

Joint Collective Bargaining Agreement
Between
United Airlines, Inc.
And
The Airline Technicians
And
Related Employees
And
Flight Simulator Technicians
And
Related Employees
In the Service of
United Airlines
As Represented By
The International Brotherhood of Teamsters



TENTATIVE AGREEMENT September 28, 2016

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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~~ United 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-7363 on August 6, 2013, and the Craft or Class of Flight Simulator Technician and Related Employees, as certified by the National Mediation Board in Case No. R-7353 on September 5, 2013. (For purposes of identification, this Agreement shall be known as the “Mechanics’ Agreement”).

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 that 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 composing the craft or class of Mechanic and Related Employees, as certified by the National Mediation Board in **Case No R-7363, issued on August 6, 2013. The Company also hereby recognizes the Union as the sole collective bargaining agent and authorized representative for those employees composing the craft or class of Flight Simulator Technicians, as certified by the National Mediation Board in Case No. R-7353, issued on September 5, 2013.**
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 United Airlines technician master seniority list, except as otherwise provided in this Article. **Additionally, all maintenance work and engineering functions on all current, new or later acquired flight simulator training devices and all other cabin training equipment that is owned, leased or operated at any Company training facility is recognized as coming within the jurisdiction of the Union and shall be performed by employees on the United flight simulator technician master 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, **provided that at locations where contracting out practices have differed between predecessor work groups, the Company will not rely on this paragraph 4.a to expand the contracting out of work customarily performed by employees at that location,**
- 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, **provided that the effect of attrition or reduction in personnel is not the reason in whole or in part that sufficient personnel are not available,** or where available employees do not have the qualifications, within the meaning of Article 3, to perform the work required, **provided the effect of the Company's failure to maintain training heretofore customarily provided to employees is not the reason in whole or in part that available employees do not have the required qualifications,**
- d. Contract out work at any location where such work has heretofore not been performed by unit employees on a regular basis, **provided that at locations where contracting out practices have differed between predecessor work groups, the Company will not rely on this paragraph 4.d to expand the contracting out of work customarily performed by employees at that location,** 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 United 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 United service where the Company contracts out GSE Maintenance 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 Maintenance shall be created in accordance with this Agreement. **At any domestic airport with scheduled United service where the Company contracts out GSE Maintenance under the prior sub-UA and the prior sub-CO agreements, on date of ratification the “six (6) continuous hours” limitation contained in this paragraph (B.7.b) will be increased to “twelve (12) continuous hours.”**
 - 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.
10.
 - a. The Company will not sell, lease or otherwise dispose of its maintenance facility at the San Francisco Maintenance Center. This includes the Company’s engine maintenance facility located in San Francisco. The Company is permitted to enter into sale/lease back arrangements for financing reasons and/or a joint venture with a third party to provide necessary capital improvements. Notwithstanding the above, the Company may a) sell, lease or otherwise transfer the above facilities as part of a sale, lease or transfer, within a twelve month period, of all or substantially all of the Company’s assets, and b) sell, lease or otherwise transfer portions of the above facilities to the extent such portions constitute unused capacity. In the event the facilities specified in this paragraph become unavailable due to the loss of lease (or other circumstances beyond the Company’s control), or become uninhabitable due to a natural disaster, the Company agrees to make every effort to replace such facility unless it is not financially reasonable to do so.
 - b. Employees who are active or on approved leave of absence at the San Francisco and Houston maintenance facilities, including all shops at

Vickery Road, as of the effective date of this Agreement, shall not be forced to relocate from their respective points.

This paragraph (b) shall not apply under the following circumstances: a) an act of nature; b) a strike or labor dispute; c) a reduction in the Company's operations because of a decrease in the available fuel supply or other critical materials due either to governmental action or commercial supplier being unable to meet the Company's demands; d) a revocation of the Company's operating certificate(s), the grounding of a substantial number of the Company's aircraft by governmental action, or a significant reduction in the size of the Company's fleet or schedule beyond current levels; e) a declared or undeclared war or national emergency; f) compulsion by government agency or legislative or court action.

11. **The Company shall not perform any regularly scheduled heavy maintenance, with the exception of only B767, B777, B787, B747 and A350 fleets, in a non U.S. location without the Union's approval.**

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 **seventy seven (77)** seats or more for the purpose of avoiding the terms of this Agreement. **If the Company, directly or through an Affiliate, establishes any new airline or acquires a Controlling interest in any carrier, which operates jet equipment or jet replacement aircraft, and mainline pilots on the United Airlines pilot seniority list perform revenue flying utilizing such equipment, then all aircraft maintenance work on such aircraft will be performed by Technicians on the United Airlines technician master seniority list in accordance with the provision of Article 1.**

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 **seventy seven (77)** seats or more. **If the Company allows its code to be placed on any domestic flight operated by a commuter feeder**

airline and the flight utilizes jet equipment or jet replacement aircraft and mainline pilots on the United Airlines pilot seniority list perform revenue flying utilizing such equipment, then all aircraft maintenance work on such aircraft will be performed by Technicians on the United Airlines Technician master seniority list in accordance with the provision of Article 1.

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, trademarks 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 flying (aggregated scheduled block hours measured monthly as an arithmetic average of the level of the twelve (12) months prior to the initial implementation of the Marketing Agreement); and
 - (2) There shall be no reduction in permanent Technician and related positions **nor in Flight Simulator Technician 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 of 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, **and**
 - (4) **There shall be no reduction in the number of Flight Simulator Training Devices and other cabin training equipment (including equipment on order),**

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 **and flight simulator technician** seniority lists 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 **and flight simulator technician** seniority lists in accordance with the **McCaskill-Bond Amendment, 49 U.S.C § 42112**.
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 **and flight simulator 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 crafts or classes. 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 **and flight simulator technician** seniority lists.
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 **and flight simulator** 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 the **McCaskill-Bond Amendment, 49 U.S.C § 42112.**
 - c. The maintenance operations **and flight simulator 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 **and flight simulator technician** 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, those covered employees 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 **six (6)** 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 **six (6)** 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.
3. **A Committee (the “FST 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 flight training maintenance, including opportunities for efficiently and economically increasing work done in-house. The Company will provide the FST 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 (7th) 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 **or flight simulator training devices** 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 technicians **or flight simulator technicians** (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 **or flight simulator 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 technicians **or flight simulator technicians**; or
 - d. Honors a lawful picket line of the Company's domestic employees on or in front of the Company's domestic premises.

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, agreement 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. There shall be no harassment and/or discrimination between employees covered by this Agreement based on race, color, sex, age, religion, national origin, disability, gender, veteran status, sexual orientation or any other protected category under applicable law.
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 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 "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, **Training Centers**, 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.

N. **Global Emergency Maintenance (GEM)**

Global Emergency Maintenance is a Company service provided to the outside marketplace, i.e., non-United, customer(s), that is not accomplished under a station maintenance contract. The use of the word “emergency” in this context does not incorporate the definition of “emergency” set forth above.

O. **Furlough Recall Date - FRD**

Also known as “Union Adjusted Seniority Date”, “Layoff Recall Date” and “Adjusted Company Seniority Date for Layoff and Recall Purposes”. This date is an employee’s Company Seniority date with any adjustments for time in promoted status and periods of Personal and Educational Leaves of Absence over 90-days. **Furlough Recall Date (FRD)** Seniority is used for the purposes of Layoff and Recall only. Terms of the Final Consent Decree dated April 30, 1976 and amended on March 2, 1995, can be found in the last two pages of the Agreement. **The adjustments required by the Consent Decree required adjustments** alter an employee’s seniority and will result in movement of the employee’s position on any seniority or juniority list.

P. **Hourly Base Rate of Pay**

Employee’s “hourly base rate of pay” is determined by a combination of a “basic hourly rate” (Appendix A) and all of the premiums which an employee is entitled.

Q. **Basic Hourly Rate**

Employee’s “basic hourly rate” is the portion of an employee’s “hourly base rate of pay” that is determined by his position on the pay progression scale and calendar year in effect as shown in “Appendix A”.

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 #XX - Working in A Lower Classification)
- 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, but are not limited to, Aircraft Technician, Machinist, Welder, GSE Technician, ~~and~~ Facilities Technician, and Base Specialty Trade 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.
 - 4. **The Company commits that it shall not increase the RAMS Team beyond fifteen (15) technicians and they shall be stationed only at IAH (Houston).**
- 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 Company 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.

- d. 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.
- g. f. **Facility Maintenance Coordinator - An employee whose job includes controlling inventory, the work order system, and running appropriate reports. The Facilities Maintenance Coordinator orders parts from vendors, operates the Facility Maintenance Stock room, and provides parts needed by Facility Maintenance Technicians. A Facility Maintenance Coordinator also may be required to perform Technician's work at the facility.**
- g. Computer Technician - A Computer Technician shall be a qualified employee assigned to the installation, troubleshooting, modification, and repair of stand-alone and specified networked computers, including desktops, laptops, and hubs along with legacy equipment. Computer Technicians may also be assigned the installation of software and associated activities as determined by the Company. Computer Technicians install, troubleshoot, modify and repair stand-alone and networked peripheral equipment including, but not limited to, boarding pass readers, magnetic swipe readers, ticket printers, bagtag printers, scanning equipment, laser printers, impact printers, modems, and other electronic devices as assigned by the Company. Computer Technicians assist with the installation of various network devices, by installing servers, routers and switches, and verifying pre-installed software. Computer Technicians work with distributed Systems Support groups to provide initial cursory troubleshooting of network servers, routers and switches. Computer Technicians shall not perform any work presently performed by Ground Communications Technicians. Computer Technicians shall be subject to call at any time and shall be required to travel to the extent necessary to accomplish their work. A Computer Technician who has completed his probationary period may, in addition to his work and responsibilities as a Computer Technician, be required to provide on the job training to an employee of the same classification on jobs, but shall not perform the work of a Lead Computer Technician in leading and directing the work of other employees.
- h. Lead Computer Technician - A Lead Computer Technician shall be a Computer Technician who, as a working member of a group, is charged with the responsibility of leading, directing, and approving the work of

other employees in the Computer Technician classification and may be required to give instruction and training to such employees.

- i. Metrologist - A Metrologist shall be a qualified employee assigned at the Company's Maintenance Base Dimensional Metrology Laboratory to measuring, gauging, testing and calibration of precision measuring and test equipment, machines, tooling, fixtures and parts; and to providing technical assistance on production, inspection, and engineering problems. Metrologists may perform accuracy and repeatability checks to determine product and process capabilities, acceptability and compliance with applicable specifications, regulations, and user requirements.
- j. **Apprentice Technician – An employee whose job includes acquiring the skills of the Technician Craft under the direction of a Technician on work generally recognized as Technician’s work. See: Article 23 Apprentice Mechanics.**

2. Flight Simulator Technician Craft

The follow classifications are part of the Flight Simulator Technician Craft:

- a. **Flight Simulator Technician – Duties include all work generally recognized as Flight Simulator Technician work. This work includes, but not limited to, Flight Simulator Training Device (FSTD) preflights, test and inspection, discrepancy troubleshooting, maintenance, calibration, fabrication, repair and overhaul and non-software modifications from engineering supplied data on FSTD’s, and sub-systems, Cabin and Door Trainers as well as Emergency Procedure Trainers. Additional duties also include maintenance of simulated aircraft systems, all associated devices (absent equipment issued to flight personnel), computer based training equipment, test and inspection of equipment used in connection with maintenance, repair and overhaul being utilized at the flight training centers, in training flying personnel. FSTs shall perform Qualification Test Guide (QTG) testing as required to maintain FSTD’s to their FAA Qualification Level. FSTs shall assist Engineers in new equipment installations and acceptance, and data acquisition and other troubleshooting and repair activities on non-routine, intermittent, and other complex device discrepancies. The loading of programs for maintenance or diagnostic purposes and the final loading of daily training use programs, absent of Engineer loading following software changes performed in accordance with their job duties, shall be performed by FSTs. FSTs may be required to give instruction and training to other**

bargaining unit members. FSTs shall be subject to call at any time, but shall be considered as assigned to Line Service Stations for the purposes of work schedules and all other provisions of this Agreement.

- b. Lead Flight Simulator Technician - A Lead Flight Simulator Technician shall be a Flight Simulator Technician who, as a working member of a group, is charged with the responsibility of leading, directing, and approving the work of other employees of lower classifications and may be required to give instruction and training to employees of the same or lower classifications covered by this Agreement.**
- c. Staff Engineer - Duties include all work generally recognized as Flight Simulator Engineering work including, but not limited to: Design, development and implementation of changes in accordance with regulatory authority and Company requirements to Flight Simulator Training Device (FSTD) systems and sub-systems hardware, software, and documentation configurations including resolution of hardware and software obsolescence, and visual system database models. Maintaining FSTD's FAA qualification and shall review, grade, and present Qualification Test Guide (QTG) test results required to attain and maintain FSTD qualification and shall directly participate during regulatory approval authority's evaluations. Maintaining internal and external technical interface with FSTD users, suppliers, Company aircraft engineering, and flight training curriculum developers. Assist in creating technical specifications for the procurement or modification of FSTD's and participate in factory and on-site FSTD acceptance testing. Perform network administration and maintenance duties for FSTDs and FSTD Central Development Facilities. May assist the Flight Simulator Technician (FST) in troubleshooting activities on non-routine, intermittent and other complex FSTD discrepancies. Staff Engineers shall be subject to call at any time.**
- d. Sr. Staff Engineer duties include that of Staff Engineer duties and all work generally recognized as Sr. Staff Engineer work, including, but not limited to: Analyzing project designs that may impact existing QTG tests and develop required QTG revisions. This work includes tasks to correct, modify, and create computerized test scripts for QTG tests, troubleshooting and data collection. Review and approve the modification of FSTDs prepared by Staff Engineers and coordinate with the designated management representative for preparation and submittal of required modification qualification items to the appropriate regulatory authority. Sr. Staff Engineers shall be subject to call at any time.**

3. 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)
- ix. 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.
- x. **In addition, GSE (502) and Facilities (504) Utility Specialist jobs may also include:**

- **Minor Maintenance Tasks, General Shop Support Tasks, and Low Level Check Tasks as defined in LOA 06 Expanded Role of Utility Specialists.**

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.

c. Seamer

The work of Seamer shall consist of the use of sewing machines in the performance of work on soft goods (i.e. seat covers, curtains and related). Seamers may be required to perform Utility Specialist work to fill out their work schedules when Seamer work is not available. Seamers shall be selected under the provisions of Article 5, Filling of Vacancies.

3 4. 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 an 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 **Working in Lower Classification**, at page 1)

5. Maintenance Planning Analyst Craft

The work of the Maintenance Planning Analyst (MPA) includes any work generally recognized as Maintenance Planning Analyst work which has been performed by the Company at its San Francisco Maintenance Center and any off-site facility within the United States. The work, support of the production organizations may include but is not limited to: Analyzing planning data to define manpower, parts, and other resources required to meet production requirements, assisting in a variety of planning, scheduling, and documentation

activities in a hangar/shop work area or an office environment. The MPA will be responsible for the integrity and accountability of an assigned paper package, appropriate labor data transactions and any other required computer system data updates specified by the Company; communicate with Production Management on the status of paper packages and other issues that require immediate attention to meet organization objectives; coordinate assigned functions in the production environment including a hangar, shop, or office and is a point of contact for Management and Technicians. An MPA may be required to give instruction and on the job training to employees of the same classification covered by this agreement.

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 **one hundred and eighty (180) days** ~~ninety (90)~~ of ratification of this Agreement; or (iii) into which they were qualified on **[fill in ratification date]** ~~on the date of ratification of this agreement~~ and whose Bid Area Qualification(s) reflect such qualifications within **one hundred and eighty (180)** ~~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 **one hundred and eighty (180)** ~~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,
License Requirements and Experience Requirements**

Series 100-Technicians And Lead Technicians

101 - Line Technician

A&P License and Twelve months 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 Twelve months 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 Twelve months 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 Twelve months 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 **United 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 **United 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 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.

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 Twelve months experience as a Technician.

117 - Electric Harness Shop Technician

A&P License and Twelve months 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 **(or Facility Coordinator)**

Local Requirements and ~~Twelve~~ **Twenty-four** months 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~~ **Twenty-four** 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.

120 – Flamespray Technician

No License requirement. Twelve months experience in flamespray and successful completion of a trade test.

121 – Plater Technician

No License requirement Twelve months experience in plating and successful completion of a trade test.

122 –SFO General Shop Technician

A&P License and Twelve months experience in trouble shooting, repair, and maintenance of aluminum and/or composite skinned, pressurized jet/turboprop aircraft, powerplant or at least 12 months’ experience as Radio/Electrical, Sheet metal, Trim, Power plant, Hydraulic/Pneumatic, Tire/Wheel, Landing Gear and/or A.I.R. technician and successful completion of a trade test.

123 – Avionics Shop Technician (RQ)

FCC License and Twelve months aircraft or component level experience in radio and electrical/avionics trouble shooting and repair, and Successful completion of a trade test.

125 – Metrology Technician

Journey Machinist certification and 6yrs. of machinist experience and the successful completion of a trade test

126 – Apprentice Technician

No license requirement, High School diploma and successful completion of a trade test.

127 – Computer Technician

No license requirement, twelve months computer field service and successful completion of a trade test.

128 – SFOMP Base Specialty Trade Group (currently known as SFOMP)

Local/trade requirements, ~~twelve~~ Twelve **Twenty-four** months in the field and successful completion of a trade test for the following trades;

Base Specialty Plumbers
Base Specialty Electrician
Base Specialty Welders
Base Specialty Mechanical/Hydraulic
Base Specialty T-Skill
Base Specialty Sheetmetal
Base Specialty Carpenter
Base Specialty Painter
Base Specialty HVAC
Base Specialty Auto Mechanic
Base Specialty GERP/Transmission
Base Specialty Boiler Room

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 - Aircraft

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

302 - Quality Control – Shop

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

Series 400 Flight Simulator Technician Craft

401 – Flight Simulator Technicians

FCC License and successful completion of Trade Test

402 – Flight Simulator Engineers

2 Year degree (in related field) and 5 years FST experience (FAR part 121 or 142) and successful completion of a trade test or 10 years FST experience (FAR part 121 or 142) and successful completion of a trade test.

403 – Visual Database Engineers

5 Years FST experience (FAR part 121 or 142) and 3D modeling experience (18 months) or recognized 3D modeling education and successful completion of a trade test.

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 chemicals; 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 chemicals; 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 chemicals; 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 chemicals; possess valid state driver's license.

Series 600 – SFO Maintenance Planning Analyst

601 – SFO Maintenance Planning Analyst

No License Required, high school diploma or equivalent, basic administrative skills, proficiency with Microsoft office suite.

5. **Lead Qualifications:** In addition to meeting **at least** the **minimum Bid Area requirements** listed above, ~~the requirements for bidding a lead position shall include a minimum twenty four (24) months experience in the applicable bid area~~ **a Lead must also serve a qualifying period pursuant to Article 5.D.3, except as otherwise set forth herein below.**

- a. **An employee who is awarded a Lead position in a Bid Area who meets only the minimum qualifications of that Bid Area must serve a one hundred and twenty (120) day “Qualifying Period” rather than the sixty (60) day “Qualifying Period” set forth in Article 5.D.3.**

Example #1 (Only Minimum Qualification Requirements Met) - if an employee is qualified for Bid Area 105 and has worked there for twelve (12) months but has no Line Maintenance (Bid Area 101) experience, he may qualify himself for Bid Area 101 by passing the applicable trade test.; he would then be eligible for a Lead position but must serve a one hundred and twenty (120) day qualifying period if awarded such position.

Example #2 (Maximum Qualification Requirements Already Met) - if an employee is already qualified for Bid Area 102 and has worked there for twelve (12) months but has no Line Maintenance (Bid Area 101) experience he would, through his Bid Area 102 tenure, meet the highest qualification requirements of Bid Area 101. He would be eligible for a Lead position and would serve the sixty (60) day “Qualifying Period as set forth in Article 5.D.3 if awarded such position.

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~~ Company 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, (pursuant to Paragraph I J below) step increases are given to employees after they complete the specified time as an active employee in a paid status.

1. Employees going from one Classification to another Classification within the same Craft will retain their Pay Seniority.
2. Employees transferring to an equal or higher paying ~~going from one Classification and/or Craft to another Classification~~ will receive the beginning rate of the new Classification and/or Craft if it is equal to or higher than his current Appendix A Wage Schedule pay rate. If his current rate is higher than the beginning rate for the new Classification and/or Craft, the employee shall receive the pay rate of the new Classification and/or Craft which is equal to or higher than the employee's current Appendix A Wage Schedule pay rate. ~~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.~~
3. Employees transferring to a lower paying Classification and/or Craft will receive the pay rate in the Appendix A Wage Schedule of the new classification and/or Craft corresponding to his length of Company service as determined by his Company Seniority Date.

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. **Effective date of ratification, ties in craft seniority date on the master system seniority list will be broken first by Company seniority date and then by giving preference to the employee with the lower number comprised of the last four digits in his Social Security number. If the aforementioned process still results in a tie 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. This procedure will not be used to disrupt established relationship of s-CAL, s-CMI, and s-UAL employees already appearing on their respective seniority list in effect the day before the date of ratification based upon the last point at which the employee worked or is working in that craft.**

Employees whose adjusted seniority (for example, an employee returning from a leave of absence in excess of ninety (90) days) results in a tie with other employees will be placed ahead of such other tied employees on a seniority list. When two or more employees with adjusted seniority are tied in craft seniority date, their relative position will be determined as provided in the paragraph above.

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 a lower Craft will only retain Technician Craft Seniority for a period of six (6) years, and will not accrue Technician Craft Seniority while working in that lower craft, unless the move to that lower craft is the next Bid Area following a RIF which bumped him from his Technician position or he was otherwise forced into the Utility Specialist lower craft position.

D. Furlough Recall Date (FRD) Seniority

1. **Also known as Union Adjusted Seniority Date, Layoff Recall Date and**

Adjusted Company Seniority Date for Layoff and Recall Purposes. This date is an employee's Company Seniority date with any adjustments for time in promoted status over 6 months and periods of Personal and Educational Leaves of Absence over 90-days. Furlough Recall Date (FRD) Seniority is used for the purposes of Layoff and Recall only. Terms of the Final Consent Decree dated April 30, 1976 and amended on March 2, 1995, can be found in the last two pages of the Agreement. The Consent Decree required adjustments alter an employee's seniority and will result in movement of the employee's position on any seniority or juniority list.

E. Classifications And Crafts

The Classifications and Crafts covered by this Agreement are:

<u>Classification</u>	<u>Craft</u>
<u>Senior Staff Engineer</u>	<u>Flight Simulator Technician</u>
<u>Staff Engineer</u>	<u>Flight Simulator Technician</u>
<u>Lead Flight Simulator Technician</u>	<u>Flight Simulator Technician</u>
<u>Flight Simulator Technician</u>	<u>Flight Simulator Technician</u>
Inspector	Technician
Lead Technician	Technician
RAMS Team (Structural)	Technician
GSE Coordinator	Technician
<u>Avionics Shop Technician</u>	<u>Technician</u>
Technician	Technician
<u>Lead Airport Communications Technician</u>	<u>Technician</u>
<u>Airport Communications Technician</u>	<u>Technician</u>
<u>Metrologist</u>	<u>Technician</u>
<u>Lead Computer Technician</u>	<u>Technician</u>
<u>Computer Technician</u>	<u>Technician</u>
<u>Facility Technician Coordinator</u>	<u>Technician</u>
<u>Apprentice Mechanics</u>	<u>Technician</u>
<u>Seamer</u>	<u>Utility Specialist</u>
Lead Utility Specialist	Utility Specialist
Utility Specialist	Utility Specialist
<u>Maintenance Planning Analyst</u>	<u>Maintenance Planning Analyst</u>
<u>Lead Cleaner</u>	<u>Cleaner</u>
<u>Cleaner</u>	<u>Cleaner</u>

F. Seniority Lists

1. ~~The Seniority Lists, which are in effect on the date of signing of this Agreement plus thirty (30) days~~ **Employees will have one hundred and twenty (120) days from the date of ratification to make any challenges to the newly integrated system seniority list. If no challenge is made within one hundred and twenty (120) days, the list as published will be recognized as the basis for all future discussions or challenges to Seniority and thereafter no changes shall be made except under extraordinary circumstances.**
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/Point 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. **Juniority lists used for layoff and recall purposes will be sorted by the Furlough Recall date with ties broken by the Bid Seniority date then the lowest of the last four digits of the social security number.**
4. **Vacation seniority lists used for vacation bidding will be sorted by the Company Seniority date with ties broken by the lowest of the last four digits of the social security number.**
4. **5. 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.

G. 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 Classification 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.

H. Retain Seniority FST Craft

1. **Employees who successfully bid from the Technician Craft to Flight Simulator Technician Craft will continue to accrue Technician Craft Seniority.**
2. **If an employee holding Flight Simulator Technician Craft seniority is reduced, and who has Technician Craft seniority, he shall have the right to return to the Technician Craft at the point from which he is reduced. However, if after returning into the Technician Craft at the point he is subsequently reduced from the point, he will exercise his rights and follow the procedure defined in Article 6. Employees in the Flight Simulator Technician Craft shall continue to accrue Flight Simulator Technician Craft Seniority while working in any lower craft, when the move to that lower craft was a result of a RIF.**
3. **If an employee in the Flight Simulator Technician Craft resigns his current position, and has Technician Craft seniority, he must return to the Technician Craft at the point. Upon resigning from the Flight Simulator Craft and returning to the Technician Craft, he shall lose all Flight Simulator Technician Craft seniority and be removed from the Flight Simulator Technicians Craft seniority list.**

I. H. 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. **(LOA 17 for Supervisor Return Rights)**

for 12 months)

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.

J. I. 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 (31st) day, Company Service date, and Pay Seniority will be adjusted for the remaining period of inactive service:~~

- ~~a. Personal~~
- ~~b. Educational~~
- ~~e. Emergency~~

1.2. **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 (91st) day, Company Service Date and Pay Seniority will be adjusted for the remaining period of inactive service:

- a. Personal

- b. Educational
- c. Emergency
- d. Adoption
- e. Parental

Furlough and Company Offered Leaves (“COLA”) Pay Seniority will continue to accrue for ninety (90) days, independent of the calendar month. Beginning on the ninety-first (91st) day, Pay Seniority will be adjusted for the remaining inactive service while the employee is on furlough.

~~2.~~ **120 Day Accruals**

~~During Extended Illness Status (including Family Leave), 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 (121st) day, Pay Seniority will be adjusted for the remaining period of inactive service.~~

2.3. **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)

3.4. **Craft Seniority**

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

4.5. **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 bid-process. A position to which an employee has recall or displacement rights is not considered a vacancy. **Notwithstanding the above, when a vacancy exists at a Station/Point in the Flight Simulator Technicians (FST), Avionics Shop Technician (SFORQ), Metrologist, Computer Technician, Lead and/or Inspector Classification(s) and there are no employee(s) at the Station/Point where the vacancy is being filled who have recall rights to any of these Classifications, the posting will first be filled from among successful bidders at the Station/Point where the opening exists before any offer of recall is made to furloughed employee(s) in other Classifications with recall rights to that Station/Point. This will be known as a “Point Shake Down”.**

Notwithstanding the above, when a vacancy exists in the Flight Simulator Technician and Related Craft (“FST Craft”), the posting will first be filled from among successful bidders within the FST Craft. If the vacancy is not filled from within the FST Craft, vacancies will be filled from within the Technician Craft in accordance with the rest of this article.

- 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. **Bid awards will be made by Craft Seniority in the following order:**
 - i **Technicians who fully meet all experience and qualification requirements and have no restrictions as described below (b);**
 - ii **Technicians who are restricted from bidding (per b below), who meet all experience and qualification requirements;**
 - iii **IBT represented employees regardless of current craft who meet all requirements of Article 3 except for the experience requirement;**

iv **Management personnel who hold craft seniority.**

Note: Once the vacancy is posted to other divisions within the Company or externally, should an external and internal candidate both successfully pass the required trade test (per Article 3), the internal candidate shall be given consideration over an external candidate.

b. **Restrictions:**

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.

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.

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, Notwithstanding the preceding sentence, by mutual agreement between the Company and the Union, the experience requirements may be reduced, changed, or eliminated and the qualifications may be reduced, changed, or eliminated by mutual agreement between the Company and the Union, and the vacancy reposted for five (5) days, for bargaining unit employees to bid on with the altered experience and/or qualifications prior to filling the vacancy with a new hire or management personnel. The provisions set forth in the immediate preceding sentence shall be referred to as a "Special Posting" and shall constitute a waiver of 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. Additionally with respect to Special Postings, employees who are qualified but otherwise restricted for bidding upon the vacancy shall have~~

~~priority over those bidding with reduced experience and/or qualifications. In all cases of Special Postings, 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.~~

- 3.-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.

54. 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.

65. 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.

