrades and/or assignments will be given to the Union Representative or his designee by the Supervisor requesting such upgrade or temporary assignment. Within sixty (60) days of the ratification of this Agreement the Company and the Union shall meet and agree upon a form for the purpose of tracking such upgrades.

3. The time limit provisions of this Section shall not apply to a Temporary Vacancy created as a result of Section F, Paragraph 2.
4. In order to be upgraded as a Lead, an employee must have passed his probation and/or Qualifying Period in the Bid Area for which the Lead upgrade exists.

F. Voluntary Reduction In Classification

Inspectors and Leads in all Crafts and Classifications may voluntarily downgrade, permanently or temporarily, to a different/lower Classification in any Craft in which they maintain Craft Seniority. This may be done in the following manner:

1. If a vacancy exists at his Point, after Recall and Reduction in Force Procedures have been complied with in that order, an Inspector or Lead may fill the vacancy on a permanent basis prior to its being filled by a less senior bidder. If two or more employees at a Point wish to downgrade at the same time, any competition between them for a vacancy shall be resolved by the use of Craft Seniority, with the most senior being awarded the vacancy. Any Inspector or Lead who downgrades in this manner is prohibited from bidding for, or accepting, an Inspector or Lead position, as the case may be, for a period of one (1) year beginning from the date of his downgrade. Downgrading employees do not have recall rights to the position they vacated. The resulting vacancy in the Inspector or Lead Classification will be filled using the procedures outlined in this Article.
2. If no vacancy exists at his Point, an Inspector or Lead may nonetheless downgrade temporarily (six (6) months or less) to a different/lower Classification, provided there is another employee at the Point who is qualified for temporary upgrade to the position vacated. At the end of six (6) months the downgrading employee must return to his Inspector or Lead position unless he was awarded a permanent vacancy at the Point, or within the system, during the six (6) month period. If the employee refuses to return to his Inspector or Lead position he will be placed on LOAP status, not to include displacement rights. In that case his recall rights will be limited to the lower Classification, and not to the Inspector or Lead Classification. Any resulting vacancy in the Inspector or Lead Classification will be filled using the procedures outlined in this Article. Should a shift rebid occur during the period of the downgrade, the downgrading Inspector or Lead will bid as Inspector or Lead and the upgrading Technician will bid as a Technician. The two employees shall assume each others' bidded positions for the duration of the downgrade. An employee who downgrades temporarily may not do so again for one (1) year following return to his Inspector or Lead position. An employee may not downgrade in this manner more than three (3) times during his employment with the Company.

## **Article 6 - Reduction-In-Force (RIF) and Recall**

- A. When the number of employees must be reduced, Craft seniority shall govern. The employees with the least Craft Seniority by classification, by station in the affected Bid Area will be reduced.
- B. Beginning with the most senior employee affected by a reduction as provided in paragraph A above, employee(s) affected by a RIF may exercise Craft Seniority in the following order:
  - 1. Displace the junior employee in any Bid Area within his Craft/classification (unless the employee chooses to displace to a lower Craft/classification), at his station/Point for which he meets the minimum qualifications in accordance with Article 3, and in which he has the seniority to displace, or at the employee's option, displace the system in the Bid Area from which he was reduced in any station/Point his seniority will allow.

Note: For purposes of this Article (Reduction-In-Force) the following geographic locations, having two (2) or more stations in close proximity to one another, are considered one (1) Point:

IAH – HOU – VIC, MIA – FLL, LAX – SAN – SNA,  
EWR – LGA, and GSO – RDU.

An employee at one of these stations may elect to bump a more junior employee at the other station within the same Point (e.g. IAH-HOU) in the manner described in paragraph B.1 above. The parties agree that during the term of this Agreement they will meet and confer at either party's request regarding the need or desire to add to or delete from the list of stations considered to be a single Point.

- 2. If unable to exercise all options in B(1) above, that he is qualified for in accordance with Article 3, that would enable him to displace at his home station/Point or any of his selected options he chose on the system in his Bid Area, in a manner that would allow him to remain at his current base rate or higher (excluding shift and line premiums), he may staff any position in the system he has the seniority to displace and for which he meets the minimum qualifications in accordance with Article 3.
- 3. At his option, the employee may take lay off at the point ("LOAP") in lieu of any of the foregoing.
- 4. If the Company decides to move work from one Company location to another on a permanent basis (i.e., sixty (60) days or more), resulting in a net head count loss at the location losing the work, beginning with the most senior employee in the affected Bid Area, the net number of affected employees in the affected Bid Area shall have the option to exercise seniority to follow that work to the location or locations to which it is transferred, before vacancies are offered to other employees, including

those with recall rights or new hires, at the location or locations. An employee who declines to exercise his seniority and becomes excess in the Bid Area shall then become surplus within that location and shall be afforded his furlough and recall rights under this Article.

- C. An employee affected as well as employees who potentially may be affected by a RIF or may be displaced pursuant to this Article, will be offered the opportunity to designate, in the order provided above (paragraphs B.1, 2, 3), election of his options within fourteen (14) calendar days after written notification was sent Certified Mail, (Return Receipt Requested) to the current address on file with the Company. The potentially affected employees' option sheets will not be exercised unless that employee is affected by the reduction in force or displaced by a senior employee. An employee who does not designate his options and is affected by the RIF or displacement will be placed on LOAP, absent extenuating circumstances (see LOA#30 – RIF Options).
- D. The recall procedures in this Article will be applied before a permanent vacancy is filled by operation of either the bumping procedures described above or the bidding procedures described in Article 5. During a reduction-in force (“RIF”) the company will “freeze” bids on the system no later than the day RIF notices are issued, and will not fill vacancies on the System until all RIFs are finally processed. The Company shall maintain records reflecting system-wide staffing. The Company will inform the Local Union prior to filling any position(s). In addition, at the time of any RIF the Company will provide the International and the affected Local Union(s) with a “snapshot” of the system-wide staffing including positions staffed, positions not staffed (vacancies), and positions to be eliminated. In addition, throughout the RIF process the Company will maintain and keep sufficient documentation, whether electronically or otherwise, to permit an audit if requested by an affected employee or the Union.
- E. After the Company completes the RIF process, an employee who is to be placed on LOAP will be given a minimum of fourteen (14) calendar days written notice in advance of the effective date, or straight time pay in lieu of such notice. Employees will not be entitled to notice/or pay in lieu of notice if the RIF is due to circumstances beyond the control of the Company, such as an act of God, a war emergency, revocation of an operating certificate, grounding of aircraft, or a strike.
- F. An employee who is laid off will receive full payment for unused vacation time credited from the previous year, as well as vacation accrued up to the time of lay off. However, at the employee's option he may keep his accrued vacation bank, to be used if recalled, until the end of the calendar year in which it was accrued for. If not recalled by December 31<sup>st</sup> of that year he will be paid for all such hours stated above.
- G. An employee on lay off will continue to have standard employee pass privileges for six (6) months beginning with the effective date of his lay off.
- H. An employee's recall rights to a Point and Classification remain in effect throughout his active employment with the Company. However, recall rights of furloughed employees expire in accordance with the provisions of Article 4.F.6. If he has not been recalled at that

time, the employee's name will be removed from the seniority list, and he will have no further rights under this Agreement.

- I. Recall to a permanent vacancy will be in Craft Seniority order, beginning with the most senior employee, among those employees who have recall rights to that vacancy, provided the employee has the qualifications for the job as set forth in Article 3, Covered Crafts, Classifications, Qualifications and Bid Areas.
- J. An employee will have recall rights to every Classification for which he is qualified at his current station (the station he has displaced to pursuant to this Article), provided it does not result in a lower base rate of pay, and to every Classification for which he is qualified at each station/Point from which he was involuntarily displaced by application of these RIF rules, provided that he has not declined recall to the same Classification at the same station/Point since his most recent reduction or displacement from same, or otherwise lost his recall rights pursuant to the terms of this Article. An employee will not lose his recall rights to the station he was furloughed from if he accepts a position at another station within the same point.
- K. An employee will lose his recall rights to a vacancy at a station/Point if he refuses recall to the same Classification at the same station/Point. Refusing recall to one Classification will not result in loss of recall rights to a different Classification at the same station/Point. An employee with recall rights who voluntarily transfers to a vacancy at a station/Point other than those from which he was RIFed will not forfeit his recall rights. An employee on furlough status shall have the right to bid for vacancies on the system pursuant to Article 5 without forfeiting his recall rights.
- L. An employee who is on LOAP may refuse temporary recall of less than 180 days without loss of recall or employment rights. When a temporary position becomes permanent, the recall provisions of this Article will be used to fill the position regardless of temporary staffing.
- M. To maintain eligibility for recall, furloughed employees must keep a current address and phone number on file with the Company. An employee will be administratively terminated, absent extenuating circumstances, if written notice of recall is undeliverable at his last address of record (notification of recall will be mailed return receipt requested); if he fails to accept recall from furlough within fourteen (14) calendar days of receipt of notification; or if he fails to report to work within fourteen (14) calendar days after acceptance of recall, unless mutually agreed otherwise between the Company and the employee.
- N. In the event of administrative termination due to failure to accept recall, or to report after acceptance of recall, written notice of that action by the Company will be sent by mail, return receipt requested, to the employee's last address of record and to the employee's local Union.
- O. For Employees not on furlough or lay off status (those still working, but in different positions within the Company) who are being recalled, the Company may hand deliver an unregistered and uncertified written recall notice to such employee provided that a signature

receipt is obtained from the employee.

- P. If an employee is unable to return to the service of the Company at the time of recall because of an illness or injury, he shall remain on furlough until he is released by his doctor to return to work. In order to preserve his rights under this Agreement, an employee must notify the Company within the fourteen (14) day response period as specified in Paragraph M above, and provide proper medical documentation as provided by the employee's attending physician as soon as possible. Once released to return to work, the employee may at that time exercise his seniority in accordance with paragraphs I and J and his original notice of recall.
- Q. Employees' medical benefits will continue until the end of the month in which pay continuation furlough pay ceases, as provided in paragraph S.2 below.
- R. A copy of all furlough and recall notices provided to employees pursuant to this Article will be sent to the Union at the same time that the notice is provided to the employee.

S. Furlough Pay

1. An employee who has completed at least one (1) year of compensated service with the Company prior to being laid off, through no fault or action of his own, shall receive furlough pay as provided by paragraph S.2 of this Article, paid as pay continuation, but shall not receive furlough pay if any one (1) or more of the following conditions exist:
  - a. He exercises his seniority to remain in the employ of the Company.
  - b. He accepts any other employment with the Company or refuses to accept a job in his own classification at his base or station as provided for in this Article 6.
  - c. He fails to exercise his seniority in any classification which would enable him to remain in the employ of the Company, except that refusal to exercise his seniority at another station/Point shall not prevent him from receiving furlough pay
  - d. He is dismissed for just cause, resigns or retires.
2. The amount of furlough pay due under this Article shall be based on the length of actual straight time compensated service with the Company, shall commence on the first day following the effective day of his furlough, and shall be computed on the basis of the employee's regular "Hourly Base Rate of Pay" as defined in Article 15 at the time of layoff as follows: one (1) week of furlough pay for each year of service to a maximum of fifteen (15)weeks.

## Article 7 - Hours of Service

- A. The normal workweek consists of five (5) consecutive workdays, followed by two (2) consecutive days off. The normal day is eight (8) hours of work with a thirty (30) minute unpaid meal period. A ten (10) minute rest period will be given during the first half of the shift and another ten (10) minute rest period will be given during the second half.
- B. In certain locations the normal work week consists of four (4) consecutive work days of ten (10) hours per day, with an unpaid thirty (30) minute meal period, followed by three (3) consecutive days off. Three (3) ten (10) minute rest periods will be given during the ten (10) hour shift.
- C. At no time will the Company schedule an employee for less than forty (40) hours of work per week, except as required by law.
- D. Employees who do not receive a thirty (30) minute meal period between the 3rd and 6th hours of their regular shift will, in conjunction with the needs of service, receive one of the following two (2) options:
  - 1. Receive thirty (30) minutes additional pay at the applicable overtime rate, or
  - 2. Leave work thirty (30) minutes early with pay before the normal shift end time.
- E. The Company may, if concurrence is reached with the local Union Representative, establish a paid meal period for any or all of a given work group.
- F. Starting and ending times of each shift, whether eight (8) or ten (10) hours, will be posted at each Shift Bid and will under ordinary circumstances remain unchanged until the next shift bid. Should the starting/end time be changed by one (1) hour or more, all shifts in that Bid Area will be re-bid.
- G. Day shift shall be considered the first shift of the day, and is any shift which begins on or after 0500 and up until 1000. The swing shift will be considered the second shift of the day, and shall start no earlier than 1001 nor later than 1600. Graveyard shift shall be considered as the third shift of the day, and is any shift which begins at or after 1601 and prior to 0500.

H. Duty Limitations

Except in emergencies, as defined in Article 2, an employee shall not work more than twenty (20) work hours, exclusive of lunch, in his twenty-four (24) hour day, nor more than thirty-six (36) work hours, exclusive of lunch, in any two (2) consecutive twenty-four (24) hour days. An employee's twenty-four (24) hour day begins with the starting time of that employee's regularly scheduled shift. Job continuation in conjunction with a shift in progress is permitted in conjunction with these maximums.

- I. Except as otherwise provided in this Agreement, when an employee has his hours of work temporarily changed and is thereafter returned to his regular assignment, he will have eight (8) hours rest after his last preceding work assignment. In the event that the rest period extends into the employee's regular work shift, he shall be paid at straight time rates for the time lost from his regular schedule which would provide him with the eight (8) hours rest. If an employee is not provided with the rest period as prescribed above, he shall receive his applicable overtime rate for all hours worked until such time as the employee is relieved for a rest period of no less than eight (8) hours.

J. Adverse Conditions

In any location the Director of Technical Operations or his designee may declare the day an "Adverse Condition Day." The Company shall establish a phone contact number that employees can call to determine the status of their specific work facility during adverse conditions. Upon contact the employee will be given the time of day the last message was updated and a definitive answer as to the current status of their facility during adverse conditions. If adverse conditions at the facility are declared and no definitive answer is given with respect to the facility or work area(s) being "Open" or "Closed" within at least two (2) hours of shift starting time, employees scheduled to work that shift are entitled to treat the facility as "Open."

(Note: One work area within a facility may be Open while another is Closed, even though both are in a single location that has been declared to be under Adverse Condition rules, however, under no circumstances will any work area(s) within one facility be deemed to be under Adverse Conditions while another is not.)

(Note: Decisions made by federal state or local government officials concerning travel or accessibility to the work place shall be considered in determining individual employee's ability to report to work. Employees unable to report to work due to above made decisions shall be entitled to the provisions in paragraph 1 below (Facility Open).

When an Adverse Condition has been declared, absence from duty will be treated as follows:

1. Facility Open

- a. On an Adverse Condition Day an employee will be allowed to report for work up to sixty (60) minutes late with no loss of pay for absence/tardiness. An employee arriving later than sixty (60) minutes after the beginning of the shift will be paid only for the actual hours worked. In neither case will an employee be charged with an absence/tardiness.
- b. Occasionally an employee is delayed or absent due to adverse conditions. If an employee is unable to report to work, he will not be paid for that day, nor will he be charged with an absence, but will be allowed to make up the day within a period mutually agreed to by the employee and his supervisor. This period will not be greater than fourteen (14) calendar days, or, at the employee's option thirty (30) days, unless agreed to by the employee and his supervisor.
- c. In departments that operate seven (7) days per week or allow day at a time vacation, an employee will be allowed to use any deferred or floating holidays or a vacation day to make up work missed when absent due to adverse conditions.
- d. An employee who is scheduled and does report to work on time will be entitled to full pay for the day unless the employee is not needed and voluntarily takes the day without pay (AUTO).

2. Facility Closed

- a. When the decision to close a facility is made before the start of a shift, the Company will try to notify employees not to report to work. An employee who misses work due to a facility closure will be paid for the hours missed on the employee's first scheduled work day during the facility closure. Employees will be able to use vacation, deferred or floating holidays to make up for regularly scheduled hours missed on the second and subsequent days during the facility closure. Employees may also choose to make up regularly scheduled shifts missed within the period up to a maximum of thirty (30) days following closure of a facility as mutually agreed to by the employee and his supervisor. After the facility has been closed, the Company will determine when the facility can expect to reopen and notify all affected employees.
- b. At locations that have more than one (1) shift assigned to work, the decision to close may apply to only one (1) shift. When the decision is made to close a facility during a shift, an employee who is at work at the time of the decision will receive pay for the remainder of the scheduled

shift.

- c. Absence due to a facility closure will not be counted as an absence.

#### K. Shift Bids

1. All employees covered by this Agreement have an assigned Bid Area. Within the Bid Area, all employees work an awarded shift with scheduled days off. In some Stations, generally the larger ones, certain Bid Areas may consist of several different Work Areas (ie: Zone1, Zone2 etc., Wide Body Crew, Hangar 55, Hangar 56, GSE Line, GSE Hangar etc.) In these instances all employees will have the option to bid, by seniority, into different work areas within the same Bid Area during each local Shift Bid. Except relief shifts, each employee shall have the same starting time on each of his regularly scheduled workdays. Employees transferring into a Bid Area will select a "Shift and Days Off pattern" from those available by Craft Seniority. (See, LOA #10, at page 1.)
2. At least twice a year (i.e., on a semi-annual basis, generally near the spring and fall time changes) each Bid Area will have a "Rebid for shift and days off." In no event will such rebids be separated by more than nine (9) months unless all employees in the Bid Area agree to waive such rebid. The Company will confer with the Local Union at each Station regarding shift/day off patterns in each Bid Area/Work Area prior to posting the shift bid.
3. Shift bids will be posted by the Company at least 30 days before bidding starts. Results of the shift bid will be posted by the Company at least seven (7) days before its effective date. To minimize disruption of work schedules, the effective date of a shift bid will be the first day of a pay period.
4. When a new or vacant shift becomes available, the senior interested employee(s) in the Bid Area will be given the opportunity to fill the new or vacant shift(s). The remaining shift(s) may be filled by the new or transferring employee. The Company may temporarily fill the position prior to the completion of the bid process. (See LOA #14, at page 1.)
5. An employee on an occupational injury or sick leave who wants to participate in a shift bid must provide a physician's statement verifying a return to work date that is within sixty (60) days of the effective date of the shift bid. Employees on other forms of leave similarly may bid provided they have a scheduled return date within sixty (60) days of the effective date of the shift bid. Employees who do not return within sixty (60) days of the bid's effective date will have their bids canceled and upon return will be subject to placement on a shift by the appropriate supervisor.

6. An employee transferring into a Bid Area will be allowed to participate in any shift re-bid in his new Bid Area if the closing date (the day the last person bids) of the shift re-bid is after the award/posting of the transfer. Employees awarded and accepting a transfer will be notified by the Company about current or upcoming Shift Bids that might be taking place in their new Bid area.
7. Employees scheduled to work more than four (4) or five (5) consecutive days (depending on a ten (10) or eight (8) hour shift) in a work week, or more than eight (8) or ten (10) hours in a twenty-four (24) hour period, during the transition to a new shift/days off scheduled will be paid straight time. Conversely, an employee who, because of a shift bid, is scheduled for less than a forty (40) hour week, will be allowed to work a shift(s) at straight time in order to obtain forty (40) hours of straight time.
8. Unless an electronic system is implemented or the parties in a Bid Area agree upon some other procedure, employees in a Bid Area will be assigned a bid time of not less than five (5) minutes on the day designated for a shift re-bid. Each employee shall either appear (in person or by phone) at the designated place to indicate his preference to the designated management representative or submit a written "pre-bid" to the designated management representative, prior to the shift re-bid. Written confirmation will be provided to employees submitting written pre-bids. The assigned bid times and bid office phone numbers will be posted with the Shift Bid at least thirty (30) days prior to the actual bid date and will have bid times separated in ten (10) minute intervals, unless mutually agreed to otherwise locally, to accommodate any new/transferring employees.
9. If during the awarding process an employee does not bid at his assigned slot the employee may bid on the remaining available slots at the time he notifies the appropriate office.
10. If the Company determines that it wishes to employ a technological bidding process that renders any of the terms of this Article obsolete, the Company and the Union will meet for the purpose of negotiating the implementation of the new technology.

L. Day And Shift Trades

1. Employees may agree among themselves, qualifications permitting, to:
  - a. Trade one or more of their days off with each other ("Day trade");
  - b. Exchange shifts on the same day, or another day ("shift trade"); or
  - c. Trade a shift to another employee without the other employee doing likewise ("one way trade"). Employees may trade away a maximum of

thirty (30) “one-way” shifts in any six (6) month period, provided the employee works five (5) shifts in a calendar Month. Employees on a one way trade off will be allowed to use vacation time to make up for all hours on the unpaid trade day off.

- d. Employees may trade for a maximum of four (4) additional shifts in any work week. Of these four (4) additional shifts, employees will be allowed to work a maximum of two (2) back-to-back (double) shifts per work week.(For example, an employee normally scheduled to work dayshift with Saturday and Sunday off may work additional trade shifts on Monday and Tuesday, but would not be eligible to work a trade shift on Wednesday; he would then be eligible to work additional trade shifts on Thursday and Friday.)
  - e. Employees working a trade day will be considered as working a normal shift and will be eligible for sick pay, occupational injury pay (to extend to the end of the employees following work week) vacation pay, planned and unplanned field trips, prior and following shift overtime, etc.(Note: employees on occupational injury leave may not trade shifts).
  - f. Employees on a trade day off will be eligible for overtime, pursuant to Article 17, on the remaining two (2) shifts on the day of the trade day off.
2. If one employee is on ten (10) hour shifts and the other employee is on eight (8) hour shifts, then both employees will work each other’s assigned shifts. The foregoing trades may result in an employee working more than four (4) days (in the case of ten (10) hour shifts) or five (5) days (in the case of eight (8) hour shifts) in a work week, and/or more than eight (8) or ten (10) hours, as the case may be, in a twenty-four (24) hour period. In all such cases those employees will be paid straight time.
  3. Except in case of emergency, employees will provide reasonable written/electronic notice of day/shift trades. Employees who agree to make a specific trade should fill out and sign a form stating the dates and times of the trade. That form must then be submitted to the appropriate supervisor who shall then acknowledge receipt of it with his signature, even though his approval of the trade is not required. Each of the employees is then responsible for his own attendance on the date and times of the agreed trade. Upon reporting for work, a trading employee must give the appropriate supervisor the name of the employee whose place he is taking.
  4. However, an employee who orally arranges for a trade without filling out the appropriate form, and without obtaining a supervisor’s written receipt, will be held responsible for his own attendance and that of the other employee agreeing to the trade.

5. When reporting for a trade the employee must report to the work area of the employee he traded with prior to the start of the shift and advise the supervisor on duty who he/she is trading with.

## Article 8 - Holidays

A. Employees covered by this Agreement will observe the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day, and two (2) floating holidays. The number of floating holidays shall be increased to four (4) effective January 1, 2011. Floating holidays shall be scheduled as follows:

1. During the year, subject to the needs of the service, the employee may request Floating Holiday(s) for a specific day or sequence of days if the employee has Floating Holiday(s) available. The employee will not be denied the request, if it is made no more than sixty (60) days and no less than eight (8) hours prior to the beginning of the shift or sequence of shifts in question if there are open weeks as set forth in B.4 of Article 9. However if an open week does not exist, it shall be mutually determined by the employee's Steward and immediate Supervisor or designee as to whether or not the request is granted based on manpower available on the day requested. The Supervisor will have an answer to the employee's request by the end of the employee's work day on the day the request was made.

In cases of requests made less than eight (8) hours prior to the beginning of the shift or shifts being requested, an employee will not unreasonably be denied a Floating Holiday(s) if open weeks exist as set forth in B.4 of Article 9 and the needs of the service permit his release. Denied requests and the reason(s) for the denial will be documented upon the employee's request.

2. Once a request has been properly made, the Floating Holiday(s) must be taken as scheduled unless agreed to otherwise by the employee and the supervisor.
3. Floating Holidays cannot be scheduled on any other holiday.

B. For holiday staffing purposes, all employees regularly scheduled for duty will be expected to report for work on their regularly scheduled shift. A volunteer list with the number of employees required per shift and bid area will be manually or electronically posted by the Company in each bid area at least fifteen (15) days before the holiday. Within seven (7) days of posting employees must electronically submit their preference to work by signing the volunteer list, or to receive the day off by not signing the volunteer list. Only those employees assigned to the bid area will be eligible to sign its respective volunteer list. If there are insufficient volunteers to work the holiday, and reduced staffing is authorized, awarding of the day off will be in craft seniority order, beginning with the most senior employee, and will be posted seven (7) days before the holiday. If there are more volunteers to work than are needed for holiday staffing purposes, assigning of the day off will be in inverse craft seniority order, beginning with the most junior employee (including probationary employees). Employees scheduled to work a particular shift and bid area on a holiday who sign up on the volunteer list desiring to work the holiday will have first preference to work their shift

when there are more volunteers than needed. At each Station/Point the Company and the Local Union will mutually agree, in writing, to the rules and conditions regarding the proper administration of Holiday Staffing pursuant to this paragraph.

- C. If an employee works on a holiday he will be paid time and one-half (1½) his hourly base rate of pay for all hours worked, in addition to eight (8) or ten (10) hours, depending on his regular schedule, of straight time holiday pay. Premium hours paid on a holiday will not be transferred onto the employee's overtime hours as defined in Article 17, Overtime.
- D. All overtime worked on a holiday will be pursuant to Article 17.
- E. If a holiday falls on an employee's regularly scheduled work day and the employee is excused from working that day, the employee will receive eight (8) hours pay at the employee's hourly base rate of pay if the employee's regular schedule is eight (8) hours and ten (10) hours pay at the employee's hourly base rate of pay if the employee's regular schedule is ten (10) hours.
- F. If a holiday falls on an employee's regularly scheduled day off the following will occur:
  - 1. At the employee's option, he will be given another day off immediately before or after the employee's regularly scheduled days off with eight (8) or ten (10) hours pay at the employee's base rate or,
  - 2. The employee will receive eight (8) hours pay at base rate for the actual holiday, regardless of whether the employee works an eight (8) or ten (10) hour shift, if the employee is not given an additional day off.
- G. An employee may defer his eight or ten hours of holiday pay for use as an additional vacation day at a time in the current year of deferral or the following vacation year. Provisions for using these additional vacation days are set forth in Article 9(C). At his option, an employee may elect to transfer his eight (8) or ten (10) hours of holiday pay into his sick bank, so long as such transfer will not exceed the maximum allowable accrued sick bank hours as provided in Article 11(C).
- H. At the employee's option one (1) day will be added, either before or after, to an employee's vacation for each holiday that falls within the employee's vacation.
- I. If an employee is on any type of paid leave (sick leave, occupational injury leave, jury duty, death-in-the-family, etc.), the employee will receive holiday pay, but the employee will not receive any leave pay.
- J. If an employee calls in sick on a holiday that the employee is scheduled to work, the employee will be treated as follows:

1. The employee will receive eight (8) hours holiday pay at his hourly base rate of pay if the employee's regular schedule is eight (8) hours and ten (10) hours pay at his hourly base rate of pay if the employee's regular schedule is ten (10) hours.
  2. No sick bank time will be deducted or paid for any regularly scheduled shift on the holiday.
  3. Notwithstanding the provisions of J.2 above, an employee who calls in sick for a day or shift trade scheduled on a holiday will be eligible for pay from his available sick bank.
  4. The absence will be an accountable instance for attendance purposes. Subsequent contiguous absences due to illness will be considered the same instance.
- K. When an employee is scheduled to work a holiday and does not report, other than for reasons of sickness, holiday pay will not be paid.
- L. Trading on holidays is permitted in accordance with the provisions of Article 7, with the following qualification: An employee who works on a holiday will be paid time and one-half (1½) for all hours worked. He also is eligible to receive his own straight time holiday pay for that day, but not the straight time holiday pay of the employee with whom he traded, that straight time holiday pay, either eight (8) or ten (10) hours, will be given to the employee on the trade day off.
- M. The Company recognizes that certain employees will request time off to observe a religious holiday.
1. Employees who wish to take time off for a religious holiday should first attempt to arrange their work schedule so that they will not have to work on the religious day. The employee may arrange to work on one of the established holidays, or on one of his regular days off in the same pay week he wishes to observe the holiday in substitution for time off granted to observe a religious holiday. Such regular day off work shall be paid at straight time pay for eight (8) or ten (10) hours, whichever is applicable.
  2. Employees unable to make alternate arrangements should notify their supervisors in writing at least two weeks before the day they wish to be absent. The Company will accommodate a request for time off. Such time off will be without pay, unless the employee has VAC-DAT days remaining, in which case a VAC-DAT day will be used for the absence. The Company may require the employee to work a different shift or day. Absences of this nature will not count for attendance purposes.