Final

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.
1. If the point/station surplus creates a furlough at the seniority point, then Furlough Recall Date (FRD) ~~Consent Decree~~ Seniority will determine who is to be furloughed.
- 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. Using Craft ~~(Basic Classification)~~ Seniority 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, using Furlough Recall Date (FRD) ~~Consent Decree~~ Seniority, displace the system in the Bid Area from which he was reduced in any station/Point his Furlough Recall Date (FRD) ~~Consent Decree~~ 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~~

New York (EWR-JFK-LGA), Washington (DCA-BWI-IAD), Chicago (Elk Grove Facility "OPC"-ORD-MDW), Los Angeles (LAX-BUR-LGB-SNA-ONT-SAN-VCV), San Francisco (SFO-OAK-SMF-SJC), Hawai'i (HNL-KOA-OGG-LIH-ITO), Miami (MIA-FLL), Houston (HOU-IAH-~~VIC~~VKY-IAHSX), Denver (DEN-COS-DENTK), Greensboro (GSO-RDU) and Guam (GUM-SPN)

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-~~VIC~~VKY) 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 **Furlough Recall Date (FRD)** 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 #19 – Exercise of RIF Options**).
- D. **Except as otherwise provided for in Article 5.A,** 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” **any** 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 31st 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 unless removed from the Seniority list pursuant to the Seniority Article.
- I. Recall to a permanent vacancy will be in **Furlough Recall Date (FRD)** ~~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 **from which he was involuntary displaced**, 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 **RIF'd** 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 work week consists of five (5) consecutive work days, 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. In certain locations employees may be assigned to rotating days off patterns. Such patterns will provide for consecutive days off except where the rotation requires a single day off to maintain the pattern.
- ~~C.~~ D. 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.~~ E. Employees who do not receive a thirty (30) minute meal period between the 3rd and 6th hours of ~~their regular~~ any shift worked will, in conjunction with the needs of service, receive one of the following two (2) options:
1. Late Lunch - Receive thirty (30) minutes additional pay at the applicable overtime rate, and take lunch earlier/later
 2. Missed Lunch - If no lunch is taken during the shift, leave work thirty (30) minutes early with pay before the normal shift end time.
- ~~E.~~ F. 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.~~ G. 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.H. 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. I. 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 any twenty-four (24) hour day period, nor more than thirty-six (36) work hours, exclusive of lunch, in any two (2) consecutive twenty-four (24) hour periods. ~~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. J. 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. K. 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. L **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, Line Hangar 55, Hangar 56, GSE Line, GSE Hangar, Facilities, Terminal, Test Cell, Stalls, WC324, 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 #20 – Shift Bid for Small Work Areas, 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 **thirty** (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 #22 – Trickle Down Shift Bid Awards, 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. M. 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 **unless they have previously canceled a VAC-DAT to trade off their shift.**
 - 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, **subject to the Duty Limitations set forth in Paragraph I above.** (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.
 6. **The solicitation and/or brokering of trades is strictly prohibited.**

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 four (4) floating holidays. 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 the Company decides to close an operation for a Holiday, they will meet and confer with their local union at least 30-days in advance to discuss staffing issues pertaining to the Holiday closure. E.g.: consecutive days off**

D. 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.

E. All overtime worked on a holiday will be pursuant to Article 17.

F. 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.

G. 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.

H. 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).

- a. **Employees may make current year deferrals up to thirty (30) days in advance of each holiday except for New Year's Day. More specifically, if an employee plans to defer July 4th and wants to use this deferred holiday in advance of July 4th this holiday becomes available to use as a VAC-DAT no sooner than June 5th (thirty (30) days in advance).**

H.I. 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.J. 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.K. 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 **K.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.L. 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.M.~~ 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.N. 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 – Vacation

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 Prior to January 1	Maximum Regular Vacation					
	10 days	15 days	20 days	25 days	30 days	35 days
12	10	15	20	25	30	35
11	9	14	18	23	28	33
10	8	13	17	21	25	29
9	7	11	15	19	23	27
8	7	10	13	17	20	23
7	6	9	12	15	18	21
6	5	8	10	13	15	17
5	4	6	8	10	12	14
4	3	5	7	8	10	12
3	3	4	5	6	8	10
2	2	3	3	4	5	6
1	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 **as determined by the employee's Company Seniority Date**. The vacation accrual schedule will be as follows:

<u>Length of Company Service</u>	<u>Vacation Accrual</u>	
	<u>Weeks</u>	<u>Hours</u>
<u>1 year</u>	<u>2</u>	<u>80</u>
<u>4 years</u>	<u>3</u>	<u>120</u>
<u>9 years</u>	<u>4</u>	<u>160</u>
<u>16 years</u>	<u>5</u>	<u>200</u>
<u>24 years</u>	<u>6</u>	<u>240</u>
<u>29 years</u>	<u>7</u>	<u>280</u>

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 (15th) of the month will receive vacation credit for that month. Those hired after the fifteenth (15th) 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. 5. 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.

~~7.6.~~ 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.

~~8.7.~~ An employee who has not completed six (6) months of Company Service is not eligible for vacation pay upon termination.

~~9.8.~~ 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(e)~~ **11(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). **The regular days off on a week of vacation which has been bid will be made available as DAT.**
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. **The regular days off on a week of vacation which has been bid will be made available as DAT.**
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 15th.
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. **At locations with rotating days off patterns, the Company and the Union will meet at a local level to discuss the impact of each shift bid for those on rotating days off.**
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 **or days** as set forth in B.4 of this Article. However if an open week **or day** 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 **or days** 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.~~
Requests for changes to VAC-DAT will be considered. Such requests must be made to the supervisor by the employee scheduled for the VAC-DAT.

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 1st 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 1st of the current year, or
 - b. Use remaining VAC-DAT by December 31st. If this option is selected, but the VAC-DAT is not used by December 31st, 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 31st.
 - 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 ($\frac{1}{2}$) 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 bid 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) pro-rata 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.
4. **Effective upon retirement, outside the annual benefits enrollment, an employee may elect to contribute their accrued vacation hours to either their 401k account or to their sick bank (for the purposes of retiree bridge medical benefits).**

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. Extended Illness Status (EIS)

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.~~ Seniority continues to accrue while on approved EIS.

c. Vacation/Holiday – While on EIS employees do not accrue vacation, sick leave, holidays, etc., except that an employee who is off work due to an occupational illness or injury will continue to accrue vacation credit.

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, step children, parents, step parents, sister, brother, grand-parents, 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. **Where extenuating circumstances exist, a Supervisor may approve more than two (2) instances but in no event shall paid time exceed (80) hours for each covered immediate family member.**
 - ~~e.~~ **d.** 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.~~ **e.** 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.~~ **f.** 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 and Flight Simulator 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.
 - f. 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.
 - g. 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 **Furlough and Recall Date (FRD)** ~~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, **Extended Illness Leave**, Emergency, Personal, and Educational and Birth of a Child Leaves of Absence

- a. Medical/Dental/Vision – Unless otherwise specified by this Agreement, 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~~ **employee**. Such coverage may be continued thereafter at the ~~technician's~~ **employee'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~~ **employee'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. **The foregoing shall not apply with respect to EIS, which shall instead be governed by Article 16.E and the following requirements. Once an employee commences EIS, a five (5) year period shall commence during which the maximum period of subsidized coverage shall be twenty-four (24) months as specified in Article 16.E. If the employee returns to active service prior to expiration of the twenty-four (24) month period and subsequently goes on EIS prior to the expiration of the five (5) year period, the employee shall be eligible for the balance of the twenty-four (24) months specified in Article 16.E. At the end of the five (5) year**

period, the twenty-four (24) months of subsidized coverage shall again be available if the employee subsequently goes out on EIS.

- 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~~ **employees** 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~~ **employee's** continuation responsibility and contact information for the life insurance provider at the time the employee commence an unpaid status. Continuation will be at the ~~technician's~~ **employee's** expense and must be arranged by the ~~technician~~ **employee** 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. **Employees who are on Personal and Education Leaves of Absence are not eligible for pass travel.**

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 unless otherwise required by law. No such service shall 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~~ **must** use any paid time off they may have (sick leave, vacation, deferred holidays, etc.) for their own serious health condition, a pregnant employee, or an employee giving birth.
- 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~~ **must** use paid time off such as vacation, and deferred holidays, and sick leave ~~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 concurrent with 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. g. Seniority See Article 4 of this Agreement. **Seniority continues to accrue while on approved FML.**

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 (12th) 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 coverage 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.

~~e) Retirement Vesting, eligibility, and benefit accrual service credit in the Continental Airlines Retirement Plan (CARP) shall be governed by the terms of the CARP 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.~~

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 unless otherwise required by law.

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 United 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 United 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.

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 **United 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 **United 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

1. **Effective upon the date of signing of this Agreement**, full time employees who, as of that date, are on the United Airlines System Seniority List shall 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

Employees whose Occupational Injury (OI) Bank is already at or above seven hundred (700) hours will maintain their existing banks but will not accrue additional OI hours until such time as his bank falls below seven

hundred (700) hours at which point he shall start to accrue again up to a maximum of seven hundred (700) hours.

D. Commencement and Payment of Paid **Non-Occupational** Sick Time

Non-Occupational 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 **Non-Occupational Sick Time 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 **Non-Occupational Sick Time 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 **Non-Occupational Sick Time Pay**/Occupational Injury Pay

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

H. Physical Examinations

Subject to applicable state law:

1. ~~Continental~~ **United** 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 **non-occupational** sick time 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 **Non-Occupational** Sick **Time**/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) **Non-Occupational Sick Pay Time** are exhausted. Hours will be deducted from the employee's **Non-Occupational** 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 **Non-Occupational Sick Time Pay**, Occupational Injury Pay or **EIS** 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.-(Moved to Below)~~
- f. **e.** 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. **f.** 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.~~
Employees on limited duty assignments are eligible for overtime only if the available overtime would not violate their medical restrictions.

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. 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. (Moved from Above)

L M. 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 (7th) 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. N Retiree Bridge Medical Benefits (Moved to Article 16 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 **four (4)** ~~ten (10)~~ hours advance notice prior to the scheduled Field Trip departure is provided to the employee), or unplanned (one for which **four (4)** ~~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.

Notwithstanding the foregoing, a field trip ~~service~~ does not include, and this Article shall not apply to, maintenance performed by ground equipment (GQ) technicians, buildings/facilities (PV) technicians, and Flight Simulator Technicians (FSTs) ~~and Ground Communications Technicians (GCTs)~~ whose regular assignment includes field trips ~~service~~ and related travel. However, GQ, PV, and FST ~~and GCT~~ employees who are not regularly assigned to perform field trips ~~service~~ shall be covered by this article.

- B. Employees on Field Trips away from their base or station shall be paid one and three-quarters (1.75X) times their hourly base rate of pay, as defined in Article 15 **(Compensation)** ~~E-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 **(Compensation)**. ~~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 **(Compensation)**.~~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. Prior to dispatching a single employee on a trip the Company shall provide the employee the contact information of the person responsible for performing this duty providing this assistance.
- 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. **There will only be one list per Bid Area for Field Trip call-outs. The Company shall, within thirty (30) days of ratification, combine the sCAL and sUAL Field Trip lists in accordance with the provisions of this Article.** 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, NDT, 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 **United Continental General Maintenance Manual** (as it relates to paperwork and procedures, airworthiness releases, RII, engine run-up & taxi, CAT 2, ETOPS, NDT 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 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 authorizations unless all remaining Field Trip positions require such 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 List each individual Field Trip is assigned to **and make the Field Trip call-out** ~~which shift gets the Field Trip, in accordance with the following:~~
1. For unplanned Field Trips **(i.e.: where the call-out procedure commences four (4) hours or less** ~~than three (3) hours~~ prior to the scheduled departure of the Field Trip), **selection will be from the shift on duty.** ~~if it is necessary to send the employee(s) immediately 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.~~

- a. At stations where two or more shifts overlap and it is necessary to select employee(s) for a Field Trip from the shift on duty, the employee(s) sent will be those closest to the end of their regular scheduled work day. The purpose of the requirements sent forth in the preceding sentence is to limit the disruption of the operation on the subsequent shift to the fullest extent possible.
2. For planned Field Trips (i.e.: where the call-out procedure commences more than four (4) hours prior to the scheduled departure of the Field Trip) 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.

Note: For purposes of clarification of this provision, when a list is started for a planned field trip, such list shall be exhausted regardless of the time frame; i.e. a planned list is being used and the time before the trip becomes less than four (4) hours a new list will not be used until the planned list has been exhausted.

- 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 or its electronic equivalent. 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. When calling from the shift on duty and ~~If~~ the required number of employees are not obtained and an entire shift's list has been called, the Company shall, starting from the top, utilize the Field Trip List in its' entirety without regard to shift. ~~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. When possible, the Company will arrange for the direct billing of the hotel room.

- 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. M. 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.
- ~~Ø. N.~~ 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. O.~~ In the event a field trip is canceled, an employee who is not on-shift at his station who is notified of the cancellation 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.
- P. Global Emergency Maintenance
- When a Global Emergency Maintenance (GEM) mission is assigned as a Field Trip, the Company will follow the Field Service Trip provisions set forth in this Article when it assigns employees covered by this Agreement to work GEM assignments. It is understood, however, that although the Company will consider local resources in making such assignments, the Company may choose to perform GEM work at a station with employees from another station. In such cases the Company will confer with the Local Union Committee at the station where the work is scheduled to be done to explain the need for such assignments.
- Q. Once a respective station is notified that it has been selected to support a Field Trip,**

then that station will initiate calling out the Field Trip no later than one hundred and twenty (120) minutes after such notification.

R. If the Company determines that it has a surplus of employees on a Field Trip then it will reduce the surplus by sending employees home in inverse order of the Field Trip call-out. No employee will be sent home outside of this order unless the only remaining position requires an authorization that the employee does not possess.

Final

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 **(four (4) calendar days or less in GSE and FAC)**, or training provided to qualify employees to perform work for maintenance contracts obtained by the Company, 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. Classes held before or after a regular shift shall be paid at the overtime rate for actual hours attending training.
- B. Training, other than training of three (3) calendar days or less **(four (4) calendar days or less in GSE and FAC)** 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 **(four (4) calendar days in GSE and FAC)** 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 improperly bypassed for Training will not subsequently be bypassed for overtime or field trips due to the resulting lack of qualification and will be given the first available opportunity to make up the training. An employee who has not received proper notice of training in accordance with the requirements stated above may be awarded the training assignment provided the employee accepts. 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, C, F, and G above shall not apply under the following two (2) circumstances:**

- a. **to the initial formal aircraft or technical training provided to newly hired, transferred or recalled employees so long as such initial training is provided within twelve (12) months of their date of hire, transfer, or recall. and/or**
- b. **Insufficiently trained Work Areas, where less than 50% of the work area meets the specific qualification required/needed.**

No training class will have more than a combined total of four (4) pursuant to this paragraph.

Notwithstanding the above, recalled employees shall have priority to training classes over new hires.

Notwithstanding the foregoing, during periods of hiring or recall of large numbers of Technicians, or due to significant work scope changes, the Company will meet and confer with the Union regarding the need to exceed

the cap of four (4) such employees in a formal aircraft or technical training class.

- 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 F 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 a 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~~ training. 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 **the Compensation Article** 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 **the Compensation Article** ~~Article 15-~~ ~~(Compensation)~~ ~~Q and R.~~ **When possible, the Company will arrange for the direct billing of the hotel room.**

- 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.
- U. When an employee is required as part of his duties to provide classroom training and /or the associated practical check-out training to others, he will be paid as a Lead. Employees providing simultaneous on-the-job training (OJT) to more than two (2) other employees will also be paid as a Lead for such training time. None of these instances shall contribute toward the triggering of a Lead vacancy. **When employees covered by this agreement are assigned to full time training positions, such positions will be bid by Craft seniority. These positions will be awarded based on Craft seniority and qualifications (including ability to train effectively).**

Article 14 – Safety and Health

- A. The Company hereby agrees to maintain safe, sanitary and healthful working conditions in all shops and facilities and to maintain on all shifts emergency first aid equipment at first aid stations to take care of its employees in case of accident or illness, and that sufficient employees will be given initial and recurrent first aid/CPR training. It is understood that this does not require the Company to maintain a nurse or doctor on the property, but in an emergency the Company will utilize the appropriate emergency services.

The Company agrees that before adopting new or revised safety and health policies, procedures, practices and/or new technologies and before announcing and/or implementing these changes, the Company shall notify the Union of the changes. Whenever routine revisions are made, the Company will provide the Union with a 30-day opportunity to review and comment on those changes.

- B. **The Company will continue to administer a Noise Control and Hearing Conservation Program in accordance with the corporate Ground Safety Manual.**

- C. Except in emergencies, as defined in Article 2, whenever an employee in the Technician Craft working in a maintenance environment is asked to replace a seat cushion, **seat cover, carpet and/or other surfaces** that **are** reasonably believed to be contaminated with a potential pathogenic substance, **unless appropriately trained**, he shall only be responsible for reinstalling such **items** removed from above. The cleaning of the area and/or the removal of the old seat cushion, **seat cover, carpet and/or other surfaces** shall be performed by the cleaners, hazardous material specialist or **appropriately trained** personnel.

- D. The Company agrees to furnish good clean drinking water and sanitary fountains at all work areas and/or breakrooms. The floors of the toilets and washrooms will be kept in good repair and in a clean, dry, sanitary condition. Employees will cooperate in maintaining the foregoing conditions. **The Company agrees to provide access to toilet facilities,–in those remote areas or single manned work areas where separate male/female facilities are not feasible, the Company will provide secure door locks to insure privacy.**

Shops, hangars, break rooms and washrooms will be lighted, heated and cooled in the best manner possible consistent with the source of heat and light available. Individual lockers will be provided for all employees where space and lockers are

available. Every effort will be made as early as possible to provide space and lockers for all employees.

- E. The Company, Union, and employees will cooperate toward the prevention of accidents and the furtherance of an aggressive safety program. **No employee will be disciplined for reporting an unsafe working condition or potential safety hazard. The Company has 30 days from the time of being informed about an unsafe working condition to respond to such complaint.** A Joint Company-Union Safety ~~Committee~~ **Action Team** (s) will be established at each location where represented employees are assigned. Such **Action Teams** shall be comprised of ~~an equal number of~~ Company and Union representatives as designated by the parties. The Union member(s) shall function in an advisory capacity. ~~Safety Committees~~ **Action Teams** will meet at least once a month to resolve safety issues; and review corrective action taken for all lost time accidents which may have occurred. Both the Union and Company shall encourage employees to utilize the Safety **Action Team(s)** for all unresolved safety related matters. **However, no decisions of the Joint Company-Union Safety Action Team shall preclude a member from utilizing the grievance procedures pursuant to Article 19 and 20.**

Reasonable time without loss of pay will be allowed Union member(s) of the Safety **Action Team** to investigate and handle safety complaints. Such Union member(s) will be promptly informed of all lost time accidents and shall be provided with the results of environmental air, noise, and contaminants testing conducted by the Company.

Company shall provide OSHA Form 300 or equivalent for review by the Union. A copy of the factual account of all accidents and injuries (**OIS report** or equivalent), with any medical information deleted, will also be provided to the Union Safety Committee **as soon as possible, but no later than** within 72 (seventy-two) hours of the incident. **The Company shall notify the Union Safety Committee of injury investigations involving a covered IBT member.** Both the Company and the Union shall cooperate in seeking solutions to help reduce the accident frequency and severity rates and shall jointly participate in safety education.

- F. Employees covered by this Agreement who are uniformly and periodically required by the Company to take physical examinations because of the duties they perform shall be scheduled and paid for the time spent taking such examinations in accordance with the Company's established procedures for employees under this Agreement. The Company will schedule the exam in a way that is not unduly burdensome to the employee or the Company.

The provisions of this Paragraph shall not apply to employees required to take physical examinations after absence due to illness or any physical examinations other than those specified above.

- G. The Company shall furnish all required safety devices for employees working on hazardous or unsanitary work, and employees will be required to use or wear such devices in performing such work. **Employees will be trained on how to use and maintain safety devices in their care.**

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 Corporate Safety Department.

- H. The Company will furnish appropriate aprons, gloves and shoes to all employees required to work with acids and chemicals that are injurious to clothing while such employees are engaged in such activities, and employees will be required to wear such equipment.
- I. Employees taken sick or injured while at work, shall be given medical attention as promptly as ~~reasonably practicable~~ **possible**. Employees will not be refused permission to return to work because they have not signed releases of liability pending the disposition or settlement of any claims which they may have for compensation arising out of such sickness or injury.
- J. In cases of occupational injury or illness employees may elect to be treated by their personal physician, and decline treatment from others, provided they have their physician registered with United's medical department prior to the occurrence of illness or injury. The Company's physician will retain the right to monitor the employee's course of treatment.
- K. United will maintain a Bloodborne Pathogen Exposure Control Plan which satisfies the requirements of the OSHA Bloodborne Pathogen regulations. Corporate Safety agrees to consider any proposed changes to the Plan that may be suggested by the Union in an effort to improve the safety of employees in their work environment and to solicit comments from the Union whenever routine revisions are made to the Plan. The Company agrees to make available, at no cost to covered employees, complete post exposure evaluation including necessary blood work and medications.
- L. **IBT Safety Committee**

1. The IBT Safety Committee along with the Company will cooperate toward the prevention of accidents and the furtherance of aviation safety. The IBT Safety Committee will work with the Company in an advisory capacity and will meet with the Company at least once a month or as needed to review technician related safety of flight issues.
2. The Company and Union agree that safety issues must be resolved as quickly as possible.

M. Accident/Incident Investigation

1. In the event the IBT and the Company jointly petition the National Transportation Safety Board (NTSB) for, and are granted, formal party or observer status in connection with an investigation involving a Company incident or accident, the Company and the IBT will designate one or more qualified IBT-represented employee(s) to participate as representative(s) in the investigation. The selected representative(s) shall perform this assignment without loss of pay. Selected designees will be provided transportation per the Transportation Article.

- N. The Technical Operations Safety Action Program (TSAP) program will be covered in a standalone MOU between the Company, the Union, and the FAA. While there is a valid MOU the Company will sponsor 1 full-time, IBT representative to participate on the Event Review Committee (ERC) scheduled Mon-Fri, on traditional business hours.

The Company agrees to supply access to office space appropriate for the confidentiality needs of the position and access to office supplies. This position will in all respects be treated in a similar manner regarding necessary transportation as other IBT staff positions.

Exhibit 1 to Article 14 - Alcohol and Drug Testing

A. Alcohol and Drug Testing Procedures

All employees are subject to testing for alcohol and drugs in accordance with FAA/DOT regulations and Company policy. The Company shall maintain compliance with all DOT and other government rules, regulations and statutes applicable to alcohol and drug testing. If any provision in this Article conflicts with such rules, regulations and statutes, the governmental requirements shall prevail.

1. Types of testing

a. Employees are subject to the following alcohol and drug testing under FAA/DOT regulations:

- (1) Random
- (2) Reasonable Cause/Reasonable Suspicion
- (3) Post-Accident
- (4) Return to Duty
- (5) Follow Up

b. Employees are subject to alcohol and drug testing under Company policy in the circumstances listed below and shall only be tested for alcohol misuse or the illegal use of drugs. The Company may test for drugs or metabolites in addition to those for which it is testing under the policy as of Date of Ratification, but will not do so without providing prior notice and opportunity for the union to meet and confer regarding such changes. The Company will not add additional drugs or metabolites to its testing for employees unless they are added for all Company employees covered by the policy with the exception of No Notice testing. The Company shall not impose alternate protocols or methodologies outside of those employed for FAA/DOT testing.

- (1) Reasonable Cause/Reasonable Suspicion – as determined by contemporaneous articulable observations concerning the appearance, behavior, speech or body odors of the Employee.
- (2) Post Mishap – applies when an employee’s performance either contributed to a mishap or cannot be completely discounted as a contributing factor to the mishap. A mishap is an event resulting in physical damage to person, equipment or facilities.
- (3) Return to Duty – an employee who has received a verified positive drug or alcohol test must submit to a return to duty test and receive a verified negative result before returning to work.

- (4) No Notice – an employee who has returned to work following a verified confirmed positive drug and/or alcohol test will be subject to unannounced no-notice testing.

2. Testing Procedures

The notification, collection, chain of custody, laboratory requirements and other procedures set forth in the FAA/DOT regulations shall apply to A.1.b above. In addition, the following testing procedures will be observed:

- a. Direct observation. An employee may be required to produce a specimen under direct observation when the collector has reason to believe the specimen contains an adulterant, when directed by the Medical Review Officer (MRO), Designated Employer Representative (DER), or Sr. Manager - Drug Abatement.
- b. All testing for alcohol and drugs will be subject to screening and confirmatory tests.
- c. For confirmed positive drug tests, before verifying the result, the MRO will make all reasonable attempts to contact the employee to discuss the test result. Following the discussion with the employee and/or any other appropriate inquiry, the MRO will determine whether to verify the test result. In the event that the MRO verifies the confirmed positive result, she/he will in addition to any other duties, refer the matter to United's DER.
- d. An employee who has been notified that her/his drug test resulted in a verified confirmed positive finding may request a retest of the split portion of the specimen provided she/he does so within seventy-two (72) hours following such notification. The cost of the split sample test is born by the employee.
- e. The burden of proving inadvertent and/or unknowing ingestion of any illicit drug rests upon the employee. She/he shall have five (5) days from notification of the test result by the MRO to prove her/his claim of inadvertent and/or unknowing ingestion to the Company.
- f. An employee who receives a verified adulterated or substituted drug test result or who refuses or fails to cooperate in any drug or alcohol test as

mandated by FAA/DOT regulations, Company policy, or in any rehabilitation related testing, will be discharged with no opportunity for reinstatement or rehire.

- g. Refusal or failure to cooperate will be deemed to be a positive test. Refusal or failure to cooperate includes, but is not limited to: failing to appear for any test within a reasonable time after being directed to do so; failing to remain at the testing site until the testing process is complete; failing to provide a sufficient amount of breath for any alcohol test or sufficient amount of urine for a drug test required by this Article, and the MRO has determined that there was no adequate medical explanation for the failure; failing to undergo a medical examination or evaluation, as directed by the Company as part of the insufficient breath or urine procedures; failing to sign any required form or certification; or failing to cooperate with any part of the testing process.

B. Consequences of Positive Alcohol or Drug Tests

1. Nothing in this Article shall preclude the application of corrective and progressive disciplinary processes to address violation(s) of other Company policies or misconduct by an employee. Drug or alcohol use, abuse or dependency will not exonerate, excuse or mitigate an employee's on-duty or off-duty misconduct or violation of other Company policies.
2. An employee who uses alcohol within eight hours of any scheduled duty shall be treated the same as an employee who tested positive for alcohol.
3. An employee who receives a positive test result for drugs or alcohol will be promptly removed from duty without pay, pending further investigation.
4. On the first such occasion, an employee who receives a verified confirmed positive drug test or whose breath alcohol test indicates a concentration of .04 or above, will be given the following options:
 - a. Voluntary resignation, without eligibility for rehire.
 - b. Discharge for cause. However, a non-probationary employee exercising this option will be conditionally reinstated and placed on unpaid status until such time as a diagnosis is rendered. Once a diagnosis is rendered

the employee may use available sick hours and continue health and welfare benefits at active rates effective upon execution of a Last Chance Conditional Reinstatement Agreement (“LCCRA”), which will include, but not be limited to, the following terms and conditions as to medical evaluation, rehabilitation and treatment:

- (1) The employee will be referred to and required to use a UAL Substance Abuse Professional (SAP) to meet the DOT/FAA SAP requirements.
- (2) If one is recommended, the employee must successfully complete the course of rehabilitation (and/or treatment and/or education and/or any other program) recommended by the SAP, including all continuing terms and conditions attached to such program(s). The rehabilitation/treatment will be directed and facilitated by the SAP, but will be funded entirely by the employee, except that she/he will not be precluded from using any insurance benefits to which she/he is otherwise entitled.
- (3) The employee must comply with all SAP recommendations. Upon completion of the SAP process, if the SAP recommends on-going monitoring or continued follow-up testing, the employee will be referred to UAL’s EAP Director or Director's designee. The Employee will execute written authorization(s) for release of all relevant medical information to UAL’s EAP (“EAP”).
- (4) The employee must execute and deliver to the EAP Director an undated letter of resignation to be used to terminate the employee’s employment (or alternatively, the employee will be deemed to have resigned) should she/he fail to satisfy any of the terms and conditions of UAL’s Anti-Drug and Alcohol Misuse Prevention policy or the terms and conditions of the LCCRA.
- (5) Upon successful completion of the SAP process, the employee will complete a return to duty drug and alcohol test and will be subject to any applicable DOT/FAA required follow-up testing.
- (6) The employee will be returned to the bid position to which she/he is otherwise entitled by the terms of this Agreement, effective upon her/his release to duty. The employee’s continued employment will be conditional upon her/his compliance with all of the terms and conditions of the LCCRA.
- (7) The employee will be solely responsible for ensuring that she/he is fully qualified and certified to perform her/his duties.

- (8) Once returned to duty, the employee will be responsible for maintaining contact with the EAP manager on at least a monthly basis for the purpose of monitoring the employee's progress for a period not to exceed sixty (60) months. Failure to maintain monthly contact with EAP or failure to cooperate with EAP will be considered a violation of the LCCRA and will result in termination of the employee's employment.
- (9) During the rehabilitation/treatment period, any use of alcohol or illicit drugs will be considered a violation of the LCCRA. This includes mouthwash or other substances or medications that contain alcohol. The employee is solely and strictly responsible for adherence to this express condition for her/his continuing employment. The employee must inform EAP of any medication prescribed by her/his physician and obtain EAP's fully informed consent prior to using any medication that contains alcohol or narcotic drugs. The employee expressly agrees that her/his use of any non-prescription medication or other substance that contains alcohol or illicit drugs which would violate the Company Anti-Drug and Alcohol Misuse Prevention Policy, EAP requirements and/or applicable provisions of the FAA/DOT regulations governing workplace drug and alcohol testing will be considered a violation of the LCCRA and will result in the termination of her/his employment.
- (10) The employee who tests positive for drugs will commit in writing to remain drug free for the remainder of his career.
- (10a) Once an employee has tested positive for alcohol if at any time during the balance of his career he has a breath alcohol test indicating an alcohol concentration of 0.004 or greater, he shall be forever barred from working as a Technical Operations employee ~~for UAL~~ or from performing any other safety sensitive duty for United Airlines.
- (11) During the remainder of her/his career, should the employee subsequently fail any drug and/or alcohol test the undated letter of resignation will be accepted by the Company, and her/his employment severed.
- (12) If the employee fails to comply with the LCCRA, discharge will result, and her/his right to challenge such discharge through the grievance process will be waived. No grievance of the matter will be permitted.
5. An employee whose breath alcohol test indicates a concentration from .02 to .039 ~~will~~ **may** be referred to EAP for an initial assessment. Should EAP, in its sole discretion, determine that a medical evaluation and diagnosis of the employee be

conducted, the employee will be placed on a mandatory referral to EAP and subject to all requirements of EAP. Upon release by EAP to return to duty, the employee will return to the bid position to which she/he is otherwise entitled by the terms of this Agreement as soon as reasonably possible. Contingent upon the employee's full cooperation with EAP (and assuming there is no other disciplinary action pending), she/he will not be subject to discipline for violation of FAA/DOT regulations or Company alcohol and drug policies. Should an employee's breath alcohol test indicate a concentration of 0.02 to .039 three times in a career s/he will be discharged for cause.

C. Voluntary Rehabilitation

An employee who has not been subject to a mandatory referral to EAP or 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 voluntarily self-refer to United's EAP for assessment and/or rehabilitation and treatment. Such employee will 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 will assume the bid position to which she/he is otherwise entitled by the terms of this Agreement.

D. Conduct Subject to Discharge

An employee who engages in prohibited alcohol or drug use while on duty or while performing safety-sensitive functions, or who receives a second positive test (either of which may be a verified confirmed positive drug test or alcohol test indicating a concentration of 0.04 or above), will be discharged for cause and will not be entitled to an opportunity for conditional reinstatement or rehire.

E. Duty Time and Pay

1. An employee shall not suffer loss of pay as a result of a random drug/alcohol test that interferes with his/her schedule.
2. An employee who is held out of service for a reasonable cause test that is negative shall receive full pay for regularly scheduled shifts.

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 **advices** 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 Sunday and ending on Saturday (total of fourteen (14) days). Advices for that pay period are issued twelve (12) days later on Thursday. Pay schedules and pay periods may be modified by the Company or as required by law. The Company will notify the Union of any changes to the payroll schedule.**
- C. Hourly Base Rate of Pay
1. Employees' "hourly base rate of pay" is determined by a combination of a "basic hourly 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, PREMIUMS, LINE PAY, LICENSE PAY, LONGEVITY PAY AND ALL OTHER PAY COMPONENTS 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. **When there is a shortage of one day's pay or more due an employee, the Company shall issue payment to cover the shortage as soon as reasonably possible and within three (3) business days after Payroll receives notice of the shortage.**
 6. **If direct deposit is not permitted, paper pay advices will include a statement of all wages and deductions made for the pay period; and, in addition, an employee will, upon request to his supervisor, be furnished a copy of his time record for the preceding pay period.**
 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, Date of Ratification, 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, **Date of Ratification**, 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, Date of Ratification, the maximum total cost payable by the Company for any move shall be twelve thousand dollars (\$12,000).
- I. Effective, Date of Ratification, 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.~~

Active employees Technicians covered under this Agreement will at one (1) time during their career as an active IBT represented employee Technician be entitled to a paid move (a "Career Move") provided they are not on probation. Active IBT represented employees Technicians exercising their Career Move will be allowed reasonable positive-space travel between their former station and their new station until such time as they complete their move, not to exceed six (6) months.

- K. Effective, Date of Ratification, 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.

- L. 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 **two dollars and thirty cents (\$2.30)** per hour. The hourly per diem for international locations shall be **two dollars and seventy-five cents (\$2.75)**. **These domestic and international per diem rates shall be increased by five cents (\$0.05) per hour on each subsequent January 1st.** ~~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.~~

- M. **Profit Sharing. Effective for 2017 profit sharing paid in 2018 and subsequent years of this Agreement, the profit sharing plan for Employees under this Agreement shall be funded with five percent (5%) of pre-tax profit up to a pre-tax margin of six and nine-tenths percent (6.9%) plus ten percent (10%) of pre-tax profit in excess of a**

pre-tax margin of six and nine-tenths percent (6.9%). Special and unusual items shall be excluded from pre-tax profit when making these calculations.

Final

Appendix A

A. Technicians, GSE Technicians, Facilities Technicians, Welder Technicians, Machinist Technicians, Flame Spray Technicians, Plater Technicians, Airport Communication Technicians and Inspectors

Basic Hourly Rate

Year	Step	[DOS]	[DOS+1] +1.5%	[DOS+2] +1%	[DOS+3] +1%	[DOS+4] +1%	[DOS+5] +1%
0	#1	\$20.65	\$20.96	\$21.17	\$21.39	\$21.61	\$21.83
1	#2	\$24.09	\$24.46	\$24.71	\$24.96	\$25.21	\$25.47
2	#3	\$25.77	\$26.16	\$26.43	\$26.70	\$26.97	\$27.24
3	#4	\$26.20	\$26.60	\$26.87	\$27.14	\$27.42	\$27.70
4	#5	\$27.23	\$27.64	\$27.92	\$28.20	\$28.49	\$28.78
5	#6	\$29.42	\$29.87	\$30.17	\$30.48	\$30.79	\$31.10
6	#7	\$31.63	\$32.11	\$32.44	\$32.77	\$33.10	\$33.44
7	#8	\$36.24	\$36.79	\$37.16	\$37.54	\$37.92	\$38.30
8	#9	\$40.06	\$40.67	\$41.08	\$41.50	\$41.92	\$42.34

A & P License Max	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25
Longevity Max	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Line Pay	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00

VEBA – paid up to a maximum of 2080 hours in a calendar year (see Article 16.G.2.d)

(Starts 4/1/17)	\$1.20	\$1.20	\$1.20	\$1.20	\$1.20	\$1.20
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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.

B. Flight Simulator Technicians

Basic Hourly Rate

Year	Step	[DOS]	[DOS+1] +1.5%	[DOS+2] +1%	[DOS+3] +1%	[DOS+4] +1%	[DOS+5] +1%
1st 6 mos	#1	\$46.48	\$47.18	\$47.66	\$48.14	\$48.63	\$49.12
6 mo +	#2	\$47.40	\$48.12	\$48.61	\$49.10	\$49.60	\$50.10

Longevity Max	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
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VEBA – paid up to a maximum of 2080 hours in a calendar year (see Article 16.G.2.d)

(Starts 4/1/17)	\$1.20	\$1.20	\$1.20	\$1.20	\$1.20	\$1.20
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Lead Flight Simulator Technicians

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

C. Staff Engineers

Basic Hourly Rate

Year	Step	[DOS]	[DOS+1]	[DOS+2]	[DOS+3]	[DOS+4]	[DOS+5]
0	#1	\$36.40	\$37.12	\$37.61	\$38.10	\$38.60	\$39.10
1	#2	\$40.40	\$41.12	\$41.61	\$42.10	\$42.60	\$43.10
2	#3	\$44.40	\$45.12	\$45.61	\$46.10	\$46.60	\$47.10
3	#4	\$48.40	\$49.12	\$49.61	\$50.10	\$50.60	\$51.10
4	#5	\$48.90	\$49.62	\$50.11	\$50.60	\$51.10	\$51.60
5	#6	\$49.65	\$50.37	\$50.86	\$51.35	\$51.85	\$52.35
6	#7	\$50.15	\$50.87	\$51.36	\$51.85	\$52.35	\$52.85
7	#8	\$50.90	\$51.62	\$52.11	\$52.60	\$53.10	\$53.60
8	#9	\$51.40	\$52.12	\$52.61	\$53.10	\$53.60	\$54.10

Longevity Max	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
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VEBA – paid up to a maximum of 2080 hours in a calendar year (see Article 16.G.2.d)

(Starts 4/1/17)	\$1.20	\$1.20	\$1.20	\$1.20	\$1.20	\$1.20
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D. Senior Staff Engineers

Basic Hourly Rate

[DOS]	[DOS+1]	[DOS+2]	[DOS+3]	[DOS+4]	[DOS+5]
\$53.40	\$54.12	\$54.61	\$55.10	\$55.60	\$56.10

Longevity Max	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
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VEBA – paid up to a maximum of 2080 hours in a calendar year (see Article 16.G.2.d)

(Starts 4/1/17)	\$1.20	\$1.20	\$1.20	\$1.20	\$1.20	\$1.20
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E. Avionics Shop Technicians

Basic Hourly Rate

Year	Step	[DOS]	[DOS+1] +1.5%	[DOS+2] +1%	[DOS+3] +1%	[DOS+4] +1%	[DOS+5] +1%
1st 6 mos	#1	\$42.16	\$42.80	\$43.23	\$43.67	\$44.11	\$44.56
6 mo +	#2	\$43.07	\$43.72	\$44.16	\$44.61	\$45.06	\$45.52

FCC Max	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00
Longevity Max	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00

VEBA – paid up to a maximum of 2080 hours in a calendar year (see Article 16.G.2.d)

(Starts 4/1/17)	\$1.20	\$1.20	\$1.20	\$1.20	\$1.20	\$1.20
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Lead Avionics Shop Technicians

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

F. Metrologists

Basic Hourly Rate

Year	Step	[DOS]	[DOS+1] +1.5%	[DOS+2] +1%	[DOS+3] +1%	[DOS+4] +1%	[DOS+5] +1%
1st 3 mos	#1	\$42.49	\$43.13	\$43.57	\$44.01	\$44.46	\$44.91
Next 6 mo	#2	\$42.83	\$43.48	\$43.92	\$44.36	\$44.81	\$45.26
Next 6 mo	#3	\$43.24	\$43.89	\$44.33	\$44.78	\$45.23	\$45.69
Thereafter	#4	\$43.86	\$44.52	\$44.97	\$45.42	\$45.88	\$46.34

Machinist Premium	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25
Longevity Max	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00

VEBA – paid up to a maximum of 2080 hours in a calendar year (see Article 16.G.2.d)

(Starts 4/1/17)	\$1.20	\$1.20	\$1.20	\$1.20	\$1.20	\$1.20
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G. Utility Specialists

Basic Hourly Rate

Year	Step	[DOS]	[DOS+1] +1.5%	[DOS+2] +1%	[DOS+3] +1%	[DOS+4] +1%	[DOS+5] +1%
0	#1	\$15.44	\$15.68	\$15.84	\$16.00	\$16.16	\$16.33
1	#2	\$17.31	\$17.57	\$17.75	\$17.93	\$18.11	\$18.30
2	#3	\$18.59	\$18.87	\$19.06	\$19.26	\$19.46	\$19.66
3	#4	\$20.02	\$20.33	\$20.54	\$20.75	\$20.96	\$21.17
4	#5	\$21.52	\$21.85	\$22.07	\$22.30	\$22.53	\$22.76
5	#6	\$23.52	\$23.88	\$24.12	\$24.37	\$24.62	\$24.87
6	#7	\$25.18	\$25.56	\$25.82	\$26.08	\$26.35	\$26.62
7	#8	\$25.31	\$25.69	\$25.95	\$26.21	\$26.48	\$26.75
8	#9	\$25.69	\$26.08	\$26.35	\$26.62	\$26.89	\$27.16

Longevity Max	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Line Pay	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00

VEBA – paid up to a maximum of 2080 hours in a calendar year (see Article 16.G.2.d)

(Starts 4/1/17)	\$1.20	\$1.20	\$1.20	\$1.20	\$1.20	\$1.20
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Lead Utility Specialists

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. Maintenance Planning Analysts (MPA)

Basic Hourly Rate

Year	Step	[DOS]	[DOS+1] +1.5%	[DOS+2] +1%	[DOS+3] +1%	[DOS+4] +1%	[DOS+5] +1%
0	#1	\$18.90	\$19.19	\$19.39	\$19.59	\$19.79	\$19.99
1	#2	\$20.07	\$20.38	\$20.59	\$20.80	\$21.01	\$21.23
2	#3	\$21.23	\$21.56	\$21.78	\$22.00	\$22.22	\$22.45
3	#4	\$22.39	\$22.73	\$22.96	\$23.19	\$23.43	\$23.67
4	#5	\$23.55	\$23.91	\$24.15	\$24.40	\$24.65	\$24.90
5	#6	\$24.71	\$25.09	\$25.35	\$25.61	\$25.87	\$26.13
6	#7	\$25.88	\$26.27	\$26.54	\$26.81	\$27.08	\$27.36
7	#8	\$27.04	\$27.45	\$27.73	\$28.01	\$28.30	\$28.59
8	#9	\$28.20	\$28.63	\$28.92	\$29.21	\$29.51	\$29.81
9	#10	\$29.36	\$29.81	\$30.11	\$30.42	\$30.73	\$31.04
10	#11	\$30.52	\$30.98	\$31.29	\$31.61	\$31.93	\$32.25

Longevity Max	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
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VEBA – paid up to a maximum of 2080 hours in a calendar year (see Article 16.G.2.d)

(Starts 4/1/17)	\$1.20	\$1.20	\$1.20	\$1.20	\$1.20	\$1.20
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I. Flexible Starting Rates of Pay

The Company may at its discretion hire employees within a bid area in any location at a rate higher than the starting rate of pay. As market conditions change, the Company may at its discretion change the starting rate of pay at the location as needed. Existing employees within the bid area at the location at a pay rate less than the new designated starting rate of pay will be brought up to the new designated starting rate of pay. Employees transferring to other locations will be paid in accordance with the prevailing rates of pay for that location.

J. License and Premium Pay

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 **if required per Article 3**. License premium pay will be added to the employee’s basic hourly rate of pay for all pay purposes.

Effective Date of Ratification, all employees working in Bid Area 104 (Avionics) , Bid Area 114 (Airport Communications), **Bid Area 117 (Electric Harness) and Bid Area 123 (Avionics Shop RQ)** who possess an FCC license shall receive **FCC** license pay 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, 114, **117** or **123**.

Regardless of the number of licenses an employee may hold license pay will not exceed the total premium of ~~\$4.00~~ **\$5.25** per hour upon execution of this Agreement.

A & P License Pay: \$2.63, per hour each.

FCC License Pay: \$4.00

GSE Technician/Coordinator, Facilities Technician and Base Specialty Technician

Premium: \$2.63

In recognition of 20 years of demonstrated excellence in the exclusive BAQ for Facilities (118), GSE (119) and Base Specialty (128), employees will receive a Facilities, GSE and Base Specialty Skill Premium increase from \$2.63/hour to \$4.00/hour. In no event will the skill premium exceed \$4.00/hour (unless an employee is receiving an enhanced premium like that paid to welders or machinists).

Machinists / Lead Machinists Technician; Welders / Lead Welders Technician; Flamespray Technician; Lead Flamespray Technician; Plater Technician; Lead Plater Technician; Plant Maintenance – Machine Repair Technician (T-Skill within Bid Area 128); Lead Plant Maintenance – Machine Repair Technician (T-Skill within Bid Area 128); and Metrologist
Premium: \$5.25

K. Line Pay Premium

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. 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. **Effective Date of Ratification, IAH and Hobby bid areas 102, 104, 105, 110, 201 & 301 will receive line pay premium.**

Line pay premium: \$1.00 per hour.

L. Longevity Pay Premium

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

Effective Beginning of Pay Period Following Ratification

Years of Completed Service	Hourly
9	\$0.40
10	\$0.60
11	\$0.80
12	\$1.00

M. Market Adjustment Premium

Employees based in **Hawai'i, Guam or Saipan** shall receive a Market Adjustment Premium of \$2.00 per hour for all hours paid.

Article 16 – Benefits

A. Benefit Plans and Eligibility

1. Insurance Benefits and Plans to Be Provided. Paragraphs A through J of this Article 16 provide for medical, dental, vision, flexible spending account, retiree medical, and life & accident benefits for employees covered under this agreement, effective April 1, 2017. Annual enrollment for 2017 has already occurred, and therefore 2017 insurance benefits, including employee contributions, will remain unchanged until the special enrollment takes effect on April 1, 2017. The benefits described herein will not be amended, modified, altered or terminated without the prior written agreement of the Union, except as required by law or as otherwise permitted herein.

2. Eligibility for Insurance Benefits. Subject to the specific provisions of Paragraphs B through J below, employees and their spouse and eligible dependents (“Dependents”) are eligible for benefits under this Article 16 in accordance with the following:

a. Eligibility for Active Benefits. All employees in active service and their Dependents will be eligible for coverage under the medical plans described in Paragraph B, the dental plans described in Paragraph C, the vision plans described in Paragraph D, extended illness coverage described in Paragraph E, the flexible spending account plans described in Paragraph F, Health Reimbursement Account and Retiree Health Account Plans described in Paragraph G, the life & accident plans described in Paragraph I, and Additional Company-Provided Benefits described in Paragraph J. For any employee hired on or after the Effective Date of this Agreement (“New Hires”), benefits will commence on the first day of employment (those on a waiting period, upon ratification). Inactive employees returning from furlough or any authorized leave of absence, will be eligible for coverage on the first day of re-employment and will not be considered new hires. Medical benefits under Paragraph B and dental benefits under Paragraph C for employees and their Dependents will be continued while the employee is on layoff due to a reduction in force for a period of 90 days from the date of the employee’s layoff, provided the employee pays the Required Monthly Contribution.

b. Eligibility for Retiree Medical Coverage. Employees and their Dependents will be eligible for retiree medical coverage as provided in Paragraph H below.

3. Coverage Elections. At each Annual Enrollment, each employee may elect for himself or herself and any eligible Dependents any of the insurance options provided under this Article 16 that require elections.

4. Survivors. An employee’s Dependents enrolled in any medical option on the date of the employee’s death will be “Survivors” entitled to continue medical coverage in accordance

with the terms of Paragraph B.6, dental coverage in accordance with the terms of Paragraph C.5, and vision coverage in accordance with the terms of Paragraph D.

5. Domestic Partners. Except as otherwise prohibited by state or federal law, an employee's domestic partner will be treated the same as a spouse for purposes of any benefits described in this Article 16, and references to spouse in this Article 16 include a domestic partner as applicable. A domestic partner is an individual who is the same sex as the employee for whom the employee has submitted proof of domestic partnership in accordance with the rules and procedures as may be established by the Company from time to time, and provided the domestic partnership has not been terminated. Income will be imputed to the employee for any domestic partner benefits elected by the employee as required by state or federal law.

6. Quarterly Insurance Meetings. Once per calendar quarter, the Company and the Union will meet at the Union's request to discuss, and make a good faith effort to resolve, any and all problems (including individual claim issues) relative to the insurance plans described herein.

B. Active Employee Medical Benefits, Including Prescription Drug Benefits.

1. Required Medical Plans. Effective April 1, 2017, the Company will offer the following medical plans, the first five (5) of which are collectively referred to herein as the "Core Medical Options." The plan designs and preventive services for the five (5) Core Medical Options are outlined in Appendix 16-A1 and Appendix 16-C.

- a. A Core Medical PPO offered by the Company;
- b. A Core Medical EPO offered by the Company;
- c. A Core Medical High Deductible Health Plan with Health Savings Account ("HDHP") offered by the Company;
- d. The Traditional Medical PPO;
- e. NetCare Guam Health Plan Plus for employees based in Guam (if such plan becomes unavailable, the parties will meet and agree on a suitable replacement plan); and
- f. The "Select Regional Medical Plans" described in Paragraph B.5, offered and maintained by the Company.

2. Optional Medical Plans. In addition to the required medical plans under Paragraph B.1 above, each eligible employee will be offered the opportunity to participate in any additional medical plan options offered by the Company. The Company will have the sole authority to establish, modify and discontinue any such additional medical plan(s) and their terms and conditions of participation (including, but not limited to, eligibility, plan design, applicable plan

documents, plan rules) uniformly across all participating employee groups but may vary contribution rates by employee group. Employees based in Guam will be eligible to participate in Guam-based medical plans, subject to residency requirements of the plans.

3. Failure to Make Election During Enrollment Periods. In cases in which an employee fails to make a coverage election, the following rules will govern unless agreed to otherwise by the Union and the Company:

- a. Default to current coverage if available;
- b. If waived coverage, default to waive coverage;
- c. If enrolled in any EPO or PPO optional plan that is being eliminated or replaced for the ensuing plan year, default to the Core Medical PPO or the Traditional PPO, whichever has the lower Required Monthly Contribution for the plan year commencing April 1, 2017 and ending December 31, 2017;
- d. If enrolled in an HMO or Aetna Select option that is being eliminated or replaced for the ensuing plan year, default to a replacement HMO if available, otherwise default to the Core Medical PPO or the Traditional PPO, whichever has the lower Required Monthly Contribution for the plan year commencing April 1, 2017 and ending December 31, 2017.

4. Required Monthly Contributions. Employees electing medical coverage under this Paragraph B will be required to make "Required Monthly Contributions" as provided in this Paragraph B.4. Required Monthly Contributions will be made by payroll deduction, except in the case of employees on unpaid leave, disability, or other status during which they are not receiving pay, in which case Required Monthly Contributions will be directly billed to, and paid by, the employee.

a. Core Option 80%/20% Limit. The Required Monthly Contributions for the Core Medical Options and Select Regional Medical Plans will not exceed 20% of the total projected cost for the Coverage Tier elected, except that this percentage will vary for the individual employee after taking into account credits and surcharges described below. 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 Core Medical Options as outlined in Appendix 16-A1.

b. Core Medical Option for Guam-based Employees. The Required Monthly Contribution for NetCare Guam Health Plan Plus (or its successor) for Guam-based employees will not exceed twenty percent (20%) of the total projected cost for the Coverage Tier elected, except that this percentage will vary for the individual employee

after taking into account credits and surcharges described below. Such Required Monthly Contribution will be determined based upon the claims experience of all employees of the Company covered under any Guam-based medical plans. 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 Core Medical Options as outlined in Appendix 16-A2.

c. Optional Medical Plans. Contributions for the Optional Medical Plans under Paragraph B.2 will be set at the Company's discretion but will be included in the Aggregate Contribution Limit. Wellness credits and surcharges will apply to those plans contributions.

d. Aggregate Contribution Limit. Employee contributions for all medical plans offered by the Company under this Paragraph B (excluding the Core Medical HDHP), will not in the aggregate exceed 20% of total projected costs. Compliance with the Aggregate Contribution Limit will be determined after any required normalization of contributions to recognize the effect of any wellness credits and spousal surcharges. For the plan year commencing April 1, 2017 and ending December 31, 2017, the cost share for the plans offered to employees will be set in accordance with the provisions of this Paragraph B.4 without regard to the contractual limit on maximum year-over-year increases described in Paragraph B.4.f.

e. Credits and Surcharges. The Company has the authority to establish tobacco wellness credits and spousal surcharges. The tobacco wellness credit shall be a minimum of forty-eight dollars (\$48) per month for the employee and spouse or domestic partner. The spousal surcharge shall not exceed fifty dollars (\$50) per month for an employee electing coverage for a spouse or domestic partner with alternate employer-subsidized coverage available. Employees and their spouses shall not be subject to the spousal surcharge if both are employee of the Company – regardless of the spouse's labor group affiliation. If the Company determines to provide an opt-out credit or to modify tobacco wellness credit to a more general wellness credit, then the Company and the Union shall meet and agree before implementation. The Company and the Union shall determine to what extent the opt-out credit shall be taken into account in the 80%/20% Limit and the Aggregate Contribution Limit.

f. Annual Medical Cost Increases. Following the plan year commencing April 1, 2017 and ending December 31, 2017, any increase in the Required Monthly Contribution for the Core Medical Options and Select Regional Medical Plans, from one calendar year to the next, will not exceed 9.25% of the prior year's contribution. This percentage will vary for the individual employee after taking into account credits and surcharges, and changes in tier coverage.

g. Coverage Tiers. The Monthly Required Contribution will be based on a four-tier structure:

(i) Employee only or surviving spouse only or surviving Dependent children only (“employee only”);

(ii) Employee and spouse (“employee and spouse”);

(iii) Employee and one or more children, or surviving spouse and one or more children (“employee and child(ren)”); and

(iv) Employee and spouse and one or more children (“family”).

h. Actuarial Review. The Company will provide on an annual basis the Union’s actuary with the calculations and supporting data related to the determination of Required Monthly Contributions for the following plan year. Such documentation shall be provided no later than September 1 of each year.

5. Select Regional Medical Plans. Any plan offered under this Paragraph B.5 will be referred to herein as a “Select Regional Medical Plan.” Unless replaced or discontinued in accordance with this Paragraph B.5, the Company will continue to offer to eligible employees the following existing plans: all Kaiser HMOs, NetCare Guam HMO, HMO Illinois, HMO Colorado, HMSA Hawaii and Group Health Washington. In the event the Company desires to replace or discontinue offering any of the foregoing plans for the following year, it may do so, provided that:

a. in the event of replacement, the resulting disruption of employee enrollees in terms of their ability to continue utilizing the same medical providers in the proposed replacement plan is less than 20% (in which case the replacement plan will be in all respects treated as a Select Regional Medical Plan covered by Art. 16); and

b. in the event of discontinuation and not replacement:

(i) the year-over-year increase in the gross premium for such plan is more than 20% on a per capita basis; or

(ii) employee enrollment in such plan has declined to a level less than fifty percent (50%) of the enrollment on the effective date of the Agreement.

6. Survivors. An employee’s Dependents enrolled in any medical option herein (as defined in Paragraph A.2.a), on the date of the employee’s death will be “Survivors” entitled to continue coverage in accordance with the terms of the applicable plan document, provided that if the employee has less than 10 Years of Service, the period of continued coverage will be limited to three (3) months (exclusive of COBRA).

C. Active Employee Dental Benefits.

1. Required Dental Plan. Effective on April 1, 2017, the Company will offer, and each employee will be eligible to participate in, the Core Dental Option. The plan design for the Core Dental Option is outlined in Appendix 16-B.

2. Optional Dental Plans. In addition to the Core Dental Option, each employee may participate in any additional dental plan options offered by the Company. The Company will have the sole authority to establish, modify and discontinue such programs and their terms and conditions of participation (including, but not limited to, eligibility, plan design, applicable plan documents, plan rules) uniformly across all participating employee groups but may vary contribution rates by employee group. Employees based in Guam will be eligible to participate in domestic dental plans or in Guam-based dental plans subject to residency requirements of the plans.

3. Failure to Make Election During Enrollment Periods. In cases in which an employee fails to make a coverage election, the following rules will govern unless agreed to otherwise by the Union and the Company:

- a. Default to current coverage if available;
- b. If waived coverage, default to waive coverage; and
- c. If enrolled in an optional dental plan that is being replaced or eliminated, default to Core Dental Option.

4. Required Monthly Contributions. Employees electing dental coverage will be required to make monthly contributions as provided in this Paragraph C. Required Monthly Contributions will be made by payroll deduction, except in the case of employees on unpaid leave, disability, or other status during which they are not receiving pay, in which case Required Monthly Contributions will be directly billed to, and paid by, the employee.

a. Core Option 80%/20% Limit. The Required Monthly Contributions for the Core Dental Option will not exceed 20% of the total projected cost for the Coverage Tier elected. For the plan year commencing April 1, 2017 and ending December 31, 2017, the 20% employee contribution will be based on total projected cost without regard to the contractual limit on maximum year-over-year increases described in Paragraph C.4.c.

b. Optional Dental Plans. Contributions for any optional dental plans will be set at the Company's discretion.

c. Annual Dental Cost Increases. Following the plan year commencing April 1, 2017 and ending December 31, 2017, any increase in the Required Monthly Contribution

for the Core Dental Option, from one calendar year to the next, will not exceed 9.25% of the prior year's contribution.

d. Coverage Tiers. The required contribution for each month of coverage for the Core Dental Option will be based on a four-tier structure:

(i) Employee only or surviving spouse only or surviving Dependent children only ("employee only");

(ii) Employee and spouse ("employee and spouse");

(iii) Employee and one or more children, or surviving spouse and one or more children ("employee and child(ren)"); and

(iv) Employee and spouse and one or more children ("family").

5. Survivors. An employee's Dependents enrolled in any dental option on the date of the employee's death will be "Survivors" entitled to continue coverage for 3 months (exclusive of COBRA) in accordance with the terms of the applicable plan document.

D. Active Employee Vision Benefits. Effective April 1, 2017, each employee may participate in any vision plan options offered by the Company. The Company will have the sole authority to establish such programs and their terms and conditions of participation, including, but not limited to, eligibility, plan design, applicable plan documents, plan rules, and contribution rates. Employees based in Guam will be eligible to participate in domestic vision plans or in Guam-based vision plans subject to residency requirements of the plans.