## Article 9 - Vacations

### A. Vacation Policy

1. All employees are eligible for paid vacation. The rate at which an employee accrues vacation (five (5) days per year, ten (10) days per year, fifteen (15) days per year, twenty (20) days per year, twenty-five (25) days per year, thirty (30) days per year, or thirty-five (35) days per year) is based on the employee's completed years of Company Service. The number of days an employee actually accrues, to be used in the next year, is based on the employee's accrual rate and the number of months the employee is actually paid in the current year.
  
2. Accrual Schedule - The number of vacation days an employee actually receives will be based on his/her accrual rate and the number of months the employee actually works in the prior year. The employee must be at work, on paid sick leave, on paid occupational injury leave, on vacation, or on a company offered leave of absence for more than one half of a month in order to be considered to have worked the month for vacation accrual purposes.

The number of vacation days earned based on the rate of accrual and months worked is shown in the chart below:

Months of Service	Maximum Regular Vacation							
	Prior to January 1	5 days	10 days	15 days	20 days	25 days	30 days	35 days
12		5	10	15	20	25	30	35
11		5	9	14	18	23	28	33
10		4	8	13	17	21	25	29
9		4	7	11	15	19	23	27
8		3	7	10	13	17	20	23
7		3	6	9	12	15	18	21
6		2	5	8	10	13	15	17
5		2	4	6	8	10	12	14
4		2	3	5	7	8	10	12
3		1	3	4	5	6	8	10
2		1	2	3	3	4	5	6
1		0	1	1	2	2	3	3

3. Starting January 1 after an employee's year of hire, an employee's rate of vacation accrual is based on the employee's years of Company Service. The vacation accrual schedule will be as follows:

Completed years of Company Vacation Days Received  
Service as of January 1st in the current year

Less than 1 year	Up to 40 hours
1-4 years	80 hours
5-9 years	120 hours
10-16 years	160 hours
17-24 years	200 hours
25-29 years	240 hours
30 or more years	280 hours

4. Employees hired on or before the fifteenth (15<sup>th</sup>) of the month will receive vacation credit for that month. Those hired after the fifteenth (15<sup>th</sup>) of the month will receive vacation credit beginning the first day of the following month.
5. An employee, who is scheduled for vacation during a time when the employee would ordinarily receive a paycheck, may receive a paycheck or a payroll advance before the vacation by submitting a request, with department head approval to Payroll. Payroll needs a minimum of five (5) working days for processing advance paycheck requests.
6. Employees working on schedules other than five (5) day workweeks will be paid for vacation based on forty (40) hours per workweek. Employees are compensated for earned vacation in proportion to their normally scheduled workweek in effect at the time they take their vacations.  
  
Example: A full-time employee working a four day, ten hour schedule will receive four days (forty (40) hours) of paid vacation.
7. An employee who leaves the Company either voluntarily or involuntarily will receive full payment for unused vacation time and unused deferred holidays credited from the previous year as well as vacation accrued in the year of separation, unless the employee is furloughed and elects to exercise his rights pursuant to Article 6(F).
  - a. When an employee leaves between the first and the fifteenth of the month, vacation credit will accrue up to the end of the previous month.
  - b. When an employee leaves between the sixteenth and the end of the month, vacation credit will accrue up to the end of the month in which the employee leaves.

8. An employee who has not completed six (6) months of Company Service is not eligible for vacation pay upon termination.
9. An employee may carry over one (1) week of unused bided vacation into the succeeding year. The employee may carry over all other unused bided vacation into the succeeding year, subject to approval by the Department head or his designee. If the employee's unused vacation was caused by a request from the Company such vacation carry over will not be denied. An employee may also elect to transfer any unused vacation hours into their sick bank so long as such a transfer will not exceed the maximum allowable accrued sick bank hours as defined in Article 11-2 (c).

#### B. Vacation Bidding

1. Vacations will be bid by shifts in a Bid Area, except that in any Bid Area having less than 50 employees, vacations shall be bid by Bid Area. When mutually agreed between the Company and the local Union Business Agent vacations may be bid by groupings other than those listed herein. Provided that the Company will not unreasonably withhold agreement to such grouping as the local Business Agent advocates. It shall not be unreasonable for the Company to withhold agreement if the proposed grouping can reasonably be expected to materially affect the operation or any portion thereof.
2. In each vacation bidding group, the Department Head or Designee, will determine the total number of vacation weeks to be taken including regular earned vacation and deferred Holidays. For determining weeks to be bid, two (2) or less days will not be considered as a week.
3. If the total number of weeks to be taken is fifty (50) weeks or less, only one (1) person will be awarded a vacation in any given week (considered as a column).
4. If the total number is greater than fifty (50) weeks, a full column will be available for bidding each fifty (50) weeks, and if necessary, a partial column will be available for any remaining weeks in the last column. This method is used to avoid scheduling more people than necessary to be on vacation in any specific week.
5. Once a year, generally in early November, employees will bid for available vacation in the succeeding year based on adjusted Company Service Date. The Company will post notice of where and when employees will bid their initial and subsequent rounds of vacation. Employees will at that specific time, have three (3) ways to notify management of their bid preferences. They may show up in person, or telephone in their preference, or submit a written pre-bid to the designated management representative prior to any particular vacation bid round. Written confirmation will be provided to employees submitting written pre-bids.

Once the entire vacation bidding process is completed the vacation listings will be posted no later than December 15<sup>th</sup>.

6. Employees may bid one (1) continuous vacation period, which may include all or any portion of the vacation to which he is entitled. However if the employee is eligible for less than ten (10) working days the employee may not split the available vacation. Once an employee is eligible for ten (10) working days or more, the employee may split the employee's vacation into separate periods of complete weeks and if a partial week remains, it will be taken in conjunction with one (1) of the employee's complete weeks.
7. Once each employee has had the opportunity to bid, additional rounds of bidding will be permitted following the same procedure used on the initial round.
8. If an employee does not bid at all, during any given round, the employee will not be given the opportunity to bid until the next round. However if an employee misses his bid time but calls or shows up to bid before that particular round is complete, he will be allowed to bid at that time from the remaining available weeks.
9. If an employee is a member of the Military Reserve and will attend a two (2) week training assignment during the bid year, the employee may set aside one (1) or two (2) weeks of vacation to be taken during the employee's military leave period.
10. An employee may also designate any or all days to be taken as vacation-day-at-a-time as outlined under "Vacation-Day-At-A-Time" procedures. (See below)
11. Although vacation weeks are bid using the Sunday date, the actual vacation begins following the scheduled days off in that week except that employees with Friday and Saturday or Saturday and Sunday will start their vacation in conjunction with their days off at the beginning of that week, unless the employee and the supervisor agree otherwise.
12. Employees working in Bid Areas that bid vacation by shifts will retain and carry with them their bidded vacation week(s) if they move to another shift or Bid Area during the calendar year.

C. VAC-DAT (Vacation-Day-At-A-Time)

1. An employee may elect to designate any or all of his vacation days to be taken a day at a time. The employee must designate the number of VAC-DAT days during the vacation bidding in November.
2. During the year, subject to the needs of the service, the employee may request VAC-DAT for a specific day or sequence of days if the employee has VAC-DAT available. The employee will not be denied the request, if it is made no more than

sixty (60) days and no less than eight (8) hours prior to the beginning of the shift or sequence of shifts in question if there are open weeks as set forth in B.4 of this Article. However if an open week does not exist, it shall be mutually determined by the employee's Steward and immediate Supervisor or Designee as to whether or not the request is granted based on manpower available the day requested. The Supervisor will have an answer to the employee's request by the end of the employee's work day on the day the request was made.

In cases of requests made less than eight (8) hours prior to the beginning of the shift or shifts being requested, an employee will not unreasonably be denied a VAC-DAT(s) if open weeks exist as set forth in B.4 of Article 9 and the needs of the service permit his release. Denied requests and the reason(s) for the denial will be documented upon the employee's request.

3. Once a request has been properly made and approved, the VAC-DAT must be taken as scheduled unless agreed to otherwise by the employee and the supervisor.
4. VAC-DAT cannot be scheduled on a holiday. Further, VAC-DAT cannot infringe on any existing rules regarding a holiday.
5. Employees having VAC-DAT remaining unused on October 1<sup>st</sup> of each year must declare one of the following options:
  - a. Elect to be paid for remaining VAC-DAT. Pay-out will be made on the first paycheck following November 1<sup>st</sup> of the current year, or
  - b. Use remaining VAC-DAT by December 31<sup>st</sup>. If this option is selected, but the VAC-DAT is not used by December 31<sup>st</sup>, the employee must choose to either carry the VAC-DAT into the following year as set forth in paragraph C(5)(c) below, or be paid on the second paycheck in January of the following year for all remaining VAC-DAT hours. This election must be made by midnight December 31<sup>st</sup>.
  - c. Elect to use remaining VAC-DAT in the following year as VAC-DAT. The maximum carry-over shall be forty (40) hours.
  - d. Elect to use remaining VAC-DAT in the following year as a week of regular vacation. The minimum carry over shall be one (1) day less than the employee's regular work week. The maximum carry-over shall be forty (40) hours. An employee who carries over less than a full week of VAC-DAT must complete the additional vacation week using the following year's VAC-DAT, by day/shift trade, by using unpaid leave, or by other means mutually acceptable to the employee and the Company.

- e. Elect to transfer any or all unused VAC-DAT hours into the employee's sick bank so long as such a transfer will not exceed the maximum allowable accrued sick bank hours as defined in Article 11. Employees who elect to transfer only a portion of their remaining VAC-DAT hours into their sick bank must also elect another option for all remaining hours.

Employees who fail to declare one of the above options by October 15 will be treated as having elected option (b) above.

6. An employee may split a VAC-DAT into one-half (½) of a day at a time. Upon approval from his supervisor the employee may also use VAC-DAT in hourly increments.

#### D. Changes To The Posted Schedule

1. Unless the employee(s) are allowed to retain their bidded vacation, additional columns or partial columns will be opened during the year to accommodate additional vacations because of an increase in complement (transfers) or changes in the work group which increase the number of weeks to be taken. In all other cases, any open week on the vacation schedule will be available for employees within the vacation bid group who wish to switch their scheduled weeks of vacation.
2. An employee must notify the supervisor at least two (2) weeks prior to the employee's scheduled vacation period or two weeks prior to the effective date of the vacation period the employee wished to select, whichever occurs first. The request must be made in writing. If the employee is the most senior employee to make such a request, the supervisor will approve the change and the posted vacation schedule will be revised accordingly.
3. Any vacation period vacated on the vacation schedule will remain open for seventy-two (72) hours prior to being awarded to the senior eligible bidder within the vacation group. In the Bid Areas where vacations are bid by shift, no vacation will be bid for seventy-two (72) hours after shift bid change. Then the senior eligible bidder on the shift or coming on the shift will bid first.
4. The Company will make available electronically the results of the vacation bid and update the vacation bid schedule throughout the year, upon the request of the Local Shop Steward.

#### E. Variable Use Options

1. An employee may, during the annual benefits enrollment elect to contribute a portion of his vacation to be taken the following year to his 401(k) Savings Plan account in lieu of taking the vacation. Contributions shall be made in the first quarter of the following year, shall be treated as employee contributions, and are

subject to Internal Revenue Code Section 401(a)(17) limits and to the provisions of paragraph E.3 below.

2. An employee may, during the annual benefits enrollment elect to use a portion of his vacation to be taken the following year to defer his/her monthly benefit costs in lieu of taking the vacation. The vacation value will be calculated using the employee's rate on January 1 of the following year, and applied in twelve (12) prorata portions to offset benefit costs each month of that year. In the event that the value of the vacation exceeds the benefit cost the excess will be included as a cash payment on the employee's regular paychecks. Should an employee leave the employ of the Company during a year in which he has used vacation to offset benefit costs, the amount remaining for the balance of the year will be included on his final paycheck.
  
3. The Company shall establish a deferred vacation plan for the purpose of providing severance benefits subject to the provisions of Article 9.E. and any applicable provisions of the Employee Retirement Income Security Act of 1974, as amended. Such plan shall provide for a single lump sum severance payment based upon the amount of deferred vacation benefits as set forth herein. An employee may defer up to three (3) weeks of his accrued vacation time to which he would otherwise be entitled in the following year so indicating not later than the annual vacation bidding. Vacation credits result in an employee obtaining a severance payment upon ceasing employment with the Company for any reason. In addition, employees may obtain cash payments while continuing in employment with the Company in return for cancellation of vacation credits should such employee qualify for a hardship distribution under terms identical to those in effect at the time under the Company's 401(k) Savings Plan. Further, in the event of a prolonged medical disability where he has exhausted all of his sick leave, OJI leave and vacation which may be applicable, an employee may use his accumulated vacation credit to extend his time on full paid status on an hour for hour basis without regard to any differential in such employee's pay at the time of deferral and the time of any such redemption. The employee will not be allowed to receive such payment for any other reason prior to his termination. The accumulated vacation credit of a deceased employee shall be paid to such employee's beneficiary under the Company's 401(k) Savings Plan, or in the event no such beneficiary exists, under provisions consistent with the distribution of death benefits under the Company's 401(k) Savings Plan. Payments for vacation credits are equal to the aggregate sum of gross wages deferred as a result of the election to defer such vacation. Such amount is determined at the time of the deferral based on the highest base wages, including any applicable premiums, of the employee for the year following the November 20 on which the employee agreed to defer that specific vacation credit. The value of a vacation credit for a year is carried forward and aggregated with the value of all other vacation credits for an employee and the aggregate of such amounts is the amount of such employee's severance benefit. All payments for vacation credits are made from the general assets of the Company.



## Article 10 - Leaves of Absence

- A. An employee who is unable to report for work for any reason must notify the Company in advance, whenever possible. The Company shall establish a designated absentee number for employees to use for contacting the Company when they are unable to report to work. An employee who does not have prior written permission may not be absent except for sickness, injury or other causes beyond the employee's control.
- B. An employee who must be absent, and who has not received prior written permission, must notify the Company or its designated representative at the designated absentee number before the starting time of the employee's shift on the first day and must give the reason for the employee's inability to report for work. Unless excused by the Company or its designee, the employee is required to notify the Company or its designee of the employee's absence with explanation each day the employee is absent. Proper notification occurs when the Company or its designee has been contacted at the designated absentee number by the employee and given the reason why the employee is unable to report for work.
- C. An employee is subject to discharge if absent from work two (2) consecutive days without notifying the Company of the reason for his inability to report to work, absent extenuating circumstances. Notification occurs when an employee notifies the Company or its designee at the designated absentee number.
- D. Return to Work
  - 1. An employee on an authorized leave of absence of over thirty (30) days, must notify the employee's supervisor in writing at least ten (10) days in advance of the employee's expected return.
  - 2. An employee returning from Family and Medical Leave shall return to the Bid Area, shift, and regular days off vacated. Except as otherwise provided herein, an employee returning from other leaves shall return to the position he vacated (i.e., return to shift, days off, Bid Area and classification) prior to such leave. If the position is no longer available he may choose to fill any other open position in his Bid Area. If there are no open positions in the employee's Bid Area he may exercise his seniority to displace the junior employee in his Bid Area, station/point or system if necessary.
  - 3. The Company has the right to verify the fitness of an employee to return to work after any absence by having the employee examined by a Company approved physician.

E. Authorized Leaves and Associated Benefits

1. Personal Convenience

Employees may request short term leaves of up to eighty (80) hours off for personal convenience reasons subject to the needs of the service. Such requests will be approved no later than twenty-four (24) hours prior to the time off requested. An employee may request such personal convenience time off at any time during the calendar year without regard to his remaining unused vacation time. Further, if an employee would have been approved for a VAC-DAT he will not be denied a Personal Convenience Day. If the Personal Convenience time is approved by the supervisor, such time will not be counted as an absence for disciplinary purposes.

2. Unpaid Medical(UML)

a. Upon written application, accompanied by proper written certification from an employee's doctor confirming the need, employees who are not eligible for Transitional Duty and who have exhausted or elected not to use sick or OJI accruals will be granted Unpaid Medical leaves of absence for illnesses, injuries, or pregnancies that prevent them from working. Unpaid Medical leaves may not exceed one hundred and twenty (120) days, but are renewable for one hundred and twenty (120) day periods, upon reapplication and re-certification until the employee is able to return to work, to a maximum of the shortest of the period of incapacity, five (5) years, or a period equal to the employee's length of employment. Once the employee is released without restrictions by his Doctor to perform his normal job functions, he shall be returned to his vacated position. If such position has been filled, he may exercise his seniority. Proof of illness or disability may be required through physician certification.

b. Seniority-See Article 4 of this Agreement.

3. Emergency Leave of Absence (ELA)

a. In the event of death or the life-threatening illness of a member of an employee's immediate family, the employee will receive up to forty (40) hours off at straight time pay, depending upon the employee's needs. For the purposes of this policy, the immediate family includes:

i. The employee's: spouse, children, stepchildren, parents, stepparents, sister, brother, grandparents, grandchildren, domestic partners where required by law, Parents of the employee's spouse, and Dependents

living in the employee's household.

- b. While no more than two (2) instances or a total of eighty (80) hours of ELA time will be paid per individual family member for the period of employment, additional time off without pay will be made available to employees covered by the Family and Medical Leave Act for a qualifying family member with a serious health condition, if requested. Otherwise, such additional time off without pay is within the discretion of an employee's supervisor.
  - c. ELA time is not charged against an employee's sick bank, nor counted as an absence for disciplinary purposes. ELA time does not disqualify an employee from the Attendance Recognition Program.
  - d. The Company will provide positive space on-line passes for travel to attend the funeral/memorial service and to return from downline locations. The Company will also assist in other travel arrangements as needed.
  - e. A reasonable amount of unpaid time off will be allowed in the case of the death or life threatening illness of an employee's spouse's grandparents.
4. Company Offered Leaves of Absence (COLA)
- a. Nothing herein shall prevent the Company from offering leaves of absence (COLA's) to technicians. COLAs will be posted for bid whenever a furlough situation exists. The duration of the leave will be included in the posting. COLAs may not be taken by employees who are being furloughed. They will be granted in bid seniority order. In the event of a station/base closure, this paragraph will not be applicable.
  - b. Outside employment will be allowed during a COLA. The employee must notify the employee's supervisor or his designee in writing of any outside employment. If the question of potential conflict arises, the final decision will be made by the senior corporate officer in the Human Resources Department.
  - c. If an employee is due to be furloughed during a COLA, the employee's status will be changed from COLA to furlough. Written notice will be given to the employee.
  - d. An employee granted a COLA will have a guaranteed right of return to the position vacated at the end of the COLA. An

employee will not be required to return to work during the COLA period except by mutual agreement.

- e. Sick and Occupational Injury banks and vacation time will be retained but will not accrue during COLAs.
- g. On-line pass privileges will be available to the employee and eligible family members for the entire COLA period. A letter authorizing travel will be issued to the employee.
- f. The Company and the Union will meet and confer to discuss benefit coverage continuation during any proposed COLA
- h. Seniority-See Article 4 of this Agreement.

5. Personal Leave of Absence(PLA)

- a. Eligibility– The employee must have been continuously employed for six (6) months.
- b. Length– Personal leaves of absence will be issued for up to a six (6) month period. Extensions will not be approved if they result in total personal leave exceeding twelve (12) months or the employee’s length of active service, whichever is shorter. An employee may apply to return to a position at any time during the leave. At the end of a leave which is longer than ninety (90) days the employee may only return to an available position. If no such position is available he will be placed on recall in Craft Seniority order.
- c. Outside employment – An employee on personal leave of absence may not accept employment or receive pay for services from any other organization in competition with the company.
- d. Application for Leave – A written application must be made to the employee’s supervisor. It must state the reason for and the length of the leave requested.
- e. Seniority– See, Article 4 of this Agreement.
- f. Sick Pay/Occupational Injury Pay - All sick/occupational injury pay accruals are retained but cease to accrue during the leave.
- g. Vacation Credit
  - i. With supervisor approval, the employee may choose to be paid

for all remaining earned vacation from the prior year in either of the following ways:

- a) A lump payment may be paid at the time the leave begins, or
  - b) the employee may defer vacation payment until vacation is used when the employee returns.
- ii. If an employee's leave carries into the next calendar year, remaining unused earned vacation will be paid before December 31.
  - iii. Vacation credit will not accrue during the period of leave.

6. Educational Leaves of Absence

Employees may be granted an educational leave of absence if they are enrolled full-time in an accredited academic or vocational institution. The administrative and benefits provisions of Personal Leaves will apply with the following exceptions:

- a. Duration of Leave – Duration of educational leaves should be in direct relationship to the length of the academic term (such as a quarter or semester) but in no case can the leave be longer than the employee's length of service.
- b. Expiration of Leave – An educational leave will expire thirty (30) days after the last approved academic term ends unless extended by the Department Head.
- c. Employment While on Leave – With the prior written approval of their Department Heads and Human Resources, employees may work while enrolled as students.
- d. Proof of Enrollment – Employees must submit proof of enrollment and attendance before they return to work from their educational leave.

7. Birth of a Child

Any non-probationary employee who has not been granted maternity leave in conjunction with a birth may request an unpaid parental leave within twelve (12) months after the birth or adoption of his/her child. A request for parental leave must be submitted in writing and include the requested dates. The leave request may not exceed ninety (90) days. The Company will not deny the parental leave, however the granting of any extensions

beyond the initial ninety (90) days shall be entirely at the Company's discretion.

8. Benefits for Personal Convenience, Unpaid Medical, Emergency, Personal, Educational and Birth of a Child Leaves of Absence
  - a. Medical/Dental/Vision – Unless otherwise specified by the terms of the plan or required by law, current medical, dental and vision coverage shall be continued through the end of the month in which the LOA begins, on the same terms and conditions as apply to an active technician. Such coverage may be continued thereafter at the technician's expense at the same rate as the COBRA rate for the duration of the LOA subject to plan changes and availability. In the event of termination of employment while on LOA, such coverage may be continued at the technician's expense using COBRA eligibility at the COBRA rate for the COBRA period provided by law (currently eighteen (18) months) following the last day of the month in which termination of employment occurred, subject to plan changes and availability.
  - b. Life and Accident Insurance – If on a paid status, current life and accident insurance coverage is unaffected. Unless otherwise specified by the terms of the plan or required by law, if on an unpaid status, the technicians may continue all or a portion of their current life and accident insurance coverage if so allowed by the individual life insurance company provider. The Company shall provide written notice regarding the technician's continuation responsibility and contact information for the life insurance provider at the time the employee commences an unpaid status. Continuation will be at the technician's expense and must be arranged by the technician directly with the individual insurance company. The premiums for life and accident insurance continuation will be based on conversion rates.
  - c. Retirement – Unless otherwise required by law, vesting, eligibility and benefit accrual service credit in the Continental Airlines Retirement Plan (CARP) shall be governed by the terms of CARP.
  - d. Passes – Based on Company Pass Policy and upon request and with the approval of their Department Head, technicians and their eligible family members on a leave of absence may use on-line travel privileges at their active employee pass classification. In the same manner, any buddy and vacation passes in their possession at the time the leave begins may be used as well.

9. Jury Duty

- a. The Company recognizes jury duty as a civic responsibility and will release employees for jury duty. Employees will not suffer any loss of pay for jury duty, allowing a reasonable amount of time for the employee to travel to/from his home for jury duty, if necessary. Further, employees will be pay protected (to extend to the end of the employee's following work week) for any trade days and/or shifts they were scheduled to work while on jury duty provided the trade days were scheduled prior to the employee's jury duty notification. Employees may retain payment received for jury service. An employee who gets a jury summons must submit a copy of it to the employee's supervisor.
- b. An employee on jury duty for three (3) days or more will be scheduled to work a day shift with Saturdays and Sundays off during jury service. If the employee is temporarily released from jury service for a calendar week or more, the employee's regular shift will be reinstated with Saturday and Sunday off. This provision shall not prevent local stations from establishing rules and guidelines that best satisfy their individual needs.
- c. When jury duty is completed, the employee must furnish his supervisor with a court-validated statement of attendance indicating the dates he served on jury duty.

10. Witness Service

- a. An employee who appears as a witness in a legal proceeding at the request of the Company will be paid during witness service. Procedures will be the same as those for jury duty.
- b. An employee who serves as a witness in other legal proceedings will not be paid, unless he is compelled by subpoena to testify in such proceedings.

11. Family and Medical Leave(FML)

- a. Employees may take up to ninety (90) days of leave during any rolling twelve (12) month period. A rolling twelve (12) month period is determined by counting backwards twelve (12) full months from the first day of any FML. FML may be used for the birth or adoption of a child; placement of a child in foster care, to care for a minor child (son or daughter, including biological, adopted, foster, or stepchild, for whom the employee is a primary care giver, or such person over age eighteen (18) if that person is incapable of self care

due to a verified physical or mental disability), spouse or parent (including a biological parent or a person who raised the employee as a child); with a serious health condition; or for their own serious health condition which makes them unable to perform their job. (An outline of employee rights and obligations under the Family and Medical Leave Act of 1993 is in Exhibit 1, which follows immediately at the end of this Article.)

b. FML shall be determined pursuant to the technician's submission of an approved and acceptable medical certification.

c. Benefits

i. Medical/Dental/Vision – Current medical, dental and vision coverage may be continued for the duration of the FML, on the same terms and conditions as apply to an active technician. A technician who terminates employment while on FML may continue current medical, dental and vision coverage at the technician's expense using COBRA eligibility at the COBRA rate for the COBRA period (currently eighteen (18) months) following the last day of the month in which the termination of employment occurred, subject to plan changes and availability. For any period of Family and Medical Leave which is taken as unpaid leave, an employee must elect and submit a monthly payment for health care continuation within thirty-one (31) days of the Benefits Department notice of Family Leave continuation rights.

ii. Life and Accident Insurance – Unless otherwise specified by the terms of the plan or required by law, technicians on FML shall continue their core life insurance and may continue their optional life and accident insurance coverage at active employee rates during the FMLA.

iii. Retirement – Vesting, eligibility and benefit accrual service credit in the Continental Airlines Retirement Plan (CARP) shall be governed by the terms of the CARP and, unless otherwise required by law, shall not accrue during a FML, unless the technician is on a paid status (i.e., paid sick leave or vacation).

d. Employees ordinarily must provide thirty (30) days advance notice of intent to take Family and Medical Leave when the leave is foreseeable.

e. Family/Medical Leave may be either paid or unpaid. Employees granted Family/ Medical Leave may elect to use any paid time off

they may have (sick leave, vacation, deferred holidays, etc.) for their own serious health condition.

- f. Family/Medical Leave used for the care or serious illness of an eligible family member may also be either paid or unpaid. Employees granted Family/ Medical Leave for eligible family members may elect to use paid time off such as vacation, and deferred holidays, but not sick leave unless required by law.
- g. An employee suffering from a serious health condition, a pregnant employee, or an employee giving birth may elect to exhaust paid sick leave prior to using FML. An employee may elect to exhaust unused vacation remaining in the current year prior to beginning FML for any of the purposes listed in paragraph E.11.a of this Article.
- h. Seniority – See Article 4 of this Agreement.

## 12. Military Leaves of Absence and Veterans' Re-employment Rights

- a. Eligibility for Leave - A Military Leave will be granted to an employee in the following situations:
  - i. An employee who leaves the service of the Company to enlist, or who is inducted into the Armed Forces of the United States for a regular tour of duty.
  - ii. An employee who is a member of a reserve unit of the military including National Guard units ordered to active duty.
  - iii. An employee whose probationary period has not ended will be eligible for military leave.
- b. Duration of Leave - A military leave of absence will be granted for the duration of the employee's active service in the Armed Forces not to exceed five (5) years. The leave may continue for a maximum of 90 days from the date the employee is discharged from active service or from hospitalization continuing after discharge. The employee must apply for reinstatement within the 90 days. The maximum amount of military leave allowed is five (5) years or as soon after the expiration of five (5) years as the employee is able to obtain orders relieving him from active duty, (unless such five (5) year period has been extended by law.)

Exception: A reservist or guardsman who leaves his/her position for periods of training duty must apply for reinstatement within 31 calendar days after release.

- c. Procedure for Obtaining Military Leave
  - i. An employee who receives notice of induction or orders to report for duty should immediately advise the employee's supervisor in writing of the effective date of the leave and the last day of work.
  - ii. The supervisor will give the employee written approval.
  
- d. Effect of Military Leave on Employee Benefits
  - i. Company Service, Pay Seniority and all other seniority will continue to accrue as if employment were not interrupted.
  - ii. Employees will retain existing sick and occupational injury banks but will not accrue or acquire additional sick or occupational injury credit during the term of unpaid military leave.
  - iii. Vacations an employee has earned but not taken before receiving notice of induction or call to active duty need not be taken prior to military leave, in which case they will be available to the employee upon his return to work. Alternatively, an employee who does not take vacations before his leave may choose to be paid for the unused vacation time.
    - a) During active military service, vacations will continue to accrue in the same manner as if the employee had remained in active employment.
    - b) Subject to Department Head approval, reinstated employees may use any vacation earned for that calendar year at anytime after thirty (30) days of active re-employment. The Department Head may waive this thirty (30) day restriction for the convenience of the Company, or may elect to pay the employee for his vacation.
  - iv. Benefits
    - a) Medical/Dental/Vision -The Company shall continue to provide medical, dental and vision coverage on the same terms conditions as apply to an active technician (i.e., as if the technician were continuously employed) for technician's on military leave through the end of the twelfth (12<sup>th</sup>) month following the month in which the military leave began, and shall reinstate health care

coverage on the day following the termination of military leave. Following the expiration of that twelve (12) months, medical, dental and vision coverage may be continued at the technician's expense at the same rate as the COBRA rate for the duration of the military leave, subject to plan changes and availability. In the event of termination of employment while on military leave, such coverage may be continued at the technician's expense using COBRA eligibility at the COBRA rate for the COBRA period provided by law (currently eighteen (18) months) following the last day of the month in which termination of employment occurred, subject to plan changes and availability.

b) Life and Accident Insurance—

Current life and accident insurance coverages shall be continued through the end of the month in which the military leave begins on the same terms and conditions as apply to an active technician. Thereafter, unless otherwise specified by the terms of the plan or required by law, technician's on military leave may continue all or a portion of their current life and accident insurance coverage if so allowed by the individual life insurance company provider. The Company shall provide written notice regarding the technician's continuation responsibility and contact information for the life insurance provider at the time the military leave is granted. Continuation will be at the technician's expense and must be arranged by the technician directly with the individual insurance company. The premiums for life and accident insurance continuation will be based on conversion rates.

c) Retirement – Vesting, eligibility, and benefit accrual service credit in the Continental Airlines Retirement Plan (CARP) shall be governed by the terms of the CARP and, unless otherwise required by law, shall continue for the duration of the military leave, provided that the technician returns to active service or is unable to return to active service as the direct result of injury or death incurred in the line of duty.

d) Passes – Technicians on military leave and their eligible family members shall have online pass privileges at their active employee pass classification for up to two (2) years, subject to the normal terms and conditions for personal use passes. Emergency pass provisions shall be made in case of family emergencies regardless of the length of the military leave.

- e. Employment Rights and Reinstatement Qualifications
  - i. After returning from a military leave of absence an employee who receives a general or honorable discharge will be eligible for re-employment. Unless Company circumstances have so changed as to make it impossible or unreasonable to do so, any employee granted a military leave will be reinstated under the following conditions:
    - a) He did not remain in the military service for more than five (5) years.
    - b) The position which was vacated was not temporary.
    - c) Military leave has not exceeded five (5) years or as soon after the expiration of five (5) years as the employee is able to obtain orders relieving him/her from active duty (unless such five (5) year period has been extended by law.)
    - d) He is still qualified and physically fit to perform the duties of the position vacated.

NOTE: If disabled while in the military to the extent of being unable to perform regular job duties, the employee will be entitled to work in another position which he can perform and, depending on the circumstances, may be paid his pre-disability base rate of pay even if that is more than the alternative job's regular rate of pay.

- e) Application for reinstatement is made within the allowable period as stated in this chapter.
  - ii. Process of Reinstatement - The returning employee will be reinstated in his/her former position or one of like status and pay. The employee will be notified of the date to resume duties, the place where such duties will be performed and other necessary information.
  - iii. Wage and Salary on Reinstatement - The wage or salary of the returning employee will be the amount which would have been received had the employee remained continuously in the position.
13. Military Leave for Reservists and Members of the National Guard
- a. Employees who are reservists or members of the National Guard must request a Military Leave of Absence for the period required

to perform active duty for training or inactive duty training in the Armed Forces of the United States. The request does not have to be in writing.

b. Employee Responsibilities:

- i. The request must state the dates required for the leave if known. If a drill schedule is available for a prolonged period of time, only one request is necessary. A copy of the drill schedule must be attached.

Example: If drills are scheduled on the second weekend of each month, the request must state that beginning on (date), leave is requested each second weekend until (date).

- ii. Employees are expected to give as much notice as possible to their supervisors so that proper duty coverage can be arranged. If less than one (1) week's notice is given, employees may be asked to assist the Company by arranging to trade days and shifts or use their regular days off to the extent possible.
- iii. The reservist or National Guard member does not need to have written training orders at the time of the request.
- iv. After completing the military training or drill exercise, the reservist or National Guard member must report back to his regularly scheduled shift.
- v. This leave will normally be unpaid, but with advance approval from the employee's supervisor, vacation time may be used or his schedule may be adjusted.

Example: An employee's schedule may be adjusted to accommodate his normal day(s) off with the scheduled assigned military day(s). (i.e.: Employee normally has Wednesday and Thursday off, he is assigned military duty on Saturday and Sunday, employee may work Wednesday and Thursday and take off Saturday and Sunday)

c. Initial Active Duty Training

When an employee first joins the National Guard or Reserve, he/she usually undergoes initial active duty training (IADT). IADT is treated as regular active duty for re-employment rights purposes with the following exceptions:

- i. Unless the IADT is greater than one hundred and eighty (180) days, after completing IADT, a Continental employee must re-apply within thirty-one (31) days, rather than ninety (90) days as in the case of regular duty.
      - ii. The time spent in IADT does not count toward the five (5) year limitation on the regular active duty.
- d. Management Responsibilities
  - i. Management will grant a leave of absence to a reservist or National Guard member for the period required to perform active duty for training (drills) in the Armed Forces of the United States. Employees are expected to give as much notice as possible, however the timing, frequency and duration of the military training are determined by the military authorities.
  - ii. Job rights are protected so long as the reservist or National Guard member receives orders for military training.
  - iii. Management will not deny a promotion to a Continental employee because of any obligation as a reservist or member of the National Guard.
  - iv. Employees will not be required to use earned vacation time for their military training.
  - v. The reservist or National Guard member will not lose Company Service time, bid or Pay Seniority as a result of the military absence.

## **Exhibit 1 to Article 10 - Family/Medical Leave**

Continental recognizes that during the time after the birth or adoption of a child, parents may need adjustment time or time to bond with the child. In other cases, an employee or a member of the employee's family may suffer with a serious health condition. Family/Medical leaves may be available to provide for these needs.

### **A. Eligibility**

The Company provides up to 90 days of Family/Medical leave per year to eligible employees. The year is a rolling twelve-month period measured backward from the date an employee uses any Family/Medical leave. Employees are eligible to take Family/ Medical Leave if they have worked for the Company for at least one (1) year and for at least one thousand two hundred fifty (1,250) hours over the previous year.

### **B. Reasons For Taking Leave**

1. To care for the employee's child after birth or after placement of a child with the employee for adoption or foster care, or
2. To care for the employee's spouse, child, or parent, who has a serious health condition, or
3. For a serious health condition that makes the employee unable to perform his/her job.
4. Because of a qualifying exigency arising out of the fact that the employee's spouse, child or parent is a military reservist or National Guard member on active duty (or notified of an impending call for active duty) in support of a contingency operation.

### **C. Job Benefits And Protection**

1. For the duration of Family/Medical leave, the employee may continue benefit coverage at the active employee rate.
2. The use of Family/Medical leave will not result in the loss of any employment benefit that accrued prior to the start of the employee's leave. However, an employee will not accrue vacation time while he/she is on leave.

D. Certification

If an employee requests leave because of a serious health condition, medical certification issued by the medical care provider of the employee or of the employee's ill family member will be required. Provisions of the Family/Medical leave policy will not be applicable to the absence if the certification is not provided.

E. Intermittent Leaves/Reduced Schedules

Employees may request an intermittent leave or reduced schedule when a physician certifies in writing that it is necessary for the employee to be absent on an intermittent basis, either for his/her own care or to care for a spouse, parent, son, or daughter. These leaves should be arranged to have the least operational disruption. The employee may be required to transfer into another position, work location or shift (with equal pay and benefits) if it will better accommodate the intermittent leave. For purposes of tracking intermittent leaves and reduced schedules only, eligible and qualified employees will be considered to have a Family/Medical leave "Bank" equal to five hundred twenty (520) hours per twelve (12) months.

F. How To Apply

At least 30-days notice is required for foreseeable leaves, including birth, adoption, placement of a foster child, or planned medical treatment. Applications for Family/Medical leave should be written and include:

1. The specific reason for the leave, and
2. The request dates, and
3. The date of birth or custody (if requesting for parental needs), and
4. Medical documentation (if requesting a leave for a serious health condition).

If thirty (30) days notice is not provided for foreseeable leaves, the leave may, if operationally required, be delayed until thirty (30) days after the date the written notice is received. In situations where the basis for the leave is not foreseeable or reasonable, notice should be provided when the need for the leave becomes apparent.

G. Documentation

Medical documentation is needed to qualify for a Serious Health Condition Leave. Documentation must include certification by a physician, practitioner or provider of health services. When an intermittent or reduced schedule leave is required, the medical documentation must include a statement indicating that the medical needs can best be accommodated by such a leave.

H. Pay

Family/Medical Leave may be either paid or unpaid. Family/Medical Leave will be unpaid unless the employee elects to utilize any paid time off to which he is otherwise entitled.

I. Injured Servicemember Leave

An employee's request for leave to care for a seriously ill or injured servicemember shall be handled in accordance with the terms and conditions of the Family and Medical Leave Act.

## **Article 11 - Sick Leave And Occupational Injury**

### **A. Sick/Occupational Injury**

Sick/occupational injury time is provided to allow the necessary time off to recuperate from illness or injury. An employee on sick or occupational injury leave may not accept employment or receive pay for services from any other organization without prior written approval from the employee's supervisor/manager and Human Resources.

### **B. Definitions**

1. Sick Pay - is pay to an eligible employee who cannot perform his regular duties because of sickness (physical or psychological) or non-occupational injury, including maternity. Sick pay may also be utilized when an employee's presence would jeopardize the health of others because of exposure to a contagious disease. Sick pay does not cover time for routine physical examinations or dental check-ups. Examinations, tests and treatment for specific medical conditions are not considered to be "routine physical examinations." Pay during a period of sick absence will be based on the employee's base rate and scheduled hours.
2. Occupational Injury Pay - is pay to an eligible employee who is unable to work because of an injury on the job at Continental. The injury must be one that is covered by the applicable state Workers' Compensation law, and must be verified in writing by the treating physician. Pay during a period of occupational injury absence will be based on the employee's base rate of pay and scheduled hours. Pay received from the Company for an occupational injury will be at a rate equal to the employee's base rate of pay times his regularly scheduled hours, reduced by the amount of Worker's Compensation Temporary Disability Pay received by the employee from the Company's insurance carrier, or the state.
3. Worker's Compensation Temporary Disability Pay - is pay to an eligible employee unable to work because of an injury on the job at Continental.
  - a. The injury must be one that is covered by the applicable state Worker's Compensation law, and must be verified in writing by the treating physician. Pay during the period of occupational injury absence is based upon a seven-day work week, whether or not an employee is scheduled to work.
  - b. Payment for occupational injury by the Company's insurance carrier, or the state, is generally set at a percentage of the employee's average weekly wage. However, this rate and the maximum weekly payment may vary from state to state. Occupational injury pay (described above) is used to make up the difference between Worker's Compensation Temporary Disability Pay and the employee's base rate of pay for his scheduled

straight time hours.

4. State Mandated Benefits - are disability income benefits required by law in certain states. State mandated benefits may include or require payments from an outside source.
  - a. In no event may an employee be entitled to State Mandated Benefits and Sick Pay or Occupational Injury Pay in excess of the employee's normal base rate times his scheduled straight time hours.
  - b. Adjustments to reimburse any excess compensation may be made by payroll deduction after the employee has received notification of the intent to do so. Repayment schedules will be discussed with the employee prior to implementation, and will not exceed fifty dollars (\$50) per pay check except by express agreement with the employee. Such adjustments will not result in restoring hours to the employee's accrued occupational injury pay credits, but will result in hours being restored to an employee's sick leave bank if his sick leave bank was overdrawn. See paragraph F below.
5. Base Rate, as used in this Article, is an employee's basic hourly rate (appendix A) plus all premiums he normally receives.

C. Sick and Occupational Injury Accrual

Full time employees accrue eight (8) hours of Sick Pay credits and eight (8) hours of Occupational Injury Pay credits, for each month that they are in a paid status, up to a maximum of one thousand six hundred (1,600) hours for Sick Pay and a maximum of seven hundred (700) hours for Occupational Injury Pay. An employee whose single instance of illness or injury causes him to use more than two hundred and forty (240) hours of paid sick leave (i.e., a catastrophic long-term illness or injury) will upon his return to work replenish his sick bank at a rate of twelve (12) hours per month until the bank is restored to the amount he had the day before the illness or injury began. Thereafter he will resume accruing at the regular amount of eight (8) hours per month.

D. Commencement and Payment of Paid Sick Time

Sick time is paid based on the number of hours in the employee's regular work schedule. Pay will be at the employee's base rate until his/her sick bank has been exhausted.

E. Commencement of Occupational Injury Pay

Occupational Injury Pay is based on the number of hours in the employee's regular work schedule. Occupational Injury Pay cannot commence until the employer's First Report of Injury (State Form) has been completed and a copy has been submitted to Payroll.

F. Combining Sick Pay and Occupational Injury Pay

Employees may not use Occupational Injury Pay to extend paid sick time. However, if an employee exhausts Occupational Injury Pay, available Sick Pay may be used to extend Occupational Injury Pay. Only those hours needed to make the employee whole will be deducted from his sick leave bank if used to extend an occupational injury. “Those hours needed to make the employee whole” as used in this Article shall mean a payment in the amount that would ensure that an employee is paid an amount equal to his normal full wage compensation (his hourly base rate of pay times his regular scheduled work hours).

G. Exhaustion of Sick Pay/Occupational Injury Pay

When an employee exhausts all paid sick/occupational injury time, the employee will be placed on an unpaid Medical Leave of Absence, as defined in Article 10(E)(2). An employee will not accrue Sick Pay or Occupational Injury Pay while on an unpaid Medical Leave of Absence.

H. Physical Examinations

Subject to applicable state law:

1. Continental may require an employee to submit to a physical examination by a Company approved physician. This may be requested to verify the employee's illness, disability, occupational injury, fitness for duty or release to duty. The cost of this examination will be borne at Company expense. In addition, an employee will be pay protected for time lost because of said examination if he is at work.
2. If the employee does not agree with the findings of the Company doctor, he may be examined by a doctor of his own choosing. Should a dispute arise between the findings of the two doctors concerning the employee's physical ability to return to work, after either an occupational injury or use of sick leave, a third doctor, selected by mutual agreement by the first two doctors will make a third examination, and the decision of the third doctor will be determinative. The expense of the third doctor shall be borne by the Company.

I. Travel While on Sick or Occupational Injury Status

Employees on sick or occupational injury status may not use their own or another employee's pass privileges or reduced rate travel for personal travel unless written permission is secured in advance of the travel from the appropriate supervisor or Human Resources Manager, which permission will not be unreasonably withheld. Eligible family members (and buddies if accompanied by the employee's spouse or other eligible family pass rider, when accompaniment is required) are permitted to travel while the employee is in a paid status. To allow time for family members to return from trips in progress or be notified to make alternate travel arrangements, eligible family members may continue to travel for 30 days from the date an employee's status changes to

"unpaid" (i.e., an employee has exhausted Sick/Occupational Injury Pay).

J. Occupational Injury Pay

1. Eligibility

To be eligible to receive Occupational Injury Pay, an employee's disability must be covered by the state Worker's Compensation laws applicable to the employee's base, station or work site. The employee must also provide a medical doctor's written verification of disability by occupational injury.

2. Limited Duty

Limited Duty assignments will be available for employees who are unable to return to full duty after an on-the-job injury but are capable of performing work with some physical restrictions. An employee who has applied, and been qualified, for Long Term Disability benefits provided under Company-sponsored plan(s) will not be forced to perform limited duty assignments.

3. Payments

Worker's Compensation Temporary Disability payments will be made directly to the employee by the Worker's Compensation carrier (or the state) in the amount equal to the statutory requirements. Payments will be made to the employee, by the Company, in the amount calculated to be the difference between the employee's regular base pay and the statutory payment amount, until such time as the employee's Occupational Injury Pay and (if elected) Sick Pay are exhausted. Hours will be deducted from the employee's sick bank, if elected, on an hour for hour basis rounded off to the nearest hour. Only those hours needed to make the employee whole will be deducted from his bank. After the employee has returned to work and occupational injury payments have ceased (from both the Company and the third party), reconciliation will be performed to determine that the employee was appropriately paid during this period. Final adjustments will then be made. If it is established that the employee was overpaid, arrangements will be made with the employee for prompt recovery. A pay inquiry will be initiated if, after all adjustments have been made, the employee believes that he was paid improperly.

4. Denial/Investigation of Worker's Compensation Claims

Occupational Injury payments will not be made if there is an unresolved controversy as to whether the injury is compensable or if the claim is denied. An employee who is denied Occupational Injury Pay may use other benefits such as sick pay or vacation pay. If an injury is later deemed eligible for Worker's Compensation Temporary Disability Pay, payments will be retroactive and the necessary adjustments/changes will be made.

K. Limited Duty

1. Eligibility

- a. Limited Duty assignments are available only for employees who sustain occupational injuries and are temporarily unable to perform their full duties.
- b. The employee must provide a treating and/or consulting physician's statement stating that the employee's physical limitations are not expected to restrict him from regular work duties for more than ninety (90) days.
- c. The Company will make work available in a position covered by this Agreement at the employee's Station/Point.
- d. The employee must be capable of performing the work that is available within the doctor's written restrictions.

2. Limited Duty Requirements

- a. Limited Duty assignments may last as long as ninety (90) days. In addition, thirty (30) day extensions may be allowed with the treating and/or consulting doctor's approval and mutual agreement between the Company and the Union.
- b. An employee whose restrictions are not removed and is not granted an extension will be returned to either Sick Pay, Occupational Injury Pay or unpaid Medical Leave status.
- c. Employee participation in Limited Duty is mandatory, if the treating and/or consulting physician releases the employee for Limited Duty.
- d. Once the treating and/or consulting physician issues a full release, an employee on Limited Duty must return to his normal job duties immediately.
- e. An employee who has incurred a permanent disability will receive consideration for return to duty in accordance with the Company's policies regarding reasonable accommodation for handicapped individuals. That is, an employee who has suffered an occupational injury and has medical restrictions defined as permanent and stationary, but remains unable to perform his normal duties, will be given consideration for other work that does not exceed the restrictions, to the extent it is available and he is qualified to perform such work. Once a limitation defined as permanent and stationary is recognized by the Worker's Compensation Board, that

determination cannot be changed unless the Company elects in its discretion to accept the diagnosis of another physician.

- f. An employee on Limited Duty will only be assigned work at his Station/Point (including corporate offices located at or near the Station/Point). Employees will not be given Limited Duty assignments which require supervision of employees covered by this Agreement.
- g. An employee assigned Limited Duty will be paid at his regular base rate as used in this Article, even if the Company would otherwise pay a lower rate for the assigned work.

3. Effects on Employee Benefits/Privileges

a. Seniority

An employee on a Limited Duty assignment will continue to retain and accrue Seniority for all purposes.

b. Overtime

Overtime is not available to employees on Limited Duty assignments.

c. Trade Days

An employee on Limited Duty assignment is not permitted to use trade privileges.

d. Occupational Injury Pay

Employees on Limited Duty assignments are paid their regular rate. No deductions are made from their Sick or Occupational Injury Pay for hours actually worked while on the assignment.

e. Attendance

Employees will be held accountable for attendance and tardiness while on Limited Duty assignments, except in circumstances where the employee's attending physician requires the employee to be absent or tardy for treatment or therapy.

f. Travel Privileges

Pass and reduced-rate travel is available to employees and their eligible dependents while employees are on Limited Duty assignments.

g. Vacation, Sick Pay and Occupational Injury Pay Accruals

During a Limited Duty assignment, accruals will be credited in the same manner as if the employee were performing his regular assignment.

h. Transfers

Transfers are not available to employees on Limited Duty.

L. Non-Critical Illness in the Family

If an employee's spouse or dependent child is injured, or becomes ill, or is hospitalized so that the employee is unable to report for work, the employee will be entitled to use up to six (6) working days of personal sick leave. Beginning with either the seventh (7<sup>th</sup>) working day or the third such instance, whichever comes first in a rolling twelve (12) month period, absences of this nature are treated the same as employee sick time, and will count for attendance/disciplinary purposes.

M. Retiree Bridge Medical Benefits

Each employee covered by this Agreement shall be eligible to participate in a retiree bridge medical plan which shall allow such retirees to elect to continue their existing medical insurance under the following conditions:

1. Participants must be between the ages of sixty (60) and Medicare eligibility age, be retired, and have at least ten (10) years of Company service at the time of retirement.
2. At the time of retirement the balance in an employee's sick bank will permit the employee to participate in the contributory funding aspect of the plan by using eleven (11) hours of sick leave for each month of continued participation. Payment of the eleven (11) hours of sick leave shall be accepted as the retiree's complete payment obligation for each such month of participation.
3. If a retiree has insufficient sick leave remaining in his bank to purchase continued participation in the plan for any period of time for which he is eligible and desires such coverage, he may obtain coverage at a non-contributory rate.
4. Coverage for the retiree terminates when the retiree becomes eligible for Medicare. Spouse/dependent coverage will be available on the same basis (contributory/non-contributory), but must terminate when the spouse/dependent becomes eligible for Medicare or the retiree dies (except that upon the retiree's death, the spouse/dependent may elect to use any remaining sick leave in the manner described above, and then will be eligible for COBRA coverage.)
5. Once an employee becomes eligible and elects to participate in the program, the

termination of the program will not affect his continued eligibility.

## Article 12 - Field Trips

- A. A Field Trip may be either planned (one for which more than ten (10) hours advance notice prior to the scheduled Field Trip departure is provided to the employee), or unplanned (one for which ten (10) hours or less advance notice prior to the scheduled Field Trip departure is provided to the employee). A Field Trip requires travel away from an employee's station, and may involve:
1. Returning Company aircraft or equipment requiring normal and non-reoccurring type maintenance to service, or
  2. Performing maintenance at a point where regular maintenance is not assigned.
  3. Accompanying and/or performing maintenance on Company charters.
- B. Employees on Field Trips away from their base or stations shall be paid one and three-quarters (1.75X) times their hourly base rate of pay, as defined in Article 15.C.1, for all time away from base.
- C. Upon request the Company will provide a reasonable sized rental car for up to three (3) employee(s) on a Field Trip so long as the employee provides receipts for the rental. These reimbursements will be in addition to the per diem expenses provided for in Article 15. Q and R.
- D. Upon completion of such Field Trip, an employee shall return to his base or station in accordance with the orders received at the time he left his base or station or in accordance with the orders received most recently from management, and shall be compensated for the return trip in accordance with the provisions of this Article. Upon return to his home station, an employee shall return to his regular scheduled shift at the applicable straight or overtime rate. If the employee has not had a rest period of at least eight (8) hours within the preceding sixteen (16) hour period, he will be entitled to a rest of not less than eight (8) hours before starting his next regular scheduled shift. In the event there is not sufficient time to permit an eight (8) hour rest period prior to starting his next regularly scheduled shift, he shall be treated as provided in Article 17, paragraphs (G)(1) and (G)(2). It is understood that for the purpose of this paragraph, an employee directed to work without the required eight (8) hour rest period will be paid at a rate of two times (2X) the employee's hourly base rate of pay as defined in Article 15.C.1
- E. When Field Trip work cannot be performed by only one (1) employee due to heavy lifting requirements, safety, or other factors which require more than one (1) employee to accomplish the work, then the Company shall dispatch the employees necessary to accomplish the Field Trip. It is further understood that no employee shall be dispatched for a Field Trip to a station where no other person is available to render assistance in the event of an emergency.

F. The Company will maintain Field Trip records, including archives of at least one (1) year, and will make them available to the Union upon request. These records will be separate and apart from the overtime records. Records will be maintained separately for each Bid Area. The Company will maintain Field Trip books or their electronic equivalent containing Field Trip sign-up records/sheets and the list used for each Field Trip call-out. Field Trip sign-up sheets and lists will contain the following information:

1. Employee name and number
2. Craft seniority date
3. Contact phone number(s)
4. Current shift and days off
5. Date employee signed up
6. Visa/passport information
7. Any special authorizations held (such as engine run-up and taxi, RII, CAT 2, airworthiness release, ETOPS, etc.)

a. These authorizations may be used to determine the qualifications necessary for a specific Field trip. The number of employees required to possess certain special authorizations on any given Field trip shall be equal to the amount necessary as governed by either the Continental General maintenance Manual (as it relates to paperwork and procedures, airworthiness releases, RII, engine run-up & taxi, CAT 2, ETOPS, etc.) and/or international law (as it relates to visas and passports) and/or any applicable Federal Aviation Regulations (FARs).

Note: Whenever it is known that an Inspector will be required on a Field Trip, and no Inspectors are available at the location of the Field Trip, the Inspector will be selected, in accordance with this Article, from Bid Area 301 at the station staffing the Field Trip if that station is a hub (EWR, IAH, HOU, CLE). If for unanticipated reasons an Inspector is required and the Field Trip originated in a hub, the Company will first solicit, in accordance with this Article, an Inspector from the hub where the Field Trip originated if expedient.

b. An employee who has been required to use a passport and/or visa in conjunction with travel for a Field Trip shall be entitled to reimbursement from the Company for the cost of those documents.

8. A column for office use only, to be used at the time of the call outs (not necessary for sign up sheets).

G. Employees desiring to participate in Field Trips will be required to sign up in the Field Trip book, or its electronic equivalent. As employees accept (unless the Field Trip is cancelled) or refuse a Field Trip their names will be moved to the bottom of the list. Employees passed over due to lack of special qualifications/authorizations will remain in the same position on the list until they are selected for or refuse a Field Trip. Employees

will not be bypassed for lack of qualifications/authorizations unless all remaining Field Trip positions require such qualifications/authorizations. Employees desiring to participate in Field Trips after the sign-up period, as well as new or transferring employees will have their names placed at the bottom of the list. It will be the responsibility of each employee to make sure their current shift and day-off pattern is current in the Field trip book when they change such shift and/or day-off pattern.

- H. The Company will determine which Bid Area each individual Field Trip is assigned to and which shift gets the Field Trip, in accordance with the following:
  - 1. For unplanned Field Trips, selection will be from the shift on duty if it is necessary to send the employee(s) immediately (less than three (3) hours to the scheduled departure of the Field Trip). For all other unplanned Field Trips selection will be from the shift which has the starting time closest to the scheduled departure of the Field Trip, keeping in mind that employees on their regularly scheduled days off or at home (off shift) are eligible for this type of unplanned Field Trip.
  - 2. For planned Field Trips selection will be from the Field Trip list without regard to shift, keeping in mind that employees on their regular days off or at home (off shift) may be eligible for a planned Field Trip. Planned Field Trips will not be called out more than seven (7) calendar days in advance.
- I. The Company will determine the Bid Area from which employees are to be sent and will contact the next available qualified employee, using a company land line, who has signed the Field Trip book. Upon contact the employee will be given the location and nature of the Field Trip. If the assignment is refused, the next employee in line will be contacted, etc., until the required number of employees are obtained. If the required number of employees are not obtained and an entire shift's list has been called, the subsequent shift's list will be utilized. If the required number of employees is still not obtained, employees from another station may be utilized. If the required number of personnel are still not obtained, the trip may be assigned to the junior qualified employee(s) in the appropriate shift/Bid Area, or at the Company's option, the Field Trip may be canceled.
- J. All overtime hours paid in conjunction with a Field Trip will be transferred onto the employees overtime hours as defined in Article 17, Overtime.
- K. When a hotel room is required while on a field trip, the Company will provide a single room to the employee at no cost.
- L. Employees shall be required to travel to Field Trips by air only on U.S. carriers operating under FAR Part 121, or scheduled carriers under FAR Part 135 (or successor regulations) or foreign air carriers who are members of IATA, or with the employee's concurrence, comparable air carriers (e.g., Lear Jet operators).
- M. For the purpose of determining what list an employee belongs to for Field Trip call-outs

for unplanned trips with three hours or more to scheduled departure of the Field Trip (day shift, swing shift or graveyard shift) he shall be considered to be on the shift as defined in Article 7.G. There will only be one list per shift for Field Trip call-outs.