E. Extended Illness Benefits. The following shall apply with respect to employees who are placed on EIS (as provided for in Article 10 of this Agreement) on and after the Effective Date of this Agreement. For the first twenty four (24) months an employee is on EIS, the employee and any eligible Dependents will be eligible for active medical, dental, and vision coverage at active rates paid by direct bill, subject to the requirements of Article 10, Paragraph E.8.a. Following the twenty four (24) month period, COBRA will be offered to the extent required under federal law.

F. Flexible Spending Account Plans. Each employee will be eligible to participate in the Company's flexible spending account (FSA) plans for health expenses and dependent care expenses by making an election to contribute a portion of pay. Reimbursement will be available for expenses incurred during the plan year and following the plan year through the date currently permitted by law (or later if legally permissible and administratively feasible). Forfeitures will be used to defray the administrative expenses of the program.

1. Health Care FSA. The maximum election for health expenses will be the lesser of the statutory limit (e.g., currently \$2,550 for 2016) or \$10,000. For any employee who participates in both the Health Care FSA and the Health Reimbursement Account (HRA), disbursements from

the Health Care FSA and HRA shall be ordered in a manner that complies with Federal law (currently Health Care FSA first, followed by HRA).

2. Dependent Care FSA. The maximum election for reimbursement for dependent care expenses will be the maximum statutorily permissible election.

G. Health Reimbursement Account (HRA) and Retiree Health Account (RHA) Plans.

There shall be established a Health Reimbursement Account Plan (“Active HRA Plan”) and a separate Retiree Health Account Plan (“Retiree RHA Plan”), as of the Effective Date of this Agreement. The purpose of the Active HRA Plan and Retiree RHA Plan is to provide reimbursement of health care expenses allowed by law, including employee-paid contributions for their medical benefits.

1. Establishment of VEBA Trust. Contributions under this Section 16.G for each employee will be deposited into a voluntary employees’ beneficiary association (VEBA) trust that is intended to comply with the requirements of Internal Revenue Code section 501(c) (9). Each employee will have an Active Coverage HRA Account (“Active Account”) and a Retiree Coverage RHA Account (“Retiree Account”).

2. Benefits. The VEBA will be used to fund benefits under the Active HRA Plan and the separate Retiree HRA Plan as follows:

a. Active HRA Plan. The Active HRA Plan will be integrated with the United Medical Plan under Section 16.B, in accordance with IRS rules and so the following rules will apply:

(i) Use of Active Account While Enrolled in Pre-retiree Medical. Each employee who is enrolled in active Medical coverage under Section 16.B will be a participant in the Active HRA Plan. As a participant in the Active HRA Plan, the employee may use the funds in his or her Active Account to pay for qualified medical expenses under Section 213(d) of the Internal Revenue Code, including the Required Monthly Contribution required for active Medical coverage.

(ii) Suspension of Active Account While Not Enrolled in Active Medical. An employee may not utilize the funds in his or her Active Account for dates of medical service in which the employee was not enrolled in active Medical coverage under Section 16.B. If the employee again enrolls in active Medical coverage under Section 16.B, the employee can utilize any funds in his or her Active Account for dates of medical service during which the employee is enrolled. In addition, if the employee leaves the Company, funds again become available as described in Section 16.G.2.b.

(iii) Transfer of Active Account to Retiree Account. Once an employee leaves the Company due to retirement or for any other reason, the employee ceases participation in the Active HRA Plan and instead becomes a participant in

the Retiree RHA Plan. Any remaining funds in the employee's Active Account will be transferred to the employee's Retiree Account to fund benefits under the Retiree RHA Plan. The timing and manner of transfer is subject to legal and administrative requirements as determined by the Company.

b. Retiree RHA Plan. The Retiree RHA Plan will be a retiree-only plan available to employees who retire or leave the Company for any other reason on and after the Effective Date of this Agreement. When an employee leaves the Company for any reason, the employee will become an active participant in the Retiree RHA Plan and may use the funds in their Retiree Account to pay for qualified medical expenses under Section 213(d) of the Internal Revenue Code. Funds in an employee's Retiree Account cannot be transferred to an Active Account (e.g., in the event of rehire).

c. Additional Rules:

(i) Dependents. Benefits will be payable with respect to the employee and the employee's eligible spouse and dependents as determined in accordance with Section 152 of the Internal Revenue Code (that is, they must qualify as tax dependents under IRS rules).

(ii) Surviving Dependents. If the employee dies, the surviving eligible spouse and/or dependents will remain eligible for the benefits described above paid from the employee's Active Account or Retiree Account, as applicable.

(iii) Reallocation. Once the Employee and all of the employee's surviving eligible spouse and dependents have died or ceased to be eligible, the remaining portion of the employee's Active Account or Retiree Account, as applicable, will be forfeited and re-allocated per capita among the accounts of the remaining participants in the VEBA covered by this agreement.

(iv) Direct Payment of Premiums. The Active HRA Plan may provide, if administratively feasible, for direct payment of employee contributions for pre-retiree medical coverage under this Article 16.

(v) Employees on Furlough or Long-Term Disability. For an employee on furlough or who is receiving long-term disability benefits, once five (5) years from the employee's last day worked has passed, the balance of the employee's Active Account will be transferred to the employee's Retiree Account within sixty (60) days; provided, however, that the employee may make a one-time election prior to that date to transfer the balance of the employee's Active Account to the Employee's Retiree Account (i.e., cease participation in the Active HRA Plan and commence participation in the Retiree RHA Plan). Funds in an employee's Retiree Account cannot be transferred to an Active Account (e.g., in the event of rehire).

d. Employer Contributions. Effective April 1, 2017, \$1.20 per hour will be contributed by the Company on all compensable hours to the employee's Active Account or Retiree Account, as applicable, as a mandatory contribution (up to 2,080 hours per calendar year, pro rated per calendar year based on weeks in active status).

(i) Contributions to Active Account. Any contributions made while an employee is enrolled in a Company sponsored active medical plan described in Section 16.B will be made to the employee's Active Account in the Active HRA Plan. Funds in an employee's Active Account can be used as described in Section G.2.a.

(ii) Contributions to Retiree Account. Any contributions made while an employee is not enrolled in a Company sponsored active medical plan described in Section 16.B will be made to the employee's Retiree Account in the Retiree HRA Plan. Funds in an employee's Retiree Account can be used as described in Section G.2.b.

e. Effect of Contributions on Other Benefits. Any contributions under this Section 16.G will be excluded from the calculation of any other benefits that are based upon an employee's pay (e.g., profit sharing, disability insurance, overtime, pension benefits, etc.).

f. Timing of Contributions. Effective April 1, 2017, contributions will be made bi-weekly by the Company, or weekly for locations where employees are paid on a weekly basis.

g. Employee Contributions. An employee is not permitted to make contributions to the Active HRA Plan or the Retiree RHA Plan.

h. Administration and Investments. The Company will be responsible for all costs and expenses related to the administration of the Active HRA Plan and the Retiree RHA Plan and the investment of funds held in the VEBA and shall be the fiduciary with respect to such matters (or shall appoint one or more fiduciaries). Funds held in the VEBA shall be invested conservatively with the goal of preserving principal.

i. Program Conditioned Upon IRS Ruling. Following implementation of the program described above, the Company shall file with the Internal Revenue Service a request for qualification of the VEBA and a private letter ruling on the design of the program. If the IRS determines that any portion of the program is impermissible under Federal law, the Company and the Union shall meet to discuss modifications to the program in order to bring the program into compliance with Federal law. If modifications cannot be reasonably made, then the parties shall agree upon a reasonable replacement program of comparable value.

H. Retiree Medical Benefits.

1. Retirees Who Retired Prior to Effective Date. The retiree medical rights, benefits and contribution obligations, if any, of all retirees who retired prior to the Effective Date of the Agreement and of their eligible dependents and eligible survivors shall continue to be determined in accordance with the provisions of the applicable collective bargaining agreement (including any applicable retiree medical plan(s) or letter(s) of agreement) and/or court order, as applicable, in effect prior to the Effective Date of this Agreement.

2. Effective Date. Any employee who files retirement paperwork in accordance with the Company's policies prior to the Effective Date of this Agreement, shall be eligible upon retirement for retiree medical coverage solely in accordance with the terms of the collective bargaining agreement applicable to such employee immediately prior to this Agreement. Each employee who files retirement paperwork in accordance with the Company's policies on or after the Effective Date of this Agreement, shall be eligible upon retirement solely for retiree medical coverage in accordance with the remaining provisions of this Section.

3. Retiree Bridge Medical Plan. 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 benefits coverage under the following conditions:

a. 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.

b. At the time of retirement the balance in an employee's sick bank will permit the employee to maintain Medical benefits coverage as a retiree 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 to the Company for the Company to pay the Retiree Contribution on behalf of such retiree and any eligible dependents for each such month of Medical benefits coverage.

c. If a retiree has insufficient sick leave remaining in his or her bank to purchase continued participation in Medical benefit coverage for any period of time for which he is eligible and desires such coverage, he may obtain coverage at a non-contributory rate.

d. Coverage for the retiree terminates when the retiree becomes eligible for Medicare. Spouse/dependent coverage will be available on the same basis, 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).

e. Once an employee becomes an eligible retiree and elects to participate in the Retiree Bridge Medical plan, the termination of the Retiree Bridge Medical plan will not

affect the retiree's continued eligibility.

f. For any employee who retires after the end of the ten (10) year period commencing on the Effective Date of this Agreement, coverage under this provision will be available solely at the non-contributory rate (i.e., retiree pays 100% of the retiree medical premium with no use of sick bank to pay premiums).

I. Company-Provided Life, Disability & Accident Insurance.

1. Company-Provided Benefits. Effective on April 1, 2017, each employee will be eligible for life, disability & accident insurance as follows:

- a. Company Paid Basic Life: 1 x annual base pay
- b. Company Paid Personal Accident Insurance: \$4,000 maximum
- c. Company Paid Business Travel Accident Insurance: \$250,000 maximum
- d. Long Term Disability Insurance (50% Company Paid), employee may elect:
 - (i) 50% annual base pay, \$10,000/mo. maximum, 180 day waiting period;
 - (ii) 60% annual base pay, \$10,000/mo. maximum, 180 day waiting period;or
 - (iii) 60% annual base pay, \$10,000/mo. maximum, 120 day waiting period.

J. Additional Company-Provided Benefits. Except as otherwise expressly provided herein, covered employees shall be eligible to participate in other Company-wide programs on the terms and conditions established in such programs for such employees' participation. These programs will not be altered or diminished for such 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). Furthermore, the Company shall provide a payroll slot for administration of such voluntary benefits as the Union deems to make available to its members.

Other Company-wide programs presently include, but not limited to:

- Pass Travel Programs
- On-Time Bonus Program
- Quarterly Customer Satisfaction Bonus Program
- Voluntary group life insurance

- Voluntary Personal Accident Insurance (PAI)

K. Retirement

1. Pension.

a. Employees covered by this agreement (other than Guam-based employees) will participate in CARP in accordance with the terms of CARP and the Letter of Agreement between the Company and the Union dated November 4, 2010 (sCO LOA-26) and the CARP “lump sum protection” Letter of Agreement adopted under this Agreement. However, employees who were governed by the sUA collective bargaining agreement immediately prior to the Effective Date of this Agreement will commence participation in CARP effective January 1, 2017.

b. Notwithstanding the foregoing, Guam-based employees will participate in the Western Conference of Teamsters Pension Plan at the rate set forth below: ~~of \$4.00 per hour, which will increase to \$4.50 per hour five (5) years after the effective date of this agreement.~~

<u>Calendar Year</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>Rate Per Hour</u>	<u>\$4.10</u>	<u>\$4.20</u>	<u>\$4.30</u>	<u>\$4.40</u>	<u>\$4.50</u>	<u>\$4.60</u>

2. 401(k). Employees covered by this agreement will be eligible for matching contributions in accordance with the following:

a. 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. For example, an employee earning \$56,000 annually who contributes 3% (\$1,680) will receive 25% of his \$1,680 contribution (\$420) as a Company matching contribution.

b. 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 \$80,000 annually who contributes 4% (\$3,200) will receive 25% of his \$3,200 contribution (\$800) as a Company matching contribution.

c. 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 \$100,000 annually who contributes 4% (\$4,000) will receive 50% of his \$4,000 contribution (\$2,000) as a Company matching contribution.

d. 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 \$100,000 annually who contributes 6% (\$6,000) will receive 50% of his \$6,000 contribution (\$3,000) as a Company matching contribution.

For employees who were governed by the sUA collective bargaining agreement immediately prior to the Effective Date of this Agreement, the foregoing matching contributions will be effective January 1, 2017. Prior to that date, such employees will continue to receive “replacement plan contributions” under the prior agreement.

In addition, for employees who have completed 30 or more years of “Credited Service” while a participant in CARP, the Company will make additional direct employer contributions (regardless of whether the employee contributes) of 1% of eligible pay (as limited by Section 401(a)(17) of the Internal Revenue Code).

APPENDIX 16-A1 – PLAN DESIGNS FOR CORE MEDICAL OPTIONS

	Core PPO Option		Core EPO Option	Core HDHP		Traditional Medical PPO	
PLAN DESIGN	In-Network	Out-of-Network	In-Network	In-Network	Out-of-Network	In-Network	Out-of-Network
Annual Deductibles	\$300 single/ \$600 family	\$600 single/ \$1200 family	\$200 single/ \$400 family	\$2500 single only \$5000 true family deductible*	\$5000 single only \$10,000 true family deductible*	\$250 single/ \$500 family	
HSA Seed Amount (pro-rated per paycheck)	NA		NA	\$750 single / \$1500 family		NA	
Medical Annual Out-of-Pocket (OOP) Limits	\$2000 single/ \$4000 family	\$4000 single/ \$8000 family	\$1,500 single/\$3,000 family	\$3000 single only \$6000 true family maximum* (includes deductible and coinsurance)	\$6000 single only \$12000 true family maximum* (includes deductible and coinsurance)	\$1,500 single/\$3,000 family	
Cross Application Out-of-Network Deductibles and OOP to In-Network	Yes		NA	Yes		Single deductible and OOP Limit for In-Network and Out-of-Network	

	Core PPO Option		Core EPO Option	Core HDHP		Traditional Medical PPO			
PLAN DESIGN	In-Network	Out-of-Network	In-Network	In-Network	Out-of-Network	In-Network	Out-of-Network		
Office Visit PCP	\$25 co-pay	Covered at 60% after deductible	\$25 co-pay	Covered at 95% after deductible	Covered at 60% after deductible	Covered at 80% after deductible	Covered at 60% after deductible		
Office Visit Specialist	\$40 co-pay		\$40 co-pay						
Preventive Services (comprehensive array; See Appendix 16-C)	100% preventive		100% preventive	100% preventive					
Laboratory, x-ray and diagnostic testing	Covered at 80% after deductible		Included w/office visit	Covered at 95% after deductible		Covered at 60% after deductible		Covered at 80% after deductible	Covered at 60% after deductible
Hospital/Inpatient			Covered at 90% after deductible						
Outpatient Facilities/Surgical			Covered at 90% after deductible						
Urgent Care Center			\$50						
Emergency Room	\$200 flat copay, waived if admitted	\$200 co-pay, waived if admitted				Covered at 80% after deductible			
Prescription Drug Out of Pocket Limit (2016 - as adjusted annually per Affordable Care Act limits)	\$4,850 single/\$9,700 family	\$5,350 single/ \$10,700 family	Consolidated with medical out of pocket maximum			Retail: Consolidated with medical out of pocket maximum Mail Order: \$5,350 single / \$10,700 family			

	Core PPO Option		Core EPO Option	Core HDHP		Traditional Medical PPO	
PLAN DESIGN	In-Network	Out-of-Network	In-Network	In-Network	Out-of-Network	In-Network	Out-of-Network
Retail Generic Drugs	\$10 co-pay Mandatory Mail – Limit 3 retail fills for maintenance drugs		\$10 co-pay Mandatory Mail – Limit 3 retail fills for maintenance drugs	Covered at 100% after deductible		Covered at 80% after deductible. Mandatory Mail – Limit 3 retail fills for maintenance drugs	
Retail Brand Preferred Drugs	\$30 co-pay Mandatory Mail – Limit 3 retail fills for maintenance drugs- only if less expensive than retail		\$30 co-pay Mandatory Mail – Limit 3 retail fills for maintenance drugs- only if less expensive than retail	Covered at 95% after deductible		Covered at 80% after deductible. Mandatory Mail – Limit 3 retail fills for maintenance drugs	
Retail Brand Non-Preferred Drugs	\$50 co-pay Mandatory Mail – Limit 3 retail fills for maintenance drugs - only if less expensive than retail		\$50 co-pay Mandatory Mail – Limit 3 retail fills for maintenance drugs - only if less expensive than retail	Covered at 95% after deductible		Covered at 80% after deductible. Mandatory Mail – Limit 3 retail fills for maintenance drugs	
Retail Drug Supply Limit	30 day supply		30 day supply	30 day supply		30 day supply	

	Core PPO Option		Core EPO Option	Core HDHP		Traditional Medical PPO	
PLAN DESIGN	In-Network	Out-of-Network	In-Network	In-Network	Out-of-Network	In-Network	Out-of-Network
Mail Order Generic Drugs	\$25 co-pay		\$25 co-pay	Covered at 100% after deductible (plan provides coverage for drugs that are allowed to be covered pre-deductible)		\$30 co-pay (2016 rate - subject to 7% annual increase)	
Mail Order Brand Preferred Drugs	\$75 co-pay		\$75 co-pay	Covered at 95% after deductible		\$95 co-pay (2016 rate - subject to 7% annual increase)	
Mail Order Brand Non-preferred	\$125 co-pay		\$125 co-pay	Covered at 95% after deductible			
Mail Order Drug Supply Limit	90 day supply		90 day supply	90 day supply		90 day supply	

APPENDIX 16-A2 – NETCARE GUAM HEALTH PLAN PLUS

	NetCare Guam Health Plan Plus	
PLAN DESIGN	In-Network	Out-of-Network
Annual Deductibles	None	\$200 individual/ \$600 family
Medical Annual Out-of-Pocket (OOP) Limits	\$1000 individual/\$3000 family	Not applicable (Out-of-network deductible and copays do not apply to OOP limits)
Cross Application Out-of-Network Deductibles and OOP to In-Network	Not applicable	
Office Visit PCP	\$10 United/FHP clinic \$15 other in-network physician	70% after deductible
Office Visit Specialist	\$25	
Preventive Services (comprehensive array; See Appendix 16-C)	100% preventive	
Laboratory, x-ray and diagnostic testing	\$10 United/FHP clinic \$15 other in-network physician	
Hospital/Inpatient	90% after \$100 copay	
Outpatient Facilities/Surgical	\$100 copay	
Urgent Care Center	\$10 United/FHP clinic \$15 other in-network physician	

	NetCare Guam Health Plan Plus	
PLAN DESIGN	In-Network	Out-of-Network
Emergency Room	\$75	
Prescription Drug Out of Pocket Limit (2016 - as adjusted annually per Affordable Care Act limits)	Combined with medical	
Retail Generic Drugs	\$10 co-pay	
Retail Brand Preferred Drugs	\$20 co-pay	
Retail Brand Non-Preferred Drugs	\$40 co-pay	
Retail Drug Supply Limit	30 day supply	
Mail Order Generic Drugs	\$20 co-pay	
Mail Order Brand Preferred Drugs	\$40 co-pay	
Mail Order Brand Non-preferred	\$80 co-pay	
Mail Order Drug Supply Limit	90 day supply	
Injectable Drugs	10% coinsurance	

APPENDIX 16-B – PLAN DESIGN FOR CORE DENTAL PLAN

Benefit Features	Core PPO Dental Benefits	
	In-network:	Out-of-network:
Annual Deductibles		
Individual	\$50	\$50
Family (2 members of family must each satisfy individual deductible)	\$100	\$100
Annual Benefit Maximum	\$2,000	\$2,000
Orthodontics Lifetime Maximum	\$2,000	\$2,000
Office Visit Copay	\$0	\$0
PREVENTIVE SERVICES and DIAGNOSTIC SERVICES		
Dental cleaning Topical Application of Fluoride, Sealants and Space Maintainers	100% Covered frequency may apply to these services	100% Covered frequency may apply to these services
MINOR RESTORATIVE SERVICES		
Fillings, Endodontics, Periodontics, Oral Surgery	Covered up to 80%; after deductible	Covered up to 80%; after deductible; Subject to reasonable and customary limits

Benefit Features	Core PPO Dental Benefits	
	In-network:	Out-of-network:
MAJOR RESTORATIVE AND PROSTHODONTICS		
Initial placement of Dentures or Bridges to one or more natural teeth which are lost while covered by the Plan. Inlays and Crowns (Porcelain or Stainless Steel)	Covered up to 50%; after deductible; frequency may apply to these services	Covered up to 50% after deductible; Subject to reasonable and customary limits; frequency may apply to these services
ORTHODONTICS		
Exams, X-Rays, Models, Appliances (Adult and Child)	Covered up to 50%; after deductible; frequency may apply to these services	Covered up to 50% after deductible; Subject to reasonable and customary limits; frequency may apply to these services

APPENDIX 16-C – PREVENTIVE SERVICES

Preventive Exams and Screenings – Adult Male

Physical Exam	100% annually
Prostate-Specific Antigen (PSA)	100% annually
Lipid Panel	100% annually
Glucose Testing	100% annually
Colorectal Screening	100% annually
Complete Blood Count (CBC)	100% annually

Immunizations – Adult Male

Tetanus Injections (with or without diphtheria)	100% as often as recommended by physician
Meningitis	100%
Herpes Zoster	100%
Influenza Vaccine	100% annually
Pneumococcal Vaccine	100%
Travel Vaccinations	100% as often as recommended by physician
Measles, Mumps, Rubella (MMR) for	100%

Preventive Exams and Screenings – Adult Female

Physical Exams	100%, one general and one well- woman exam annually
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Lipid Panel 100% annually

Glucose Testing 100% annually

Colorectal Screening 100% annually

Chlamydia Infection Screening 100% annually

Mammogram 100% annually

Bone Density 100% annually

Pap Test 100% annually

Complete Blood Count (CBC) 100% annually

Immunizations – Adult Female

Tetanus Injections (with or without diphtheria) 100% as often as recommended by physician

Meningitis 100%

Herpes Zoster 100%

Influenza Vaccine 100% annually

Human Papillomavirus (HPV) 100%

Pneumococcal Vaccine 100%

Travel Vaccinations 100% as often as recommended by physician

Measles, Mumps, Rubella (MMR) for 100%

Preventive Exams and Screenings – Children Birth to 18

Office Visits; Examinations

Includes:

- Physical and medical history
- Height and weight
- Head circumference (<1 year)

100%, as often as recommended by physician up to age 2, annually as of age 2

- Ocular prophylaxis (at birth)
- Hemoglobin (<1 year)
- Preventive health counseling, injury
- Dental health
- Subjective assessment of vision and
- Vision and hearing screen (4–18 years)
- Developmental screening (up to 4 years)
- Blood pressure (>1 year)
- Administration of immunizations as

Immunizations – Children Birth to 18

Hepatitis B Series	100%, as often as recommended by physician
Hepatitis A Series	100%, as often as recommended by
Diphtheria/Tetanus/Pertussis (DTaP)	100%, as often as recommended by physician
Adult Tetanus/Diphtheria (Td)	100%, as often as recommended by
Haemophilus Influenza (Hib) Series	100%, as often as recommended by physician
Influenza Vaccine	100%, as often as recommended by
Rotavirus	100%, as often as recommended by physician
Polio Series (IPV)	100%, as often as recommended by physician
Pneumococcal Conjugate (PCV)	100%, as often as recommended by physician
Measles/Mumps/Rubella (MMR)	100%, as often as recommended by

Chickenpox Vaccine (VZV)	physician 100%, as often as recommended by physician
Human Papillomavirus (HPV)	100%
Travel Vaccinations	100% as often as recommended by physician

Final

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.

When the overtime need is for an employee with either non-destructive testing, boroscope, or blade-blending qualifications, employees lacking such qualifications will not be regarded as “eligible” as that term is used above. 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 situations.

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 (1/10th) 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 ($1\frac{1}{2}X$), 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. Employees on a ten (10) hour day shall be paid time and one-half ($1\frac{1}{2}X$) 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 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 **and subsequent** day(s) off, provided that the employee has worked, or has been compensated for, four (4) hours or more on **one of his previous first-day(s)** 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 **and subsequent** ~~or third~~ day(s) 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 4.)

Neither four-hour early/after overtime nor job continuation will be used as either stand-alone overtime or combined overtime to cover "known outages", unless full shift overtime lists have been exhausted. Four hour early overtime will generally be used for on shift response to unplanned maintenance needs or oncoming shift preparation/support. For this provision, known staffing outages are vacation, sick leave (known to the company 12 hours or more in advance – unless otherwise locally agreed), leaves of absences, OJI, training, etc.

- 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 **worked** 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 1st 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, or 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 **the period between** their normal shift starting/ending time and the start/end time of the **requested** overtime request does not exceed one hundred and fifty (150) minutes, provided that the employee must report to the work area of the normal shift at the start time of the normal shift rather than remaining in the work area of the overtime 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 **of emergency**, 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 & 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 (60th) 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 last four digits of 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~~ Company 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.~~

Effective upon the Date of Signing of this Agreement, the Company will assume the cost of no more than one-hundred and nine thousand (109,000) hours of straight-time pay per year, to be used by shop stewards and other employees who are authorized by the Union and this Agreement to expend time without loss of pay in the administration of this Agreement. Such employees must give prior notice, and report all time spent on Union business, to the designated management representative. The annual bank of "time without loss of pay" hours established by this paragraph shall be the Company's sole financial obligation for any time expended by IBT representatives in the administration of this Agreement, with the sole exception that time expended by the duly designated as TSAP representative pursuant to Article 14.N shall not count against the bank of hours.

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 to meet 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. Grievance Procedure

Should a grievance occur, both the Union and the Company shall make an earnest effort to ascertain the facts and seek a fair and equitable settlement through the following procedures. It is the intent of the parties to settle complaints and grievances at the lowest possible level in the procedure based upon the facts and common sense. Grievance settlements involving wage claims will be included in the paycheck for the pay period immediately following the pay period in which the award was granted. Should such payment be delayed for any reason, an explanation will be provided upon request.

B. 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:

FIRST STEP

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 **and**/or his representative, signed by the employee **and**/or his representative, and presented to his supervisor within ten (10) calendar days after the date of the discussion described in paragraph B.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.

SECOND STEP

4. If the decision of the supervisor is not satisfactory, the employee **and**/or his Union Representative may appeal the grievance directly to the ~~regional~~ **Managing** 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~~ **Managing** 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~~ **Managing** 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~~ **Managing** 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 ~~Teamster Local 19 with a copy directed to~~ the Vice President of Maintenance or his designee at the Company's office.

C. Discharge and Disciplinary Procedures ~~Involving Loss Of Pay~~

1. In the event an employee is suspended pending investigation and subsequently such discipline is found to be without just cause, 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 **chief 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 ~~Teamster 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.

D. 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 monthly or bi-monthly basis **upon mutual agreement by the Parties** 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. In advance of each hearing date, the parties' System Board Coordinators shall mutually agree as to which case shall be heard; in the event the Coordinators are unable to agree, the System Board Co-Chairmen shall promptly meet to resolve the dispute. 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.

E. 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 Company will likewise be provided access to all documents on which the Union's case is based. Each Party 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 **directly involved in the case**) 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. Any Company answers not appealed by the Union in writing within twenty (20) days of the specified time limits at any step of the procedure shall be considered closed on the basis of such answer. 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. With written authorization of the employee, the Union, or its representative, and/or the Grievant shall have access to the Grievant's personnel file for review. 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.

F 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 **fifteen (15)** 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 **fifteen (15)** 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.

G. Management Grievance

The Company has the right to file a grievance against the Union. Such grievance will be proper when filed by the Managing Director of Labor Relations to the International Representative, Teamsters Airline Division, who will provide a written answer within fourteen (14) days. If the answer is unsatisfactory the Company may appeal the grievance to the Arbitration within fourteen (14) days following receipt of the Union's answer.

Article 20 – Board of Arbitration

- A. The parties shall, in ~~November~~ August 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 arbitral issue or issues to be decided. If the parties are unable to agree on a joint statement of the arbitral 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 arbitral 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~~ Chicago unless another place is mutually agreed to by the Company and the Union. In cases of discharge the Board shall meet where the discharged employee worked, unless another city is mutually agreed to.
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 non-revenue positive space (NRPS) ~~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.
- E. The provisions of Article 19, paragraphs ~~D~~E1, 2, 3, 4, 9 and 10, and paragraph ~~E~~ F 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 & Miscellaneous

- A. If there is any change during the life of this Agreement in the licenses employees covered by this Agreement are required to have, all employees affected shall be given two (2) years from the date of such change to obtain each license and there shall be no change in their status or pay during said two (2) year period.
- A.B. 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.C. 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.D. 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. **The Agreement will be printed in a Union shop.**
- D.E. 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.F. Documented Discipline
1. Except as provided in Paragraph F.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 **(excluding periods while on Layoff, Leaves of Absence or EIS)** 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.

G. 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 G.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 (Tool List) to this Agreement.

H. 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), **subject to the deductible amount of fifty dollars (\$50.00) which shall be borne by the employee.** 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.