- N. Employees required to travel on an extended Field Trip shall be given a written itinerary and flight manifest (if traveling with flight crew employees of the Company in conjunction with the same trip or charter) showing their trip destinations, hotel accommodations (to the extent required) and hotel transportation, as well as other information necessary to facilitate the Field Trip.
- O. Employees who are bypassed in violation of Field Trip distribution procedures set forth in this Article will be treated in accordance with Article 17.K.
- P. In the event a field trip is canceled, an employee who is not on-shift at his station who is notified of the cancelation after he arrives: (a) at a location other than his station or (b) at a time prior to his regular shift start time, for purposes of working or traveling to the location of the field trip; will be released from duty and be entitled to four (4) hours of straight-time pay.

## Article 13 – Training

- A. Training assignments are part of an employee's regular employment. Whenever an employee is offered a training class of three (3) calendar days or less, it will be considered a temporary training assignment. The employee will be given at least seven (7) calendar days' notice in advance that he will be offered training when the training is scheduled for more than two (2) hours outside of his normal shift, unless otherwise mutually agreed.
- B. Training, other than training of three (3) calendar days or less or training provided to qualify employees to perform work for maintenance contracts obtained by the Company, will be assigned to employees at a Station or Point, in a Bid Area and/or shift in seniority order from among those employees who accept the offer of training.
- C. Notwithstanding paragraphs A and B above, formal training provided to qualify an employee for a premium pay override (excluding RII and recurrent training for any purpose) will be assigned to employees at a Station or Point, in a Bid Area and/or shift, in seniority order from among those employees who accept the offer of training.
- D. Employees attending training of any kind (initial and/or recurrent) will be allowed to complete any specific training session without interruption in the designated training area(s) provided by the Company.
- E. Training may be for new or old aircraft, components, recurrent qualifications or any other piece of Company equipment and/or tooling.
- F. The Company will post Training opportunities of more than three (3) calendar days for bid in the Station or Point, Bid Area and/or shift a minimum of fifteen (15) calendar days prior to the actual class date. Employees will have a minimum of seven (7) calendar days to bid for such training, and the successful bidders will be posted no less than seven (7) calendar days prior to the start of training. The most senior qualified (employees who have successfully completed any required prerequisite training, if applicable) bidders in the Station or Point, Bid Area and/or shift in the number required will be assigned and will be required to attend the Training. If there are insufficient qualified employees bidding for the Training, the Company may assign the remaining Training opportunities to other employees in the Station or Point, Bid Area and/or shift, provided that only the most junior qualified employees in the Station or Point, Bid Area and/or shift may be required to fill the vacant Training positions. No employee shall be forced to attend a training class outside his region more than once in a twelve-month period. Further, no employee shall be forced to attend a training class when extenuating circumstances prevent the employee from doing so.
- G. Employees who have been bypassed for Training will not subsequently be bypassed for overtime or field trips due to the resulting lack of qualification. In the event there are unanticipated openings or last minute cancellations the resulting unfilled seat in the

affected training class will be filled by selecting an alternate in the same manner as the primary attendee provided above, except that the notice and posting requirements shall not apply to the alternate. The next senior qualified employee, without regard to advance notice requirements, may be awarded the training assignment provided the employee willingly accepts.

- H. The provisions of paragraphs B through G above shall not apply to the initial training provided to new employees so long as such initial training is provided within twelve (12) months of their date of hire. That is, each new employee may be placed in one formal aircraft training class during his first twelve (12) months of employment, provided that no training class will have more than four (4) new hire employees assigned pursuant to this paragraph.
- I. The Company will determine the need for training as outlined in B above. However, the Company will provide to the Union access to information sufficient to be able to evaluate the level and distribution of prerequisite training. In the event the Union believes that an inadequate level of prerequisite training is being offered, the parties will meet and confer to resolve the issue.
- J. The Company will assign prerequisite training for employees whose duties normally involve aircraft requiring such prerequisite training in accordance with paragraph D above.
- K. Any employee covered by this Agreement may request assignment to training provided by the Company. Such requests will not unreasonably be denied if a written request is received more than seventy-two (72) hours in advance of the class start date, open seats exist in a class, offered at the employee's point or other location convenient to the employee and management, and the training is pertinent to the employee's job duties.
- L. No employee will be disciplined for failing to complete a training course, provided that such inability is not the result of the employee's own behavior.
- M. The Company will maintain a complete list at each Station of employees who have been trained, what type of training, and if the employee has accepted or declined the training. The list will be available for review by the Union or employees at the Station. Within ninety (90) days of ratification of this Agreement the parties shall meet to review such lists and determine the current level of trained employees covered by this Agreement.
- N. The employee will be paid at his base rate unless the training assignment exceeds eight (8) hours in a day or forty (40) hours in a week, in which case the overtime provisions will apply. Base rate of pay as used in this article shall mean the employee's basic hourly rate plus all premiums he normally receives. An employee who is training within a point, or a geographical area, but outside his station, will receive tolls and mileage at the corporate rate for any additional mileage required by the different location.

- O. An employee will not receive less pay while attending training than his regular scheduled workweek. In those instances where the employee's schedule is changed to coincide with the training schedule he shall be paid straight time unless the training assignment causes him to exceed eight (8) or ten (10) hours on the clock, whichever is applicable, in a day or requires him to work any of his newly scheduled training days off.
- P. An employee will be permitted to work overtime after attending a training assignment provided that the completion of the overtime assignment and the commencement of the employee's next training and/or shift assignment will provide the employee with a minimum of eight (8) hours rest.
- Q. An employee will be provided with at least an nine (9)hour rest period at the employee's home base prior to the start of the employee's next regular work schedule after attending Company training classes. In the event that such rest period extends into the employee's regular work shift, the employee shall be paid at the employee's base rate for that time lost from the employee's regular work shift. If the employee is not afforded such rest period, the employee shall receive the applicable overtime rate of pay until such time as the employee is relieved for such rest period. For the purpose of this paragraph if the employee's first work schedule after completion of training is a trade day the rest provisions of this paragraph shall apply, provided the trade day was scheduled prior to the assignment of the employee's training class.
- R. An employee will be provided with on-line Company business positive space passes for travel to and from school. When other Company approved transportation is used when returning to the home base, the estimated arrival time shall be determined prior to departure and the employee's supervisor shall be so advised. Travel time outside the employee's normally scheduled shift will be paid at time and one-half (1.5X) the hourly base rate of pay. An employee who misses his regular shift(s) because he is required to travel for training will not suffer any loss of pay as a result. Employees who travel home on weekends during extended training periods/assignments will not receive paid travel time, but will be provided positive space travel passes.
- S. The Company will provide single hotel rooms for an employee when in training while away from his base. All per diem expenses in Article 15.Q shall apply to all training assignments outside the airport grounds of the employee's base station. When an employee attends training outside his base station, upon request the Company will provide a reasonable sized rental car for up to three (3) employee(s) from each station so long as the employee provides receipts for the rental. These reimbursements will be in addition to the per diem expenses provided for in Article 15. Q and R.
- T. Whenever an employee is required to submit an expense report he shall be reimbursed no later than fourteen (14) working days after submission of a complete and properly submitted expense report.

## **Article 14 - Safety and Health**

### **A. Introduction**

1. Safety is Continental's most important priority and accordingly, the responsibility of both management and of every employee. In furtherance of this priority, all employees are expected to help maintain a safe, sanitary, clean and healthful working environment.
2. The Company will maintain emergency first aid equipment accessible to all employees on all shifts to take care of employees in case of accident or illness.
3. A safety committee or safety representative composed of employees covered by this Agreement will be established at each city on the system. The safety representative or safety committee will also make recommendations for the maintenance of proper safety standards, and will be given the necessary time, and access to appropriate areas where employees covered by this Agreement have access, to review and investigate operations to prevent unsafe working conditions. Upon request, the safety representative will be provided access to and copies of all pertinent documents and reports in the Company's possession. All complaints will be thoroughly investigated by the safety committee or safety representative and a response given to the source of the complaint.
4. The Union shall be entitled to appoint or elect a safety representative to attend and participate in the Company's regular monthly safety meetings, with no loss of pay. Should the safety meeting be scheduled outside the Union representative's normal working hours his schedule will be changed to allow him to attend, with no loss of pay for the work day.
5. In the event recommendations or findings by any of the Company representatives are unsatisfactory the complaint or issue can be moved to the System Safety Board. The System Safety Board shall be comprised of two Union members and two Company members. The System Safety Board shall have no authority over disciplinary issues or recommendations with respect to corrective or disciplinary action for any employee. The System Safety Board members, acting individually or in concert, may issue recommendations; or, acting unanimously, the System Safety Board may order action to resolve the complaint or issue. Such orders of the System Safety Board shall be final and binding. However, no decisions of the System Safety Board shall preclude a member from utilizing the grievance procedures pursuant to Article 19 and 20.

B. General Safety Rules

1. Employees are not required to work in an unsafe area or under unsafe conditions. Employees are expected to report unsafe areas, conditions, equipment, and tools to their immediate supervisor.
2. Each employee has the responsibility to work in a safe manner and remove equipment or eliminate conditions or unsafe acts within that employee's control that create a hazard.
3. An employee with a concern about, or knowledge of a potential safety problem in any facet of the Company's operation, should immediately bring it to the attention of the employee's supervisor and may also bring it to the attention of the Union's safety representative for prompt investigation and/or corrective action. The Company will respond to any written concern or complaint within thirty (30) calendar days. If no response is received within thirty (30) days, the employee may move the concern or complaint to the System Safety Board.
4. No employee will be disciplined for calling to the attention of the Company any actual or potential safety concern.
5. Except in emergencies, as defined in Article 2, whenever an employee in the Technician Craft working in a line maintenance environment is asked to replace a seat cushion and/or cover that is reasonably believed to be contaminated with a potential pathogenic substance he shall only be responsible for reinstalling such seat cushion and/or cover. The cleaning of the area and the removal of the old seat cushion and/or cover shall be performed by the cleaners, hazardous material specialist or other appropriate personnel.

C. Safety Training

Initial and recurrent employee training will cover at least those areas required for regulatory compliance, including the hazard communication standards of OSHA, emergency plans, fire extinguisher use, and specific safe work practices to cover hazards or conditions that may exist in the work location and/or shop. Complete safety training requirements for each shop and/or location can be obtained by contacting the Safety and Regulatory Compliance Department.

D. Safety Equipment

1. Safety devices and personal protective equipment will be provided by the Company for all employees working in hazardous environments. Employees are required to use such devices while performing their work. Such devices may include ear protection, headsets, safety glasses, respirators, rubber gloves, etc.

2. Employees will not be required to use unsafe tools or equipment or work in an unsafe area or under unsafe conditions. Employees are expected to report unsafe tools, equipment, areas or conditions to their immediate supervisor and safety representative or committee immediately.
3. All unsafe equipment will be tagged and held out of service until repaired.
4. Complete safety equipment requirements for each shop and/or location can be obtained by contacting the safety and regulatory compliance department.

E. Dress for Safety

1. Each employee is expected to dress appropriately for work. Personal items such as jewelry, scarves, ties, etc. Which could cause an unsafe condition will not be worn.
2. Safety shoes are recommended in all areas. In areas of contact with the public, shoe style and color will meet Continental uniform standards. The Company recommends that safety shoes should meet the requirements and specifications of ANSI standard Z 41.1 – 1981, Men’s Safety-Toe Footwear, “Class 75” shoes.

F. On an annual basis, Company paid health screening, urinalysis, blood tests and physical examinations will be provided to employees working in the Paint and Composite shops; employees cleaning and plating parts and equipment; Inspectors in NDT Testing; and other areas where a reasonable concern of an adverse health condition has arisen or been determined to exist, to insure that these employees are not being exposed to substances which could adversely affect their health.

G. Health

1. The Company will furnish good artificially cooled drinking water and sanitary water fountains or coolers, accessible to each work area.
2. The floors of restrooms and toilets will be kept in good repair and in a clean, dry, and sanitary condition. Employees will cooperate in maintaining these conditions.
3. Shops, hangars, breakrooms and washrooms will be lighted, heated and cooled to the fullest extent possible in a manner consistent with maintaining a healthy work environment.
4. Suitable foul weather gear, including raincoats, boots, galoshes and rain hats will be made available by the Company.

H. Inclement Weather

1. Employees covered by this Agreement shall not be required to perform maintenance on aircraft or ground equipment outside during inclement weather when hangars or garages are available.
2. This paragraph shall not apply to employees working on aircraft for immediate service or in servicing aircraft for through service, or performing maintenance work normally performed outside the hangar.
3. This clause shall not apply to employees working on ground equipment for immediate service or ground equipment in immediate need to support the through service of aircraft or other routine maintenance. "A" and "C" checks, along with heavy maintenance (e.g., transmission drops, engine changes, etc.) will be performed indoors where facilities are available.

## **Exhibit 1 to Article 14 – Alcohol and Drug Testing**

### **Part 1 - Testing Occasions**

#### **A. Random Testing**

1. All employees will be subject to random drug and/or alcohol testing to the extent required by applicable federal regulations.
2. The Company may conduct random drug and/or alcohol testing of employees any time. An employee undergoing drug and/or alcohol testing will be deemed to be on duty until the testing collection process is completed.
3. Following positive verification of identification using photographic identification, employees selected for random drug and/or alcohol testing will be given a written notice, in duplicate, stating the location where the employee is to report for the collection process, and advising him that refusal or failure to immediately report and to provide the required urine and/or breath specimen will result in termination of the employee's employment.

#### **B. Post Accident Testing**

1. Post accident drug and/or alcohol testing of employees will be required when the Executive Vice-president, Operations, the Vice-president, Technical Operations, or the Staff Vice-president, Safety and Regulatory Compliance determines that an event has occurred which constitutes an aircraft "accident" as defined in applicable federal regulations and the employee's performance contributed to the accident and/or his performance can not be completely discounted as a contributing factor to the accident.
2. Employees required to submit to post accident testing shall do so as soon as possible after the accident. If unusual circumstances result in a delay of the testing, the employee(s) must remain available for alcohol testing for a period of eight (8) hours following the accident. Drug testing may be required up to thirty-two (32) hours following the accident. (Normally both drug and alcohol test collection will be required, and will be administered at the same time.)
3. If the employee 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.

C. Reasonable Cause Drug Testing

When reasonable cause exists, based on observable and objective criteria, to believe that an employee is using drugs prohibited by applicable federal regulations, the Executive Vice-president, Operations, the Vice-president, Technical Operations, or the Staff Vice-president, Safety and Regulatory Compliance may require that the employee submit to drug testing. Reasonable cause must be established by direct observation of two (2) management officials, one (1) of whom may be a management designee, but never a member of the bargaining unit, and one (1) of whom must be trained in detecting the indications of drug use. The two (2) officials must substantiate and concur in the decision to recommend that the employee be tested. Once the determination is made, the testing will be done promptly. Reports and observations must be documented.

D. Reasonable Cause Alcohol Testing

When reasonable cause exists, based on articulable observation of the employee's appearance, behavior, speech, or body odors, to believe that an employee is using alcohol in a way which is prohibited by applicable federal regulations, the Executive Vice-president, Operations, the Vice-president, Technical Operations, or the Staff Vice-president, Safety and Regulatory Compliance may require that the employee submit to alcohol testing. Reasonable cause, based on such articulable observation must be established by direct observation by a management employee who is trained in detecting the indications of alcohol abuse. Once the determination is made, the testing will be done promptly. The reason for any delay shall be documented.

**Part 2 - Drug Testing Procedures**

A. Specimen Collection

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

B. Drug Testing Laboratories

Drug tests will be performed only at laboratories certified by the National Institute of Drug Abuse.

C. Medical Review Officer

1. The Company shall designate the medical review officer (MRO). The MRO will be a licensed medical doctor who has knowledge of substance abuse.
2. The MRO shall perform his responsibilities in accordance with applicable federal regulations.

D. Retesting

1. An employee who has been notified that his test resulted in a confirmed verified positive finding may request a retest of the split portion of the specimen by the same laboratory which tested the original sample, provided he does so within seventy-two (72) hours following such notification. At the employee's option and expense, the second test will be done at a different NIDA certified laboratory.
2. If a second specimen (which must also be split) was provided at the time of the original collection, the employee may request that the second sample also be tested. At the employee's option and expense, the second sample will be tested at a different NIDA certified laboratory.
3. To the extent that it is practically feasible and does not conflict with applicable federal regulations, an employee who has been notified of a confirmed verified positive result may elect to have the specimen(s) DNA tested at the employee's expense. DNA testing will only be done at accredited forensic laboratories which have been certified through the American Union 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.
4. Should the test of either the split portion of the initial specimen or the second specimen be negative, then the test shall be considered to be negative. Similarly, should the DNA testing establish conclusively that either specimen is not that of the employee, the test shall be deemed to be negative.

E. Positive Drug Tests

1. After receiving a confirmed positive, but before verifying that result, the MRO will make all reasonable attempts to contact the employee (including, if necessary requesting that the Vice-President, Technical Operations direct the employee to contact the MRO) to discuss the test result.
2. Following the discussion with the employee and any other appropriate inquiry the MRO will determine whether to verify the test result.
3. In the event that the MRO verifies the confirmed positive result, he shall in addition to any other duties, refer the matter to Continental's Employee

Assistance Program Director, who shall notify the Vice-President, Technical Operations.

### **Part 3 - 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. An employee who has been informed that he has tested positive for alcohol at a concentration of 0.02 or higher may request that a blood alcohol test be administered. Such testing must be administered as soon after the breath test as is reasonably possible.

### **Part 4 - Consequences of a Verified Confirmed Positive Drug Test**

#### **A. Inadvertent Ingestion**

1. Inadvertent and unknowing ingestion of any drug of abuse (or its metabolite) shall not be grounds for discipline.
2. The burden of proving inadvertent and/or unknowing ingestion rests upon the employee. The employee shall have five (5) days from his notification of the test result by the MRO to prove his claim of inadvertent and/or unknowing ingestion.

#### **B. Illicit Drugs**

1. Except as described in paragraph A above, on his first such occasion, an employee who has a verified confirmed positive drug test, shall be given the following options:
  - a. Voluntary resignation without eligibility for rehire.
  - b. Termination for cause. However, an employee exercising this option may be conditionally reinstated subject to the following terms and conditions:
    - i The employee must submit to initial evaluation by Continental's EAP Director or the Director's designee. (Eligibility for conditional reinstatement will not be contingent upon a diagnosis of chemical dependency.)
    - ii If one is recommended, the employee must successfully complete the course of rehabilitation recommended by Continental's EAP, including all continuing terms and conditions attached to such course of rehabilitation. The rehabilitation will be directed and facilitated by Continental's EAP, but will be funded entirely by the employee, except that he shall not be precluded from using any insurance benefits to which he is otherwise entitled.

- iii The employee must execute and deliver to the EAP Director an undated letter of resignation to be used to terminate the employee's employment should he fail to satisfy any of the terms of this Paragraph B or of the rehabilitation directed by EAP.
- iv During the remainder of his career with Continental, should the employee subsequently fail any drug and/or alcohol test the undated letter of resignation will be accepted by the Company, and his employment severed.
- v The employee shall commit in writing to remain drug free for the remainder of his career at Continental and shall agree in writing to be subject to "no notice" drug testing at the direction of the Company as frequently as the Company may decide for a period of five (5) years from the completion of the formal rehabilitation program. (Following the five (5) year period during which the employee shall be subject to no notice testing, he shall be obligated only to submit to such further testing as may be required by applicable federal regulations or this Agreement.)
- vi If the employee fails to comply with the provisions of the conditional reinstatement, termination will result, and his right to challenge such termination through the grievance process shall be waived. No grievance of the matter shall be permitted.
- vii An employee who is offered conditional reinstatement shall be solely responsible for ensuring that he is fully licensed and certified to perform the duties of his position.
- viii If an employee elects to use this option B, but the Company nevertheless declines to conditionally reinstate him despite his compliance with the terms of this Paragraph, the Company shall reimburse him for all out of pocket costs for his course of rehabilitation. Nothing in this Part shall be construed to limit or abridge an employee's right to utilize the grievance and arbitration processes contained in Articles 19 and 20 of this Agreement to challenge matters unrelated to drugs and/or alcohol.

#### **Part 5 - Consequences of a Positive Alcohol Test**

- A. When an employee'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 employee shall not be permitted to resume maintenance duties until either eight (8) hours have elapsed since the original test, or his breath

alcohol test indicates an alcohol concentration of less than 0.02. If the second test indicates an alcohol concentration below 0.02, the test shall be considered negative, and the employee shall be permitted to resume maintenance duties.

- B. An employee 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 drug and/or alcohol testing for a period of twelve (12) months from the time of the second such test.
- C. If an employee's breath alcohol test indicates an alcohol concentration of 0.04 or greater, he shall be required, as a condition of continuing employment, to undergo evaluation by Continental's EAP Director, or the Director's designee and to complete any rehabilitation recommended by EAP prior to resuming any maintenance duties. Such rehabilitation shall be funded entirely by the employee, except that he shall not be precluded from using any insurance benefits to which he is otherwise entitled. In addition, he shall be subject to no notice drug and/or alcohol testing for a period of up to five (5) years from the date of his completion of the formal rehabilitation program. Thereafter the employee will not be subject to further no notice testing relating to the rehabilitation.
- D. If at any time during the balance of the employee's career he has a breath alcohol test indicating an alcohol concentration of 0.04 or greater, he shall be forever barred from working as a Technical Services employee for Continental, or from performing any other safety sensitive duties at Continental.

#### **Part 6 - No Notice Testing**

- A. No notice is drug and/or alcohol testing administered by the Company in aid of rehabilitation as described elsewhere in this Part. Employees will be subject to no notice testing under each of the following circumstances:
  - 1. The employee has submitted to a rehabilitation program requiring no notice testing.
  - 2. A System Board of Adjustment has directed no notice testing.
  - 3. The employee has had a previous verified confirmed positive drug test result, a breath alcohol test indicating an alcohol concentration of 0.04 or greater, or two breath alcohol tests indicating an alcohol concentration between 0.02 and 0.039 within eighteen (18) months.
- B. During the period an employee 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.
- C. No notice testing may be conducted just before, during, or just after any on duty period.

- D. Whenever an employee is to be subject to no notice testing, the Company's EAP representative will meet with the employee and a Union representative (if the employee so chooses) to thoroughly explain and detail (including a hard copy outline) the no notice testing procedures.

### **Part 7 - Voluntary Rehabilitation**

An employee 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 Continental's EAP. An employee who has voluntarily entered into a rehabilitation program pursuant to this Part shall be entitled to use any accumulated sick leave to the extent needed to complete the rehabilitation program. Upon completion of the formal rehabilitation program and appropriate certification, the employee shall assume the bid position to which he is otherwise entitled by the terms of this Agreement.

### **Part 8 - Refusal or Failure to Cooperate**

An employee 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, or a breath or urine specimen of sufficient quantity will be withheld from service without pay pending investigation. If the investigation fails to find a valid medical reason for the employee's failure to cooperate, or in the case of an insufficient specimen if a medical evaluation determines that there was no genuine inability to provide the required specimen, he shall be terminated.

### **Part 9 – General**

- A. Consistent with applicable federal regulations and Part 1, Paragraph A (3), above, an employee will be permitted to notify the Union regarding any matter concerning this Section as soon as possible.
- B. Except for no notice testing, drug testing shall be limited to those drugs (and their metabolites) listed in applicable federal regulations.
- C. In the event that the employee 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.
- D. Nothing in this Section shall be construed to require the Company to utilize or compensate an employee who is not fully licensed and certified to perform maintenance duties for the Company.
- E. The Company and the Union shall meet, no later than ninety (90) days after ratification of this Agreement to review the procedures, forms and standard Last Chance Agreements

(LCAs) typically utilized in matters related to drugs and/or alcohol tests and the consequences thereof.

## **Article 15 - Compensation**

- A. Employees are paid for actual time worked in hours and fractions of an hour properly reported and verified. The employee may be required to punch in and out at time clocks. Employees who are late for work will be docked on an actual minute basis after the first six minutes, adjusted to the nearest one-tenth of an hour. Repeated cases of tardiness may result in disciplinary action under the attendance policy.
  
- B. Payroll checks will be distributed during working hours on payday. It will cover work performed in the previous pay period. If a payday falls on a Company recognized holiday employees will be paid on the previous day. Employees will be paid on a bi-weekly pay period beginning on Saturday and ending on Friday (total of fourteen (14) days). Checks for that pay period are issued seven (7) days later on Friday.
  
- C. Hourly Base Rate of Pay
  - 1. Employees' "hourly base rate of pay" is determined by a combination of a "basichourly rate" and all of the premiums listed below to which an employee is entitled.
  
  - 2. Employees temporarily transferred to work in a higher classification will be paid the higher rate for all hours worked in the higher classification with a minimum of eight (8) or ten(10), whichever is applicable, hours of pay. Employees temporarily transferred to work to lower paid classifications will receive their regular hourly base rate of pay.
  
  - 3. THE CURRENT BASIC HOURLY RATES ARE SHOWN IN APPENDIX A.
  
  - 4. The hourly rates set forth in Appendix A shall prevail, except that the Company may recognize prior experience when hiring and placing an employee in the progression scale at a rate above the minimum but not to exceed the most recently hired employee in the affected classification.
  
  - 5. Where there is a shortage equal to fifty dollars (\$50.00) gross pay or more in the pay of an employee, the employee will be reimbursed for such shortage as soon as possible, or no later than three (3) working days for the general office.
  
  - 6. Paychecks will include an itemized statement of all hours, wages, adjustments and deductions for the pay period, year to date wages, FICA and withholding taxes.
  
  - 7. Employees leaving the service of the Company will be paid for all the time due at the earliest possible time after separation and in compliance with State law.

8. Increases are effective on the commencement of the pay period in which the employee's anniversary date falls.
- D. Employees shall be paid fifty-one (51) cents per hour shift premium as additional compensation over their basic hourly rate for all hours paid in which the shift commences work outside the hours of between 0500 and up until 1000, except for those employees who commence work between the hours of 1601 and up until 0459, who will be paid fifty-eight (58) cents per hour shift premium as additional compensation. The relief mechanic that rotates between shifts during a workweek will be paid fifty-eight (58) cents shift premium for all hours paid.
- E. Effective October 1, 2010, when an employee hereunder is transferred at the Company's request, he shall be allowed actual reasonable moving expenses for household effects up to 36,000 pounds, when substantiated by properly receipted bills for shipping, insurance, storage, packing and unpacking, indicating the number of cubic feet or its equivalent of household effects being handled. The Company may at its option prescribe or control the shipment from the time of packing at the point of departure to the time of unpacking at the appointed arrival.
1. The cost of moving mobile homes will be paid for by the Company for employees who use such mobile homes as their sole residence up to the allowable limit for household effects. Charges in excess of this amount will be billed to the employee.
- F. Effective October 1, 2010, when an employee hereunder is transferred at the Company's request and drives his car or cars (up to two (2) cars) from his former domicile to a new station he shall be granted travel time at the current rate of four hundred (400) miles per day, to a maximum of seven (7) days, the direct route, and shall be paid at U.S. General Services Administration rates per mile, for all cars moved (up to two (2) cars). He shall also be paid his regular eight (8) hours pay for each day needed for traveling. Any mileage pay increase granted under the Company's General Administrative Manual shall be granted to all employees covered by this Agreement.
1. Actual and reasonable hotel expenses to a maximum of one hundred and twenty dollars (\$120) per night for the employee and spouse, plus an additional fifty dollars (\$50) per night for each additional one to four children for each night of travel, and actual and reasonable meal expenses with a daily limit of sixty dollars (\$60) for the employee and forty dollars (\$40) per day for each immediate family member will be paid after the employee has submitted receipts.
  2. Payment of hotel and meal expenses will be made for a period not to exceed seven (7) full days after arrival at the new location. These payments will be in addition to the travel time allowed. Under normal circumstances it is expected that employee moves will be completed within a fourteen (14) day period, from start to finish. However, when circumstances beyond the control of the employee

necessitate additional time, the situation may be reviewed and an extension approved by the Division Vice-President.

- G. When an employee is transferred from one station to another as a result of being the successful bidder on a bulletined job, he will bear his own expenses, except that space available plane transportation shall be furnished to him and his immediate family to the extent permitted by law. The Company shall pay the moving expenses described above if the transfer is to a newly opened station.
- H. Effective October 1, 2010, the maximum total cost payable by the Company for any move shall be twelve thousand dollars (\$12,000).
- I. Effective October 1, 2010, moving expenses will include reimbursement for miscellaneous expenses as part of the twelve thousand dollars (\$12,000) cap. Miscellaneous expenses shall include items such as vehicle registration, application fees, non-refundable deposits, cable hook-up, cancellation fees, rental car while personal car is in transit, shipment of pets, and other similar expenses.
- J. Enhancement to moving provisions granted to other employee groups after the date of ratification of this Agreement shall also be provided to employees covered by this Agreement.
- K. All employees covered by this Agreement required to perform their work outside in the elements, or at a line station, shall receive a line premium of thirty (30) cents, effective January 1, 2009, forty (40) cents, effective July 1, 2011, and fifty (50) cents effective July 1, 2012 per hour. Employees not working at a line station, whose primary duties are performed inside a shop or hangar, will receive a line premium only for hours actually worked outside a shop or hangar. Line premium pay will be added to the employee's base rate of pay for all pay purposes.
- L. Effective October 1, 2010, employees covered by this Agreement who are Taxi and/or Taxi Run Up certified on any one (1) of the Company's aircraft types shall receive a Taxi/Taxi Run Up premium of one dollar (\$1.00) per hour for eight (8) or ten (10) hours, whichever is applicable, for each shift in which they perform an aircraft Taxi or Engine Run Up. This Taxi/Run premium will be added to the employee's base rate of pay for all pay purposes.
- M. All Technicians, Lead Technicians, and Inspectors covered by this Agreement who possess an "FCC," "Airframe (A)," or "Powerplant (P)" license, will receive an hourly license premium paid for all hours paid. License premium pay will be added to the employee's basic hourly rate of pay for all pay purposes. Effective January 1, 2009, License Pay will be as follows:  
"A" License – \$2.00, "P" License – \$2.00, "FCC" License – \$3.30.

Effective upon execution of this Agreement, "A" and "P" license pay will be \$2.13, per hour each, and "FCC" license pay will be \$3.48 per hour.

Effective January 1, 2009, all employees working in Bid Area 104 (Avionics) or Bid Area 114 (Airport Communications) who possess an FCC license shall receive license pay equal to \$3.30 (\$3.48 effective upon execution of this Agreement) for all hours paid. Such employees shall retain such license pay for the duration of their employment so long as they work in either Bid Area 104 or 114.

All employees currently receiving FCC license premium of \$2.80 per hour pursuant to the 2002 collective bargaining agreement shall retain such premium unless they bid into Bid Area 104 or 114, in which case they will receive FCC license premium of \$3.30 (or \$3.48) for all hours paid effective upon their first day in such Bid Area. Employees receiving FCC premium who voluntarily leave their Bid Area after the execution of this Agreement will cease to receive FCC license premium unless they move into Bid Area 104 or 114.

Regardless of the number of licenses an employee may hold license pay will not exceed the total premium of \$4.00 per hour effective January 1, 2009, and \$4.25 per hour effective upon execution of this Agreement.

- N. Employees based in HNL shall receive a Market Adjustment Premium of two dollars (\$2.00) per hour for all hours paid. The parties agree that within thirty (30) days of ratification of agreement there shall be a joint Union/Company Cost of Living Committee formed. This Committee will determine the cost of living in each of the cities in which technicians and related are based. The joint Committee shall report back to the parties within six (6) months of ratification of the Agreement. The Company agrees to provide adequate funding for the Committee to conduct meetings and to consult with necessary professional experts.
- O. Employees assigned to GSE Bid Areas are eligible to receive GSE/GSE Coordinator premiums up to \$2.00 per hour effective January 1, 2009, and \$2.13 per hour effective upon execution of this Agreement if they qualify under the program offered. Those who are qualified and eligible will receive this premium for all hours paid. The program will remain in effect for the duration of this Agreement. The Company and the Union will meet to mutually agree on the trade test and the availability of the test as soon as practicable following the signing of this Agreement.
- P. Facilities Technicians who possess any two (2) of the following certifications/qualifications will receive a Facilities Test Premium of \$2.00 per hour effective January 1, 2009, and \$2.13 effective upon execution of this Agreement, for all hours paid:

- HVAC
- Electrician
- Plumbing
- JetBridge
- Baggage

For HVAC, Plumbing, and Electrician, the Company will accept state/federal certification. The Company and the Union will meet to mutually agree on the test and the availability of the test for Jet Bridge and Baggage as soon as practicable following the signing of this Agreement. This program will remain in effect for the duration of this Agreement.

- Q. All employees covered by this Agreement who are required to perform work, attend school, or for any other reason be away from their base station shall receive an expense allowance (per diem) for time away from base, for each hour (or fraction thereof) from the scheduled or actual report time of departure, up to the time the employee returns to his base. The hourly per diem for domestic locations (including Canada, Central America, the Caribbean and Mexico) shall be one dollar and ninety-five cents (\$1.95) per hour. Should pilots or flight attendants receive domestic per diem rates greater than one dollar and ninety-five cents (\$1.95) during the term of this Agreement, employees covered by this Agreement will receive the same greater rate, effective on the date such rate becomes effective for the pilots and/or flight attendants.
- R. The hourly per diem for international locations shall be two dollars and fifty cents (\$2.50). Should pilots or flight attendants receive international per diem rates greater than two dollars and fifty cents (\$2.50) during the term of this Agreement, employees covered by this Agreement will receive the same greater rate, effective on the date such rate becomes effective for the pilots and/or flight attendants.

## Article 16 – Benefits

- A. Except as otherwise expressly provided herein, covered employees shall be eligible to participate in those benefit programs which have been established as Company-wide programs, on the terms and conditions established in the benefit programs for Technical Operations employees' participation. These benefit programs will not be altered or diminished for Technical Operations employees unless done so on a Company-wide basis. Before any changes are made, the Company will notify the Union in writing in advance of the effective date of such change(s). Upon request by the Union, the Company will meet to explain the change(s).
- B. Notwithstanding the provisions of paragraph A above, it is agreed that the aggregate amount of projected participant premiums for Technical Operations employees each year will not exceed 20% of the projected total cost of coverage (aggregate projected Company contributions plus aggregate projected participant premiums). In addition, for the duration of this Agreement and thereafter, the Company will not increase the amount of office visit co-pays, specialty care visit co-pays, employee co-insurance, hospital visit co-pays, emergency visit co-pays, urgent care co-pays, deductible amounts, out-of-pocket maximums, and will not change the existing lifetime maximum (unlimited), for all plans or their equivalent in effect calendar year 2010, provided, however, that changes in these areas may be made for "build your own" plan coverage options.
- C. Covered employees will participate in the Continental Airlines, Inc. Profit Sharing Plan, as adopted on February 17, 2010, and as may be amended from time to time (the "PSP"), with such participation to begin effective with the Year (as defined in the PSP) beginning January 1, 2010 and to continue in accordance with the terms of the PSP. The Company has the unilateral right to alter, modify, revise or terminate the PSP. However, the PSP may not be altered, modified, revised or terminated for covered employees unless done so on a Company-wide basis.
- D. Company-wide benefit programs presently include:

Continental Airlines, Inc. Consolidated Welfare Benefit Plan, which includes:

- Health Care Plan for Employees,
- Dental Care Program,
- Vision Care Program,
- Long Term Disability Program (the Company will pay 50% of premium),
- Group Life Insurance Program,
- Personal Accident Insurance Program,
- Group Travel Accident Program, and
- Retiree Medical Program,

Continental Retirement Plan (see LOA #9),  
Continental Airlines, Inc. 401(k) Savings Plan (see LOA #1),  
Continental Airlines, Inc. Flexible Benefits Program,  
Continental Airlines Health Care Reimbursement Plan,  
Continental Airlines Child and Dependent Care Reimbursement Plan,  
Pass Travel Privileges,  
On-Time Bonus Program.

- E. The Company and the Union will meet quarterly to discuss issues pertaining to all insurance plans. The Union will have the ability to review and comment on health management strategies and plan design changes that the Company is considering to be effective for the medical, dental and vision plans in the ensuing calendar year.
- F. The Company will provide, within 20 business days after request by the Union, copies of summary plan descriptions, plan documents, annual reports, summary annual reports, actuarial reports covering plan pricing methodology (projected and actuarial to include year ending experience rates), participant data (including participant share of health insurance contribution for all health plans per each tier), asset performance reports, and other existing information requested by the Union pertinent to insurance plans in which employees covered by this Agreement participate. All documents and information provided will be provided electronically if available, and will be subject to the Union's reasonable use and protection of confidentiality.
- G. Any employee covered by this Agreement required to participate in test flights or to travel to another base in the performance of his work assignment, including travel to and from field trips, or who is killed or injured by a bomb in connection with his employment will be covered by Company paid accident insurance benefits with a death benefit of two hundred thousand dollars (\$200,000.00) at no cost to the employee. This benefit will be in addition to any other benefits due to the employee. Should pilots or flight attendants receive Company paid accident insurance benefits greater than two hundred thousand dollars (\$200,000.00), employees covered by this Agreement will receive the same benefit level, effective on the date such benefit becomes effective for the pilots and/or flight attendants.

## Article 17 - Overtime

- A. For purposes of this Article, the following terms shall have the following meanings:
1. Call Book – A collection of necessary document(s) or database which indicate the employees who are in a particular Bid Area. Information included in the Call Book shall be: employee name, employee ID number, home phone number, shift and days off, seniority date, total number of overtime hours of each employee and his/her verification of a desire to work or not work overtime.
  2. Eligible – An employee who has indicated in the Call Book of his/her desire to be offered any authorized overtime shall be considered eligible for purposes of this Article.
  3. Eligible Period – A defined period of time for which an employee has agreed to be available for the proffer of overtime.
  4. Call Out – An offer of overtime for a specific period of time on a specific day within the Bid Area. Call Outs will be made to the eligible employee(s) who have the lowest number of accumulated overtime hours and who is off and available to work the overtime. (See, LOA #7, at page 1.)
  5. Charging – Overtime, either accepted or refused will be charged in straight time pay hours, i.e., an hour worked at time and a half shall be 1.5 hours and an hour worked at double time shall be 2.0 hours. Only those eligible employees who appear in the Call Book will be charged for refusing overtime. Employees who are off duty and offered overtime with less than four (4) hours notice will not be charged if refused.
    - a. An employee who accepts an overtime assignment that is subsequently canceled by the Company, resulting in an overtime bypass to that employee, will be afforded the ability to make up all lost hours pursuant to Article 17.K.2 below.
- B. For pay purposes, an employee's twenty-four (24) hour day begins with the starting time of that employee's regularly scheduled shift. Overtime rates shall be computed on an actual minute basis adjusted to the nearest one tenth (1/10<sup>th</sup>) of an hour, with a minimum of one (1) hour overtime at the applicable rate. When computing overtime, the employee's straight time compensation will include the base rate, any licenses, premiums, and differentials that the employee normally receives for each regularly scheduled hour, during the employee's regularly assigned shift.
- C. 1. Employees on an eight (8) hour day shall be paid an hourly rate of time and one-half (1½X), based on the employee's regular straight time compensation for:

- a. The first four (4) hours worked after the employee's regularly scheduled shift.
  - b. The first eight hours worked on either of the employee's regularly scheduled days off.
2. Employee on a ten (10) hour day shall be paid time and one-half (1½X) for:
- a. The first two (2) hours worked after the employee's regular shift.
  - b. The first ten (10) hours worked on one of the employee's three (3) regularly scheduled days off.
3. Employees on an eight (8) hour day shall be paid an hourly rate of double time (2X), based on the employee's regular straight time compensation for:
- a. All time worked in excess of twelve (12) hours on a regularly scheduled work day.
  - b. All hours worked in excess of the first eight (8) hours worked on the employee's two (2) regularly scheduled days off.
  - c. All time worked on the employee's second day off, provided that the employee has worked, or has been compensated for, four (4) hours or more on his first day off.
4. Employees on a ten (10) hour day shall be paid double time (2X), based on the employee's regular straight time compensation for:
- a. All time worked in excess of twelve (12)hours on a regularly scheduled work day.
  - b. All hours worked in excess of the first ten (10) hours worked on the employee's three (3)regularly scheduled days off.
  - c. All time worked on the employee's second or third day off, provided that the employee has worked, or been compensated for, four (4) or more hours on one of his previous days off.
- D. When an employee works overtime in conjunction with his regular shift, not related to job continuation, he shall be entitled to a minimum of four (4) hours overtime pay, except that when overtime is required to cover staffing outages (vacation, sick, leaves of absence, etc.) he shall be entitled to work the full shift being covered, whether the shift is eight (8) or ten (10) hours. When the two shifts overlap, the overlap time will remain part of the employee's regular shift. When an employee is off duty and is called in to work overtime he shall be entitled to a minimum of eight (8) hours of overtime pay unless the

overtime shift being covered overlaps with the employee's regular shift, in which case the overlap time will remain part of the employee's regular shift. Employees who are called in late for overtime will be pay protected at the applicable overtime rate for the entire shift, either eight (8) or ten (10) hours whichever is applicable, if the late overtime call out causes the employee to miss any part of the shift. (See, LOA #7, at page 1.)

- E. Employees will be given a break period of ten (10) minutes every two (2) hours, and if working overtime in conjunction with a regular or trade shift, will be given a ten (10) minute break between the shift worked and the overtime assignment. Employees required to work overtime of two (2) continuous hours or more, either before or after a regular or trade shift shall be afforded an additional thirty (30) minute paid meal period, or pay in lieu thereof. For each additional four (4) hour period of continuous overtime service an additional thirty (30) minute paid meal period, or pay in lieu thereof, will be allowed within the following hour. Time for such meal periods will not break the continuous service period. When not afforded the aforementioned meal period(s) an employee may, subject to the needs of the service, forgo any additional pay and be allowed to leave work early with pay at the applicable overtime rate.
- F. When possible the Company shall give at least four (4) hours advance notice of contemplated overtime.
- G. When an employee has worked more than one (1) shift (eight (8) or ten (10) hours, whichever is applicable) in the previous twelve (12) hours and his duties are such that he will not have at least a six (6) hour rest period prior to the start of his next scheduled shift, it being understood that all regular shifts and scheduled overtime assignments to be worked shall be considered the employee's "next scheduled shift" for purposes of this paragraph, he shall be afforded an eight (8) hour rest period prior to the commencement of his next scheduled shift. If an employee's preceding work assignment terminates so that there will be less than six (6) hours prior to the commencement of his next scheduled shift, one of the following will occur:
  - 1. The employee and his supervisor may agree that he will report to his next work assignment on time and be compensated, for all hours worked, at the applicable overtime rate, it being understood failure to receive a documented answer from the employee's supervisor will automatically require the employee to exercise G.2 below, or
  - 2. If the parties do not agree that he will report to his next work assignment on time, he will take an eight (8) hour rest period with no loss of pay. If the rest period is such that it extends half way or more through the employee's next regularly scheduled shift, excluding lunch, (four (4) or five (5) hours, whichever is applicable), the employee may remain at home and be pay protected for the entire shift.
- H. The following procedures will be followed in the administration of overtime:

1. On January 1<sup>st</sup> of each year the overtime hours of each employee will be reduced to zero (0), and in each Bid Area a list of the employees in seniority order will be posted. This will constitute the initial overtime call sheet.
2. For each Bid Area subject to these rules, the Company will maintain and make available upon request, accurate daily records of all overtime accepted, worked and all overtime refused. An overtime hour for the purposes of overtime equalization, shall be computed and recorded as the overtime hour accepted, worked or refused, unless spelled out differently herein, multiplied by the amount of overtime compensation.
3. Employees transferring by bid, being recalled, displacing into, returning from Leave of Absence of more than forty-five (45) days, returning from a temporary assignment of more than three (3) weeks, will be given the number of overtime hours they have obtained in the current calendar year from their previous work location(s). New hires entering a Bid Area will not be eligible for overtime during their probation. After probation they will be given the highest number of overtime hours in the Bid Area.
4. A standard overtime call sheet or its electronic equivalent will be maintained for each Bid Area subject to these rules. To be eligible to work overtime employees must sign up correctly in ink on the overtime call sheet for their Bid Area, initialing any subsequent changes in ink. The sign up will include the employee's name, regular shift, the shift(s) for which the employee desires to work overtime, and a phone number(s) at which the employee can be contacted if not at work when the callout is being made. All entries in the overtime call sheet must be accurate and legible.
5. If for continuity purposes it is deemed by management that an employee should stay and complete his assigned job, and the job can be anticipated to be completed within three (3) hours, then the employee performing that job may be requested to do so without regard to seniority or overtime hours charged. This will be known as "job continuation." Whenever the Company has a need to utilize this provision a "Job Continuation" request shall be made available for review by the Local Union. The Company shall keep an electronic record of all "Job Continuation" worked at all stations and make such records available for review, by the Union, for a minimum of eighteen (18) months from the date of each "Job Continuation" occurrence.
6. If the need for overtime not requiring continuity arises in a particular Bid Area in conjunction with a shift in progress, and the need is for four (4) hours, the overtime will be offered to those employees who are then working on the shift in question and who have signed the call book. The person with the least amount of overtime hours will be offered first, and the remaining need will be met by offering the overtime to the employees in the Bid Area on shift in ascending order of their overtime hours. If two or more employees have the same number of

overtime hours charged the offering will be made in Craft seniority order.

- a. Except as provided in paragraph 6 above, all other overtime will be offered to employees using the call sheet. In making an overtime callout, the Company will contact the employee on the overtime call sheet who can cover the shift and has the least amount of overtime first, next least second, etc. Employees will be considered able to cover the shift, as stated above, so long as their normal shiftstarting/ending time and the start/end time of the overtime request does not exceed one hundred and fifty (150) minutes, provided that the employee must report to the work area of thenormal shift at the start time of thenormal shift rather than remaining in the work area of theovertime shift.
- b. If there are insufficient employees on the call sheet to fill the overtime requirement, the Company will solicit volunteers from the work area where the overtime originated in the Bid Area without regard to seniority or overtime hours charged, and if there are still insufficient employees to fill the overtime requirement, may allow qualified employees from other Bid Areas to work the overtime.
- c. If there still exists a need for overtime, employees not working the shift but who are regularly assigned to the Bid Area, may be assigned the overtime in reverse order of seniority.
- d. Employees will not be required to work overtime against their wishes, except in emergencies. The term emergency as used in this Article shall mean “Acts of God,” “Acts of War” (as declared by Congress), national emergency, natural disaster, revocation of the Company’s operating certificate, the grounding of a significant portion of the Company’s fleet, a shutdown of any substantial portion of the air transportation system,danger posed by the elements of weather or any other unexpected circumstance posing significant danger to persons, property or the business. “Significant danger” does not mean the typical circumstances encountered in normal daily operations. In such cases, no employee will be required to work an overtime assignment which would require him to work a total of more than twelve (12) hours for an employee normally scheduled for eight (8) hour shifts, or fourteen (14) hours for an employee who normally works a ten (10) hour shift, in any twenty-four (24) hour period.

7. When the need arises to call employees for overtime who are not on duty, the Company will begin contacting the employee(s) by phone, using a Company land line, at the number(s) listed by the employee on the call sheet. If the Company is unable to contact the employee in person at the phone number(s) listed, the employee will be bypassed.
- I. The overtime provisions of this Article shall not apply where the overtime is worked due to a change in shifts through the exercise of seniority by employees or due to an approved exchange of shifts and/or day trades done for the convenience of the employees.
- J. At each Station/Point the Company and the Local Union will mutually agree, in writing, to the rules and conditions regarding the proper administration of overtime pursuant to this Article.
- K. An employee who is bypassed in violation of the overtime distribution procedures set forth in this Article will be treated as follows:
  1. If the bypass is a deliberate and intentional act, the employee will be paid and charged the applicable overtime rate for all hours missed by that particular overtime opportunity. For purposes of this paragraph, a bypass that results from repeated instances of administrative and/or clerical errors shall be deemed to be intentional.
  2. In all other cases, the employee shall be offered an opportunity to work an amount of overtime equal to the amount of overtime missed, at the overtime rate at which he was bypassed. The employee will be able to work the overtime at his discretion in any work area in his bid area.

## **Article 18 - Union Security and Representation**

- A. It shall be a condition of employment that all employees of the Company covered by this Agreement, shall on the effective date of this Agreement, become and remain members in good standing of the Union or, in the alternative, render the Union a monthly sum equivalent to the standard monthly dues required of the Union members, such sums to be recognized as "Service Fees."
- B. It shall be a condition of employment that all employees of the Company covered by this Agreement and hired on or after its effective date shall on or before the sixtieth (60<sup>th</sup>) day following the beginning of the initial seniority date, become and remain members in good standing in the Union, or, in the alternative, render the Union a monthly sum equivalent to the standard monthly dues required of the Union members, such sums to be recognized as "Service Fees."
- C. The Company will deduct from the wages of any employee covered by this Agreement said employee's initiation fees and dues as a member of the Union upon receiving the employee's voluntary and individual written authorization for the Company to make such deductions, signed by the employee. Such authorization form will be provided by the Union. The Company will pay over to the proper officers of the Union the wages withheld for such initiation fees and/or dues. The amount so withheld shall be deducted from the appropriate paycheck, reported and paid to the Union monthly. The Employee's Social Security number, full name, dues rate, rate of pay and status of employment will be transmitted with the monthly fees/dues.
- D. The Union agrees that it shall indemnify the Company and hold the Company harmless from any and all claims which may be made by the employee or employees against the Company by virtue of the wrongful application or misapplication of any of the terms of this Article.
- E. In the event of termination of employment there shall be no obligation upon the Company to collect dues until all other deductions have been made.
- F. The Union shall give the Company at least thirty (30) days written notice before requesting the removal of employees from employment for failure to maintain membership in good standing in the Union in accordance with Section A of this Article.
- G. The Company will advise the Union of the name(s), hire dates, and addresses of any new hires and the names and dates of all other employees covered by the Agreement who have been terminated, laid off, retired, transferred, changed status, or recalled at the time the Company turns over the monies to the Union per paragraph B above.
- H. It shall be the responsibility of any employee who is not on a dues deduction program to keep his membership current by direct payments of monthly dues to the Union.

- I. Should a deduction be missed, or in the event an insufficient amount is deducted the proper adjustment will be made the following month.
- J. Bulletin Boards
  - 1. Glass enclosed lockable bulletin boards (maximum dimensions 3' x 5') acceptable to the Company will be provided by the Company at each bid area. Each Board will be labeled as "Union." The Union and the Company will determine the location of the bulletin boards by mutual agreement. Keys will be issued only to the Shop Steward and to the local management designee.
  - 2. Union notices of interest to the employees may be posted on the bulletin boards. No political, inflammatory, controversial, or derogatory material will be permitted thereon.
- K. The Company agrees to admit to its bases the officially designated representative of the Union to transact business as is necessary for the administration of the Contract. Such business shall be transacted in as short a time as possible and shall not interfere with the operations of the Company. The Company shall supply such officially designated representative(s), with Continental vendor I.D.; and, upon request and in the same manner as the Company assists employees covered by this Agreement, shall assist designated representative(s) in obtaining specific local/airport I.D./badges in order to access aircraft operating and work areas covered by this Agreement, at no cost to the Local Union.
- L. The Union shall elect or appoint a primary shop steward(s) and if deemed necessary, an alternate(s) to each Bid Area for conducting Union business and shall notify the Company in writing of their election, appointment, or removal.
  - 1. A primary or an alternate steward shall be permitted reasonable time to investigate, present and process grievances within the scope of said steward's station and shift on the Company's property without loss of pay during his regular working hours. If a steward is reasonably requested by management to delay an investigation of a grievance because of immediate work requirements, such steward, if practical, shall cooperate with the request.
  - 2. Time spent in handling grievances during the steward's regular working hours shall be considered hours worked for all purposes. It is understood that if a steward voluntarily chooses to handle a grievance on other than Company time, he may not claim overtime pay for the non-Company time spent handling such grievance. This provision, however, shall not be construed as affecting an employee's overtime pay for time spent handling grievances while at work on an authorized overtime opportunity.
- M. Effective upon signing of this Agreement, the Company will assume the cost of one hundred and seventy-three hours (173.0) of straight pay time per month for each location where two hundred and fifty (250) or more actively employed covered employees are

based, and eighty-seven and one-half hours (87.5) for locations where more than two hundred (200) but less than two hundred and fifty (250) actively employed covered employees are based. This time is to be used only for conducting Union business. The time may be used as designated by the Local Union Business representative, or his designee.

N. The Union will provide the Company with the names, addresses, and phone numbers of its official Business Representatives at each base.

O. An employee who is to be questioned by Company representatives in the investigation of an incidence which may result in disciplinary action being taken against him or another employee, will be informed of his right to have a Union Representative present before such questioning begins. The Company shall be required to document and have the employee sign for any refusal of such Union representation.

P. All new or transferring employees shall be afforded an opportunity during orientation with the Local Business Agent or his designee.

Q. Union Leave

1. Upon forty-eight (48) hours written notice by an authorized Union representative, the Company will grant to an employee covered by this Agreement a Union Leave of Absence for up to seven (7) days, without loss of pay. No more than one (1) employee may take such leave at any station at any time, except two (2) employees may take such leave at the station at the same time at stations where the Company employs five hundred (500) or more active employees covered by this Agreement. The Union will reimburse the Company for the cost of wages and benefits paid to the employee(s) while on such leave.

2. Upon fourteen (14) days written notice the Company will grant an extended Union Leave of Absence. Employees on Union Leave of Absence will be considered to be continuously employed by the Company for purposes of participating in the Company health and welfare plans, seniority accrual, and other benefit programs established by this Agreement. The Union shall pay the wages or salary, inclusive of fringe benefits, of an employee on extended Union Leave and shall reimburse the Company for any cost of participation in the benefits established by this Agreement.

3. Employees accepting full-time positions with the Union as representatives of the employees covered by this Agreement shall be granted an indefinite leave of absence by the Company. An employee on leave for this purpose shall retain and continue to accrue Company and Craft seniority in the Craft and classification they vacated.
  
4. An employee must advise the Company at least ten (10) days in advance of his intention to return from any of the foregoing Union leaves of absence. Upon his return he shall be reinstated to the position he held when the leave was granted. If the position is no longer available he may choose to fill any other open position in his bid area. If there are no open positions in the employee's bid area he may exercise his seniority to displace the junior employee in his Bid Area, station/point or system if necessary.

## **Article 19 - Grievance Procedure**

### **A. Grievances Involving Interpretation Or Application Of The Agreement**

In the event of a grievance arising over the interpretation or application of this Agreement or in the event of disciplinary action, not involving loss of pay, the following procedure shall be followed:

1. The aggrieved employee will first present the complaint to his supervisor for discussion and possible solution within thirty (30) days after the employee or his representative could reasonably have knowledge of the incident upon which the complaint is based. During this discussion, the employee will have the right, but not the obligation, to be represented by his shop steward or Local Business Representative. An employee who is to be questioned by Company Representatives in the investigation of an incident or accident which may result in disciplinary action, will be informed of his right to have a Union Representative present before such questioning begins. The Company shall be required to document and have the employee sign for any refusal of such Union representation. It is understood and agreed that decisions made at the first step of the grievance procedure by the supervisor, employee and/or his representative shall not constitute a precedent of any kind unless otherwise agreed to by the Union and the Company.
2. If the complaint cannot be resolved through a discussion, the grievance shall be reduced to writing by the employee or his representative, signed by the employee or his representative, and presented to his supervisor within ten (10) calendar days after the date of the discussion described in paragraph A.1 above.
3. The grievance will be answered in writing by the supervisor, who will send a copy to the grievant, the shop steward and the Union Representative, within ten (10) calendar days after he receives the written grievance.
4. If the decision of the supervisor is not satisfactory, the employee or his Union Representative may appeal the grievance directly to the regional Director or his designee, provided such appeal is presented in writing within ten (10) calendar days after the written decision of the supervisor has been presented to the grievant, the shop steward, and the Union Representative.
5. The regional Director or his designee will meet to hear the grievance(s) within ten (10) calendar days following the receipt of the written appeal. The grievant, the shop steward and the Local Union business agent shall be entitled to attend this meeting, and shall be allowed a reasonable opportunity to present relevant testimony and information. The regional Director or his designee shall issue his decision in writing within ten (10) days after the presentation of such relevant testimony and information.

6. Within fourteen (14) calendar days after the receipt of the written decision of the regional Director or his designee, if the decision is not satisfactory to the employee and his Union Representative, the Union may appeal such grievance to the System Board of Adjustment by serving a written notice to Teamsters Local Union No 19 with a copy directed to the Vice President of Maintenance or his designee at the Company's office.