I. 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 ATL, CLE, DCA, ORD, EWR, IAD, BOS, DEN, JFK, MCI, PHL, PDX, SEA, 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.
- ~~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.~~ J. In the event free parking facilities are not available for employees working at airport locations, the Company will assume the monthly parking charge as assessed by the appropriate authority for parking in an area designated for employees. This provision does not apply to original or replacement charges to employees for parking decals, stickers, gate keys or similar items. Should employees working at an airport location be required to park in a designated area that requires a transit time in excess of twenty (20) minutes one-way on a regular basis, the parties shall meet to discuss alternatives to reduce the transit time.
- ~~L.~~ K. 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.~~ L. Employees may wear their Union pin on their uniform.
- ~~N.~~ M. 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. **Each quarter, the Company shall also provide the names, addresses, status, effective date of any status**

change, locations, classifications and hourly rates for all employees covered by this Agreement as of 30 days prior to the date the list is furnished.

~~N. 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.~~

~~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.~~

N. 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. Where the Company requires a commercial driver's license or special security badge, the Company will permit and schedule the necessary time to obtain such documentation without loss of pay, provided in the case of a license that the employee successfully obtains it. The fee for obtaining or renewing such license or special security badge will also be paid by the Company, except in case of loss. This will not disturb local practices which currently provide assistance in obtaining such documents. The Company will attempt to get local licensing and security authorities to provide services on the employees' shifts.

In the event of a Reduction-In-Force resulting in a work assignment that requires the employee to be re-badged by the applicable authorities, the Company and the Union will meet to arrange means of facilitating re-badging (including, where necessary, travel to the station of assignment) and to discuss possible interim work assignments, not to exceed 30-days, for the affected employee while awaiting the badge.

P. O. The Union will be notified prior to, and will be permitted to participate in, new-hire, recalled or transferred employee orientation or initial training sessions which include Union-represented employees.

Article 22 – Transportation

- A. It is agreed that the pass transportation regulations as established by Company policy on the date of signing this Agreement will apply to employees covered by this Agreement and will not be substantially changed or discontinued during the term of this Agreement without first advising the Union of the reason therefore and affording the Union an opportunity to confer with the Company. Any improvements in pleasure pass benefits provided to other domestic non-management employee groups will be offered to employees covered by this Agreement. Additionally, Company seniority will be used for employees traveling on Company business to determine class of service and denied boarding in accordance with the departure management system and Company regulations.
- B. IBT Business Representatives on Leave of Absence from the Company (per Article 18) as well as one Coordinator or Union designee in SFO, ORD, DEN, IAD, and LAX, EWR, CLE, MCO, IAH/HOU, HNL, SEA and GUM will be furnished with a non-contingent, non-revenue positive space (NRPS) pass over the Company's system during their term of office for use in connection with their work in administering this contract.
- C. **Employees of the Union** engaged in meetings with Company Officials shall be given non-revenue positive space (NRPS) air transportation over the lines of the Company, to the extent permitted by law, to attend such meetings. Requests for NRPS transportation for other Union Officials will be made by the Union directly to SFOLR for review and approval.

Article 23 – Apprentice Mechanics

- A. The Standards of Apprenticeship as agreed to by the Company and the Union, in cooperation with representatives of the United States Department of Labor, Bureau of Apprenticeship and Training, will be maintained and shall be considered part of this Agreement.
- B. Apprentices shall serve an apprenticeship of three (3) years (6000 hours) and will be given every opportunity to gain a complete and thorough knowledge of the trade to which they are apprenticed. The Standards of Apprenticeship established shall make appropriate provision for giving credit to Apprentices for past related AAS, experience so that their period of apprenticeship shall be shortened by the credit given.
- C. The Mechanic to whom an Apprentice is assigned will be held responsible for proper training and guidance; however, an Apprentice will be held responsible for his own work and will sign for his own work but will not sign for work for which there is a Company or Government requirement that such work be signed for by a licensed Mechanic unless the Apprentice holds a valid and appropriately rated Mechanic's certificate.
- D. Except in emergencies, an Apprentice will be offered overtime work only under the following conditions: After eighteen (18) months in the apprenticeship program, an Apprentice will be placed on the bottom of the overtime list in the work area to which he is assigned and may be offered overtime if all Mechanics on the same list have been offered overtime, provided that working overtime will not interfere with the Apprentice's program of related classroom training.
- E. Shift assignments may be made without regard to seniority when approved by the Local Joint Apprenticeship Committee. Shift differential as specified in the Mechanics' Agreement will apply.
- F. The number of Apprentices shall not exceed 10% of the total number of employees in the Mechanics and higher classifications under the Mechanics' Agreement.
- G. Two (2) or more Apprentices shall not be worked together as partners.
- H. If, within the first six (6) months of service an Apprentice shows insufficient aptitude to learn the trade he will not be retained as an Apprentice.

- I. An Apprentice, on the day following the date of completion of his apprenticeship training, shall be classified as a Mechanic and given two (2) years Mechanic classification system seniority at the point at which he completed his apprenticeship training. The provisions of Article XI, Paragraph B, shall not be applicable to an apprentice who has completed his apprenticeship training.
- J. A graduated Apprentice shall be placed in the Mechanic wage progression scale at the maximum rate. He shall also be credited with two (2) years of service as a Mechanic for longevity pay purposes.

ARTICLE 24 – Duration

This Agreement shall become effective on _____, **2016**, and shall remain in full force and effect until _____, **2022**, 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 **three hundred and sixty five** ~~one hundred and twenty~~ (~~120-365~~) 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 ___th day of _____, 2016.

For United Air Lines, Inc.:

For the International Brotherhood of Teamsters:

{SIGNATURE LINES TO BE ADDED}

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 legislation, regulation or by any decree of a court of competent jurisdiction 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 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</u>	<u>TOOL DESCRIPTION</u>
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REQUIRED

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

AMOUNT
REQUIRED

TOOL DESCRIPTION

	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") 6point
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
AMOUNT	<u>TOOL DESCRIPTION</u>

REQUIRED

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

AMOUNT
REQUIRED

TOOL DESCRIPTION

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

AMOUNT TOOL
REQUIRED

DESCRIPTION

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)

AMOUNT
REQUIRED

TOOL DESCRIPTION

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
<u>1 each</u>	<u>Safety Wire Pliers</u>

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

AMOUNT
REQUIRED

TOOL DESCRIPTION

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

Final

LOA #1 - Aircraft Movement

XX, 2016

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

Dear Captain Bourne:

This letter confirms the agreement between the Company and the Union that aircraft towing/movement, for whatever reason and regardless of the means, location, origination, or destination, is not deemed to be an exclusive maintenance function or work specifically assigned or reserved to any one work group or Division.

Therefore, the Company shall have the unabridged right to assign aircraft towing/movement work to one or more work groups (including maintenance) at any time and for any reason to support the needs of the operation.

In exercising this right for flight deck setup, aircraft taxi, and towing, the Company will not assign or direct Technicians and Related employees to work in a single intermingled crew together with employees from a different work group or Division.

In no case will technicians be reduced as a direct result of this letter.

This LOA will take effect upon ratification and execution of a joint collective bargaining agreement covering the combined craft of class of Mechanics and Related employees certified by the National Mediation Board in case R-7363. Once effective, this LOA will supersede any and all other written or verbal agreements, settlements, grievances, awards, disputes, letters, and/or potential interpretations, local or otherwise, between the Company, the Union, or their predecessors regarding the assignment of aircraft towing/movement between work groups.

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

Sincerely,

P. Douglas McKeen
Senior Vice President Labor Relations

Captain David Bourne
Director, Aircraft Division
International Brotherhood of Teamsters

Agreed, this __ day of _____, 2016

LOA #2- Troubleshooting

Revised _____ 2016

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 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.

Sincerely,

P. Douglas McKeen
Senior Vice President, Labor Relations

Captain David Bourne
Director, Airline Division
International Brotherhood of Teamsters

AGREED, this _____ day of _____, 2016

LOA #3– Heavy Check Work

Revised _____, 2016

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 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.

Sincerely,

P. Douglas McKeen
Senior Vice President, Labor Relations

Captain David Bourne
Director, Airline Division
International Brotherhood of Teamsters

AGREED, this _____ day of _____, 2016

LOA #6 – Expanded Role of Utility Specialists

September 28, 2016

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

Dear Captain Bourne:

This Letter of Agreement (LOA) will confirm our understandings reached during recent discussions concerning the Utility Specialist Craft and related issues.

A. The parties have agreed that the tasks listed in Exhibit A to this LOA may be accomplished by the Utility Specialist Craft. The increased role of the Utility Specialist Craft reflects the parties' mutual objective of supporting a more competitive Company business model for ground equipment and facilities maintenance including the plant maintenance technicians located in San Francisco.

1. The list of tasks identified in Exhibit A will be considered tasks routinely accomplished by the Utility Specialist Craft when performed under the Agreement. These tasks are not, however, work exclusive to the Utility Specialist Craft; nothing in this LOA or Exhibit A shall be construed as limiting the ability of a Ground Equipment or Facilities Maintenance Technician from accomplishing any of these tasks as determined by the Company's assessment of operational need.

2. The Company will establish a Utility Specialist training program within 6 months of ratification. The training program will identify key competencies that employees in the Utility Specialist Craft should possess. (For example, storage and disposal of hazardous materials such as used light bulbs and vehicle fluids require certain handling procedures, training for which will be provided to employees regularly accomplishing this work

3. Additionally, to provide opportunities for career advancement, the Company will identify key requirements necessary for employees in the Utility Specialists Craft desiring to seek a position as either a Ground Equipment Technician or Facilities Technician. (For example, an employee desiring to become a Ground Equipment Technician will need to attend an accredited trade school resulting in a certificate of completion that meets the criteria necessary to test and be considered for a Technician position.) However, requirements will not be more stringent than for individuals outside of the bargaining unit. It is also agreed that the tasks outlined in Exhibit A shall not be considered as qualifying for work related experience as referenced and required in Article 3. To further support career advancement opportunities, a program will be defined by the

company that supports employees having the ability to gain work related experience through a structured training, mentoring and work experience program. In no case will a utility specialist referenced above be promoted to a Bid Area 118 or Bid Area 119 vacant position without meeting the work related experience as referenced and required in Article 3.

B. The parties shall establish a Ground Equipment and Facilities Maintenance Task Committee (the Committee) consisting of two Company-designated members and two Union-designated members. During the term of the Collective Bargaining Agreement, the Committee will meet at least quarterly or upon either party's request and confer as follows:

1. The Committee will discuss and review the tasks listed in Exhibit A and the Company's implementation of the Utility Specialist Task List as described in this LOA and Exhibit A. With regards to future staffing levels of Utility Specialist Craft positions at particular locations, the Committee will discuss and make recommendations on the number of positions to be filled by location. Utility Specialist Craft staffing levels will be determined by a review of anticipated workload based on the functions identified in the task list. Staffing levels will vary by location due to circumstances unique to the requirements of each location.

2. The Committee will discuss and review possible opportunities to leverage newly established competitive capabilities. This will include reviewing future Company plans to outsource ground equipment and facilities maintenance work, as well as presently outsourced ground equipment and facilities maintenance work (such as the maintenance of Company facilities at Houston Intercontinental Airport (IAH), Technical Operations Facilities at Newark, NJ (EWR), and Los Angeles, CA (LAX) or replacing the current interior facility paint vendor at Chicago O'Hare Airport (ORD) with Utility Specialists accomplishing similar work).

3. Any Committee recommendation to reduce existing outsourcing of ground equipment or facilities maintenance at a particular location, or to revise future Company plans to outsource such work, must demonstrate that the work can be performed as (or more) efficiently and economically in-house and that measurable quality and operational performance improvements would result. Company acceptance of a Committee insourcing recommendation will be without precedent and without waiver of any rights the Company has under past practice or the Agreement.

4. Upon request from the Committee, the Company will provide the Committee with relevant information necessary to facilitate these discussions. Proprietary, sensitive, or confidential information shall be reviewed under standard confidentiality agreements at the Company's request.

C. Without waiver of any rights the Company has under past practice or the Agreement, the Company will establish a Ground Equipment and Facilities Maintenance mission at the MCO – Orlando, Florida location. Consistent with its assessment of the needs of the operation, the

Company shall determine the appropriate staffing levels, including whether to cross-utilize Ground Equipment and Facilities Technicians and whether continuation of the mission is economically viable or cost-effective.

D. In recognition of 20 years of demonstrated excellence in the exclusive BAQ for Facilities (118), GSE (119) and Base Specialty (128), employees will receive a Facilities, GSE and Base Specialty Skill Premium increase from \$2.63/hour to \$4.00/hour. In no event will the skill premium exceed \$4.00/hour (unless an employee is receiving an enhanced premium like that paid to welders or machinists). See Appendix A.

E. The parties agree to change the experience requirements for Facilities (118), GSE (119) and Base Specialty (128), from 12 months to 24 months.

This LOA shall become effective only upon ratification and execution of a single joint collective bargaining agreement that covers the combined carriers' Mechanics and Related craft or class (R-7363) as well as the combined Flight Simulator Technician craft or class (R-7353).

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

Sincerely,

P. Douglas McKeen
Senior Vice President, Labor Relations

Accepted and agreed to this
_____ day of _____, 2016

David Bourne
Director, Airline Division

Exhibit A
Utility Specialist Task List

GSE Fuel and other related department deliveries (502 or 504)
Vendor escorts and running errands, e.g. Emissions testing (502 or 504)
Routine monthly inspections of Fire Extinguishers (502 or 504)
Port Authority inspections, license and vehicle plating (502 only)
Industrial battery servicing including watering and washing (assist techs w/ testing) (502)
Service and Support Shop Tools / Diagnostic Equipment (502 or 504)
Facility inspections (No technical items) (502 or 504)
General shop / work area clean up including storage and service rooms (502 or 504)
Locating and repositioning of equipment (502 or 504)
Hour meter capture / validations (502 only)
Environmental Support / Hazmat handling (502 or 504)
Snow Removal / Salting / Landscaping (502 or 504)
Assisting 118's & 119's with jobs as requested (502 or 504)
Plunge Toilets / Drains / Minor Plumbing Tasks (504 only)
Light maintenance, e.g., replacing head light/tail lights, wiper blades, oil changes, excluding trouble-shooting (502 only)
Automotive and light truck tire build up and servicing (502 only)
Limited non-motorized work, excluding welding and major structural repairs (502 only)
Routine fluid and vehicle operational inspections (502 only)
Clearing of bag jams and BHS system operation support (504 only)
Lighting and ceiling tile inspections, bulb and tile replacement, or cleaning (504 only)
Roller and brush painting (no major repairs) (502 or 504)
Ramp Restriping (no gate layout or striping modifications) (504 only)
Assemble, replace, move furniture and seat cushions (504 only)
Paint prep work – cleaning, grinding and masking (502 or 504)
Stenciling/Branding/Placards/Small Signage/Bulletin Boards (502 or 504)
HVAC Filter replacement, cleaning and greasing of assets (504 only)
UPS Systems visual inspection (504 only)

LOA #8 GUM - Mechanic Helpers Reclassification

Revised _____, 2016

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

Dear Captain Bourne:

Effective with the signing of this Agreement, the following individuals will be grandfathered into the Aircraft Interior Repair Technician classification.

1. ~~Lee, B.~~
2. ~~Mereb, M.~~
3. ~~Santos, J.~~
4. ~~Siguenza, A~~

This grandfather provision covers only the above individuals. Any other employee entering the AIR classification after the effective date of this Agreement must meet the qualifications prior to being considered for upgrade to the AIR classification.

If a new hire possesses A & P licenses and is hired into the AIR classification due to that being the only vacancy; and a grandfathered employee listed above obtains A & P licenses, the employee with the higher CMI Company seniority will be given preferential consideration for the Aircraft Technician vacancy.

Sincerely,

P. Douglas McKeen
Senior Vice President, Labor Relations

Captain David Bourne
Director, Airline Division
International Brotherhood of Teamsters

AGREED, this day of _____, 2016

LOA #9 - Traveling GSE Technician GUM

, 2016

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

Dear Captain Bourne:

This Letter of Agreement (LOA) will confirm our understanding reached during recent discussions concerning the Ground Service Equipment (GSE) Technician Bid Area 119 in Guam.

1. In its discretion the Company may create one or more positions in Guam within the GSE Technician group (Bid Area 119) whose regular assignments will include field service and related travel, and who will therefore be exempt from Article 12 (Field Trips) pursuant to Article 12.A.
2. The Guam GSE operations, through the Technician(s) described in this LOA, will be the primary maintenance support operation for all non-local GSE support needs in Kosrae, Majuro, Pohnpei, Palau, Yap, and Chuuk. The GSE maintenance work accomplished at these supported islands will not, however, be exclusive to the Technicians described in this LOA.
3. The Company will determine the number of Technicians necessary to staff the position described in this LOA. Any vacancies the Company declares will be posted and awarded per Article 5 of the Agreement.
4. To be eligible for a vacancy in the position described in this LOA, those interested must meet the qualification requirements identified in Article 3, Covered Crafts, Classifications and Bid Areas. The Company and Union will agree upon a job description to be used for this posting that outlines the travel and other necessary requirements.
5. In the event maintenance demands are insufficient to merit field service and related travel by the position described in this LOA, the Technician may be assigned to work at the Guam GSE location without changing the nature of the position's regular assignment or bringing the position within coverage of Article 12.
6. In the event a Field Trip is performed by a GUM GSE Technician not within the position described in this LOA, the provisions of Article 12 Field Trips will apply.

This LOA shall become effective only upon ratification and execution of a single joint collective bargaining agreement that covers the combined carriers' Mechanics and Related craft or class (R-7363) as well as the combined Flight Simulator Technician craft or class (R-7353).

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

Sincerely,

P. Douglas McKeen
Senior Vice President, Labor Relations

Captain David Bourne
Director, Airline Division
International Brotherhood of Teamsters

AGREED, this day of _____, 2016

LOA #10 – Guam Technicians Assigned to Flight Tech Duty

_____, 2016

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 during negotiations concerning assigning Technicians to duties known as FTR – Flight Tech Representatives.

- The work of the FTR – Flight Tech Representatives is not exclusive to any work group. The Company may continue to assign this work to both the current FTR's and to a group of 101 Line Technicians based in Guam on certain flights as determined by the Company.
- The Company will confer with the Union when determining the schedule for the individuals needed to accomplish this function. The work will be done either by existing management employees or covered Technicians.
- The Company will establish a Technician FTR (TFTR) list to be filled locally from the Guam location within 90 days of ratification of the Joint Agreement. Those signing up must possess the necessary qualifications such as but not limited to current AWR – Airworthiness Authorizations to be considered for this posting.
- The TFTR sign up list will be posted annually. Anyone wishing to sign up after the annual sign up process will be placed at the bottom of the list.
- Technicians on the TFTR list performing work in this function will be excluded from field trip pay in the same manner as other work groups whose normal assignment is to travel as described in Article 12 Paragraph A.3., provided however that if such technician is assigned an emergency or other field trip that technician will be paid in accordance with the Article 12.
- If no technicians are available on the TFTR list, local management and union representative will discuss the manner in which these positions will be staffed.
- Based on the success of the operation including an assessment of operational performance where Technicians work as FTR's the Company may choose to absorb management attrition in a manner that provides future additional opportunities for qualified technicians per the terms of this agreement. This transition, if it occurs, is expected to occur by the amendable date of the new joint collective bargaining agreement.
- The regular pay of the TFTRs will never, as a result specifically due to the TFTR flying, be less than 40 hours per week.

This LOA shall become effective only upon ratification and execution of a single joint collective bargaining agreement that covers the combined carriers' Mechanics and Related craft or class (R-7363) as well as the combined Flight Simulator Technician craft or class (R-7353).

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

Sincerely,

P. Douglas McKeen
Senior Vice President, Labor Relations

Captain David Bourne
Director, Airline Division
International Brotherhood of Teamsters

AGREED, this day of _____, 2016

LOA #11 - Maintenance Planning Analysts

_____, 2016

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 during negotiations concerning Maintenance Planning Analysts (MPAs).

We have agreed that the presence of MPAs at the San Francisco Maintenance Base is unique. It is understood that the Company will not change the nature of the work MPAs perform at the SFO Maintenance Base. It is further understood that functions performed by MPAs at the SFO Maintenance Base are currently performed elsewhere in the system by management and other personnel, and that this practice may continue.

This LOA shall become effective only upon ratification and execution of a single joint collective bargaining agreement that covers the combined carriers' Mechanics and Related craft or class (R-7363) as well as the combined Flight Simulator Technician craft or class (R-7353).

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

Sincerely,

P. Douglas McKeen
Senior Vice President, Labor Relations

Captain David Bourne
Director, Airline Division
International Brotherhood of Teamsters

AGREED, this day of _____, 2016

LOA #12 SFO Maintenance Center Specific Agreement

, 2016

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

SFO Maintenance Center Specific Agreement

Dear Captain Bourne:

In order to address the unique needs of the San Francisco Maintenance Center, the parties have agreed to the following:

1. Shift Bid:

There will be a minimum of one shift bid per year at the San Francisco Maintenance Center.

2. SFMC Bid Areas License requirement grandfathering:

Employees working in the Technician classification will not be restricted from bidding vacancies or working in series 100 Bid areas in the engine and component shops at the San Francisco Maintenance Center because they do not possess the Airframe, Power plant or FCC license (s) specified for series 100 Bid Areas in Article 3 E.

Notwithstanding the above, employees bidding without licenses, once successfully completing the trial period (if required), will be restricted from bidding any new vacancies for a period of 2 years. The two year restriction will be waived if vacancies still exist after the bidding process is exhausted for IBT represented employees and prior to filling the vacancy with non-IBT represented employees.

3. Base Specialty Trade Group (Bid Area 128)

A. Bid Area 128 will have the ability, for the purposes of overtime, to allow qualified people within the trade group to move between skill areas.

B. General maintenance work may be assigned to any skill on both straight time and over time with consideration for safety, skill level and/or training.

LOA #13 Houston Airframe Overhaul and Repair Facility

_____, 2016

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

RE: Houston Airframe Overhaul and Repair Facility

Dear Captain Bourne:

This will confirm our discussion and understanding concerning the Houston maintenance operation.

With the exception of assignments requiring actual travel to and from IAH and HOU or VKY and HOU, assignments or reassignments to and from work areas or locations within the Houston point (including IAH and VKY) will not be considered or paid as Field Trips under Article 12 of the CBA.

Additionally, as of the date of implementation of this new JCBA, all Technicians and Inspectors in IAH and HOU in Bid Areas 102, 104, 105, 110, 201, and 301 will receive Line pay premium for all hours worked.

The provisions in paragraph 2 above replace the last sentence of local LOA 2 dated April 1, 2005, and the last sentence of local LOA 3, dated July 21, 2008, as those 2 sentences apply to field trips.

Sincerely,

P. Douglas McKeen
Senior Vice President, Labor Relations

Captain David Bourne
Director, Airline Division
International Brotherhood of Teamsters

AGREED, this day of _____, 2016

LOA #14 – IDT and RII Work

Revised _____, 2016

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

Dear Captain Bourne:

This confirms our agreement concerning IDT and RII work.

We have agreed that, under the ~~2009 IBT Continental~~ **2016-2022 IBT-United 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,

P. Douglas McKeen
Senior Vice President, Labor Relations

Captain David Bourne
Director, Airline Division
International Brotherhood of Teamsters

AGREED, this day of _____, 2016

LOA #15 - Flight Simulator Engineering Scheduling and Overtime

, 2016

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

Dear Captain Bourne:

This Letter of Agreement (LOA) will confirm our understanding reached during recent discussions concerning the Flight Simulator Engineering employees now included in the IBT Technicians' and related agreement.

A. Engineer Scheduling

Each Engineer shall have the same starting time on each of their regularly scheduled workdays, except that Engineers may be required to adjust their shift start times, to accomplish their assigned work.

B. Engineer Overtime

1. Overtime may be offered to Sr. Staff Engineers, Staff Engineers or Visual Database Engineers assigned to a project to maintain the schedule or a task that requires additional engineering support efforts.
2. If an Engineer who is familiar with the Flight Simulator Training Device (FSTD) is not available on shift, Sr. Staff Engineers and Staff Engineers may be offered overtime in the following order:
 - a. the Primary Engineer assigned to the FSTD
 - b. the Backup Engineer assigned to the FSTD
 - c. Engineers in accordance with paragraph H of Article 17.

This LOA shall become effective only as part of a single ratified joint collective bargaining agreement that covers the combined carriers' Mechanics and Related craft or class (R-7363) as well as the combined Flight Simulator Technician craft or class (R-7353).

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

Sincerely,

P. Douglas McKeen
Senior Vice President, Labor Relations

Captain David Bourne
Director, Airline Division
International Brotherhood of Teamsters

AGREED, this day of _____, 2016

Final

LOA #16 - Working in a Lower Classification

Revised _____, 2016

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 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.

Sincerely,

P. Douglas McKeen
Senior Vice President, Labor Relations

Captain David Bourne
Director, Airline Division
International Brotherhood of Teamsters

AGREED, this day of _____, 2016

LOA #17 – Supervisor Seniority Retention and Return Rights

, 2016

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

Dear Captain Bourne:

This letter confirms the agreement between the Company and the Union concerning employees who have accepted a permanent position as a supervisor/senior supervisor in Maintenance. Supervisors and senior supervisors hired after the signing of this agreement will retain seniority in the Craft(s) they vacated, and will continue to accrue such seniority for the first twelve (12) months while working as a supervisor/senior supervisor. Additionally, all (current and new) supervisors and senior supervisors will have a one-time opportunity to return to the bid area and location held immediately prior to becoming a supervisor (if such bid area no longer exists the supervisor will return to the bid area most similar at that location), but in no event will an IBT represented employee be furloughed or bumped from his location as a result of the return to the unit by the supervisor/senior supervisor.

This Letter of Agreement will be effective upon the date of signing and will supersede any and all other CBA provisions.

Sincerely,

P. Douglas McKeen
Senior Vice President, Labor Relations

Captain David Bourne
Director, Airline Division
International Brotherhood of Teamsters

AGREED, this day of , 2016

LOA #18 - Furlough Protection

Revised _____, 2016

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 conversations regarding the Company's commitment to avoid furloughs.

No employee on the United Airlines Technicians and Related or Flight Simulator Technician and Related System Seniority List(s) as of the date of signing of the IBT-United Airlines collective bargaining agreement **covering these** crafts or classes 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.

This LOA shall become effective only upon ratification and execution of a single joint collective bargaining agreement that covers the combined carriers' Mechanics and Related craft or class (R-7363) as well as the combined Flight Simulator Technician craft or class (R-7353).

Sincerely,

P. Douglas McKeen
Senior Vice President, Labor Relations

Captain David Bourne
Director, Airline Division
International Brotherhood of Teamsters

AGREED, this day of _____, 2016

LOA #19 – Exercise of RIF Options

Revised _____, 2016

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/**Point** 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/**Point**, 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/**Point**, 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)

LOA #20 - QC Shift Bids for Smaller Groups

Revised _____, 2016

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 concerning proposed changes to Article 7 (~~KL~~) (1) of the collective bargaining agreement as it applies to bidding into different work areas ~~in~~ **during** 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/QC 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.

Sincerely,

P. Douglas McKeen
Senior Vice President, Labor Relations

Captain David Bourne
Director, Airline Division
International Brotherhood of Teamsters

AGREED, this day of _____, 2016

LOA #21 – Offered Positions

<month> <day>, 2016

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 concerning recall rights and re-employment opportunities for employees currently on furlough status.

As a result of this amalgamated agreement the reduction-in-force and recall provisions of the predecessor s-UA and s-CO collective agreements, commencing with the effective date of the United-IBT joint collective bargaining agreement (JCBA), employees on furlough will have rights to recall, pursuant to Article 6 (Reduction-in-Force and Recall), to active employment for a period of six (6) years or a period equal to their length of active service at s-UA or s-CO, whichever is greater. At the expiration of such period, the employee's recall rights shall expire and the employee shall be removed from the system seniority list and his/her employment permanently severed.

Notwithstanding the above, in order to afford employees on furlough with opportunities for re-employment, that as soon as reasonably practicable following the effective date of the JCBA, the Company will provide notice to all employees on furlough status of "offered positions" available at the hub locations of SFO, LAX, ORD, EWR and IAD to be filled by employees on furlough. Employees on furlough shall submit "standard" bids for such offered positions within 180 days of the notice, which shall be awarded based on the needs of the service, in seniority order among those who have submitted bids, contingent upon the employee meeting the established bid area qualifications for such position. Nothing in this paragraph shall be deemed to restrict employees on furlough from bidding for any openings at any other locations for which they are qualified.

Employees on furlough who do not submit a bid(s) within the 180 day period to one or more of the hub locations listed above, or who do not meet the established bid area qualifications for any position bid, or who fail to report to work in an awarded position, shall forfeit all recall rights and their employment shall be permanently severed. Employees who submit qualified bids in a timely manner shall retain recall rights until the later of the time (1) their bids are awarded and they report to work or (2) their recall rights as set forth above are forfeited or expire.

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

Sincerely,

P. Douglas McKeen
Senior Vice President, Labor Relations

Captain David Bourne
Director, Airline Division
International Brotherhood of Teamsters

AGREED, this ___ day of _____, 2016

Final

LOA #22 - Trickle Down Shift Awards

Revised _____, 2016

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

Dear Captain Bourne:

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 shall 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

LOA #23 - Article 12 Field Trips Within a Point

_____, 2016

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

RE: Article 12 Field Trips Within a Point

Dear Captain Bourne,

This will confirm our agreement clarifying how Article 12 Field Trips applies to assignments within a point.