B. Discharge and Disciplinary Procedure

1. In the event an employee is suspended pending investigation and is subsequently found innocent of the charges, he will be paid for such lost time from work.
2. In those instances where the Company discharges or disciplines a non-probationary employee to the extent of loss of pay, such disciplinary action will not be imposed until a fact/finding meeting is held between the employee's supervisor, and if needed, other Company designee, the employee, and his steward. Nothing shall preclude the Company's right to suspend any employee without loss of pay pending such meeting. The purpose of such meeting is to interview pertinent witnesses, establish pertinent facts and determine any possible solution, it being understood and agreed that decisions at such level shall not constitute a precedent. The Company representative involved will, within ten (10) calendar days after such meeting, render a decision in writing to the employee, unless further investigation is required, in which case the Company will notify the affected employee and the Union of the reasons for the delay. The affected employee shall remain in a paid status until such time as a decision is rendered.
3. If the decision of the Company's representative is not acceptable to the Union, the decision may be appealed by the Union to the System Board of Adjustment within fourteen (14) calendar days after receipt, by serving written notice to Teamsters Local Union No 19 with a copy directed to the Vice President of Maintenance at the Company's Administrative Office.
4. Notwithstanding any of the provisions of this Article, probationary employees are not entitled to file grievances under this contract regarding discipline or discharges, nor shall such employees be entitled to challenge discipline or discharges taken against them under this Agreement. The System Board's findings and decisions shall be final and binding upon the Teamsters - Airline Division, the Company, and the individual employee or employees to such dispute.
5. In the event the Union appeals the disciplinary action to arbitration the Company and the Union shall attempt to agree on a mutually acceptable impartial arbitrator. If the parties are unable to agree on an arbitrator they shall select an arbitrator as provided in Article 20, Board of Arbitration.

C. System Boards

1. The System Board of Adjustment (“the Board”) shall be composed of two (2) members designated by the Company and two (2) members designated by the Union. The Board will meet on a bi-monthly basis during the course of the calendar year at stations throughout the system on a rotating basis. Dates for the Board shall be mutually agreed upon prior to the beginning of each New Year. The location of the Boards will be determined and mutually agreed upon at the end of each preceding Board. In the case of a discharge or a suspension resulting in loss of pay, the Board shall convene within thirty (30) calendar days of the date the discharge or suspension is appealed to the System Board of Adjustment. In the case of a discharge, the Board of Adjustment shall convene at the station where the discharged employee worked unless another city is mutually agreed to.
2. The System Board shall render a decision no later than thirty (30) calendar days after it has closed the record in the hearing of the case. If the Board deadlocks, the Union may appeal the case to arbitration.

D. General and Procedural Rules

1. An employee who serves as a witness and who is not released from his witness duty at least eight (8) hours prior to the start of his next regularly scheduled shift shall be excused from working that shift, but shall suffer no loss of pay as a result. Release from duty will be deemed to be at block-in if required to fly to return to his home.
2. The Union will be given a reasonable opportunity to secure the presence of necessary individual(s) to fairly conduct hearing and meetings required in connection with a grievance.
3. Upon request, the Union will be provided access to all documents and reports in the Company’s possession on which the action taken was based. The Union shall be entitled to copies of any such documents that it may determine are needed.
4. Employees of the Company who are on duty and are called as witnesses for any of the proceedings described in this Article will suffer no loss of pay. In addition employees regularly scheduled to work swing shift or graveyard shift on the day preceding the hearing will be released with no loss of pay to accommodate travel time and provide ample rest. The number of witnesses summoned at any one time shall not be greater than the number that can be spared from the operation without interference with the services of the Company. If the Union or the Company deems necessary the testimony of witnesses (inclusive of management personnel) the Company is unable to release, the proceedings may be adjourned until such time as the witnesses are able to testify. The parties agree to use their mutual best efforts to minimize the cost and the operational disruption potentially created by this provision. In System Board cases where testimony is cumulative (merely duplicating the testimony of other witnesses), or is otherwise not essential to the case, such evidence may be presented by sworn statement(s).

5. All time limits will be complied with by the Company, the employee(s), and the Union. If the Company does not comply with the time limits, the grievance will be deemed automatically appealed to the next step. It is recognized that Company or Union representatives may request reasonable time limit extensions, and the parties may mutually agree to extend any of the time limits in this Article.
6. 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.
7. The Company recognizes the right of the Union to file a group grievance when the issue is common and identical to those employees in the group.
8. In the event of permanent change of the parties responsible for answering grievances at any step of this grievance procedure, the Company will notify the Union as soon as possible.
9. The Union, or its representative, and/or the Grievant shall have access to the Grievant's personnel file for review in any discipline or discharge case, and in any other case where the employee provides written authorization for release of such information. The Union shall be entitled to copies of any documents from the file that it may determine are needed. When requested by either the Company representative or the Union representative, the System Board shall summon any witness(es) who are employed by the Company and are deemed necessary to the dispute by the System Board.
10. Where unknown evidence or documentation not previously shared with the Union or the Company is introduced at the System Board and/or Arbitration, the System Board or Arbitrator will allow sufficient time for review of the new evidence.

E. Disclosure

Both parties shall agree to a discovery process and they shall be compelled to disclose, to each other, all data/documents and the names of the witnesses to be presented no later than ten (10) calendar days prior to the actual date of the System Board of Adjustment and/or Arbitration. Any data/documents or witnesses given to the other within ten (10) calendar days of the System Board and/or Arbitration must be disclosed as soon as possible but in all cases no less than forty-eight (48) hours prior to the actual System Board of Adjustment and/or Arbitration. If either party receives a late document or witness list it shall have the option to adjourn the hearing in light of the new document or witness list or take the necessary time for review of the new evidence.

## Article 20 – Board of Arbitration

- A. The parties shall, in November of each year, agree upon and select arbitrators and arbitration hearing dates to be scheduled in the following year; if unable to agree upon arbitrators, the parties shall request fifteen (15) lists of arbitrator panels from the National Mediation Board and shall, by alternate strike method, select fifteen (15) arbitrators that will compose that year's agreed-upon panel of arbitrators. The parties will jointly solicit dates from the agreed upon arbitrators, and shall endeavor to schedule no less than four (4) days each month for hearing cases appealed to the Board of Arbitration. No later than sixty (60) days in advance of each hearing date, the parties shall mutually agree as to which case shall be heard; in the event the parties are unable to agree, the earliest-filed case remaining unresolved shall be heard. The Board of Arbitration shall consist of one (1) member selected by the Union and one (1) selected by the Company, and the impartial Arbitrator.
- B. The parties shall enter into a submission agreement, which shall clearly state the arbitrable issue or issues to be decided. If the parties are unable to agree on a joint statement of the arbitrable issue or issues to be decided by the arbitrator, the submission shall contain the written grievance and the Company's disposition of the same with notation that the parties could not agree upon a submission agreement. Either party may also submit its proposed version of the arbitrable issue or issues to be decided by the arbitrator.
- C. During the hearing, each Party shall have full opportunity to present evidence and argument, both oral and documentary. The impartial arbitrator shall be asked to render his findings and award in writing no later than sixty (60) calendar days after the conclusion of the hearing or receipt of the post hearing briefs. The decision of the impartial arbitrator shall be final and binding. The impartial arbitrator shall have no authority to modify, amend, revise, add to or subtract from any of the terms or conditions of the Agreement.
- D. All arbitration hearings will be held in Houston, unless another place is mutually agreed to by the Company and the Union.
1. Each of the parties hereto shall assume the compensation, traveling expenses and other expenses of its witnesses called or summoned by it and each of the parties shall assume one-half (1/2) of the expenses of the arbitration, except that the employees of the Company who are necessarily summoned to serve as witnesses and the grievant, if not discharged or on suspension, will suffer no loss of pay as a result of participation in the arbitration proceeding.
  2. Witnesses who are employees of the Company and the grievant shall receive free transportation over the lines of the Company from their point of duty or

assignment to the point at which they must appear as witness before the Board and return, to the extent permitted by law.

3. It is understood and agreed that each and every witness summoned by the Board who is an employee of the Company shall be free to discharge his duties in an independent manner without fear that his individual relations with the Company or the Union may be affected by an action or by testimony given by him in good faith in his capacity as a witness.
  4. If a stenographic transcript is made of the arbitration proceeding the party making the request shall bear its expense, unless the request is made by the arbitrator, in which case the cost of the transcript will be shared equally by the Company and the Union. In the event the party not requesting the transcript decides at the hearing or later to obtain a copy, the Company and the Union shall share the entire cost of the reporting and transcribing of the transcript equally.
  5. In discharge, the Board of Arbitration shall convene at the station where the discharged employee worked unless another city is mutually agreed to.
- E. The provisions of Article 19, paragraphs D 1, 2, 3, 4,9 and 10,and paragraph E also apply to this Article.
- F. Decisions rendered pursuant to this Article may not add to, subtract from, or alter in any way the Agreement, but may only interpret or apply it.

## Article 21 – General and Miscellaneous

- A. An employee will upon request be provided with a letter from the Company setting forth his length of service, present and past duties and experience for the purposes of presentation to proper governmental agencies for procuring FAA, FCC or other licenses.
- B. Any employee leaving the service of the Company will, upon written request, be furnished with a letter setting forth the Company's record of the employees Craft(s), and job summaries, stating his length of service and rate of pay at the time the employee leaves the service of the Company.
- C. The Company will print and distribute to each employee a copy of the Agreement and shall provide the Teamsters Airline Division three hundred (300) copies of same.
- D. The Company shall allow employees a reasonable period of time, but not less than ten (10) minutes immediately prior to punch out to wash up.
- E. Documented Discipline
  - 1. Except as provided in Paragraph E.2 below, all disciplinary letters (letters of warning, reprimand, or suspension and letters of instruction and advice) will be removed from the employee's file after a period of one (1) year from the date of issuance provided there have been no similar infractions (i.e., job performance, attendance related) during that period, except that the period shall be eighteen (18) months for termination warnings. In the event additional infractions occur at any time during said one (1) year, the letters will be retained in the file until such time that there is a one (1) year period with no occurrence of similar infractions (i.e., job performance, attendance related). Copies of disciplinary letters shall be furnished by the Company to the affected employee and the Union.
  - 2. All documented discipline/counseling involving claims related to Title VII violations (e.g., sexual harassment, racial or other discrimination or harassment) may be kept in a separate file for a reasonable period of time. Use of such documents shall be limited to reasonably necessary application in Title VII matters.
- F. Personal Tools
  - 1. All technicians are required to have an approved complement of personal tools necessary to perform the technician function. The Company will repair or replace within sixty (60) days, if necessary, required or authorized personal power tools used on the job and contained on the list described in paragraph F.2 below.
  - 2. Each technician must submit to the technician's supervisor a list of all personal tools used on Company property. This list is subject to a periodic check. The list

must be approved by the employee's supervisor and placed in the employee's file. The employee should retain a copy for future reference.

3. The approved minimum tool lists are attached as Appendix B to this Agreement.

G. Tool Box Insurance

1. The Company will provide insurance coverage against fire, theft, or serious damage of an individual's complete tool box (including tote box) and the contents, while it is on Company premises or accompanying the technician on a field trip for use in connection with employee's work. Wherever reasonably possible the Company will provide a secured area accessible to each work area for the purpose of stowing tote boxes. If the Company is unable to provide such a secured area, the tote box must be locked to the roll-a-way toolbox, or a secure object provided by the Company, when being stored.
2. The employee must report the loss to his/her supervisor and must file a police report. Losses under this policy will be settled directly with the employee based on the replacement value not to exceed ten thousand dollars (\$10,000). The insurance claim will not be honored if the inventory list is not on file with the employee's supervisor at the time of loss or if the tote box was not properly stored as provided in Paragraph 1 above.
3. As an alternative to cash payment, the Company may issue employees vouchers redeemable by one or more of the Company's tool vendors for the purchase of replacement tools of like quality.
4. The Union/Company will enforce a lost and found policy. Any tool/personal item found will be stored in a labeled locked box accessible to each work area until the rightful owner claims it, provided that unclaimed items may be disposed of in such manner and at such time as the parties may mutually agree. The Company and the Union shall each hold keys to the lost and found box.

H. Uniforms

1. Employees in Technical Operations, Facilities Maintenance and G.S.E. are required to wear uniforms. New employees must purchase the initial set. A payroll deduction plan is available to assist an employee in paying for uniforms. When the Company elects to make changes to the style or color of uniforms, employees will be provided, at no cost to them, with such changed elements of the initial uniform set.

2. The initial uniform set will consist of the following:

<u>Item</u>	<u>Quantity</u>	<u>Apparel Choices</u>
a. Shirts	5	Regular Gray Button (long or short sleeves), or Gray Knit Polo, or Gray T-shirt
b. Pants	5	Regular Charcoal Trousers, or Jean Cut Trousers, or Tropical Weight Trousers, or Flannel Lined Trousers, or Walking Shorts

Note: Regular coveralls may be substituted in lieu of one (1) shirt and one (1) pant.

c. Jacket	1	Light Weight Jacket with Liner, or Winter Parka; Cold weather stations: Light Weight Jacket with Liner and Winter Parka or Arctic Parka
d. Belt	1	Reflective – Charcoal, or Leather Belt
e. Cap	1	Baseball Style, or Knit
f. Coveralls	1	Insulated (cold weather stations only)

Cold weather stations are CLE, DCA, ORD, EWR, BOS, DEN, MCI, DTW, LGA, MSP, and other locations as may, from time to time be agreed upon by the parties.

3. After the initial purchase, the Company will replace required uniform items on a “fair wear and tear” basis. New uniforms will be exchanged for the old uniforms. Replacement uniforms will be delivered to the employee’s home unless otherwise requested. Laundering of uniforms and special outer clothing is the employee’s obligation.
4. The Company provides special outer clothing for employees who are regularly required to perform extended work outdoors, during inclement weather. Where conditions warrant, these items are issued on an individual basis. Other items will be checked out to an employee when needed. In either case, the employee is responsible for all items checked out.
5. Items checked out to an employee remain Company property. However, it is the responsibility of the employee to insure that any item checked out is returned to the proper source.

6. In the event of termination of employment, any items still checked out must be turned in to the supervisor. If any items are not returned, the replacement cost of such items will be deducted from the employee's final paycheck.
- I. If there is any change during the term of this Agreement in the licenses employees covered hereunder are required to have, all employees affected shall be given a reasonable period of time from the date of such change in order to obtain each license, and there shall be no change in their status or pay during said period.
- J. Whenever the Company operates a Charter which requires that a technician accompany the Charter, the Company will select the employee to accompany the Charter, and compensate the employee, using the Field Trip procedures.
- K. In the event that free or Company provided parking is not available for employees covered hereunder at the facility where the employee is assigned or working, the Company will assume the expenses associated with the employees' parking.
- L. It is understood and agreed that all formal agreements, amendments, deletions and additions to this Agreement must be approved by the Director of the Airline Division – International Brotherhood of Teamsters and the senior corporate officer in the Human Resources Department for the Company.
- M. Employees may wear their Union pin on their uniform.
- N. Each month the Company will provide the IBT Airline Division with a list of new hires, including the date of hire, the Craft, Bid Area, Station into which they were hired, and the employees' addresses, as well as a list of all employees covered hereunder who have terminated from the Company, giving the date of the termination.
- O. Employees of the Union will be furnished transportation over the lines of the Company for the purpose of administering this Agreement at the level and to the extent such passes are provided to officials of other unions representing other Company work groups.  
[Union withdraws]
- P. The Company will agree to alter an employee's schedule, with no loss of pay, for the purpose of procuring any necessary credentials (i.e.: SIDA badges) required to access the employee's work site.

## Article 22 - Duration

This Agreement shall become effective on November 18, 2010, and shall remain in full force and effect until December 31, 2012, and shall renew itself without change for successive one year periods thereafter unless written notice of intended change is served in accordance with Section 6, Title I of the Railway Labor Act as amended by either part hereto within one hundred and twenty (120) days prior to the renewal date.

If conferences pursuant to either notice do not produce full agreement on all changes to the terms of this Agreement, then all noticed terms shall become null and void thirty (30) days after the National Mediation Board has finally acted upon the controversy as required by Section 5, Title I of the Railway Labor Act, or when ten (10) days have elapsed after termination of conferences without a request for or proffer of the services of the National Mediation Board. In such case, both parties hereto shall be fully entitled to exercise the complete panoply of self-help rights as they may individually deem desirable or advisable.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this 18th day of November, 2010.

For Continental Airlines, Inc.:

For the International Brotherhood of Teamsters:

\_\_\_\_\_  
Michael Bonds, Executive Vice President  
Human Resources and Labor Relations

\_\_\_\_\_  
David Bourne  
Director, Airline Division

\_\_\_\_\_  
Joe Ferreira, Vice President  
Line Maintenance

\_\_\_\_\_  
Clacy Griswold  
Chairman

\_\_\_\_\_  
Jeff Wall, Senior Director  
Labor Relations

\_\_\_\_\_  
Robert Rasch  
Co-Chairman

\_\_\_\_\_  
Benny King, Senior Director  
Base Maintenance

\_\_\_\_\_  
Chris Carouthers  
Local 19

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James Montgomery, Senior Director  
Technical Operations

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Robert Clever  
Local 19

---

Nick Klym, Director  
Facilities Maintenance

---

Dominic DePaolo  
Local 210

---

Dixon McKinzie, Managing Director  
Employee Relations

---

Tommy Esposito  
Local 769

---

Mauricio Angel, Director  
Finance – Tech Ops

---

Vinny Graziano  
Local 210

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Jack Harran  
Local 19

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Craig Larson  
Local 19

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Carl Levenson  
Local 19

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Mike Meglich  
Local 964

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Audrey Scates  
Local 964

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Shawn Vernon  
Local 964

## **Savings Clause**

- A. Should any part of this Agreement or any provisions herein contained be rendered or declared invalid by reason of any existing or subsequently enacted legislation or by any decree of a court of competent jurisdiction, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions hereof, and they shall remain in full force and effect for the duration of this Agreement.
  
- B. In the event that any provisions of this Agreement are in conflict with, or are rendered inoperative or unlawful by virtue of any duly enacted law, regulation, governmental agency, or commission having jurisdiction over the Company and its operations, the Union and the Company agree to meet and negotiate changes, if necessary, pertaining only to those provisions so effected or directly related thereto.

## Appendix A

A. Classification: Technician, GSE Technicians, Facilities MX Technicians, Welders, and Machinists

Basic Hourly Rate:

<u>Technicians</u>	<u>1/1/2009</u>	<u>7/1/2010</u>	<u>7/1/2011</u>	<u>7/1/2012</u>
1st 6 months	\$15.76	\$16.16	\$16.56	\$16.98
2nd 6 months	\$17.09	\$17.51	\$17.95	\$18.40
After 1 Year	\$18.56	\$19.03	\$19.50	\$19.99
After 2 Years	\$19.91	\$20.40	\$20.91	\$21.44
After 3 Years	\$21.28	\$21.81	\$22.36	\$22.92
After 4 Years	\$23.29	\$23.87	\$24.47	\$25.08
After 5 Years	\$24.49	\$25.10	\$25.73	\$26.37
Thereafter	\$28.95	\$29.67	\$30.41	\$31.17

B. Lead Technicians / Inspectors

The hourly base rate of pay for Lead Technicians and Inspectors shall be five percent (5%) over the top end hourly base rate (including longevity) of pay for Technicians

C. Longevity Premium

In addition to the basic hourly rate, covered employees shall receive an hourly longevity premium for all time employed under this Agreement as follows:

7 years of completed service	\$0.10
8 years of completed service	\$0.20
9 years of completed service	\$0.40
10 years of completed service	\$0.60
11 years of completed service	\$0.80
12 years of completed service and thereafter	\$1.00

D. GSE Test Premium

Employees assigned to GSE who are eligible to receive Test Premiums shall receive an hourly test premium for all hours paid under this Agreement as follows:

	<u>1/1/2009</u>	<u>10/1/2010</u>
Tests 1, 2, & 3	\$0.28	\$0.30
Tests 4, 5, & 6	\$0.28	\$0.30
Test 7	\$0.28	\$0.30
Tests 8, 9, & 10	\$0.28	\$0.30
Tests 11 & 12	\$0.28	\$0.30
Tests 13 & 14	\$0.28	\$0.30
Test 15	\$0.32	\$0.33
Total:	\$2.00	\$2.13

E. Machinist / Lead Machinist

In addition to the basic hourly rate, Machinists shall receive a premium effective January 1, 2009 of \$4.00/hour and effective October 1, 2010 of \$4.25/hour.

The hourly base rate of pay for Lead Machinists shall be five percent (5%) over the top end hourly base rate (including longevity) of pay for Machinists.

F. Welders / Lead Welders

In addition to the basic hourly rate, Welders shall receive a premium effective January 1, 2009 of \$4.00/hour and effective October 1, 2010 of \$4.25/hour.

The hourly base rate of pay for Lead Welders shall be five percent (5%) over the top end hourly base rate (including longevity) of pay for Welders.

G Classification: Utility Specialists

Basic Hourly Rate

<u>Utility Specialists</u>	<u>1/1/2009</u>	<u>7/1/2010</u>	<u>7/1/2011</u>	<u>7/1/2012</u>
1st 6 months	\$10.57	\$10.83	\$11.10	\$11.38
2nd 6 months	\$12.39	\$12.70	\$13.02	\$13.35
3rd 6 months	\$12.73	\$13.05	\$13.37	\$13.71
4th 6 months	\$13.03	\$13.35	\$13.69	\$14.03
5th 6 months	\$13.65	\$13.99	\$14.34	\$14.70
6th 6 months	\$14.01	\$14.36	\$14.72	\$15.09
7th 6 months	\$14.66	\$15.02	\$15.40	\$15.78
8th 6 months	\$15.14	\$15.52	\$15.91	\$16.30
9th 6 months	\$15.72	\$16.12	\$16.52	\$16.93
10th 6 months	\$16.30	\$16.70	\$17.12	\$17.55
11th 6 months	\$17.38	\$17.82	\$18.26	\$18.72
12th 6 months	\$17.61	\$18.05	\$18.50	\$18.96
Thereafter	\$18.73	\$19.19	\$19.67	\$20.17

The hourly base rate of pay for Lead Utility Specialists shall be five percent (5%) over the top end hourly base rate (including longevity) of pay for Utility Specialists.

H. Classification: Cleaner

Basic Hourly Rate

<u>Cleaner</u>	<u>1/1/2009</u>	<u>7/1/2010</u>	<u>7/1/2011</u>	<u>7/1/2012</u>
1st 6 months	\$8.72	\$8.94	\$9.16	\$9.39
2nd 6 months	\$8.94	\$9.16	\$9.39	\$9.63
3rd 6 months	\$9.21	\$9.45	\$9.68	\$9.92
4th 6 months	\$9.38	\$9.61	\$9.85	\$10.10
5th 6 months	\$9.54	\$9.78	\$10.03	\$10.28
6th 6 months	\$9.71	\$9.95	\$10.20	\$10.45
7th 6 months	\$9.87	\$10.12	\$10.37	\$10.63
8th 6 months	\$10.10	\$10.35	\$10.61	\$10.87
9th 6 months	\$10.31	\$10.57	\$10.83	\$11.10
10th 6 months	\$10.48	\$10.74	\$11.01	\$11.28
11th 6 months	\$10.64	\$10.91	\$11.18	\$11.46
12th 6 months	\$10.98	\$11.25	\$11.53	\$11.82
13th 6 months	\$11.19	\$11.47	\$11.76	\$12.05
14th 6 months	\$11.75	\$12.04	\$12.34	\$12.65
15th 6 months	\$12.07	\$12.38	\$12.69	\$13.00
16th 6 months	\$13.12	\$13.45	\$13.78	\$14.13
17th 6 months	\$13.14	\$13.47	\$13.81	\$14.15
18th 6 months	\$13.14	\$13.47	\$13.81	\$14.15
19th 6 months	\$13.15	\$13.48	\$13.82	\$14.16
20th 6 months	\$13.15	\$13.48	\$13.82	\$14.16
Thereafter	\$13.17	\$13.50	\$13.84	\$14.18

I. Lead Cleaners

The hourly base rate of pay for Lead Cleaners shall be five percent (5%) over the top end hourly base rate of pay for Cleaners, including longevity.

## APPENDIX B

### MINIMUM TOOL LIST

#### 1. AIRCRAFT TECHNICIAN

<u>AMOUNT REQUIRED</u>	<u>TOOL DESCRIPTION</u>
4 each	Slotted Screwdrivers (1 should be 24" long)
1 each	Slotted Stubby
2 each	Phillips #1 & #2 tip
1 each	Stubby Phillips
1 each	Ball Peen Hammer
1 each	10" Adj. Joint Pliers (Water Pumps)
1 each	Utility Pliers
1 each	Duck Bill Pliers
1 each	Diagonal Pliers
1 each	Needle Nose Pliers
1 each	Vise Grip Pliers
1 each	Snap Ring Pliers
1 each	8" Adj. Wrench
1 set	1/4" Driver sockets regular depth (1/4 - 9/16) 12 point
1 set	1/4" Driver sockets deep depth (1/4 - 9/16) 12 point
1 each	1/2" Drive Ratchet
1 set	1/2" Drive socket deep depth (5/8 - 1 1/8) 12 point
1 set	Open end Wrenches (1/4 - 1 1/8)
1 set	Box End Wrenches (1/4 - 1 1/8) 12 point
1 set	Hex Key Wrenches (1/16 - 5/16)
1 each	3/8 Drive Speed Handle Wrench
1 each	Apex Holder (1/4 & 1/2)
1 each	Extension Bar 1/4 Driver (2" - 4" - 10")
1 each	Extension Bar 3/8 Driver (4" - 6" - 10")
1 each	Extension Bar 1/2 Driver (3" - 6" - 10")
1 each	Hack Saw
1 each	Line Up Punch
1 each	Cotter Key Extractor
1 each	Break over Handle Bar 1/2 drive 18" long
1 set	Angle open end Wrenches (3/8 - 1")
1 set	Chisel small (1/4 & 5/8)
1 set	Universal Sockets (1/4 - 5/8)
1 each	"T" Handle for EZ outs & taps
1 each	Ford Wrench
1 each	Inspection Mirror
1 each	Mechanical Fingers
1 set	Files

<u>AMOUNT REQUIRED</u>	<u>TOOL DESCRIPTION</u>
1 each	15 - Leaf Feeler Gauge
1 each	Flashlight
1 each	Soft Tip Hammer
1 each	Knife
1 each	Awl
1 each	Head Lamp
1 each	90° Offset Common & Phillips Screwdrivers
1 each	Adapters (1/2" to 3/8" to 1/4")
1 set	3/8" Drive Sockets regular depth (3/8" to 1")
1 set	3/8" Drive Sockets deep depth (3/8" to 1")
1 each	3/8" Drive Ratchet
1 each	1/4" Drive Ratchet

## 2. MACHINIST

<u>AMOUNT REQUIRED</u>	<u>TOOL DESCRIPTION</u>
	Adequate Tool Chest
3 each	Open End Wrenches (3/8" - 7/16" - 1/2" - 9/16" - 5/8" - 3/4")
3 each	Box End Wrenches (3/8" - 7/16" - 1/2" - 9/16" - 5/8" - 3/4")
2 each	Screw Drivers 3/16" Blade & 5/16" Blade
1 each	12 oz. Ball Peen Hammer
2 each	Pliers - 7" General Use & 7" Diagonal Cutting
1 each	6 ft. Steel Tape
5 each	Sockets (1/2" Drive - 3/8" - 7/16" - 1/2" - 9/16" - 5/8")
1 each	1/2" Drive Ratchet
1 each	1/2" Drive Extension Bar, 8" Shank
1 each	Standard Hack Saw Frame
1 each	1" Micrometer
1 each	6" Steel Precision Scale
1 each	Combination Square
1 each	(set) Feeler Gauges
1 set	Radius Gauges
1 set	1" - 3" Depth Micrometer
1 each	Magnifier 5 - 10 Power
1 set	Hex Wrenches
1 each	Dial Indicator .03 min.
1 each	Travel Indicator 1" min.
1 each	Vernier Calipers 6"
1 each	Magnetic Indicator Base
1 set	Telescoping Gauges 1/4" - 6"

3. AVIONICS AND INSTRUMENT TECHNICIAN

<u>AMOUNT REQUIRED</u>	<u>TOOL DESCRIPTION</u>
1 each	Tool Box suitable for work station
1 pair	Small Needle (long) Nose Pliers, smooth jaw
1 pair	Medium Needle (long) Nose Pliers, smooth jaw
1 pair	Small Slip Joint (adjustable) Pliers
1 set	Jewelers Screw Driver
1 each	#0 Phillips Screw Driver
1 each	#1 Phillips Screw Driver
1 each	#2 Phillips Screw Driver
1 each	Small Common Screw Driver
1 each	Medium Common Screw Driver
1 set	Nut Drivers (Xcelits or equivalent)
1 set	Open & Ignition Wrenches, applicable size range
1 set	Box End Ignition Wrenches, applicable size range
1 each	X-acto Knife
1 pair	General Purpose Tweezers
1 pair	Fine Straight Tweezers
1 pair	Fine Curved Tweezers
1 each	Small Hammer (brass or plastic)
1 each	Small Diagonal Wire Cutters (4 inch)
1 set	Internal (Allen) Wrenches, applicable size range
1 set	Internal (Bristol) Wrenches, applicable size range
1 each	Small Adjustable Jaw Wrench (6 inch)
1 each	Burnishing Tool
1 each	Flashlight
1 each	Straight Hemostat (5 inch)
1 each	Eye loop or Magnifying Glass
1 each	Inspection Mirror
1 each	Measuring Scale (6 inch)
1 pair	Scissors (5 inch)
1 each	Metal Scribe
1 each	Off Set Screw Driver Common & Phillips
1 each	Multi-Jawed Pin Vise
1 each	Snap Ring Pliers, inside
1 each	Snap Ring Pliers, outside
1 set	Inside Calipers
1 set	Outside Calipers
1 each	Pencil Solder Iron

4. G.S.E. TECHNICIAN

<u>AMOUNT REQUIRED</u>	<u>TOOL DESCRIPTION</u>
4 each	Slotted Screwdrivers (1 should be 24" long)
1 each	Slotted Stubby
2 each	Phillips #1 & #2 tip
1 each	Stubby Phillips
1 each	Ball Peen Hammer
1 each	10" Adj. Joint Pliers (Water Pumps)
1 each	Utility Pliers
1 each	Duck Bill Pliers
1 each	Diagonal Pliers
1 each	Needle Nose Pliers
1 each	Vise Grip Pliers
1 each	Snap Ring Pliers
1 each	8" Adj. Wrench
1 set	1/4" Driver sockets reg. depth (1/4" - 9/16") 6 point
1 set	1/4" Driver sockets deep depth (1/4" - 9/16") 6 point
1 each	1/2" Drive Ratchet
1 set	1/2" Drive socket reg. depth (5/8" & 1 1/8") 6 point
1 set	1/2" Drive socket deep depth (5/8" & 1 1/8") 6 point
1 set	Open end Wrenches (1/4" - 1 1/8")
1 set	Box End Wrenches (1/4" - 1 1/8") 12 point
1 set	Hex Key Wrenches (1/16" - 5/16")
1 each	3/8 Drive Speed Handle Wrench
1 each	Apex Holder (1/4" & 1/2")
1 each	Extension Bar 1/4 Driver (2" - 4" - 10")
1 each	Extension Bar 1/2 Driver (4" - 6" - 10")
1 each	Extension Bar 1/2 Driver (3" - 6" - 10")
1 each	Hack Saw
1 each	Line Up Punch
1 each	Cotter Key Extractor
1 each	Break over Handle Bar 1/2 drive 18" long
1 set	Angle open end Wrenches (3/8" - 1")
1 set	Chisel small (1/4" & 5/8")
1 set	Universal Sockets (1/4" & 3/8") Drive
1 each	"T" Handle for EZ outs & taps
1 each	Ford Wrench
1 each	Inspection Mirror
1 each	Mechanical Fingers
1 set	Files
1 each	15 - Leaf Feeler Gauge
1 each	Flashlight
1 each	Soft Tip Hammer

<u>AMOUNT REQUIRED</u>	<u>TOOL DESCRIPTION</u>
1 each	Knife
1 each	Awl
1 each	90° Offset Common & Phillips Screwdrivers
1 each	Adapters (1/2" to 3/8" to 1/4")
1 set	3/8" Drive Sockets regular depth (3/8" to 1")
1 set	3/8" Drive Sockets deep depth (3/8" to 1")
1 each	3/8" Drive Ratchet
1 each	1/4" Drive Ratchet
1 each	1/2" Impact Wrench and Impact Sockets (7/16" - 1")
1 each	3/8" Driver Air Ratchet
1 set	1/4" Metric sockets (Standard & Deep, 5-14 mm)
1 set	3/8" Metric sockets (Standard & Deep, 8-19 mm)
1 set	Metric combination wrenches, 7-15 mm

#### 5. FACILITIES MAINTENANCE TECHNICIAN

<u>AMOUNT REQUIRED</u>	<u>TOOL DESCRIPTION</u>
1 each	Tool Box containing the following
4 each	Slotted Screwdrivers (1 should be 24" long)
1 each	Slotted Stubby
2 each	Phillips #1 & #2 tip
1 each	Stubby Phillips
1 each	Ball Peen Hammer
1 each	10" Adj. Joint Pliers (Water Pumps)
1 each	Utility Pliers
1 each	Diagonal Pliers
1 each	Needle Nose Pliers
1 each	Vise Grip Pliers
1 each	8" Adj. Wrench
1 set	3/8" Driver sockets reg. depth (7/16" - 3/4 - 9/16") 6 point
1 each	Combo End Wrenches (1/16" - 5/16")
1 set	Hex Key Wrenches (1/16" - 5/16")
1 each	Hack Saw
1 each	Line Up Punch
1 set	Chisel small (1/4" & 5/8")
1 each	Flashlight
1 each	Soft Tip Hammer
1 each	Knife
1 each	Awl
1 each	90° Offset Common & Phillips Screwdrivers
1 each	Torpedo Level
1 each	20' Tape Measure

<u>AMOUNT REQUIRED</u>	<u>TOOL DESCRIPTION</u>
1 each	3/8" Drill
1 each	Fractional Drill Set
1 each	25 ft. Extension Cord
1 each	Pocket Multimeter, Grainger - IT4M or equal
1 each	Crimping Tool, Grainger - 1A076 or equal
1 each	Wire Stripping Tool
1 each	Keyhole Saw
1 each	Greenless 1/2" Knockout Tool
1 each	12" Pipe Wrench
2 each	Dial Thermometers, Grainger #2T695 or equal
1 each	Set Aviation Snips

6. UTILITY SPECIALIST(GSE only)

<u>AMOUNT REQUIRED</u>	<u>TOOL DESCRIPTION</u>
2 each	Slotted screwdrivers (1 should be 24" long)
2 each	Phillips #1 & #2 tip
1 each	Ball Peen Hammer (12 oz.)
1 each	10" Adjustable Pliers (Water pumps)
1 each	Diagonal Pliers
1 each	Vise Grip Pliers
1 each	8" Adjustable Wrench
1 set	Combination open/box end wrenches (1/4"- 1 1/8")
1 each	Line up punch
1 each	Cotter key extractor
1 set	Chisel Small (1/4" & 5/8")
1 each	Flashlight
1 each	3/8" to 1/2" adapter
1 set	3/8" Driver sockets (3/8" to 1" deep) 6 point
1 each	3/8" Drive ratchet
1 each	3/8" extension 3" to 6"
1 each	Stake on pliers electrical
1 each	Combination Padlock
1 each	Tool Box 10"x10"x24" (approximate)
1 set	1/4" Metric sockets (Deep, 5-14 mm)
1 set	3/8" Metric sockets (Deep, 10-19 mm)
1 set	Metric combination wrenches, 7-15 mm

7. A/C INTERIOR REPAIR TECHNICIAN

<u>AMOUNT REQUIRED</u>	<u>TOOL DESCRIPTION</u>
3 each	Slotted Screwdrivers (1 should be 24" long)
1 each	Slotted Stubby
2 each	Phillips #1 and #2 tip
1 each	Stubby Phillips
1 each	Ball Peen Hammer
1 each	10" Adj. Joint Pliers (Water pump)
1 each	Utility Pliers
1 each	Duck Bill Pliers
1 each	Diagonal Pliers
1 each	Needle Nose Pliers
1 each	Vise Grip Pliers
1 each	8" Adj. Wrench
1 set	1/4" Driver sockets reg. depth (1/4-9/16) 12 point
1 set	1/4" Driver sockets deep depth (1/4-9/16) 12 point
1 set	Angle open end wrenches (3/8-1)
1 set	Box end wrenches (1/4-3/4)
1 set	Hex Key wrenches (1/16-5/16)
1 each	Apex Holder (1/4 & 3/8)
1 each	Extension Bar 1/4 Driver (2"-4"-6")
1 each	Extension Bar 3/8 Driver (4"-6"-10")
1 each	Hack Saw
1 each	Line up punch
1 set	Pin punches
1 each	Cotter Key Extractor
1 set	Small Chisels (1/4 & 5/8)
1 each	T Handle for EZ outs and taps
1 each	Mechanical Fingers
1 each	Inspection Mirror
1 set	Files
1 each	Flashlight
1 each	Soft Tip Hammer
1 each	Utility Knife
1 each	Awl
1 each	90° Offset Common & Phillips screwdrivers
1 each	Adapters (3/8" to 1/4")
1 set	3/8" Drive Sockets regular depth (3/8" to 1")
1 each	3/8" Drive Ratchet
1 each	1/4" Drive Ratchet
1 each	10' Tape Measure

## 8. SHEET METAL MECHANIC

<u>AMOUNT REQUIRED</u>	<u>TOOL DESCRIPTION</u>
1 each	Cleco Pliers
20 each	#10 clecos
20 each	#21 clecos
20 each	#30 clecos
20 each	#40 clecos
10 each	#1/4 clecos
2 each	2-inch 'C' clamp
2 each	4-inch 'C' clamp
1 each	Left hand aviation snips
1 each	Right hand aviation snips
1 each	Straight aviation snips
1 each	Twist wire pliers
1 each	Needle nose pliers
1 each	Wire cutter pliers
1 each	6 inch scale in hundreds
1 each	12 inch scale in hundreds
1 each	12 foot tape measure
1 each	Feeler (thickness) gauges from 0.0015" to 0.035"
1 each	Measuring divider
1 each	Square head and 12" scale
1 each	Scribe
1 each	Telescoping mirror
1 each	Hack saw
1 each	Ball peen hammer
1 each	Dead blow or mallet
1 each	U.L approved flash light
1 each	Micro stop counter sink cage
1 each	Small hole gages (Ball Gages)
1 each	Radius gages
1 each	Selection of bucking bars
1 each	Selection of chisels
1 each	Selection of files
1 each	Selection of punches
1 each	Selection of rotary files
1 each	Selection of screwdrivers
1 each	Rivet driver sets: Flush – Straight – Offset – Universal 3/32, 1/8, 5/32, 3/16, 1/4
1 each	Box end wrench set: (12 point) 7/32, 1/4, 5/16, 11/32, 3/8, 7/16, 1/2, 9/16, 5/8, 11/16, 3/4

<u>AMOUNT REQUIRED</u>	<u>TOOL DESCRIPTION</u>
1 each	Open end wrench set: 7/32, 1/4, 5/16, 11/32, 3/8, 7/16, 1/2, 9/16, 5/8, 11/16, 3/4
1 each	1/4 and 3/8 drive ratchet
1 each	1/4 and 3/8 drive extensions
1 each	1/4 and 3/8 drive sockets: 1/4 to 3/4
1 each	3/8 drive speed handle
1 each	Drill motor 1/4 chuck
1 each	High speed grinder/sander
1 each	Mechanical fingers
1 each	Tool box and lock

18 November 2010

Captain David Bourne  
Director, Airline Division  
International Brotherhood of Teamsters  
25 Louisiana Avenue, N.W.  
Washington, DC20001

Re: 401 (k) Plan – Company Match

Dear Captain Bourne:

This will confirm our understanding regarding the mechanic group's participation in the 401 (k) Plan.

We have agreed that employees covered by the Continental/Teamsters collective bargaining agreement will, effective January 1, 2009, participate in the 401 (k) Plan on the following terms:

In lieu of other employer matching contributions, the employer shall contribute quarterly, an annual amount equal to:

Employees who have completed less than 5 years of service – Company will match the greater of up to \$300 dollar for dollar or 25% of the employee's pre-tax contributions up to 3% of eligible pay (as limited by Section 401(a)(17) of the Internal Revenue Code). That is, the first 3% of pay is eligible for the match.

Employees who have completed 5 or more years of service, but less than 10 – Company will match the greater of up to \$300 dollar for dollar or 25% of the employee's pre-tax contributions up to 4% of eligible pay (as limited by Section 401(a)(17) of the Internal Revenue Code). That is, the first 4% of pay is eligible for the match. For example, an employee earning \$35,000 annually who contributes 4% (\$1,400) will receive 25% of his \$1,400 contribution (\$350) as a Company matching contribution.

Employees who have completed 10 or more years of service, but less than 15 – Company will match the greater of up to \$300 dollar for dollar or 50% of the employee's pre-tax contributions up to 4% of eligible pay (as limited by Section 401(a)(17) of the Internal Revenue Code). That is, the first 4% of pay is eligible for the match. For example, an employee earning \$40,000 annually who contributes 4% (\$1,600) will receive 50% of his \$1,600 contribution (\$800) as a Company matching contribution.

Employees who have completed 15 or more years of service – Company will match the greater of up to \$300 dollar for dollar or 50% of the employee's pre-tax contributions up to 6% of eligible pay (as limited by Section 401(a)(17) of the Internal Revenue Code). That is, the first 6% of pay is eligible for the match. For

example, an employee earning \$45,000 annually who contributes 6% (\$2,700) will receive 50% of his \$2,700 contribution (\$1,350) as a Company matching contribution.

Please indicate your concurrence by signing one copy of this letter in the place indicated below, and returning it to the undersigned.

Sincerely,

Joe Ferreira  
Vice President, Aircraft Maintenance

Agreed, this 18<sup>th</sup> day of November, 2010

Captain David Bourne  
Director, Airline Division  
International Brotherhood of Teamsters

18 November 2010

Captain David Bourne  
Director, Airline Division  
International Brotherhood of Teamsters  
25 Louisiana Avenue, N.W.  
Washington, DC20001

Dear Captain Bourne:

This confirms our discussion and agreement concerning signing bonuses, retroactive and lump sum payments to be paid to Technician and related employees upon ratification and execution of this collective bargaining agreement.

- A. We have agreed that the Company will provide signing bonus payments in the following amounts to employees covered by this Agreement, as soon as reasonably practical following the date of signing of this Agreement but in no case will it be later than November 15, 2010.

Completed Years of Company Service	Technicians	Utility Specialists
0-5 years	\$ 500.00	\$ 250.00
6-12 years	\$ 2000.00	\$ 1000.00
13-30 years	\$ 4000.00	\$ 2000.00
Over 30 years	\$ 6000.00	\$ 3000.00

- B. The Company will provide retroactive payments for periods beginning on or after 1/1/2009, for incremental amounts based on the schedule of basic hourly rates and premiums set forth in Appendix A and Article 15, paragraphs K, M, O and P, as soon as reasonably practical following the date of signing of this Agreement but in no case will it be later than November 15, 2010.
- C. In addition, the Company will establish a lump sum reserve of \$1,000,000.00, to be allocated and paid to employees covered by this Agreement as directed by the Union.

Payments made pursuant to this Letter of Agreement shall be by payroll check or direct deposit (less applicable taxes and deductions) separate from regular payroll disbursements. Employees may contribute all or part of such payments to their existing 401(k) account, to the extent permitted under applicable laws and regulations without extending incremental benefits to employees not covered by this Agreement. Such contributions will not be subject to any Company matching contribution.

Sincerely,

Joe Ferreira  
Vice President, Technical Operations

Agreed, this 18<sup>th</sup> of November, 2010

Captain David Bourne  
Director, Airline Division  
International Brotherhood of Teamsters

January 21, 2003

Mr. Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters  
6242 Westchester Parkway, Suite 250  
Los Angeles, CA 90045

Re: Facilities Contracting Out

Dear Mr. Treichler:

This will confirm our understanding concerning the review of the Company's current practice and future plans for contracting facilities maintenance at Cleveland, Denver, Los Angeles and Newark.

We have agreed that the Review Committee shall have the authority to consider the efficiency and economy of increasing facilities work performed in-house. At least quarterly, the Committee shall consider and recommend to management, in accordance with Article 1, Section F.2 of the Agreement, whether it is economical and efficient to perform such work in-house.

Please indicate your concurrence by signing one copy of this letter in the place indicated below, and returning it to the undersigned.

Very truly yours,

Mark Moran  
Vice-President, Technical Operations

**AGREED**, this 21st day of January, 2003.

Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters

January 21, 2003

Mr. Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters  
6242 Westchester Parkway, Suite 250  
Los Angeles, CA 90045

Re: ~~FCC Premium Grandfathering~~

Dear Mr. Treichler:

~~This will confirm our understanding concerning the prospective only application of the elimination of the FCC qualification for Bid Area 104 as reflected in Article 3.~~

~~We have agreed that only employees whose Bid Area qualifications include an FCC License and those who are currently receiving an FCC license premium will continue to be paid their FCC license premium. Employees who are currently receiving an FCC license premium who also hold either an A license or a P license will be paid license premium in the same amount as employees holding both an A and a P license. That is, they will receive \$3.00 license premium until December 30, 2002, when the premium increases to \$3.50.~~

~~Employees receiving the FCC license premium who voluntarily leave their Bid Area after the date of ratification of this Agreement will cease to receive the FCC license premium unless they move into a Bid Area having an FCC License requirement (i.e., Bid Area 114).~~

~~Please indicate your concurrence by signing one copy of this letter in the place indicated below, and returning it to the undersigned.~~

~~Very truly yours,~~

~~Mark Moran  
Vice President, Technical Operations~~

~~AGREED, this 21st day of January, 2003.~~

~~Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters~~

January 21, 2003

Mr. Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters  
6242 Westchester Parkway, Suite 250  
Los Angeles, CA 90045

Re: GSE Reporting

Dear Mr. Treichler:

This will confirm our understanding concerning the reporting of GSE employees covered by Article 1 of the collective bargaining agreement.

We have agreed that GSE employees shall report through and be responsible to Technical Operations management in such structure as the Company may from time to time establish.

We have agreed that the change in GSE reporting in no way diminishes or decreases GSE employees' obligation to work cooperatively with and to coordinate needs and scheduling with Field Services. GSE employees will continue to be fully accountable for complete cooperation with the Field Services Division, recognizing that much of their duties and responsibilities are performed for the benefit of Field Services.

Please indicate your concurrence by signing one copy of this letter in the place indicated below, and returning it to the undersigned.

Very truly yours,

Mark Moran  
Vice-President, Technical Operations

**AGREED**, this 21st day of January, 2003.

Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters

January 21, 2003

Mr. Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters  
6242 Westchester Parkway, Suite 250  
Los Angeles, CA 90045

Re: Heavy Check Work

Dear Mr. Treichler:

This will confirm our understanding concerning job opportunities for Technical Operations employees and the balancing of structural heavy airframe maintenance (“Heavy Check”) lines.

We have agreed that at least one (1) line of new-generation B-737 Heavy Check work will be performed in-house by covered employees, without regard to whether such work may be contracted out under the terms of Article 1 of the collective bargaining agreement.

In a continuing effort to keep employees informed about matters of importance to them, the parties will develop a Letter of Agreement describing the circumstances and timing of the discontinuance of Heavy Check lines when work load reductions occur due to the exiting of aircraft from the Company’s fleet, or when the operation otherwise no longer requires such Heavy Check work (e.g., the grounding of a fleet, etc.) at a level that supports a full line(s) of work. The LOA will also describe the rights of employees affected by such workload reductions and their opportunities to pursue replacement job opportunities within the system.

When work load reductions occur due to the discontinuance of Heavy Check lines (resulting from the exiting of aircraft from the Company’s fleet, or when the operation otherwise no longer requires such Heavy Check work) Heavy Check replacement work will be provided for the employees who would have been performing the Heavy Checks.

Please indicate your concurrence by signing one copy of this letter in the place indicated below, and returning it to the undersigned.

Very truly yours,

Mark Moran  
Vice-President, Technical Operations

**AGREED**, this 21st day of January, 2003.

Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters

January 21, 2003

Mr. Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters  
6242 Westchester Parkway, Suite 250  
Los Angeles, CA 90045

Re: Overtime Callout

Dear Mr. Treichler:

This will confirm our understanding concerning proposed changes to Articles 17(A)(4) and 17(D) of the collective bargaining agreement as they apply to overtime callout eligibility and overtime callout's relationship to staffing outages (vacation, sick leave, leaves of absence, etc.), and minimum callout.

When the overtime need is for an employee with either non-destructive testing or borescope blade-blending qualifications, employees lacking such qualifications will not be regarded as "eligible" as that term is used in Article 17(A)(4). If other similar situations arise during the term of the collective bargaining agreement, the parties will meet and confer regarding the appropriate handling of such cases.

When the number of employees scheduled to work on any shift in a work area is reduced due to staffing outage(s) (vacation, sick leave, leaves of absence, etc.) and overtime is called in a different work area on the same shift and bid area for reasons not related to staffing outages (four (4) hour overtime callout), no employee(s) shall be transferred to work area(s) where staffing outage(s) exist unless a number of employees working overtime on that shift(s) and bid area(s) equal to the number of outage(s) are provided the full shift of overtime as provided in Article 17(D). Similarly, when employee(s) are called for overtime on a shift and in a work area where a staffing shortage exists a number equal to the number of outage(s) shall be provided the full shift of overtime.

The language of paragraph 17(D) is not intended to change the current practice which exists in some shops and non-hub stations on the effective date of the collective bargaining agreement of calling out four (4) hours of overtime in conjunction with the start of employees' regular shifts, when such overtime is not called to cover staffing outages.

Neither Article 17, nor this letter shall be construed to limit management's right to transfer employees between work areas, whether related to outages or otherwise, and neither Article 17, nor this letter shall be construed to require that management call overtime when outages occur.

Please indicate your concurrence by signing one copy of this letter in the place indicated below, and returning it to the undersigned.

Very truly yours,

Mark Moran  
Vice-President, Technical Operations

**AGREED**, this 21st day of January, 2003.

Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters

Purposely Left Blank

January 21, 2003

Mr. Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters  
6242 Westchester Parkway, Suite 250  
Los Angeles, CA 90045

Re. Pension Service Credit

Dear Mr. Treichler:

This will confirm our understanding regarding employees' pensions pursuant to the new collective bargaining agreement.

We have agreed that effective upon signing of the new collective bargaining agreement, through and including December 31, 2003, employees who retire prior to December 31, 2003 shall be entitled to receive the greater of pension service credit for their service with the Company prior to 1984, to a maximum of thirty (30) years, whether such time was with Texas International, Continental, Frontier, Cargo Development Group, New York Air, or PeopleExpress Airlines, or the amount calculated under the pension provisions of the 1999 collective bargaining agreement.

In addition, it is understood that effective January 1, 1999, all overtime wages will be included in pensionable earnings.

We have further agreed that, effective January 1, 2004 employees shall be entitled to receive pension service credit for their service with the Company prior to 1984, to a maximum of thirty (30) years, whether such time was with Texas International, Continental, Frontier, Cargo Development Group, New York Air, or PeopleExpress Airlines.

Please indicate your concurrence by signing one copy of this letter in the place indicated below, and returning it to the undersigned.

Very truly yours,

Michael H. Campbell  
Senior Vice President, Human Resources and Labor Relations

**AGREED**, this 21st day of January, 2003:

Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters

January 21, 2003

Mr. Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters  
6242 Westchester Parkway, Suite 250  
Los Angeles, CA 90045

Re: QC Shift Bids

Dear Mr. Treichler:

This will confirm our understanding concerning proposed changes to Article 7 (K)(1) of the collective bargaining agreement as it applies to bidding into different work areas in shift bids.

We have agreed that no change is intended that would require or limit the current practice for employees who normally work in a variety of work areas. Rather, our intent is limited to ensuring that the bids of employees whose work is normally in a single bid area, such as GSE/FAC employees will be able to realize the benefit of their shift bids in different work areas in their bid areas.

Please indicate your concurrence by signing one copy of this letter in the place indicated below, and returning it to the undersigned.

Very truly yours,

Mark Moran  
Vice-President, Technical Operations

**AGREED**, this 21st day of January, 2003.

Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters

January 8, 1999

Mr. Ray Benning  
Director, Airline Division  
International Brotherhood of Teamsters  
6242 Westchester Parkway, Suite 250  
Los Angeles, CA 90045

Re. Existing Sick Leave Bank Retention

Dear Mr. Benning:

This will confirm our understanding regarding the retention of existing sick leave banks for employees who still retain entitlements from prior merged employers (e.g., Frontier, Texas International, etc.).

We have agreed that sick leave accrual banks existing on the effective date of the new collective bargaining agreement will remain undisturbed by the new Agreement.

Please indicate your concurrence by signing one copy of this letter in the place indicated below, and returning it to the undersigned.

Very truly yours,

/s/

Michael H. Campbell  
Senior Vice President, Human Resources and Labor Relations

**AGREED**, this 8th day of January, 1999:

/s/

Ray Benning  
Director, Airline Division  
International Brotherhood of Teamsters

January 21, 2003

Mr. Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters  
6242 Westchester Parkway, Suite 250  
Los Angeles, CA 90045

Re: Supertugs

Dear Mr. Treichler:

This will confirm our understanding concerning the coordination between Customer Service employees and Technicians when moving aircraft using Supertugs.

The parties agree that the provisions of the "Before Towing" section (page 13) of the Operating Instructions Chapter of the Towbarless (Supertug) Aircraft Towing Procedures Manual will not be altered as they relate to the allocation of duties in the movement of aircraft without prior notice to the Union and an opportunity to meet and confer regarding the operational reasons for the change.

The parties have further agreed that no technician shall be furloughed as result of the provisions of the Towbarless (Supertug) Aircraft Towing Procedures Manual as they relate to the allocation of duties in the movement of aircraft.

Please indicate your concurrence by signing one copy of this letter in the place indicated below, and returning it to the undersigned.

Very truly yours,

Mark Moran  
Vice-President, Technical Operations

**AGREED**, this 21st day of January, 2003.

Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters

January 21, 2003

~~Mr. Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters  
6242 Westchester Parkway, Suite 250  
Los Angeles, CA 90045~~

Re. ~~System Board Witnesses~~

Dear Mr. Treichler:

~~This will confirm our discussions during the recently concluded negotiations regarding production of witnesses at System Board hearings.~~

~~In instances involving the discharge of an employee, the parties agreed that they would notify each other of witnesses expected to be called to present their respective cases. In situations where the Union believes a particular management witness should be present, the Business Agent from the appropriate Local will contact the Vice President of Maintenance or the Senior Vice President of Human Resources/Labor Relations to discuss the attendance of that witness at the System Board hearing.~~

~~Please indicate your concurrence by signing one copy of this letter in the place indicated below, and returning it to the undersigned.~~

Very truly yours,

~~Michael H. Campbell  
Senior Vice President, Human Resources and Labor Relations~~

~~**AGREED**, this 21st day of January, 2003:~~

~~Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters~~

January 21, 2003

Mr. Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters  
6242 Westchester Parkway, Suite 250  
Los Angeles, CA 90045

Re: Trickle Down Bid Awards

Dear Mr. Treichler:

This will confirm the agreement reached between the parties during negotiations.

When a shift(s) and days off become available within a station the following procedure shall be used prior to offering such vacancy to employees who may have preferential bids on file or new hires.

1. Available shift(s) and days off will be posted in the affected Bid Area for a period of seven (7) calendar days in a location agreed to between the Union and the Company. The notice shall contain the following information:
  - a. Vacant shift(s) and days off in the Bid Area and work area.
  - b. Opening and closing date.
  - c. Posting number.
2. Interested employees may submit, on a form locally agreed to by the Union and the Company their preferences.
3. Preference choices shall also include, any shift or days off the interested employee chooses to bid, including the initial shift(s) and days off cited in the primary posting. Choices shall be submitted in preference order. Employees should not list a choice he/she is not willing to work if awarded. All awards are final and will not be changed unless there is a proved error.
4. Bid forms shall be collected, for a period of seven (7) days not including the first day the vacancy is posted. Bid forms will be collected in a single location agreed to by the Union and the Company.
5. The bid form shall contain the following information
  - a. Name of employee

- b. Craft seniority date
  - c. Adjusted service date
  - d. Birth date
  - e. Employee number
  - f. Classification
  - g. Bid Area
  - h. Current shift and days off
  - i. Signature and date signed
  - j. Listing of all shifts, days off within the affected Bid Area
  - k. Posting number
6. The employee should retain a copy of the bid form and a copy should be provided to the Chief Steward. Written confirmation of receipt of the bid form will be provided to the employee.
7. Bid forms will be processed by at least two (2) each designees of the Company and two (2) each designees of the Union.
8. Awards will be made within two (2) business days of the closing date and shall become effective on the first day of the next pay period, unless mutually agreed to otherwise.