Assignments requiring travel to and from SFO Line and SFO Base, OPC and ORD, DEN and DENTK, and IAH Line, IAH Base and VKY do not qualify as Field Trips under Article 12 of the CBA.

Assignments requiring travel to and from HOU and IAH/VKY will continue to qualify as Field Trips under Article 12 of the CBA.

Sincerely,

P. Douglas McKeen
Senior Vice President, Labor Relations

Captain David Bourne
Director, Airline Division
International Brotherhood of Teamsters

AGREED, this day of _____, 2016

Revised _____, 2016

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

LOA #24 – Employees Working as Full Time Trainers

Dear Captain Bourne:

As we discussed during negotiations, when employees covered by this agreement are assigned to full time training positions, such positions will be bid in the basic classification. These positions will be awarded based on seniority and qualifications (including ability to train effectively).

In all cases pay shall be in accordance with the Training Article.

This LOA shall become effective only upon ratification and execution of a single joint collective bargaining agreement that covers the combined carriers' Mechanics and Related craft or class (R-7363) as well as the combined Flight Simulator Technician craft or class (R-7353).

If the foregoing conforms to your understanding of our agreement, please sign an date in the space provided below.

Sincerely,

P. Douglas McKeen
Senior Vice President, Labor Relations

Captain David Bourne
Director, Airline Division
International Brotherhood of Teamsters

AGREED, this day of _____, 2016

LOA #25 - CARP Lump Sum Protection

August XX, 2016

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 during negotiations concerning the Company's commitment to funding CARP. In addition to satisfying its general funding obligations, the Company is committed to maintaining funding necessary to permit the payment of the full lump sum benefits under CARP. In the unlikely event that economic circumstances require, the Company and the Union will meet and confer regarding CARP funding.

This LOA shall become effective only upon ratification and execution of a single joint collective bargaining agreement that covers the combined carriers' Mechanics and Related craft or class (R-7363) as well as the combined Flight Simulator Technician craft or class (R-7353).

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

Sincerely,

P. Douglas McKeen
Senior Vice President, Labor Relations

Accepted and agreed to this
_____ day of _____, 2016

David Bourne
Director, Airline Division

LOA #26 - Retirement Plan (CARP)

Revised _____, 2016

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 conversation regarding our commitment to maintain the Continental Airlines Retirement Plan for Technicians and related employees as well **as Flight Simulator Technicians (“covered employees”)**.

We have agreed that the current Continental Airlines Retirement Plan shall be maintained as is for ~~Technicians and related~~ **covered** 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~~ **covered** 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~~ **for covered** 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~~ **covered** employees until a replacement plan is agreed upon or established as a result of interest arbitration and such plan is implemented.

Sincerely,

P. Douglas McKeen
Senior Vice President, Labor Relations

Captain David Bourne
Director, Airline Division
International Brotherhood of Teamsters

AGREED, this day of _____, 2016

Final

LOA #27 - Early Out

_____, 2016

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

Dear Captain Bourne:

The parties have agreed that an early out program will be available to eligible employees upon ratification of this agreement.

Sincerely,

P. Douglas McKeen
Senior Vice President, Labor Relations

Captain David Bourne
Director, Airline Division
International Brotherhood of Teamsters

AGREED, this day of _____, 2016

United Airlines Technician and Related Employee (IBT Represented) Early Out Program

Early Out Basic Qualification: 45 years of age & 15 years of active service

	Early Out - Retirement Eligible	Early Out Only
Eligibility (Service & Age as of awarded effective date)	Per the terms of the CBA and/or 401K, or CARP plans	Age 45 and Minimum 15 years of active service with the company
Early Out Incentive Payment	Eligible employees who are approved for the Early Out program will receive a one-time lump sum Early Out incentive payment of \$5000.00 per year of active service up to a maximum of \$100,000. The incentive payment is not considered eligible wages for purposes of calculating any other benefits (e.g., pension, 401(k), profit sharing, etc.).	
Travel	Retiree pass travel consistent with the Company's pass travel program for retirees	Retiree pass travel if eligible at exit date (45-50 years of age with 20 YOS) -or- Purchase Early Out Pass travel (SA5P) for a period of either 5 years (\$7500.00) or 10 years (\$12,500.00) which allows bridging (age only) to retiree pass travel.*
Medical Insurance	Retiree Bridge Medical is available for eligible employees.	As a separated employee, no insurance coverage is provided. However, you will have the option to purchase COBRA continued medical coverage for up to 18 months at the full cost of the plan.

Life Insurance	Company sponsored life insurance coverage ends on date of separation.	Company sponsored life insurance coverage ends on date of separation.
Pension	Eligibility for CARP or 401k is subject to the terms of those programs and is not affected by the Early Out.	
Vacation	All accrued and unused vacation will be paid in a lump sum	All accrued and unused vacation will be paid in a lump sum

United Airlines Technician and Related Employee (IBT Represented) Early Out Program

Program Application	The program application window will be offered [INSERT DATE]. The Company, at its sole discretion, may offer subsequent application window(s).
Approvals	The Company reserves full and sole discretion on the Early Out approval process, including determination of the exit date for each eligible employee. The Company will determine the number of Early Out Plans to be awarded, the effective dates, locations, and order of approvals.
Early Out Pass Travel	<p>The purchase price amount for Early Out pass travel privileges will be deducted from the Early Out incentive payout after the required taxes have been withheld. If a Participant's early out pay after taxes does not cover the full cost of the pass travel privileges, the Participant is not eligible.</p> <p>*Please note, the Company's retiree travel policy for co-workers provides retiree status for pass privileges when an employee reaches the following age and active service requirements:</p> <ul style="list-style-type: none"> 45-50 years of age and 20 years of active service 51 years of age and 18 years of active service 52 years of age and 16 years of active service 53 years of age and 14 years of active service 54 years of age and 12 years of active service 55 years of age and 10 years of active service

LOA #28 – Lump Sum

_____, 2016

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

Dear Captain Bourne:

This confirms our understanding and agreement regarding lump sum payments to eligible employees in the Technicians and Related Craft or Class and the Flight Simulator Technician and Related Employees in connection with the ratification and execution of the 2015-20XX collective bargaining agreement (the “Agreement”).

1. We have agreed that eligible employees will receive lump sum payments totaling in the aggregate \$185,000,000 contingent upon ratification and execution of the Agreement, as soon as practicable following execution of the Agreement, subject to the provisions set forth below. The \$185,000,000 will be the total payment amount, and any fringe benefits or other deductions or payments (e.g., taxes) that are legally or contractually required to be made or increased in amount because of the payments to individual employees herein will not increase the Company’s financial liability beyond the \$185,000,000. The lump sum payments will not be considered pensionable earnings under the Continental Retirement Plan, or eligible compensation for purposes of employee contributions or company contributions to any defined contribution (401k) plan(s).
2. The methodology for eligibility and allocation of the \$185,000,000 to eligible employees is described in paragraph 9 below. The Union will provide a list to the Company of eligible employees and dollar amount allocation (of the \$185,000,000, less the Holdback Amount described in paragraph 3) to be paid to each eligible employee on the list pursuant to the methodology. United will provide the Union payroll data and information reasonably requested by the Union in connection with developing the allocations to eligible employees.
3. To ensure that the Company’s total liability or payments do not exceed the total payment amount of \$185,000,000, a holdback amount shall be established which will be funded through withholding three percent (3.00%) of the \$185,000,000 to correct any errors or omissions in the allocation, calculation, and distribution of amounts to employees, as determined in the challenge process described below. Such errors or omissions will be paid by the Company from the holdback amount no later than 30 days after the date that the challenge process described below is fully concluded and becomes final and non-appealable. Any portion of the holdback fund that

remains unpaid after satisfying any errors or omissions as determined in the challenged process shall be paid pro rata to eligible employees according to the allocation methodology.

4. All payments under this Letter of Agreement may be made separately from eligible employees' normal paychecks and will be subject to all applicable withholding, including (i) applicable taxes as required by law, and (ii) Union dues, fees and assessments.

5. Any dispute over the methodology for allocation prescribed by this Letter of Agreement, or over individual employees' eligibility for allocations from the \$185,000,000 or the amount of any individual allocation, will be exclusively subject to the dispute procedure below, will be considered a "minor dispute" under the Railway Labor Act, and will not be the subject to the regular grievance procedure under the Agreements. Any employee who wishes to raise such a challenge must, instead of filing a grievance as defined by the Agreement, present that claim in writing to the Union's Airline Division Director or designated International Representative no later than sixty (60) calendar days after the date of issuance of the retroactive payments. Any challenge to an eligibility or allocation determination presented after 60 days will not be honored or considered in any manner for correction, and the determination will be deemed correct with no further recourse for such employee.

6. All employee challenges under this Letter of Agreement will be considered together for correction in a single proceeding by a single neutral arbitrator, selected in advance by the Union and the Company. If the Union and the Company cannot agree on an arbitrator for this purpose, the parties will choose an arbitrator from a panel provided by the National Mediation Board, consisting of no fewer than seven arbitrators. The Union will pay for all costs of the arbitration other than the Company's representation costs and the costs of representation, if any, chosen by employees to assist them with their challenges under this Letter of Agreement.

7. All challenges must be submitted in writing with any necessary documentation and calculations explaining the basis for the challenge and the amount the employee claims to be owed. Challenges shall be submitted to the arbitrator by a deadline date announced to the arbitrating parties by the arbitrator. The Union and Company may then provide any responses by a deadline date announced by the arbitrator. The arbitrator shall conduct a hearing affording a fair opportunity for all parties to be heard and present their case. The arbitrator shall then determine within 30 calendar days of the conclusion of the hearing whether any of the employee challenges are valid, and if so, what amount each employee is entitled to from the holdback amount. The arbitrator's decision on timely challenges shall have no impact on any employee who did not make a timely challenge, and no claim shall arise based on the arbitrator's decision or award. The arbitrator's determination(s) on the challenges shall be final and binding on all parties and employees. The arbitrator shall have no authority to add to, subtract from, or otherwise revise this letter or any other provision of the parties' Agreement. In no event shall the Company's aggregate liability or payments exceed the total payment amount of \$185,000,000.

8. No employee will have any claim against the Company based either on the Company's agreeing to this Letter of Agreement or on the methodology for eligibility and allocation of the \$185,000,000. If notwithstanding the exclusive and binding nature of the challenge procedure described in this Letter of Agreement, an employee brings an action or charge against the Union

and/or the Company pertaining to the terms and/or application of this letter, whether before, during or after the pendency of the proceeding or issuance of the arbitrator's decision, the defending parties shall bear their own costs and fees associated with their defenses.

9. Allocation methodology

Basis of Distribution: Each Eligible Employee will receive a pro rata share of the lump sum based on the Eligible Employee's Considered Earnings for the period specified below to the aggregate of all Considered Earnings for all Eligible Employees over the same period.

Considered Earnings: "Considered Earnings" shall be the same as under the Company's Profit Sharing Plan.

Eligible Employees: "Eligible Employees" means all employees covered by the IBT JCBA who are employed as of the date of ratification and who are members in good standing of the IBT.

Period: Period in which Considered Earnings will be measured begins July 1, 2013 and ends on August 31, 2016.

Sincerely,

P. Douglas McKeen
Senior Vice President, Labor Relations

Captain David Bourne
Director, Airline Division
International Brotherhood of Teamsters

AGREED, this day of _____, 2016

LOA #29 – Industry Reset

_____, 2016

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 that notwithstanding anything to the contrary in 2016-2022 Technicians and Related Agreement (“United-IBT Agreement”), if at the effective date of the United-IBT Agreement plus 24 Months, 48 months, on the amendable date and every 12 months after the amendable date provided no successor agreement has been reached, United Airlines, Inc.’s (“UAL”) Annual Employee Wages and Benefits is not at least two percent (2%) higher than the average of American Airlines’ and Delta Airlines’ Wages and Benefits, then United’s basic wages will be adjusted so that United’s Wages and Benefits are two percent higher than said average.

1. Definitions.

- a. “Covered Classifications” means employee classifications covered by the United-IBT Agreement.
- b. “AA CBA” means the joint American Airlines (“AA”) collective bargaining agreement(s) in effect as of the Measurement Date that govern(s) terms and conditions of employment of AA’s class(es) or craft(s) of employees performing work equivalent to that performed by the Covered Classifications. If an equivalent AA classification is not covered by a CBA, then for that classification “AA CBA” shall mean the applicable AA policies governing Annual Wages and Benefits. If legacy American Airlines and legacy US Airways have not reached a joint collective bargaining agreement before the Measurement Date, the legacy US Airways collective bargaining agreement will be applied as the “AA CBA.”
- c. “DL CBA” means the Delta Airlines (“DL”) collective bargaining agreement(s) in effect as of the Measurement Date that govern(s) terms and conditions of employment of DL’s class(es) or craft(s) of DL employees performing work equivalent to that performed by the Covered Classifications. If an equivalent DL classification is not covered by a CBA, then for that classification “DL CBA” shall mean the applicable DL policies governing Annual Wages and Benefits.
- d. The first “Measurement Date” is the first day of the month that is 24 months after the effective date of this agreement. Subsequently, there will be a measurement date 48

months after the effective date of this agreement, followed by on the amendable date of the agreement and on the first day of the month following each 12 month anniversary of the amendable date. The parties shall meet to commence the process 6 months prior to the first Measurement Date.

- e. "Annual Employee Wages" is the average of the sum of the highest, hourly rate in each of the following categories for an A&P, line aircraft technician:

- 1) basic wages
- 2) license premiums
- 3) line premium
- 4) longevity premiums
- 5) VEBA premium/contributions
- 6) profit sharing

at the Measurement Date times 2080 hours. For example, if the respective rates are \$40.06, \$5.25, \$1.00, \$1.00 and \$1.20. The calculation is $\$40.06 + \$5.25 + \$1.00 + \$1.00 + \$1.20 = \$48.51 \times 2080 = \$100,901$.

- f. "Annual Employee Benefits" includes the following:

- 1) retirement benefits including defined contribution retirement plans (top-of-scale), defined benefit retirement plans
- 2) active medical plan cost share

- g. "Time off Adjustments" is the annual cost adjustment for the following:

- 1) sick pay accrual (max of available accrual)
- 2) vacation accrual
- 3) holidays (including both fixed and floating)

- h. "Annual Wages and Benefits" is the sum of Annual Employee Wages, Annual Employee Benefits and Time-off Adjustment for 10, 20 and 30 years of service weighted 20 percent, 60 percent and 20 percent respectively.

- i. "Scope Adjustment" is a final adjustment based on the ratio of the number technicians and related crafts covered in the IBT CBA per mainline aircraft as follows:

- 1) Number of Full Time Equivalent Employees (FTEs) in comparable positions performing aircraft maintenance covered in the United IBT CBA at each United, American and Delta (adjusted for FTEs dedicated to outside

maintenance). The number of FTEs is then divided by the total number of mainline aircraft (owned or leased) as reported in the most recent SEC annual 10-K filing.

- 2) The ratio of technicians (and related crafts) per aircraft for each carrier will be applied to the value calculated as the summary of “Annual Wages and Benefits” at each carrier, as described above, using the United ratio as the baseline to adjust the Annual Wages and Benefits values of AA and DL by the difference in staffing ratios versus UA
 - 3) This ratio will be applied to adjust UA Annual Wages and Benefits at 25 percent of full differential determined. Headcount information must be jointly verified and agreed to by both parties (UAL and IBT) to ensure that the equivalent classifications represented by IBT at United and other carriers (DL and AA) are represented in the analysis. If agreement cannot be reached on the validity of most current available representative headcount from either AA and/or DL then that carrier will be excluded from in the analysis. The Scope Adjustment cannot cause a decrease or increase to United’s adjusted rate by more than fifty basis points if two carriers are used in the analysis or twenty-five basis points if one carrier is used in the analysis.
- j. “Cost Model” is an economic model, based in MS Excel, which calculates Annual Employee Cost. The model is to be agreed upon by economic experts from the company and the union within two months after the date of ratification of UA’s agreement as Exhibit “A”. If an agreement is not reached within this timeframe, the matter may be submitted for expedited arbitration as provided in Article 1 G.
2. Adjustment Calculation. If the results of the analysis demonstrate that, as of the Measurement Date, UAL’s Annual Wages and Benefits is less than 102 percent (102%) of the combined average of Annual Wages and Benefits under AA CBA and DL CBA, then UAL shall adjust basic wages effective at the beginning of the first pay period after each measurement date to be 102 percent of the combined average. If it is determined that a one-time adjustment will take place, any subsequent pay increases will not take place until such time that the rates in the original UA CBA exceed those rates in the adjusted scale. No adjustment covered in this letter of agreement can cause wage rates to decrease. All other scales in this agreement will also be adjusted so that the percentage difference between each scale and the technician scale remains the same. All lead position pay rates will be recalculated based on the 5% methodology outlined Appendix A.

The parties shall meet to review the Cost Model for the purposes of reaching an understanding of the adjustment analysis. In the event the parties are unable to reach an understanding relative to the adjustment analysis, the matter may be submitted for expedited arbitration as provided in Article 1 G.

Sincerely,

P. Douglas McKeen
Senior Vice President, Labor Relations

Captain David Bourne
Director, Airline Division
International Brotherhood of Teamsters

AGREED, this day of _____, 2016

Final

LOA #30 – Company Paid Union Positions

_____, 2016

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 during negotiations concerning Company-paid Union positions.

1. Effective upon the date of signing of the 2016-2022 joint collective bargaining agreement covering the IBT Technician and Related Employees and Flight Simulator Technician and Related Employees crafts or classes (“Joint Agreement”), the Company will assume the cost of no more than one hundred and nine thousand (109,000) hours of straight-time pay per year, to be used by employees who are authorized by the Union and the Joint Agreement to expend time without loss of pay in the administration of this Agreement.
2. This 109,000 hour allotment shall cover all authorized Union business (including time for Union Safety and Union Peer Assistance) with the sole exception that individuals assigned by the Union as TSAP Representative will be excluded from the 109,00 calculation.
3. Authorized employees must give prior notice, and report all time spent on Union business, to the designated management representative. The annual bank of “time without loss of pay” hours established by this Letter of Agreement shall be the Company’s sole financial obligation for any time expended by IBT representatives in the administration of the Joint Agreement, with the sole exception of time expended by the duly designated and recognized IBT TSAP representative.

This LOA shall become effective only ratification and execution of a single joint collective bargaining agreement that covers the combined carriers’ Mechanics and Related craft or class (R-7363) as well as the combined Flight Simulator Technician craft or class (R-7353).

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

Sincerely,

P. Douglas McKeen
Senior Vice President, Labor Relations

Captain David Bourne
Director, Airline Division
International Brotherhood of Teamsters

AGREED, this day of _____, 2016

Final

LOA #31 - Labor Management Cooperation Committee

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

Dear Captain Bourne:

Effective on the date of ratification of this Agreement, there is hereby established a jointly--directed labor---management cooperation committee, known as the “United---Teamsters Labor Management Committee (“Committee”). The Committee shall be structured in accordance with the provisions of the Labor---Management Cooperation Act of 1978, 29 U.S.C. § 175a, and will have as its purpose the such matters as agreed---upon by the Company and the Union, any may include any or all of the following: improving labor management relationships, job security, organizational effectiveness, enhancing economic development or involving workers in decision affecting their jobs including improving communication with respect to subjects of mutual interest and concern. The Committee may seek tax--- exempt status if required by law or if the Company and IBT deem it to be beneficial.

The Committee shall be governed by a Board of Directors, which Board shall consist of an equal number of Company---appointed and Union---appointed directors. Matters involving the administration and governance of the Committee, including matters relating to the officers of the Board, their terms, responsibilities, appointment/replacement etc., likewise shall be determined by mutual agreement of the Company and the Union. The voting structure of the Board likewise shall be determined by mutual agreement of the Company and Union, except that there shall be a binding arbitration dispute resolution mechanism.

Unless the Company and Union otherwise agree, the Directors and officers of the Committee shall not be compensated by the Committee.

Unless the Company and Union otherwise agree, the costs of the Committee, including meeting and travel costs shall be borne equally by the Company and Union. The Company and Union may, if they agree to do so, pay contributions directly to the Committee so that the Committee may become fully or partially self---sustaining, but the Union does not contemplate now, and does not now propose any such contributions to fund/finance the Committee.

Sincerely,

P. Douglas McKeen
Senior Vice President, Labor Relations

Accepted and agreed to this day of , 2016

Captain David Bourne
Director, Airline Division

Final

LOA #32 - Commuter Protections

Revised _____, 2016

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”) **and flight simulator technician and related employees** 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 **United Airlines/United Express 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 United Airlines/ United Express flights (i.e., twenty-four (24) hours prior to the first flight’s

LOA #33 – Teamster Member Assistance Program

August 09, 2016

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 recent discussions and agreement regarding the Teamster Member Assistance Program (TMAP).

The TMAP Program is separate and independent from the Company EAP and is solely managed and funded by the IBT.

The Union recognizes that employees may have problems which affect their physical or mental health such as dependency on alcohol or other mind/mood altering chemicals, family and “life” issues and emotional problems. These are just some of the examples employees may face that will require assistance to correct. The Union believes it is in the best interest of the employee and his or her family to provide the employee services which help with these problems. In recognition of this the Union has developed the TMAP, which is voluntary.

In order to increase the effectiveness of the TMAP, the Union has informed the Company of the following:

- The Union will assign full time TMAP Coordinators
- The Union will assign Field Reps to assist TMAP Coordinators at remote/ small stations
- The Union will designate one (1) TMAP Coordinator to be the primary point of contact between the Union and the Company to address any issues that may arise
- The Union will notify the Company in writing of the names and locations of TMAP Coordinators
- The role of the TMAP Coordinators and Field Reps is limited to offering support and serving as a peer resource to help employees find options for dealing with personal problems that might adversely affect their health or well-being.

Further, the Company and Union agree that:

- During the semi-annual training for the Field Reps conducted by the IBT, the Company will allow Field Reps, based on needs of service, time off to attend

- TMAP Coordinators and Field Reps will be allowed positive space travel for reasonable use
- TMAP Coordinators and Field Reps may participate in Company-sponsored mental health education presentations (e.g. Stress Management) offered to members of other unionized employee groups.

Agreed to this _____ Day of _____, 2016

P. Douglas McKeen
United Airlines
Senior Vice President, Labor Relations

David Bourne
International Brotherhood of Teamsters
Airline Division Director

Final

August 18, 2016

LOA #34 - TRANSITION ISSUES

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

Dear Captain Bourne:

As the Parties discussed and agreed during the negotiations resulting in the 2016-2022 United-IBT Technicians and Related Agreement (also referred to in this Letter as “the Joint Agreement”), there may be technical and logistical impediments to fully implementing and migrating to the Joint Agreement as soon as the Parties would like. By way of example only, these impediments include challenges such as IT and payroll systems compatibilities and limitations, and transitioning to new methods of accruing, calculating, and administering various types of benefits. A number of such challenges were discussed during our negotiations, and several of them are further addressed below. We mutually recognized during negotiations, however, that as we migrate to the Joint Agreement we are likely to confront implementation or transition issues the existence or full scope of which we have not yet contemplated.

We have agreed that the Company will use its best efforts to fully implement and migrate to the Joint Agreement as soon as possible. If impediments in doing so arise, the Company will notify the Union and the Parties will meet promptly to discuss the issue and devise equitable and practicable solutions reflecting a spirit of cooperation. In the interim and until such solutions are devised, the Company shall take all practicable steps to mitigate or avoid any detriment, losses, or harm to affected employees.

1. Missing Terms

The Parties recognize that despite their best efforts to memorialize all agreed-upon contractual provisions in the Joint Agreement, they may discover a missing term after the ratification and execution of the Agreement. A “missing term” arises only where the Parties mutually agree that they have inadvertently failed to memorialize a core term addressing fundamental aspects of rates of pay, rules, or working conditions on which the Parties are obligated to bargain – despite having reached a meeting of the minds during the process that resulted in the new agreement. Where the Parties mutually designate a missing term, the Company’s Senior Vice President of Labor Relations or his or her designee and the Union’s Director, Airline Division or his or her designee, will confer and attempt to memorialize the missing term. In the event they are unable to agree, the Parties will reduce their respective final proposed versions of the missing term to writing and will submit the dispute to a mutually selected neutral for resolution through interest arbitration, whereby the neutral will select which

version best reflects the Parties' meeting of the minds. No aspect of this missing term process will be covered by or conducted pursuant to Section 6 of the RLA or be deemed a waiver of the Parties' agreement in Article 24, Duration, of the Joint Agreement.

2. Leads or Inspectors Exercising Seniority

a. For a period of twelve (12) months from Date of Signing of the Joint Agreement, subsidiary United employees working as Lead Technicians, Lead Flight Simulator Technicians, Inspectors or Lead Utility Specialists will be allowed to exercise seniority to return to a Technician position even in the absence of a vacancy.

b. Notwithstanding the provisions of Article 5 paragraph F, Leads or Inspectors desiring to return to the Technician classification shall proceed as follows:

- i. For a period of twelve (12) months from Date of Signing the employee shall communicate to his Supervisor and manpower coordinator his intent to return to a Technician position for which he is qualified per Article 3 (Covered Crafts, Classifications Qualifications and Bid Areas) of the Agreement at his current station/point location.
- ii. Employees who make such transition shall not be subject to the restrictions or penalties otherwise applicable to such transitions under Article 5 (Filling of Vacancies).
- iii. The employee desiring to return will be returned to a Technician position at his current station/point location on a date designated by the Company and will be assigned a shift his craft seniority can hold.
- iv. Employees who voluntarily exercise this opportunity to return to a Technician position will be paid per the published rates for which they are eligible in the Technician classification to which they move as a result of this action.
- v. No existing employee in the Technician classification in a bid area, to which a Lead Technician or Inspector classification voluntarily returns under these provisions, shall be furloughed or bumped from his position as a result of such employee movement.
- vi. In addition to the aforementioned, Lead Technicians and Inspectors may fill any vacancy they are qualified for per normal bulletin and bidding procedures.

3. Nomenclature and Article Cross-References

Unless otherwise expressly noted, the following terms shall have the stated meanings throughout the Joint Agreement:

a. The use of the terms "technician(s)" and "mechanic(s)" shall be deemed to be interchangeable.

b. The terms "subsidiary United" or "sub-United," "subsidiary Continental" or "sub-Continental," and "subsidiary CMI" or "sub-CMI," or their variants, refer to the respective former pre-merger subsidiaries. References to employees of those former subsidiaries (e.g., "subsidiary United employees") denote the pre-merger (legacy) employment status of current post-merger United employees.

c. The terms "extended illness status" ("EIS") and "unpaid medical leave" ("UML") shall be deemed to be interchangeable.

d. "GSE", "GQ" and "GX" shall be deemed to be interchangeable as references to ground equipment maintenance.

e. "FM", "PV", "MP" and "FX" shall be deemed to be interchangeable as references to building, plant or facilities maintenance.

f. "MM" and "MX" shall be deemed to be interchangeable as references to line aircraft maintenance.

4. Means of Posting, Notification, Transmission, or Communication

The Parties recognize and agree that there may be instances in the Joint Agreement where language adopted from a subsidiary agreement anticipates or prescribes means of posting, notification, transmission, or communication that are not in use, not available, and/or not practicable system wide. In such instances, United may, as applicable continue to use current means, and will use reasonable good faith efforts to migrate to the anticipated or prescribed means as the consolidation progresses. Until that occurs, the Parties shall meet and to discuss issues or concerns either party might raise in these areas.

5. Holiday and Vacation

The Parties recognize and agree that, due to factors such as IT infrastructure, the accrual- and/or calendar-based nature of holiday and vacation benefits, and differences in the accrual and other schedules that applied under the subsidiary CBAs, a transition period will be necessary to migrate to and implement the provisions set forth in Articles 8 (Holidays) and 9 (Vacations) of the Joint Agreement. In particular, but without exclusion, the Parties agree as follows:

a. Vacations (Article 9):

1. In 2016, vacation accrual (for use in 2017) and vacation entitlement (based on 2016 accrual) shall continue to be governed by the subsidiary collective bargaining agreement under which an employee was covered prior to the effective date of the Joint Agreement. For new employees with a seniority date falling on or after the effective date of the Joint Agreement, vacation accrual and usage shall be governed by Article 9 of the Joint Agreement.

2. Beginning January 1, 2017, vacation accrual in 2017 for use in 2018 and vacation entitlement (based on 2017 accrual) shall be governed by Article 9 of the Joint Agreement.

b. In the event other issues arise in the migration to or administration of the terms of Articles 8 and 9 of the Joint Agreement, the Company will notify the Union and the Parties will meet to discuss the issues and devise equitable and practicable solutions.