Please indicate your concurrence by signing one copy of this letter in the place indicated below, and returning it to the undersigned.

Very truly yours,

Mark Moran  
Vice-President, Technical Operations

**AGREED**, this 21st day of January, 2003.

Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters

January 21, 2003

Mr. Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters  
6242 Westchester Parkway, Suite 250  
Los Angeles, CA 90045

Re: Troubleshooting

Dear Mr. Treichler:

This will confirm our understanding concerning the term “troubleshooting” contained in Paragraph B(3) of Article 1 of the collective bargaining agreement.

We have agreed that troubleshooting refers to activities directly related to identifying problems requiring maintenance by technicians and their underlying causes, as well as developing solutions for such problems. Troubleshooting functions may include inspection of pertinent manuals and other documentation, and/or examination of aircraft, GSE, or facilities. A management employee normally will be accompanied by a technician when troubleshooting the aircraft if hourly rated work is to be performed.

It is understood that the removal of skin or movement of panels requiring the use of tools, other than “quick access” panels is work preparatory to troubleshooting and will be performed by covered employees.

Please indicate your concurrence by signing one copy of this letter in the place indicated below, and returning it to the undersigned.

Very truly yours,

Mark Moran  
Vice-President, Technical Operations

**AGREED**, this 21st day of January, 2003.

Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters

## Tentative Agreement

January 21, 2003

Mr. Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters  
6242 Westchester Parkway, Suite 250  
Los Angeles, CA 90045

Re: Working in a Lower Classification

Dear Mr. Treichler:

This will confirm our understanding concerning proposed language changes to Articles 3(A) and (3)(D)(3) of the collective bargaining agreement as they apply to employees directed to perform the work of lower Crafts.

We have agreed that no change is intended that would alter the existing practice in regard to employees directed to perform the work of lower Crafts. The change to the collective bargaining agreement is intended only to clarify the language by placing it in a more appropriate location in the Agreement.

Please indicate your concurrence by signing one copy of this letter in the place indicated below, and returning it to the undersigned.

Very truly yours,

Mark Moran  
Vice-President, Technical Operations

**AGREED**, this 21st day of January, 2003.

Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters

Purposely Left Blank

March 30, 2005

Mr. Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters  
7306 School House Lane  
Roseville, CA95747

Dear Mr. Treichler:

~~We have agreed that, if any Continental Airlines, Inc. non covered work group (i.e., field service agents or reservation agents or management/clerical) receives a general, across the board restoration of any portion of their committed concession prior to the Technicians and related employees receiving their first scheduled basic hourly pay rate increase (July 1, 2007), the Technicians and related employees shall automatically have their base hourly rate increased by a proportion equal to the amount attained by the specific non covered group on the same effective date.~~

Sincerely,

Dante Marzetta  
Senior Vice President, Technical Operations

Agreed, this 30<sup>th</sup> day of March, 2005

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Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters

March 30, 2005

Mr. Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters  
7306 School House Lane  
Roseville, CA95747

Dear Mr. Treichler:

~~This letter will confirm out recent discussions concerning distribution of profits under the Continental Airlines Enhanced Profit Sharing Plan.~~

~~We have agreed to the inclusion of Technicians and related employees in the Plan. Pursuant to its terms, Technicians and related employees will receive their share of 30% of the first \$250MM, 25% of the next \$250MM, and 20% of all profit in excess of \$500MM. The Technicians and related employees share of the distribution of profits will be based one half on their relative share of cost reductions and one half on their relative share of Continental payroll.~~

~~We agreed that in the event that a payment from the Profit Sharing Plan is due, the Company and the IBT will meet and agree regarding the details of how payments will be made under the Plan.~~

Sincerely,

Dante Marzetta  
Senior Vice President, Technical Operations

Agreed, this 30<sup>th</sup> day of March, 2005

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Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters

March 30, 2005

Mr. Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters  
7306 School House Lane  
Roseville, CA95747

Dear Mr. Treichler:

This letter will confirm out recent discussions concerning the equity grants under the new Broad Based Employee Stock Incentive Plan.

We have agreed that Technicians and related employees will receive their share of the stock options granted by the Company in accordance with the terms of the Plan. The Technicians and related employees share of stock options will be based one-half on their relative share of cost reductions and one-half on their relative share of Continental payroll.

We agreed that the IBT will have the right to determine the distribution of stock options to Technician and related employees under the Plan, subject to legal constraints and reasonableness.

Sincerely,

Dante Marzetta  
Senior Vice President, Technical Operations

Agreed, this 30<sup>th</sup> day of March, 2005

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Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters

March 30, 2005

Mr. Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters  
7306 School House Lane  
Roseville, CA 95747

Dear Mr. Treichler:

~~This will confirm our conversations regarding the use of certain Technicians to conduct ETOPS inspections in Newark.~~

~~We have agreed for the planned "additional fifteen (15) ETOPS flights" scheduled to begin operating in 2005, that the current Technicians, regardless of Bid/Work Area, may be required to conduct these routine ETOPS departure duties. Neither the Union nor the Company waives its position on whether the performance of such work constitutes a violation or breach of the collective bargaining agreement.~~

~~The parties will meet within thirty (30) days of ratification to designate what constitutes the "additional fifteen (15) ETOPS flights" as used in this letter of agreement.~~

~~This letter of agreement shall remain in full force and effect for the duration of the current collective bargaining agreement, and shall become amendable in the same manner and at the same time as the Agreement.~~

Sincerely,

Dante Marzetta  
Senior Vice President, Technical Operations

Agreed, this 30<sup>th</sup> day of March, 2005

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Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters

November 18, 2010

Captain David Bourne  
Director, Airline Division  
International Brotherhood of Teamsters  
25 Louisiana Avenue, N.W.  
Washington, DC20001

Dear Captain Bourne:

This will confirm our conversations regarding the Company's commitment to avoid furloughs.

No employee on the Continental System Seniority List as of the date of signing of the IBT-Continental collective bargaining agreement for the Technicians and related employees craft or class will be subject to furlough for the duration of the Agreement.

The Company shall be excused from compliance with the provisions of this Letter of Agreement above in the event that a circumstance over which the Company does not have control is the continuing cause of such non-compliance. Circumstances beyond the Company's control shall be: an act of nature; an ongoing labor dispute; grounding or repossession of a substantial number of the Company's aircraft by a government agency or a court order; loss or destruction of the Company's aircraft; involuntary reduction in flying operations due either to governmental action(s)/requirement(s) or to a decrease in available fuel supply or other critical materials for the Company's operation; revocation of the Company's operating certificate(s); war emergency; a terrorist act, or a substantial delay in the delivery of aircraft scheduled for delivery, provided that one of these listed occurrences has a material and substantial impact on the Company.

Sincerely,

Joe Ferreira  
Vice President, Aircraft Maintenance

Agreed, this 18<sup>th</sup> day of November, 2010

Captain David Bourne  
Director, Airline Division  
International Brotherhood of Teamsters

March 30, 2005

Mr. Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters  
7306 School House Lane  
Roseville, CA 95747

Dear Mr. Treichler:

~~This will confirm our conversations regarding health and welfare benefits and contributions for Technicians and related employees.~~

~~We have agreed that the Company will not implement any changes to the existing health, prescription, dental, vision, or life plans in calendar year 2005. (It is understood that routine changes in eligible doctors, drug formulary lists, or other similar ordinary course administrative changes are not "changes" or "increases" for purposes of this Letter of Agreement.)~~

~~For the duration of the Agreement and thereafter, the aggregate amount of projected participant premiums for Technicians and related employees each year will not exceed 20% of the projected total cost of coverage (aggregate projected Company contributions plus aggregate projected participant premiums).~~

~~In addition, for the duration of this Agreement and thereafter, the Company will not increase the amount of office visit co-pays, specialty care visit co-pays, employee co-insurance, hospital visit co-pays, emergency visit co-pays, urgent care co-pays, deductible amounts, out-of-pocket limits, and will not change the existing lifetime maximum (unlimited), for all plans or their equivalent in effect calendar year 2005, provided, however that changes may be made for optional "build your own" medical options.~~

~~This letter of agreement shall remain in full force and effect for the duration of the current collective bargaining agreement, and shall become amendable in the same manner and at the same time as that Agreement.~~

Sincerely,

Dante Marzetta  
Senior Vice President, Technical Operations

~~Mr. Donald R. Treichler~~

~~March 30, 2005~~

~~Page 2~~

~~Agreed, this 30<sup>th</sup>-day of March, 2005~~

~~Donald R. Treichler~~

~~Director, Airline Division~~

~~International Brotherhood of Teamsters~~

March 30, 2005

~~Mr. Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters  
7306 School House Lane  
Roseville, CA95747~~

Dear Mr. Treichler:

~~This will confirm our conversations regarding sharing of information with the Union.~~

~~Upon request of a Union official, and subject to confidentiality agreements, the Company will provide information so that it is possible to ensure compliance with the agreements and binding commitments of other work groups.~~

Sincerely,

~~Dante Marzetta  
Senior Vice President, Technical Operations~~

~~Agreed, this 30<sup>th</sup> day of March, 2005~~

~~Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters~~

March 30, 2005

~~Mr. Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters  
7306 School House Lane  
Roseville, CA 95747~~

Dear Mr. Treichler:

~~This will confirm our conversations regarding pay reductions and pay adjustments in 2007 and 2008 for Technicians and related employees.~~

~~We have agreed that the following pay elements for all Technicians and related employees will be reduced by 4.07%, effective April 1, 2005 (see attached, Appendix A):~~

- ~~• Basic Hourly Rate~~
- ~~• Line Premium~~
- ~~• A&P/FCC License Premium~~
- ~~• Market Adjustment Premium~~
- ~~• GSE/GSE Coordinator Premium~~
- ~~• Facilities Test Premium~~
- ~~• Machinist Premium~~
- ~~• Welder Premium~~

~~We have further agreed that the same pay elements will be increased by 2% on July 1, 2007, and by 2% on July 1, 2008.~~

Sincerely,

~~Dante Marzetta  
Senior Vice President, Technical Operations~~

~~Agreed, this 30<sup>th</sup> day of March, 2005~~

~~Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters~~

LOA #25-1 Pay Reductions and Adjustments

November 18, 2010

Captain David Bourne  
Director, Airline Division  
International Brotherhood of Teamsters  
25 Louisiana Avenue, N.W.  
Washington, DC20001

Dear Captain Bourne:

This will confirm our conversation regarding our commitment to maintain the Continental Airlines Retirement Plan for Technicians and related employees.

We have agreed that the current Continental Airlines Retirement Plan shall be maintained as is for Technicians and related employees, except that the Company may amend the provisions to conform to or accommodate changes in the Employee Retirement Income Security Act of 1974, as amended, or the Internal Revenue Codes. Notwithstanding the foregoing sentence, any such amendments shall not include reductions in accrued benefits or future accruals.

Additionally, notwithstanding the above, if the Company seeks to freeze the Continental Airlines Retirement Plan for Technicians and related employees, it will provide reasonable advance notice to the Union and shall fully discuss the issue. Upon notice of the Company's desire to freeze the plan, the Union may, in its sole discretion, reopen the Agreement for the limited purpose of negotiating a replacement defined benefit plan covering the Technicians and related employees. Such negotiations shall be pursuant to and governed by the provisions of Section 6 of the Railway Labor Act, but shall not encompass any topics other than those related to the establishment of a replacement defined benefit plan (including buy-outs), unless through mutual agreement the parties agree to expand the scope of topics covered by the reopener.

The parties agree that in the event the reopener negotiations remain unresolved through the negotiation and mediation procedures of Section 6, and the National Mediation Board proffers interest arbitration pursuant to Section 5, 7, and 8 of the Railway Labor Act, the parties shall both accept interest arbitration and resolve the dispute pursuant to the dispute procedures of Section 7 and 8.

The Company further agrees that it will not freeze the Continental Airlines Retirement Plan for Technicians and related employees until a replacement plan is agreed upon or established as a result of interest arbitration and such plan is implemented.

Sincerely,

Joe Ferreira  
Vice President, Technical Operations

Agreed, this 18thday of November, 2010

Captain David Bourne  
Director, Airline Division  
International Brotherhood of Teamsters

March 30, 2005

Mr. Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters  
7306 School House Lane  
Roseville, CA 95747

Dear Mr. Treichler:

This letter will confirm our agreement regarding the commitment of Continental Airlines, Inc. ("Continental" or the "Company") to maintain the tentatively agreed collective bargaining agreement (the "CBA") between Continental and the International Brotherhood of Teamsters ("IBT").

This letter and the commitment it contains will become effective when the CBA has been ratified in accordance with IBT's ratification requirements and fully executed by the IBT's signatories.

In consideration of the concessions provided by the CBA, the Company agrees, to the extent and for the period described herein, to forgo certain legal rights that otherwise would be available to the Company in the event that a reorganization case under chapter 11 of the United States Bankruptcy Code is commenced by or against the Company.

Specifically, Continental commits as follows:

Continental believes that the wage, work rule, and benefit concessions provided by the CBA and the reductions provided by Continental's other employee workgroups will be sufficient for it to execute a successful business plan in connection with the negotiations for the tentatively agreed collective bargaining agreement that will allow the Company to survive the difficult economic circumstances existing today and to prosper in the future. The CBA has been negotiated in good faith by both parties with precisely that objective. Should Continental nevertheless seek relief under Chapter 11 of the Bankruptcy Code, or should another party file a petition for Chapter 11 relief with respect to the Company, in either case, within one (1) year from the effective date hereof, then for the period ending eighteen months from the effective date hereof, neither Continental nor any affiliated debtor will file or support any motion or application seeking modification or rejection of the CBA pursuant to §1113 or modification of retiree benefits under §1114 of the Bankruptcy Code or file or issue a notice of intent to terminate any pension plan in which Continental's mechanics participate; provided that, the foregoing restrictions shall not apply if the Company's Board of Directors reasonably determines that (a) the Company's financial condition has materially deteriorated from the financial condition projected in the business plan presented to the IBT and as further adjusted to account for the Company's forward fuel curve calculation (or is reasonably expected to materially deteriorate within the next ninety (90) days of such determination), whether because of general economic conditions

~~or otherwise, and (b) such material deterioration presents or is reasonably expected to present a reasonable risk that the Company's future liquidity will be materially threatened, it being understood that a filing under Chapter 11 with respect to the Company will not, in and of itself, be considered as evidence of such material deterioration. However, prior to any such determination by the Company's Board of Directors and the Company's filing any such motion or application or filing or issuing any such notice, the Company agrees to provide the IBT with notice of the Board of Directors' scheduled deliberations with respect to such determination, to meet promptly with the IBT on the amount of and reasons for the projected or actual material deterioration and the material threat to the Company's future liquidity, and to discuss with the IBT possible alternatives to such determination and such motion, application, or notice as applicable. Additionally, in any such reorganization case, the Company agrees that it will not object to the appointment of an IBT representative to the official committee of unsecured creditors (and if the Company is asked by the appropriate party for the Company's views regarding such appointment, then the Company will respond favorably thereto).~~

~~Nothing herein shall limit the ability of the Company to seek relief pursuant to §1113(e) or §1114(h) if the Company's Board of Directors directs the filing of a motion or application for such relief following its reasonable determination that the Company is entitled to such relief under the standards of §1113(e) or §1114(h), as applicable (provided that, if the Board of Directors directs such motion or action, it may also authorize any action that is a prerequisite to seeking relief pursuant to §1113(e) or §1114(h) to the extent, but only to the extent, such other action is procedurally required in order to pursue relief pursuant to §1113(e) or §1114(g); it being agreed that (i) the Company would not pursue substantive relief under §1113(e) or §1114(g) pursuant to this proviso and (ii) to the extent legally effective for such purpose, the IBT may at its option waive, in writing, a requirement, if any, for the Company to file a motion pursuant to §1113(e) or §1114(g) as a prerequisite to seeking relief pursuant to §1113(e) or §1114(h) as applicable). Prior to a determination of the Board of Directors that the Company is entitled to relief under §1113(e) or §1114(h), however, the Company will provide the IBT with notice of the Board's scheduled deliberations with respect to such determination, meet promptly with the IBT to discuss the reasons for the potential determination, and discuss with the IBT possible alternatives to such determination and such motion or application.~~

~~If, consistent with and as permitted by this letter, the Company files a motion or application for relief under § 1113 or § 1114, or a notice of intent to terminate any pension plan in which Continental's mechanics participate, nothing herein will (i) relieve the Company from complying with the applicable requirements of the Bankruptcy Code and/or ERISA, (ii) prevent the IBT from opposing such relief and/or termination, or (iii) otherwise be construed as the consent of the IBT to such relief and/or termination.~~

~~Each individual executing this waiver letter is doing so only in his or her capacity as a representative of the entity that he or she represents, and not in his or her individual capacity. Accordingly, no director, officer, agent or employee of either party to this waiver letter shall be charged personally or held contractually liable by or to any other party under~~

Mr. Donald R. Treichler

March 30, 2005

Page 3

~~any term or provision of this waiver letter or because of his or her execution or attempted execution hereof or any alleged or attempted breach hereof.~~

~~Very truly yours,~~

~~Continental Airlines, Inc.~~

~~By: \_\_\_\_\_~~

~~Larry Kellner~~

~~Chairman and Chief Executive Officer~~

~~Agreed, this \_\_\_\_\_ day of \_\_\_\_\_, 2005~~

~~International Brotherhood of Teamsters~~

~~By: \_\_\_\_\_~~

~~Donald R. Treichler~~

~~Director, Airline Division~~

~~International Brotherhood of Teamsters~~

March 30, 2005

Mr. Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters  
7306 School House Lane  
Roseville, CA95747

Dear Mr. Treichler:

This will confirm our conversations regarding annual tool allowance for Technicians and related employees.

We agreed that Technicians and related employees shall receive a one hundred dollar (\$100) annual tool allowance to be distributed each December 1 for the duration of the Agreement.

Sincerely,

Dante Marzetta  
Senior Vice President, Technical Operations

Agreed, this 30<sup>th</sup> day of March, 2005

Donald R. Treichler  
Director, Airline Division  
International Brotherhood of Teamsters

November 18, 2010

Captain David Bourne  
Director, Airline Division  
International Brotherhood of Teamsters  
25 Louisiana Avenue, N.W.  
Washington, DC 20001

Dear Captain Bourne:

This confirms our discussion and agreement on protections and assignment rights and obligations when circumstances prevent technician and related employees (“technicians”) from reporting for work as planned or scheduled.

The Company recognizes that unforeseen and not reasonably anticipated events do occur that disrupt a technician’s commuting preparations. When such an event occurs and a technician is unable to commute to work, then provided that the technician had undertaken the preparatory measures outlined below, except for repeated absences within a rolling calendar year, the technician will not be disciplined for an attendance infraction or otherwise be subjected to discipline for failing to appear for work as assigned. Repeated invocations of this policy within a rolling calendar year by the technician will be considered independent events, will be judged on their own circumstances and may be considered in evaluations of a technician’s overall attendance/reliability. A technician who misses any part of an assigned shift due to his inability to report on a timely basis because of commuting events will not be paid for hours not worked. It is expected that supervision must exercise consideration, prudence, and good judgment when evaluating a technician’s request to be afforded the protection of this policy.

A technician who travels (i.e., commutes) by air over Company lines, from his residence to work is expected to exercise prudent judgment and planning regarding checking load factors, flight availability, forecast weather, traffic reports, and otherwise generally “planning ahead” to avoid commuting problems. For example, it is not sufficient for a technician commuting by air to utilize a flight(s) whose arrival/departure time is likely to be adversely impacted by forecasted weather events. A commuting technician remains responsible for reporting for all scheduled regular, overtime and trade shifts.

A technician commuting by air who wishes to be considered under this policy must list himself with his Base Director, or designee, as a commuter and must designate a city on the Continental Airlines/ExpressJet/Continental Connection or United Airlines (pursuant to CO Employee Bulletin No. 20, dated Sept. 8, 2010) route system where he resides and from which he commutes. A technician commuting by air, must exercise good judgment and exert every reasonable effort to report for work, including having the legitimate reasonable potential to commute on either of two Continental/ExpressJet/Continental Connection or United Airlines flights (i.e., twenty-four (24) hours prior to the first flight’s departure time both flights must be under authorization as displayed on, e.g., employeeRes, including accounting for non-revenue space available travelers that are listed and have either a higher boarding priority or greater seniority than the technician) that are scheduled to arrive at the point of his work shift at least

one (1) hour prior to his report time. A cockpit jumpseat is not considered an available seat for commuting purposes. The commuting technician must be at the gate and have checked in for the flight(s) to be utilized for purposes of this policy.

When an unforeseen event takes place (e.g., no available seat, weight restriction, delay or cancellation due to unforeseen significant weather at the intended airport of departure or arrival, ATC or aircraft maintenance), affecting the technician's first commuting flight, the technician will immediately contact his Base Director or designee and inform him of his situation, including the status of his backup flight. If outside of normal office hours, the technician will call the applicable manager or supervisor responsible for attendance and work assignments for the work area/group. A technician will continually update the Company on his commuting progress.

Upon request, technicians will be responsible for providing documentation required by the Company to establish their compliance with the terms of this policy. This Agreement does not apply to any other circumstance or condition related to a technician's failure to report for work, or to timely report for work, including personal emergencies.

This Letter of Agreement will be effective on the date of signing, and will remain effective for six (6) months. Thereafter, it will automatically renew itself for successive periods equal to six (6) months unless either party provides at least fifteen (15) days notice of intent not to renew. In the event such notice is provided, the parties will promptly meet and seek to agree to modifications, additions and/or other changes sufficient to permit the parties to amend and continue, rather than terminate, this Agreement.

Sincerely,

Joe Ferreira  
Vice President, Technical Operations

Agreed, this 18<sup>th</sup> day of November, 2010

Captain David Bourne  
Director, Airline Division  
International Brotherhood of Teamsters

November 18, 2010

Captain David Bourne  
Director, Airline Division  
International Brotherhood of Teamsters  
25 Louisiana Avenue, N.W.  
Washington, DC 20001

Dear Captain Bourne:

This will confirm our understanding and agreement regarding employees exercising their Reduction-in-Force (RIF) options pursuant to Article 6.B.

The parties agree that employee(s) affected by a RIF may exercise Craft Seniority in the following order:

Step 1: (Article 6.B.1)

- a. The employee may exercise his seniority to bump into any Bid Area for which he is qualified under Article 3, within his Craft/classification at his station/Point; or he may choose to displace to a lower Craft/classification at his station/Point.

or

- b. The employee may choose to displace the system in any station/Point in the Bid Area from which he was reduced, if his seniority will allow him to do so in that Bid Area and station/Point.

Note: An employee affected by a RIF may choose to displace into any Bid Area for which he is qualified within his home station or to displace the system in his current Bid Area. These choices may overlap: for example, an employee may designate as his first three choices to displace within three different Bid Areas in his home station, designate as his fourth choice displacing within his Bid Area at another station, and his fifth choice displacing to another Bid Area within his home station, and so on. If the employee does not have sufficient seniority to displace into his Bid Area in any of the stations/Points he selects under Step 1.b, but has sufficient seniority to displace the junior employee in any Bid Area within his Craft/classification at his station/Point, the employee must displace into a Bid Area within his Craft/classification at his station/Point before moving to Step 2. An employee need not exhaust all possible options in Step 1.b (i.e., the employee will not be forced to displace the system by utilizing his seniority at stations/Points he does not select) before moving to Step 2.

Step 2: (Article 6.B.2)

If the affected employee is unable to displace in any of the Bid Areas in his home station for which he is qualified under Article 3 and any of his selected bids on the system in his Bid Area in a manner that would allow him to remain at his current base rate or higher (excluding shift premiums), he will then be permitted to displace to any position in the system, including those in

his current Bid Area that he hadnot previously selected, for which he has the seniority and qualifications to hold under Article 3.

Additional Option: (Article 6.B.3)

At his option, the employee may take lay off at the point (“LOAP”) in lieu of any of the foregoing.

The parties agree the purpose of this LOA is to clarify the intent of the bumping process as negotiated into Article 6.B of the 2002 collective bargaining agreement.

Sincerely,

Joe Ferreira  
Vice President, Technical Operations

Agreed, this 18<sup>th</sup> day of November, 2010

Captain David Bourne  
Director, Airline Division  
International Brotherhood of Teamsters

November 18, 2010

Captain David Bourne  
Director, Airline Division  
International Brotherhood of Teamsters  
25 Louisiana Ave., N.W.  
Washington, DC 20001

Dear Captain Bourne:

This will confirm our understanding and agreement regarding staffing and utilization of Technical Operations personnel.

The Parties have agreed to establish, on a local basis, committees composed of Union and Company representatives for the purpose of discussing the staffing and utilization of employees within and across bid areas and work areas. At the request of the Local Union such committees will confer, with respect to staffing and personnel assignments for special projects, targeted staffing levels in bid areas and work areas, the creation of relief or utility crews, and other local protocols and practices upon which they may agree. If the parties reach agreement, such local agreements shall not conflict with nor affect the interpretation or application of this Collective Bargaining Agreement unless expressly adopted in writing by authorized representatives of the Company and Union.

The Parties recognize the Company's maintenance practices differ, on occasion, from the expectations of employees covered by this Agreement. Accordingly, the Parties agree that:

1. The Company will endeavor to utilize personnel in the bid areas and work areas to which they are normally assigned, however the Company shall have the ability to utilize all on-duty personnel during regular hours of work in any bid area or work area to perform any work they are qualified to perform as the needs of the service require.
2. The Company will not assign or reassign employees from one bid area or work area to another to cover known outages – for example, scheduled vacations, leaves of absence, training, OJI, etc., unless and until the overtime call out process for that shift has been exhausted.
3. The assignment or reassignment of personnel from one bid area or work area to another should not cause or create the need for overtime call-out in the bid area or work area from which personnel were reassigned.
4. The Company is not required to offer overtime on the shift in the bid area or work area from which an employee was reassigned, simply because of the reassignment. When the need for overtime arises in the bid area or work area from which the employee(s) was reassigned, the Company, prior to calling such overtime, shall first return the employee(s) to his original bid area or work area.

5. While recognizing these principles, the Union and its members reserve the right to object and grieve any abuse or misuse in the practice of work assignments and overtime distribution.
6. If any provision of this LOA conflicts with the Collective Bargaining Agreement (CBA) the CBA will govern.

Sincerely,

Joe Ferreira  
Vice President, Technical Operations

Agreed, this 18<sup>th</sup> day of November, 2010

David Bourne  
Director, Airline Division  
International Brotherhood of Teamsters

November 18, 2010

Captain David Bourne  
Director, Airline Division  
International Brotherhood of Teamsters  
25 Louisiana Avenue, N.W.  
Washington, DC20001

Dear Captain Bourne:

This confirms our agreement concerning IDT and RII work.

We have agreed that, under the 2009 IBT-Continental Airlines Collective Bargaining Agreement, IDT work will be treated as RII work for pay purposes. We have further agreed that if there are in the future other changes to the General Maintenance Manual that alter job titles or assignments, the parties will meet to discuss and agree to the effects of those changes.

Sincerely,

Joe Ferreira  
Vice President, Technical Operations

Agreed, this 18<sup>th</sup> day of November, 2010

David Bourne  
Director, Airline Division  
International Brotherhood of Teamsters

November 18, 2010

Captain David Bourne  
Director, Airline Division  
International Brotherhood of Teamsters  
25 Louisiana Avenue, N.W.  
Washington, DC 20001

Dear Captain Bourne:

This letter will confirm our agreement regarding the commitment the Company has assumed to ensure proper allotment concerning the staffing of Union personnel in its hub and other major maintenance stations.

The Company will continue to assume the costs of straight pay time for Union personnel at the Cleveland (CLE), Orlando (MCO), Houston Hobby (HOU), and Los Angeles (LAX) maintenance facilities, as well as any other facilities that may apply, pursuant to Article 18.M. Notwithstanding the guarantees contained in Article 18.M, however, the Company agrees to also assume the costs of straight time pay for two (2) Union personnel at both the Houston (IAH) and the Newark (EWR) facilities. The parties agree to meet and discuss modifications to these staffing levels upon significant changes to the headcount at any of these stations.

This letter of agreement shall remain in full force and effect for the duration of the current collective bargaining agreement, and shall become amendable in the same manner and at the same time as that Agreement.

Sincerely,

Joseph Ferriera  
Vice President, Technical Operations  
Agreed, this 18th day of November, 2010

Captain David Bourne  
Director, Airline Division  
International Brotherhood of Teamsters