6. Flight Simulator Technicians and Engineers Transition

The Company recognizes the decision to consolidate its Pilot Flight Training facility in Denver, Colorado, has the potential to impact certain employees in the Flight Simulator Technician craft who are based at the Houston Flight Training Center. In recognition of the possible impact and the concurrent need to maintain an efficient and effective operation, the Parties agree as follows:

a. The Denver and Houston training facilities, while they both remain in operation, will operate as separate locations for seniority, bidding and similar purposes.

b. Recognizing that the employees in the Flight Simulator Technician craft in Houston have already received Reduction In Force Notices and Option Awards with report dates already established and underway for personnel movement to Denver, the parties agree to

complete the Reduction In Force process which is currently in progress.

c. The Company will fill any new vacancies in the Flight Simulator Technician craft (both Flight Simulator Technicians and Flight Simulator Engineers) created at Denver by first seeking qualified volunteers at the Houston training center, with preference given to the most senior qualified volunteers.

d. During the transition period involving the movement of training device equipment and personnel to Denver the parties will meet and confer regarding the need and timing of shift bids in support of the operation. Following consolidation and when the combined operation in Denver has reached a steady state status the desire of the parties is to have only one shift bid per year.

7. Effective Date of Wage and Premium Adjustments

The initial contractual increase will be effective on the beginning of the bi-weekly hourly pay period following the effective date of the contract plus 7 days. Should technical difficulties arise the Company will meet and confer with the IBT to discuss an appropriate course of action.

8. Merged System Board of Adjustment (“SBA”)

Following ratification of the Joint Agreement, the Company and the Union will meet to discuss and establish a revised SBA hearing schedule that follows Article 19.D.1. The Parties will, in an earnest effort to establish universal processes, also will discuss and establish the following:

- A common coding system for cases appealed to the SBA
- Named board members
- A process for disclosure of documents that adheres to Article 19.F.

9. Benefits

The Company will use its best efforts to fully implement new benefit programs in the Joint Agreement as soon as reasonably practicable.

Reimbursements from the HRA/RHA VEBA for health insurance premiums and other qualified medical expenses will commence as soon as administratively practicable after April 1, 2017.

The additional 1% DC contribution for employees who have completed 30 or more years of “Credited Service” while a participant in CARP, while effective as of the Effective Date of the Agreement, will first be made as soon as administratively practicable after the Effective Date of the Agreement. Should the additional 1% DC contribution be delayed beyond the Effective Date of the Agreement, the Company will make the additional 1% DC contribution retroactive to the Effective Date of the Agreement.

The new matching formula for Guam-based employees, while effective as of the Effective Date of the Agreement, will first be made as soon as administratively practicable after the Effective Date of the Agreement. Should matching contributions be delayed beyond the first pay period following the Effective Date of the Agreement, the Company will make matching contributions retroactive to the first pay period following the Effective Date of the Agreement.

Distributions for newly admitted CARP participants will be implemented as soon as administratively practicable after January 1, 2017.

The implementation of the VEBA contribution will be based on technical capabilities and will commence on April 1, 2017 or as soon as administratively practicable thereafter. The Company will meet and confer with the IBT on the preferred process for delivery of the VEBA contribution. Should the VEBA contribution be delayed beyond April 1, 2017, the Company will make contributions retroactive to the first pay period following the Effective Date of the Agreement.

The parties recognize and agree that it will be beneficial to have a single point of contact at the IBT Airline Division for Benefit issues that may arise. Accordingly, the IBT Airline Division Director will appoint such point of contact and inform the Company.

10. Merging of Field Trip and Overtime Lists for Joint Technician Groups

Following execution of the Joint Agreement, the Company intends to transition to a single joint processes for (i) calling and administering Overtime and (ii) dispatching and administering Field Trips. The Company and Union will work together to ensure the transition is as seamless as possible, consistent with the opening paragraphs of this Letter of Agreement.

11. Concerning Article 1 Paragraph B.7.b – the locations that will be covered by the 12 hour limitation are; BWI, DCA, PIT, TPA, SNA, IND, TUL, RNO and ATL.

12. Maintenance Instructors Exercising Seniority (Grace Period)

- a. For a period of twelve (12) months from Date of Signing of the Joint Agreement, subsidiary United employees working as Maintenance Instructors will be allowed a one-time opportunity to exercise seniority to return to a Technician position even in the absence of a vacancy.
- b. During this grace period the employee shall communicate to his Supervisor his intent to return to a Technician position for which he is qualified per Article 3 Covered Crafts, Classifications and Bid Areas of the Agreement at his current station/point location.
- c. Employees who make such transition shall not be subject to the restrictions or penalties otherwise applicable to such transitions under Article 5 (Filling of Vacancies).
- d. Those desiring to return will be returned to a Technician position at his current station/point location on a date designated by the Company and will be assigned a shift his craft seniority can hold.
- e. Employees who voluntarily exercise this opportunity to return to a Technician position will be paid per the published rates for which they are eligible in the Technician classification to which they move as a result of this action.
- f. No existing employee in the Technician classification in a bid area, to which an employee from a Maintenance Instructor position returns under these provisions, shall be furloughed or bumped from his position as a result of such employee movement.

- g. Any Maintenance Instructor that does not exercise this opportunity during the 12 month grace period to return to a covered Technician position will lose all Technician Craft seniority. Should he desire to work as a technician in the future he will establish new craft and pay seniority dates as outlined in the Agreement.

13. Apprentice Mechanics

The parties recognize the existence of the Apprenticeship Article in the JCBA. In the event the Company determines the need to utilize an Apprenticeship program it will meet and discuss the potential benefits with the IBT including establishing an initial Apprentice Mechanic Steering Committee consisting of two Company designated-members and two Union designated-members.

The Parties will meet and discuss the following:

- Explore and consider issues related to successfully implementing an Apprenticeship program including
 - Development of;
 - Interview criteria
 - Review business requirements
 - Pay and progression guidelines for future hire Apprentice Mechanics

14. Recall of Technicians at a Station within a Point

The Company and Union shall meet to develop a procedure to identify the recall rights of Technicians impacted by a reduction / surplus at a Station within a Point and who wish to exercise their seniority to relocate to another Station within that Point, in accordance with Article 6 of the Agreement. The resulting procedure will also apply to all Technicians previously affected by a reduction/surplus at a Point location.

15. Technicians currently at top-of-scale

Technicians or Utility Specialists who are at top-of-scale as of date of ratification will remain top-of-scale under the new agreement – individuals with six or seven years of pay seniority at date of ratification will progress to the year eight pay rate show in Appendix A.

16. Technicians previously grandfathered with specific license pay provisions will continue to receive such license pay under the JCBA.

The Parties agree that if other transition items arise the Company and the Union will meet to discuss.

This LOA shall become effective only upon ratification and execution of a single joint collective bargaining agreement that covers the combined carriers' Mechanics and Related craft or class (R-7363) as well as the combined Flight Simulator Technician craft or class (R-7353).

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

Sincerely,

P. Douglas McKeen
Senior Vice President, Labor Relations

Captain David Bourne
Director, Airline Division
International Brotherhood of Teamsters

AGREED, this day of _____, 2016

Final

HISTORICAL RECORDS ONLY APPENDIX

The Letters of Agreement in this Historical Records Only (HRO) Appendix are attached to the 2016-2022 Collective Bargaining Agreement solely for archival purposes and do not constitute part of the CBA. The Parties recognize that these Letters of Agreement impose no obligations and confer no rights upon the Company, the Union, or the employees covered under the 2016-2022 CBA. This Appendix is attached to the 2016-2022 CBA only as historical documentation as the Parties transition from the previous separate subsidiary CBAs to the single, amalgamated 2016-2022 Collective Bargaining Agreement.

**LETTER OF AGREEMENT
between
UNITED AIR LINES, INC.
and
INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS**

WHEREAS, United Air Lines, Inc., and the International Association of Machinists and Aerospace Workers wish to record their agreement relating to service credit before age 25 and after completion of one year of service as it pertains to the employees covered by the Mechanics', Ramp and Stores, and Food Services Agreements,

NOW, THEREFORE, it is hereby mutually agreed as follows:

With respect to any employee who received credit for service prior to age 25 and after completion of one year of service as a result of having been a participant in a pension plan, such service will continue to be credited under the pension plan.

IN WITNESS WHEREOF, the parties have signed this Letter of Agreement this 24th day of May, 1979.

For UNITED AIR LINES, INC.

/s/ Duane M. Buckmaster
Duane M. Buckmaster

Senior Vice President, Personnel and
Industrial Relations

For INTERNATIONAL ASSOCIATION OF
MACHINISTS AND
AEROSPACE WORKERS

/s/ Louis R. Schroeder Louis R. Schroeder
President and General Chairman

LETTER OF AGREEMENT
between
UNITED AIR LINES, INC.
and
INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS

WHEREAS United Air Lines, Inc. (hereinafter called the "Company") and the International Association of Machinists and Aerospace Workers (hereinafter called the "Union") wish to record their agreement relating to the Union Ground Employees' Retirement Plan (hereinafter referred to as the "Plan") as it pertains to the employees covered by the Mechanics' Agreement (hereinafter referred to as the "Agreement").

NOW, THEREFORE, it is hereby mutually agreed as follows:

1. The Plan will be revised as discussed and agreed to in the negotiations leading to the 2000-2005 Agreement (description attached).
2. The Company agrees that the benefits provided in the Plan will not be reduced without the prior agreement of the Union.
3. The Plan is subject to approval of the U.S. Treasury Department in the form of continuing qualification of the Plan by the Internal Revenue Service. In the event the Plan is not acceptable to the Internal Revenue Service, the Union and the Company agree to effect the revisions necessary to secure proper qualification.
4. Letter of Agreement 94-1MRF is now null and void.

IN WITNESS WHEREOF, the parties have signed this Letter of Agreement this 14th day of March, 2002.

FOR INTERNATIONAL
ASSOCIATION OF MACHINISTS AND
AEROSPACE WORKERS

/s/ Scotty Ford
Scotty Ford
President and Vice President
General Chairman District 141M

FOR UNITED AIR LINES, INC.

/s/ Peter B. Kain
Peter B. Kain
Labor Relations

ATTACHMENT

The effective date for revisions contained in Schedule B below is July 12, 2000, and applies to IAM employees under the Mechanics' Agreement. Except as set forth below, such revisions, with respect to each such effective date, will apply only to employees, eligible for the Plan, who are in active service and receive pay (including sick leave pay) or on extended illness status as such an employee on such effective date. For purposes of the Plan, employees are divided into three groups which are based on job classification and are explained at the end of this attachment.

Revised retirement benefit schedule is set forth below as Schedule B and an employee's benefit will be no less than those accrued through July 11, 2000 under the then existing Plan provisions.

**PENSION
SCHEDULE A
(Effective November 1, 1998)**

The monthly benefit of an employee is the product of the appropriate dollar amount below and the employee's years of plan participation.

Regular Retirement Benefit*

Retirement Age	Group I	Group II	Group III
55	47.43	40.18	35.37
56	49.24	41.70	36.72
57	51.04	43.23	38.06
58	52.84	44.76	39.40
59	54.64	46.28	40.75
60	56.44	47.81	42.09
61	58.24	49.33	43.43
62 & over	60.04	50.86	44.78

*This amount payable for life. If retirement occurs before age 65, an employee must have 10 years of continuous service.

**PENSION
SCHEDULE B
(Effective July 12, 2000)**

The monthly benefit of an employee is the product of the appropriate dollar amount below and the employee's years of plan participation.

Regular Retirement Benefit*

Retirement Age	Group I	Group II	Group III
55	73.95	62.64	51.00
56	76.56	65.59	52.80
57	79.17	67.07	54.60
58	81.78	69.28	56.40
59	84.39	71.49	58.20
60 and over	87.00	73.70	60.00

* This amount payable for life. If retirement occurs before age 65, an employee must have 10 years of continuous service.

Details

A. Pension Schedule/No Actuarial Reduction

1. The monthly benefit of a Participant is determined by multiplying the appropriate dollar amount for the participant's Group by the participant's years of Plan participation. The job classifications included in each Group are set out under the Group's schedule below. Job classification refers to a permanent job classification. A participant's appropriate Group will be the Group in which the most months of service occurred during the five years of service before retirement (or termination of employment with vesting or reclassification to a non- IAWA job). However, in no event will the appropriate Group be lower than the Group at retirement (or termination of employment with vesting or reclassification to a non-IAWA job) applicable to the permanent job classification held by the employee when the five-year period began.
2. There will be no actuarial reduction in the scheduled amounts shown above for early retirement, but the amounts shown above will be adjusted for payments in a form other than a single life annuity form.

B. Eligibility

1. Eligibility requirements for participation in the Plan are being employed in a classification covered by this agreement, age 21 and the completion of one year of service within an eligibility computation period as defined in 3 below.
2. Entry into the Plan shall be on the first day of the month next following the month in which an employee meets all eligibility requirements.
3. An employee's first eligibility computation period shall be the twelve-month period commencing on his or her date of employment with the Company. If at the end of such twelve-month period the employee has been credited with at least 6 months of service with the Company, the employee shall be credited with a year of service for eligibility purposes. If the employee is not credited with at least 6 months of service during his or her initial eligibility computation period, the next, and subsequent, eligibility computation periods shall be the Plan Year commencing with the first Plan Year beginning after the employee's first date of employment with the Company.
4. The determination of whether an employee has satisfied the year of service requirement for eligibility shall be made at the end of the employee's eligibility computation period.

C. Service

1. An employee will be credited with a month of service for each calendar month during which:

- a. the employee is receiving earnings for services performed while employed by the Company;
- b. the employee receives earnings from the Company but performs no services such as during periods of vacation before termination, sick leave, and jury duty; and
- c. the employee receives no earnings and no services are performed due to illness leave of absence or eligible military service (provided the employee returns to employment with the Company within the eligible time period).
- d. Service will be credited for periods during which the employee is on an approved unpaid leave of absence, lay-off or suspension under rules uniformly applied to employees in like situations provided the employee returns to active employment at the end of the unpaid leave of absence, layoff or suspension.
- e. For purposes of eligibility, if an employee's employment with the Company is terminated and the employee is rehired, the employee will lose his or her prior service if the employee is not vested at the time of his or her termination of employment and his or her breaks in service exceed five (5) years. A break in service is a Plan Year in which the employee is not credited with any months of service.

Participation

Participation (an element used to calculate your accrued benefit under the Plan) is credited for each month the employee is eligible to participate in the Plan and is receiving pay from the Company for services performed for the Company, for vacation while in active service, or for sick leave. Participation for prior periods of employment will be reinstated if service for vesting purposes for the same period is reinstated. Participation will be credited for any period of eligible military service (provided the employee returns to employment with the Company within the eligible time period) in accordance with the Uniform Services Employment and Reemployment Act (as amended) regardless of the fact that the employee receives no earnings from the Company during the period of eligible military service.

E. Forms of Payment

1. The forms of payment in which a participant may elect to have his or her pension benefit paid are (a) a single life annuity, (b) a ten-year certain annuity, or (c) a 50%, 66 2/3%, or 100% contingent annuity. The participant may also elect a level income feature with any form of payment provided the participant has (i) not attained age 65 or (ii) is not drawing Social Security benefits, if earlier. If a participant elects a 50%, 66 2/3% or 100% contingent annuity and the contingent annuitant is the participant's spouse or domestic partner, the participant may also elect a pop-up feature. Monthly benefit payments will be actuarially adjusted to reflect the form of payment the participant elects.

2. The default standard form of payment for an unmarried participant is a single life annuity. Benefits cease upon the death of the participant. A participant may elect another Form of Payment.

3. The default standard form of payment for a married participant is a 50% contingent annuity with the participant's spouse as their contingent annuitant. The participant may elect one of the other Forms of Payment if his or her spouse consents to such election. To provide consent the spouse and the participant must sign a waiver of this standard Form of Payment and the spouse's signature must be notarized.

4. In the event the present value of a participant's vested accrued benefit upon their termination of employment is \$3,500 or less, the benefit will be distributed automatically to the participant in a lump sum provided the participant is at least 55 years of age.

F. Maximum Benefit Levels

The Employee Retirement Income Security Act of 1974 ("ERISA") and the Internal Revenue Code ("Code") limit the maximum allowable benefit that may be paid by the Plan. The maximum limit in 2000 is \$135,000 (2001 is \$140,000) per year or 100 percent of the employee's highest three-year average earnings, whichever is smaller. These figures will be adjusted from time to time as prescribed by ERISA and the Code.

G. Retirement Ages

1. In order to qualify for Normal Retirement a participant must have terminated and attained age 65. The Normal Retirement Date is the first day of the month next following the month in which the participant reaches his or her 65th birthday.

2. Early Retirement is age 55 with 10 years of continuous service. The Early Retirement Date is the first day of any month after the date the early retirement eligibility requirements are satisfied and before the participant's Normal Retirement Date.

3. Late retirement is the first day of any month after the participant's Normal Retirement Date.

4. A participant must commence receiving benefits at the later of the date he or she attains age 70 $\frac{1}{2}$ or terminates employment. A participant who is still employed at age 70 $\frac{1}{2}$ may make a one-time election to start the payment of his or her pension benefit at the time he or she reaches age 70 $\frac{1}{2}$. If a participant makes this election he or she will continue to participate in the Plan during his or her continued employment and will have his or her benefit adjusted each year to reflect additional accruals, if any.

H. Reemployment Following Retirement

An employee who has retired from the Company, commences benefits under the Plan and is then

reemployed by the Company, will have his or her benefits suspended during the period of reemployment. When the employee again terminates employment, the months of service and participation earned during the period of reemployment will be added to the service and participation from the prior period of employment for purposes of calculating any additional accruals during his or her period of reemployment, and benefits will resume in the original form elected by the participant. Benefits will be actuarially reduced to reflect benefits received prior to reemployment.

I. Death Prior to Retirement

1. In the event of a participant's death prior to commencing his or her benefits under the Plan, and provided the participant was vested at the time of his or her death, a pre-retirement survivor's benefit will be payable to the participant's surviving spouse or the participant's same sex domestic partner if the participant elected this coverage for his or her same sex domestic partner. This benefit is equal to 50% of a joint and survivor annuity based on the participant's accrued benefit on the date of his or her death. The surviving spouse or domestic partner must wait until the participant would have been 55 to collect the benefit. If the participant was age 55 or older and eligible for early retirement on the date of his or her death, the surviving spouse benefit will be payable immediately on a monthly basis in the form of a 50% contingent annuity.
2. In order to qualify for the surviving spouse benefit, the surviving spouse must have been married to the participant (or the same sex domestic partner must have been in a domestic partnership with the participant) continuously for at least one year immediately prior to the date of the participant's death.
3. There is a charge for the pre-retirement survivor benefit for the period beginning upon the date the participant attains age 35, is married (or elects to cover his or her same sex domestic partner) and has been married for at least one year, and is vested. The charge ends on the date the participant becomes eligible for early retirement. If a participant terminates employment prior to becoming eligible for early retirement, the charge will continue until the participant commences his or her benefit. The charge is deductible from the benefit at the time payment of the benefit commences based on the period the coverage was in effect. A participant, with his or her spouse's consent may waive the coverage for any period for which a charge is imposed.
4. If a participant waives the pre-retirement survivor's benefit coverage, divorces and later remarries, the coverage will be automatically reinstated upon the participant's date of marriage and will continue until the participant waives coverage again.

J. Vesting

1. Employees become 100% vested in the Plan after completion of five years of service or upon reaching age 65 while still employed with the Company.
2. For vesting purposes only:

- a. An employee credited with at least six months of service in any Plan Year beginning on or after January 1, 1976, will be credited with one year of service with respect to that calendar year. The Plan Year is the calendar year.
- b. An employee will be credited with a year of service for vesting purposes for the first year of his or her employment with the Company whether or not the employee has completed six months of service during such Plan Year.
- c. Years of service for vesting purposes includes military and other approved leaves of absence and layoffs occurring after January 1, 1976 provided (i) the employee returns to active service prior to the date any benefits become payable, and (ii) the employee returns to active service within the statutory period after discharge from the military or within 90 days following termination of such leave or layoff.
- d. A former employee who terminated employment on or after January 1, 1976 and who is reemployed prior to January 1, 1987, will receive credit for service during the prior employment period if (i) service during the prior employment period exceeds the consecutive whole calendar years constituting the break in employment, or (ii) the employee was already vested when the prior employment ceased.
- e. A former employee who terminated employment on or after January 1, 1976 and is reemployed on or after January 1, 1987, will receive credit for service during the prior employment period if either 2(d)(i) or 2(d)(ii) identified above apply, or if the employee was rehired within five years of when the prior employment ceased.
- f. A former employee who terminated employment before January 1, 1976 lost all years of service upon termination and will not be credited with any prior years of service upon rehire.

K. Transfers

1. Employees moving from a position with the Company to a job classification included in one of the Groups set out in the attachment will retain any benefits accrued under their previous retirement plan up to the date of transfer to a job classification included in one of the in the Groups and these benefits (including the annuity value of lump sum payments) will be included as part of the benefits provided under this Plan. The employee's benefit under this Plan will be calculated by adding his or her transferred accrued benefit to the benefit the employee accrues in this Plan after his date of transfer using only his years of participation in this Plan.
2. Employees transferring from a job classification included in one of the Groups to another job classification with the Company that is not included in the Groups will have

their accrued benefit (calculated as of the date of transfer) transferred to the Plan covering employees in the new position.

Final

Groups

The following are the job classifications of each group:

Group I

Lead Mechanic
Aircraft Inspector
Lead Flight Simulator Technician
Flight Simulator Technician
Lead Ground Communications Technician
Ground Communications Technician
Shop Inspector
Mechanic
Lead Computer Terminal Technician
Computer Terminal Technician
Metrologist

Group II

Seamer

Group III

Mechanic Helper
Lead Utility Employee
Utility Employee

Airline Contract Administration Coordinator Aircraft Mechanics Fraternal Association 1150
Bayhill Drive Suite 121
San Bruno, CA 94066

This letter will confirm the agreement reached during the 2005-2009 negotiations between the Union and the Company with respect to severance and other benefits for Utility employees and Computer Technicians furloughed due to outsourcing.

1. A Computer Technician or Utility employee who was on the payroll or on leave of absence as of the effective Date of the 2005-2009 Mechanics' Agreement shall be a "Covered Employee" and entitled to enhanced separation benefits in accordance with the terms set forth below.

2. During the term of the 2005-2009 Mechanics' Agreement, in the event the Company outsources Computer Technician or Utility work, a Covered Employee who is involuntarily furloughed as the result of such outsourcing will be entitled to the normal benefits and provisions of the Agreement or may elect the following option:

a. Employees who are involuntarily furloughed may elect to sever their employment relationship with the Company, by resignation or by retirement (if eligible) and thereby forfeit all of their recall rights under the Agreement, and;

b. Employees who sever their employment relationship in accordance with Subparagraph 2(a) above will receive severance pay and benefits in accordance with the Agreement but in an amount as follows:

(i) Insurance Benefits established in Article XXIV, Paragraph A-5 will be provided as follows:

Years of Service Total Benefits Provided

Less than 5 years 4 months

5 years but less than 10 years 6 months

10 years but less than 15 years 9 months

15 or more years 12 months

(ii) The amount of severance pay will be two times the severance allowance provided in Article XXIII, paragraph B.

(iii) Employees and eligible dependents will be eligible for five (5) years of unlimited space-available travel following separation, as follows:

(a) for the first two (2) years following separation, unlimited space-available travel. Employee will be responsible for all applicable service charges, taxes and fees. Service charges will be set by the Company using a formula designed to recover the cost of providing NRSA travel to an individual, and can be changed - either in amount or approach - at the Company's discretion. This is the approach and methodology that is in place today for active employees.

(b) for the following three (3) years, unlimited space-available travel. Employee will be responsible for all applicable service charges, taxes (including taxes assessed on the imputed income arising from the assessed value of the travel) and fees. Service charges will be set by the Company using a formula designed to recover the cost of providing NRSA travel to an individual, and can be changed - either in amount or approach - at the Company's discretion.

Furthermore, the value of the travel will be considered income (i.e., the employee shall be issued a W-2 on the imputed value of the travel) and all applicable Federal, State, FICA, and local taxes must also be paid to the Company. This is the approach and methodology that is in place today for domestic partners of active employees.

c. An employee who retires pursuant to Paragraph 2 (a) and who accepts benefits pursuant to Paragraph 2(b) will be considered to have retired from active service. Employees who are eligible for Retiree Medical Insurance in accordance with Article XXIV, Paragraph E, will not also qualify for Insurance coverage under 2.b.(i), above.

3. Covered Employees (Computer Technicians or Utility employees) who have been selected for involuntary furlough and who do not meet retirement age eligibility requirement on their date of furlough but will meet that requirement within three (3) years of their furlough date may elect to be placed on a Special Leave of Absence equal to the number of months from their furlough date until they satisfy the age requirement for retirement eligibility. This Special Leave of Absence may not exceed thirty-six (36) months from the date of furlough. On the last day of the month in which they meet the age eligibility requirement for retirement, their Special Leave of Absence would end, and employees must then retire.

a. Employees who elect this Special Leave of Absence in lieu of layoff are not eligible to receive any severance pay.

b. Employees will not be eligible for re-employment by United during the Special Leave of Absence.

c. The Special Leave of Absence must end on the last day of the month in which the employees would meet the eligibility requirements for retirement.

d. Employees may accept other outside employment while on a Special Leave of Absence.

e. Employees on Special Leave of Absence are eligible for medical, dental, company paid life insurance and on-line travel benefits on the same basis as active employees.

f. Employees on this Special Leave of Absence must retire once they have met the age and service requirements for retirement. Seniority accrues for the entire duration of the leave. Employees will not receive participation credit for pension benefit calculation purposes during the Special Leave of Absence.

g. Employees who are interested in this option must identify themselves by returning a form to their manager or supervisor within five (5) business days of when they are informed of their furlough. Once an employee submits a request for this option, he or she may not withdraw his or her election.

4. The Company will use reasonable efforts to place furloughed Computer Technicians with the vendor(s) to which Computer Technician work is outsourced. Employees who accept such employment will not be eligible for the benefits described herein.

5. The foregoing provisions of this Letter of Agreement do not apply under the following circumstances:

a. to temporary employees;

b. to employees who are being laid-off as a direct result of:

(i) an act of nature;

(ii) a strike or labor dispute;

(iii) a reduction of the Company's operations because of a decrease in available fuel supply or other critical materials due to either governmental action or commercial supplier being unable to meet the Company's demands;

(iv) a revocation of the Company's operating certificate(s) or the grounding of a substantial number of the Company's aircraft by government action;

(v) a declared or undeclared war or national emergency;

(vi) compulsion by a government agency, legislative or court action.

Sincerely,
/s/ Peter B. Kain Peter B. Kain
Vice President - Labor Relations

Accepted and Agreed to this 15th day of May, 2005

Airline Contract Administration Coordinator Aircraft Mechanics Fraternal Association

/s/ O.V. Delle Femine
O.V. Delle Femine National Director
Aircraft Mechanics Fraternal Association

Final

(Bankruptcy Exit Agreement)
LETTER OF AGREEMENT
by and between
UAL CORP.,
UNITED AIR LINES, INC.
and
Mechanics and Related Employees in the service of
UNITED AIR LINES, INC. as represented by
THE AIRCRAFT MECHANICS FRATERNAL ASSOCIATION

THIS LETTER OF AGREEMENT, dated as of May 15, 2005, is made and entered into in accordance with the Railway Labor Act by and between UAL Corp. (hereinafter referred to as "UAL"), UNITED AIR LINES, INC. (hereinafter referred to as the "Company") and the AIRCRAFT MECHANICS FRATERNAL ASSOCIATION (hereinafter referred to as "AMFA" or the "Union").

WHEREAS UAL, the Company and the Union have reached agreement concerning the revisions to their current collective bargaining agreement (the "2003 Mechanics' Agreement" and, as revised by this Letter of Agreement, the "2005 Mechanics' Agreement") necessary for the Company to emerge from Chapter 11; and

WHEREAS certain of the revisions shall become effective as of May 15, 2005 (the "Effective Date"), assuming the complete satisfaction of the conditions described in paragraph 9 below prior to June 30, 2005 and other revisions shall become effective on the effective date (the "Exit Date") of a plan of reorganization proposed by UAL Corp. (the "Plan of Reorganization");

THEREFORE the parties to this Letter of Agreement hereby agree as follows:

1. Amendable Date. The amendable date of the 2005 Mechanics' Agreement shall be January 1, 2010. Section XXVII of the 2005 Mechanics' Agreement shall read in its entirety as follows:

This Agreement shall become effective January 1, 2005 except as otherwise provided, and shall continue in full force and effect through December 31, 2009 and shall thereafter renew itself yearly without change each January 1st unless written notice of intended change is served in accordance with Title I, Section 6 of the Railway Labor Act by either party at least thirty (30) but not more than two hundred and seventy (270) days prior to December 31, 2009 or December 31 of any year thereafter. If such notice is served, negotiations will commence no more than 30 days after service. If a new tentative agreement is not reached by August 1, 2009 (or any August 1 thereafter, if applicable), the parties will jointly invoke the mediation services of the National Mediation Board under Section 5 of the Act.

2. Wage Rates. The base pay rates and other pay components (shift premiums, Hawaii

differential, skill premium, and license premium) in effect as of May 1, 2004 under Schedule A of the 2003 Mechanics' Agreement shall be reduced by 3.9% effective with the payroll period commencing closest to June 1, 2005 (for most employees, this will be the payroll period commencing either May 29, 2005 or June 5, 2005). These reduced base pay rates and other pay components shall thereafter be increased by 1.5% on January 1, 2006, 1.5% on January 1, 2007, 1.5% on January 1, 2008, and 1.5% on January 1, 2009. These shall become the pay rates for the 2005 Mechanics' Agreement. The base pay rates under Schedule A of the 2005 Mechanics' Agreement are set forth in Exhibit A to this Letter of Agreement. The other pay components as revised are set forth in Exhibit B to this Letter of Agreement.

3. **Other Contract Changes.** Certain other provisions of the 2003 Mechanics' Agreement shall be revised on the Effective Date as described on Exhibit B to this Letter of Agreement.
4. **Defined Benefit Pension Plan.** AMFA (i) waives any claim it may have (including but not limited to any claim or grievance under Letter of Agreement 02- 1M of the 2003 Mechanics' Agreement) that the termination of the United Air Lines, Inc. Union Ground Employees' Retirement Plan (the "Plan") does or would violate the terms and conditions of the 2003 Mechanics' Agreement or any other agreements or status quo between the parties, and (ii) shall not otherwise oppose any efforts to terminate the Plan; *provided*, however, that nothing in this Letter of Agreement shall be construed, deemed or characterized by UAL or the Company as any agreement of any form by AMFA that the Plan should be terminated, or as limiting AMFA's right to proceed against the PBGC regarding the issue of the termination date of the Plan. AMFA further agrees that, under the 2005-2009 Mechanics' Agreement, the Company shall not be required to maintain the Plan, or provide any defined benefit pension benefits whether from a plan, including the Plan or other- wise, and may terminate the Plan without violating the 2005-2009 Mechanics' Agreement or any other agreements or status quo between the parties.
5. **Pension Contributions.** When the Plan is terminated following final judicial approval of such termination ("Plan Termination Date"):
 - a. The Company shall, each payroll period, make a contribution (the "Replacement Plan Base Contribution") to a defined contribution plan equal to four percent (4.0%) of each eligible participant's "Considered Earnings" (as defined in Exhibit C). In addition, the Company shall make an Additional Contribution for all eligible participants employed on May 15, 2005, based on a points schedule attached as Exhibit I. The Additional Contribution has been determined such that the total of the Base Contribution plus the Additional Contribution for all eligible participants will be of the total Considered Earnings for all eligible participants. In the future, the Additional Contribution for any eligible participant will not change. At the end of each calendar year, the Company will calculate total Company contributions as a percentage of the total Considered Earnings for all eligible participants. If the total is less than 5.0%, the Company will make an additional one-time base contribution so that the total Company contribution for the calendar year equals 5.0% of total Considered

Earnings. The Company will calculate the total projected Company contribution divided by the total projected Considered Earnings at the beginning of each year. If this percentage is less than 5.0%, the Company will increase the base contribution rate so that the total Company contribution rate equals 5.0%. The Base and Additional Contributions will begin with the earlier of (i) July 1, 2005, or (ii) the first day of the calendar month following the Exit Date; provided, however, that in the event the Exit Date follows July 1, 2005, contributions will accrue without interest from July 1, 2005 through the Exit Date and be contributed in a single lump sum no later than sixty (60) days after the Exit Date.

b. All employees employed on May 15, 2005 will be 100% vested in the Replacement Plan Contributions. Any Replacement Plan Contributions made on behalf of an employee hired after May 15, 2005 will be subject to the following vesting schedule:

Fewer than one year of service	0%
1 year of service but fewer than 2	20%
2 years of service but fewer than 3	40%
3 years of service but fewer than 4	60%
4 years of service but fewer than 5	80%
5 or more years of service	100%

All service with the Company will be counted for purposes of vesting. Forfeitures under the defined contribution plan will be used to reduce future Company contributions to the defined contribution plan.

c. The Company will meet and confer annually with AMFA to consider plan investment options.

d. Following the Plan Termination Date, the Company shall not maintain or establish any single-employer defined benefit plan for any UAL or Company employee group unless AMFA-represented employees are provided the option of electing to receive a comparable defined benefit plan in lieu of the Replacement Plan Contribution.

e. The 2005-2009 Mechanics' Agreement and the Plan of Reorganization shall provide for the issuance of \$40,000,000 of UAL convertible notes, as described in Exhibit J, to a trust or other entity designated by AMFA. The terms of the UAL convertible notes described in Exhibit I shall be subject to mutually-acceptable modifications to optimize implementation for all parties from an accounting, securities law and tax law perspective. This paragraph shall be effective, and the

convertible notes described in Exhibit J shall issue only in connection with, and following, the review, design, negotiation, approval, effective ratification, and execution of this Letter of Agreement.

6. **Company Profit Sharing Contribution.** The 2005-2009 Mechanics' Agreement shall provide for AMFA-represented employees to participate in the revised profit sharing program described in Exhibit C to this Letter of Agreement.
7. **Distribution Agreement.** The Plan of Reorganization shall provide the AMFA-represented group with a distribution of UAL equity securities as provided in the amended distribution agreement described in Exhibit D to this Letter of Agreement.
8. **Bankruptcy Actions.** The Company and the Union shall take the following actions to seek the approval of this Letter of Agreement by the bankruptcy court in In Re UAL Corporation et al., Case No. 02-B-48191 (Bankr. N.D. Ill.) (the "Bankruptcy Cases"):
 - a. the Company shall file a motion for approval of the Letter of Agreement under 11 U.S.C. § 363, in form and substance reasonably acceptable to the Union, by no later than May 31, 2005;
 - b. the Company shall provide, to the extent reasonably practicable, the Union's counsel with copies of, and a reasonable opportunity to comment on, all motions, applications, proposed orders, pleadings and supporting papers prepared by the Company for filing with the bankruptcy court relating to court approval of this Letter of Agreement; and
 - c. both the Company and the Union shall support and seek the approval of this Letter of Agreement in the Bankruptcy Cases without condition, qualification or exception; shall use their best efforts to obtain the support of the Official Committee of Unsecured Creditors and other parties and stakeholders for the Letter of Agreement; and shall take every reasonable action necessary to obtain judicial approval of this Letter of Agreement in the Bankruptcy Cases without condition, qualification or exception, including the filing of motions, objections and appeals.
9. **Conditions of Effectiveness.** Except as otherwise provided, this Letter of Agreement shall become effective as of May 15, 2005, subject to bankruptcy court approval and, on or before June 30, 2005, the occurrence of all of the following:
 - (a) ratification by AMFA-represented United employees under the Union's Constitution and By-Laws,
 - (b) if required, approval by the Company's Board of Directors,
 - (c) execution by a duly authorized official of AMFA, and (d) the withdrawal of the Company's motion to reject the 2003 Mechanics' Agreement under 11 U.S.C.

§1113.

10. **Termination Rights.** This Letter of Agreement may be terminated by the Company or the Union, on two business days written notice to the other (the "Termination Notice"), given before or after the Effective Date but no later than the Exit Date, upon the occurrence of any of the following events:
 - a. failure of the court to issue final judicial approval of this Letter of Agreement, without condition, qualification or exception, by June 30, 2005;
 - b. failure of the Company to implement, through binding agreement or final judicial order effective no later than the Exit Date, revisions to (i) the labor contracts of the Company's other unionized employees and (ii) the wages, benefits and working conditions of the Company's salaried and management employees so that the aggregate revisions in (i) and (ii) are reasonably projected to produce at least \$582 million in average annual savings for the Company from January 1, 2005 through and including January 1, 2010, unless such action is cured to the reasonable satisfaction of AMFA within twenty days of the Termination Notice;
 - c. the filing by UAL or United of, support by UAL or United for, or judicial confirmation or approval of (as the case may be), a plan of reorganization or a proposed disclosure statement which contains any material term that is materially inconsistent with the 2005 Mechanics' Agreement or this Letter of Agreement unless such action is cured to the reasonable satisfaction of the Union within twenty (20) days of the Termination Notice;
 - d. other material breach of the Company's or UAL's obligations under this Letter of Agreement unless such breach is cured to the reasonable satisfaction of the Union within twenty (20) days of the Termination Notice. In the event of such termination, (A) this Letter of Agreement shall otherwise become null and void in its entirety and (B) the parties shall thereafter be governed by the 2003 Mechanics' Agreement and without regard to this Letter of Agreement.
11. **Fees and Expenses.** The Company shall reimburse the Union for fees and expenses incurred in connection with this Letter of Agreement as described on Exhibit E to this Letter of Agreement. Such reimbursement shall be made only in connection with, and following, the review, design, negotiation, approval, effective ratification, and execution of this Letter of Agreement.
12. **Agreement.** This Letter of Agreement is a final, binding and conclusive commitment and agreement between UAL, the Company and the Union. Notwithstanding anything to the contrary in this Letter of Agreement, judicial approval of this Letter of Agreement shall have the same meaning and effect as the judicial approval of the 2003 Mechanics' Agreement in the Bankruptcy Cases signed on April 30, 2003.
13. **Amendments; Waiver.** This Letter of Agreement may be amended, modified,

superseded or canceled and any of its provisions may be waived only by a written instrument executed by all parties or, in the case of a waiver, by the party waiving compliance. The failure of any party at any time to require performance of any provision of this Letter of Agreement shall not affect the right of that party at a later time to enforce the same or a different provision. No waiver by any party of a right under this Letter of Agreement shall be deemed or construed as a further or continuing waiver of any such right with respect to the same or a different provision of this Letter of Agreement.

14. **Notices.** Any notice or other communication given under the terms of this Letter of Agreement must be in writing and shall be deemed to have been duly given on the day it is delivered by hand, on the day it is sent by facsimile with confirmation of receipt by the transmitting machine, on the business day after it is sent by a national overnight mail service (delivery charge prepaid), or on the third business day after it is mailed first class, postage prepaid, in any case to the following addresses:

If to the Company:

United Air Lines, Inc.
1200 East Algonquin Road
Elk Grove Township, Illinois 60007
Attention: Paul Lovejoy
Facsimile: 847-700-4099

with copies to:

Kirkland & Ellis
200 East Randolph Drive Chicago, Illinois
60601
Attention: James H.M. Sprayregen
Facsimile: 312-861-2200

If to the Union:

Aircraft Mechanics Fraternal Association
67 Water St., Suite 208A
Laconia, NH 03245
Attention: O.V. Delle Femine
Facsimile: 603-527-9151

with copies to:

Scott Petersen
Seham, Seham, Meltz & Petersen
4910 Garden Ford Dr.
Kingwood, TX 77345
Facsimile: 281-361-9706

or to such other address or to such other person as any party shall have last designated by written notice provided to the other parties in the manner set forth in this paragraph.

15. **Counterparts.** This Letter of Agreement may be executed in two or more counterparts, all of which shall be considered one and the same instrument, and each of which shall be deemed an original. Each party to this Letter of Agreement has agreed to permit the use of faxed or otherwise electronically transmitted signatures in order to expedite the

consummation of the transactions contemplated hereby.

16. **Headings; Construction.** The paragraph headings in this Letter of Agreement have been inserted for convenience of reference only and do not restrict or otherwise modify any of the terms or provisions of this Letter of Agreement. Unless otherwise expressly provided, the words "including" or "includes" in this Letter of Agreement do not limit the preceding words or terms and shall be deemed to be followed by the words "without limitation."
17. **Exhibits.** This Letter of Agreement includes all of Exhibits A through K hereto. Except as otherwise expressly set forth therein, all capitalized terms in Exhibits A through K shall have the meanings defined in this Letter of Agreement.

IN WITNESS WHEREOF, the parties have signed this Letter of Agreement this ____ day of May, 2005

WITNESS: FOR UNITED AIR LINES,
INC.:
Peter B. Kain
Vice President Labor Relations

FOR UAL CORPORATION:
Glenn F. Tilton
Chairman, President and CEO

WITNESS: FOR AIRCRAFT
MECHANICS
FRATERNAL ASSOCIATION:

Airline Contract Administration Coordinator
Aircraft Mechanics Fraternal Association

O.V. Delle Femine
National Director
214

EXHIBIT A
MECHANICS' AGREEMENT
WAGE SHEDULE A

(EXHIBIT A TO LETTER 05-03M OMITTED HERE –
SEE MECHANICS' AGREEMENT EXHIBIT A)

EXHIBIT B
OTHER CONTRACT REVISIONS

(EXHIBIT B TO LETTER 05-03M OMITTED HERE --
SEE INDIVIDUAL REVISIONS TO MECHANICS' AGREEMENT)

EXHIBIT C
PROFIT SHARING

- Effective Date of Profit Sharing Plan:** As of January 1, 2005 (so that the first year covered by the profit sharing plan shall be calendar year 2005).
- Profit Sharing Pool:** In the event that the Company has more than \$10 million in Pre-Tax Earnings in the relevant calendar year, then 7.5% of Pre-Tax Earnings in 2005 and 2006 and 15% of Pre-Tax Earnings in each calendar year thereafter.
- Pre-Tax Earnings:** UAL consolidated net income as determined in accordance with GAAP, but excluding (i) consolidated federal, state and local income tax expense (or credit); (ii) unusual, special, or nonrecurring charges, (iii) charges with respect to the grant, exercise or vesting of equity, securities or options granted to UAL and United employees, and (iv) expense associated with the profit sharing contributions.
- Eligibility:** All domestic employees of UAL Corp. or United Air Lines, Inc. (including all AMFA-represented employees) who have completed one year of service as of December 31st of the year for which Pre-Tax Earnings are being measured.
- Allocation:** For each eligible employee, a pro rata share of the Profit Sharing Pool for each calendar year based on the ratio of the employee's Considered Earnings for the year to the aggregate amount of Considered Earnings for all eligible employees that year.
- Considered Earnings:** As currently defined in the Company's Success Sharing Plan (i.e., base pay, overtime, holiday pay, longevity pay, sick pay, vacation pay, shift differential, premiums, pre-tax contributions to a 401(k) plan, pre-tax medical plan contributions, and flexible spending account contributions but not expense reimbursement, incentive or profit sharing payments, imputed income or other similar awards or allowances) for that portion of the calendar year for which the employee was eligible to participate.
- Payment Date:** By no later than April 30th of the following year.
- Distribution:** In cash.
- Relationship to Other Programs:** Incremental to the Success Sharing Plan; in lieu of the existing profit sharing plan described in Article XXII of the

2003 Mechanics' Agreement.

Documentation:

Implementing documentation reasonably acceptable to the Union.

Duration:

Continuing unless and until terminated in a future Mechanics' collective bargaining agreement.

Final

EXHIBIT D
AMENDED DISTRIBUTION AGREEMENT

1. Section 2 of Attachment D to the 2003 Restructuring Agreement Amendment amending the Mechanics' Agreement (the "Distribution Agreement") is hereby amended to read in its entirety as follows:

In consideration for the mechanic contract revisions under the Section 1113 Restructuring Agreement reached between UAL, the Company, and the Union effective May 1, 2003 (the "2003 Restructuring Agreement"), which modifies the parties' 2000 collective bargaining agreement ("2000 Agreement"), and in consideration of the AMFA contract revisions under the revisions to the 2003 Mechanics' Agreement effective in 2005 (the "Revised 2003 Mechanics' Agreement"), any plan of reorganization proposed or supported by UAL and the Company as proposed and/or amended from time to time (the "Plan"), shall provide that, on or as soon as reasonably practicable after the effective date of such Plan, the mechanic group will receive a percentage distribution of the equity, securities and/or other consideration provided to general unsecured creditors under the Plan (the "Distribution") calculated by the following formula:

$A/(A+B)$, where:

A is the sum of (i) \$864,293,956, representing the dollar value of 30 months of average cost reductions under the 2003 Restructuring Agreement as reasonably measured under Labor Model 1.1A FINAL1, and (ii) \$159,234,343, representing the dollar value of 20 months of average cost reductions under the Revised 2003 Mechanics' Agreement as reasonably measured by the Final 2004 Labor Model (the "AMFA Amount"); and

B is the total amount of all other allowed prepetition general unsecured claims against the Debtors (UAL and its 27 debtor subsidiaries).

2. Section 3 of the Distribution Agreement is hereby amended to read in its entirety as follows:

In the event the other employees of the Company receive a Distribution in excess of 20 months of average cost reductions (as measured by the Final 2004 Labor Model) in connection with the 2005 labor cost reductions (the "Other Employee Distribution"), the \$159,234,343 amount described in paragraph 2 of this Distribution Agreement shall instead be the product of (x) \$159,234,343 and (y) a fraction, the numerator of which is the actual amount of the Other Employee Distribution, and the denominator of which is 20 months of average cost reductions (as measured by the Final 2004 Labor Model) for all other employees.

1 Including subsequent analysis and communication to account for AMFA/IAM split.

3. Section 5 of the Distribution Agreement is hereby amended to read in its entirety as

follows:

Following approval of the Distribution Agreement, and prior to the effective date of the Plan, AMFA (in consultation with the Company) will develop a reasonable method for allocating the Distribution or Alternative Distribution as applicable (which allocation will distribute all of the Distribution or Alternative Distribution to the AMFA members). The Company (in consultation with AMFA) will develop and implement a mechanism and timetable for issuing the Distribution or Alternative Distribution to the AMFA members which would take into account tax, legal, corporate liquidity and securities concerns as well as practical considerations.

4. Except as revised in the preceding paragraphs, the Distribution Agreement shall remain unchanged and in full force and effect.

EXHIBIT E
FEES AND EXPENSES

1. United shall reimburse AMFA for the reasonable, actual fees and out-of-pocket expenses incurred by AMFA in connection with the review, design, negotiation, approval, effective ratification, and execution of the Letter of Agreement (its "Expenses") including:
 - a. reasonable base wages lost by United AMFA representatives in connection with meetings called for the purpose of negotiating, reviewing, approving or ratifying the agreed Term Sheet and this Letter of Agreement; and
 - b. the reasonable, actual fees and expenses of AMFA's outside legal, pension, and other professional advisors (in each case based on normal hourly rates for actual time expended) up to a maximum, aggregate total of \$1 million. Of the total reimbursement for Expenses, \$500,000 shall be paid on the Effective Date as defined in the agreed Letter of Agreement, and the remaining \$500,000 will be paid on the Exit Date.
2. The Company shall seek judicial approval for its obligations under this Exhibit E at the same time that it seeks judicial approval of the agreed Letter of Agreement.
3. The parties acknowledge and agree that the Company's agreement to reimburse AMFA for fees and expenses under this Letter of Agreement is a result of the special collective bargaining circumstances created by the parties' desire to negotiate modifications to the Mechanics' Agreement as part of the Company's bankruptcy reorganization.

EXHIBIT F

**(EXHIBIT F TO LETTER 05-03M OMITTED HERE –
SEE REVISED LETTER 84-4M)**

Final

EXHIBIT G

**(EXHIBIT G TO LETTER 05-03M OMITTED HERE –
SEE LETTER 05-01M)**

Final

EXHIBIT H

**(EXHIBIT H TO LETTER 05-03M OMITTED HERE –
SEE REVISED LETTER 02-03M)**

Final

EXHIBIT I

Base Contributions: 4%

Additional Transition Contributions: Average 1% of Pay

<u>Points</u>	<u>Mechanics</u>	<u>Utility</u>
25	0.00%	0.00%
26	0.00%	0.00%
27	0.00%	0.00%
28	0.00%	0.00%
29	0.00%	0.00%
30	0.15%	0.20%
31	0.15%	0.20%
32	0.15%	0.20%
33	0.15%	0.20%
34	0.15%	0.20%
35	0.20%	0.30%
36	0.20%	0.30%
36	0.20%	0.30%
38	0.20%	0.30%
39	0.20%	0.30%
40	0.25%	0.40%
41	0.25%	0.40%
42	0.25%	0.40%
43	0.25%	0.40%
44	0.25%	0.40%
45	0.30%	0.45%
46	0.30%	0.45%
47	0.30%	0.45%
48	0.30%	0.45%
49	0.30%	0.45%
50	0.40%	0.55%
51	0.40%	0.55%
52	0.45%	0.65%
53	0.45%	0.65%
54	0.50%	0.75%
55	0.50%	0.75%
56	0.55%	0.85%
57	0.55%	0.85%
58	0.65%	0.95%
59	0.65%	0.95%
60	0.70%	1.05%
61	0.75%	1.15%
62	0.80%	1.20%
63	0.90%	1.30%

64	0.95%	1.40%
65	1.00%	1.50%
66	1.05%	1.60%
67	1.15%	1.70%
68	1.20%	1.80%
69	1.25%	1.90%
70	1.30%	1.95%
71	1.40%	2.05%
72	1.45%	2.15%
73	1.50%	2.25%
74	1.55%	2.35%
75	1.65%	2.45%
76	1.70%	2.55%
77	1.75%	2.65%
78	1.80%	2.70%
79	1.90%	2.80%
80	1.95%	2.90%
81	2.00%	3.00%
82	2.05%	3.10%
83	2.15%	3.20%
84	2.20%	3.30%
85+	2.25%	3.40%

EXHIBIT J
CONVERTIBLE NOTES

Issuer: Reorganized UAL Corp.

Guarantor: United Air Lines, Inc.

Issue: []%¹ Senior Subordinated Convertible Notes Due 2021 (the "Notes") to be issued no later than 180 days following the Exit Date (the "Issuance Date").

Initial Holder: A trust or similar non-permanent vehicle for the benefit of eligible United employees represented by AMFA; the Notes or the value of the Notes to be distributed to such employees or their retirement accounts as soon as reasonably practicable given tax, accounting, securities and market considerations; all rights of the Notes to be exercised by individual employees while the notes remain in the trust. Distribution mechanics, eligibility and allocation among such employees to be reasonably determined by AMFA.

Principal Amount: \$40,000,000 in denominations of \$1,000.

Term: 15 years from the Issuance Date.

Amortization: None prior to maturity; full principal to be repaid at the maturity date except to the extent converted or prepaid.

Interest Rate: Semi-annually in arrears, in cash, at an annual rate of []%¹; provided, however, that (i) the first full year of interest from the Issuance Date may be paid in cash or in kind at the option of the Issuer; (ii) if such interest is paid in kind, it will be in Common Stock, but only to the extent there exists Common Stock that is exempt from registration under 11 U.S.C. § 1145; and (iii) if such interest is paid in kind, it shall be delivered to the Holders under applicable market terms at issuance for public convertible debt securities of this type (e.g., any notice period and stock payment premium).

Security: None.

¹ The parties shall work together to set an interest rate for the Notes no later than thirty (30) days prior to the Issuance Date which shall ensure that the Notes will trade at par value or better on Issuance (the "Par Value Interest Rate"). Failing agreement on the Par Value Interest Rate, the

parties shall solicit rate recommendation from two national trading firms and shall adopt the average of the two suggested rates.

- Ranking:** Junior to the Reorganized UAL exit facility, customary secured indebtedness, indebtedness contemplated under a plan of reorganization, and other mutually agreed- upon indebtedness; pari passu to all current and future UAL or United Airlines senior unsecured debt; senior to all current and future subordinated debt.
- Conversion Rights:** The Holder may convert any number of the Notes into the Issuer's common stock (the "Common Stock"), at any time, at the Conversion Price.
- Conversion Price:** The product of (x) 125% and (y) the average closing price of the Common Stock for the sixty consecutive trading days following the Exit Date.
- Transferability:** To the greatest extent feasible under applicable law, the Notes and the Common Stock shall be issued under 11 U.S.C. §1145, and the Notes and the Common Stock into which they shall be convertible shall be freely transferable by the Holders without registration under the Securities Act of 1933.
- Common Stock:** When delivered, the Common Stock into which Notes may convert shall be fully paid and non-assessable. Issuer shall use its best efforts to list the Common Stock on a national stock exchange or NASDAQ prior to the Issuance Date.
- Call Rights:** No call for five years from the Issuance Date; thereafter, callable in cash or Common Stock if the Common Stock has traded at no less than 125% of the Conversion Price for the sixty (60) consecutive trading days prior to the call date.
- Put Rights:** Soft put right on the fifth and tenth anniversary of the Issuance Date for all principal and accrued interest as of such date; payable in cash or shares of Common Stock.
- Mandatory Prepayments:** Mandatory prepayment upon a "fundamental change" with a customary make whole premium, if any, for public convertible debt securities of this type; no prepayment obligations for mergers in which the Issuer is the surviving entity; no make whole premium in other mergers.

**Anti-Dilution
Protections:**

The Conversion Price will be subject to customary anti-dilution adjustments,² including upon (i) stock or extraordinary cash dividends, (ii) reclassifications, subdivisions or combinations of the Common Stock, (iii) the issuance of rights or warrants to all holders of Common Stock convertible into or exercisable for Common Stock at less than the then-current market price, (iv) distribution of the capital stock of an Issuer subsidiary to holders of the Common Stock and (v) any other distributions of assets by the Issuer to holders of the Common Stock.

**Mergers and Business
Combinations:**

The Notes will enjoy customary adjustments and protections in the event the Common Stock is converted into, reclassified into or exchanged for cash, other assets or securities.

**Other Terms
and Conditions:**

The Notes are intended to be public market securities and to trade at par value. The documentation of the Notes shall include such other terms and conditions as are customarily found in public market convertible securities of this type.

Implementation:

Implementing documentation reasonably acceptable to AMFA and the Company.

Distribution:

AMFA and the Company will coordinate any distribution of the Notes so that such distribution does not unreasonably interfere with capital markets activities of UAL or the Company.

² Anti-dilution adjustments shall not be applicable to securities issued or assets distributed under the Plan of Reorganization.

EXHIBIT K

(EXHIBIT K TO LETTER 05-03M OMITTED HERE
-- SEE LETTER 05-02M)

Final

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

**LETTER OF UNDERSTANDING –
AIRCRAFT MAINTENANCE AT EWR & PHL**

HRO – 5
March 1st 2011

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 agreement that, without waiver of any rights the Company may have under past practice or the Agreement, the Company will reestablish a line aircraft maintenance mission at the EWR and PHL stations. The Company shall determine the appropriate staffing levels consistent with its assessment of the needs of the operations.

The parties agree that the foregoing commitment fully resolves all issues relating to the closure of the Company's line maintenance operations at EWR, PHL, and BDL, and fully resolves all issues relating to any grievances relating to those closures, including all issues arising from the February 2010 award rendered by Arbitrator Horowitz.

Sincerely,

/s/P. Douglas McKeen

P. Douglas McKeen
Senior Vice President Labor Relations

Agreed, this 1st day of March, 2011:

/s/ David Bourne

Captain David Bourne
Director, Airline Division
International Brotherhood of Teamsters

**LETTER OF UNDERSTANDING –
GROUND EQUIPMENT AT BOS, HNL, PHX & LAS**

HRO – 6
March 1st 2011

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 agreement that, without waiver of any rights the Company has under past practice or the Agreement, the Company will staff a Ground Equipment (GQ or GSE) and Facilities (PV) maintenance mission at the BOS, HNL, PHX, and LAS stations. The Company shall determine the appropriate staffing levels, including whether to cross-utilize GQ and PV, consistent with its assessment of the needs of the operations.

Sincerely,

/s/ P. Douglas McKeen

P. Douglas McKeen
Senior Vice President Labor Relations

Agreed, this 1st day of March, 2011:

/s/ David Bourne

Captain David Bourne
Director, Airline Division
International Brotherhood of Teamsters

CONSENT DECREE

At the time of printing this Agreement, the United States District Court, Northern District of Illinois, Eastern Division, was expected to order and decree that the following provisions are fully binding on United and the IAM and are made a part of this collective bargaining agreement and are to be expressly printed and incorporated in the printed contract.

1. All job classifications covered by the United-IAM Ramp and Stores, Food Services, Mechanic, Dispatchers, Communications Employees and Security Officers Agreements as well as those jobs covered by United's agreement with the TWU shall henceforth be governed by the following seniority for purposes of determining priorities in layoffs and recalls:
 - a. Classification seniority for all employees who have a classification seniority date in the job classification in question greater than July 2, 1965.
 - b. A seniority date of July 2, 1965 for all employees who were initially hired by United prior to July 2, 1965 but, who have a classification seniority date in the job classification in question less than July 2, 1965.
 - c. Company seniority for all employees who were initially hired by United after July 2, 1965 and did not enter the job classification until after that date.
 - d. Employees in promoted positions holding seniority under the Mechanic, Ramp and Stores, Food Services, Dispatchers or Security Officers Agreements, or who are hereafter promoted to such positions, upon return to a position under one of the Agreements in which they hold seniority, shall have their Company seniority adjusted (for purpose of layoffs and recalls) in the same manner as their Classification seniority is adjusted pursuant to the seniority provisions of the collective bargaining agreement.

2. An employee in a job classification covered by the IAM-United Mechanic, Ramp Service, Food Service and Security Officer collective bargaining agreements who is laid off in his/her classification at a point shall have the choice of exercising seniority in that classification pursuant to the Seniority Article of such collective bargaining agreements or take layoff. If he/she has been in his/her present classification 2 years or more and if he/she does not have sufficient seniority as defined in paragraph 1 to fill a vacancy or displace an employee in his/her present classification on this system, then he/she can exercise his/her seniority as defined in paragraph 1 to any classification in which he/she has worked in the same manner as those employees who have been in their classification less than two years as now provided in the Seniority Article of such collective bargaining agreements. In the event an employee exercises his/her seniority to return to a lower-rated classification, he/she must return to the highest lower-rated classification in which he/she holds seniority or forfeit all seniority held in that or any other classification higher than the classification to which he/she returns.

7. Except pursuant to Section III, all individual classification adjustments granted to IAM represented employees under the Final Consent Decree entered April 30, 1976, as amended, and under this Amended Consent Decree, shall remain in full force and effect.

Final