



AGREEMENT

between

AMERICAN EAGLE AIRLINES AND EXECUTIVE AIRLINES

and

TRANSPORT WORKERS UNION OF AMERICA, AFL-CIO

covering

FLEET SERVICE CLERKS

of

AMERICAN EAGLE AIRLINES, INC. & EXECUTIVE AIRLINES,
INC.

Effective date - January 01, 2013

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EXECUTIVE AIRLINES, INC.

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TRANSPORT WORKERS UNION OF AMERICA, AFL-CIO

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Effective January 01, 2013

This Agreement is made and entered in accordance with the provisions of the Railway Labor Act, as amended by and between AMERICAN EAGLE AIRLINES, INC. and EXECUTIVE AIRLINES, INC., hereinafter collectively referred to as the "Company", and the TRANSPORT WORKERS UNION OF AMERICA, AFL-CIO, hereinafter known as the "Union". Whenever reference is made herein to the "Company", such reference refers to either American Eagle Airlines, Inc. or Executive Airlines, Inc. whichever is the employer of the applicable employee.

PREAMBLE

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TABLE OF CONTENTS

PREAMBLE 3

TABLE OF CONTENTS..... 5

ARTICLE 1 - RECOGNITION AND SCOPE..... 7

ARTICLE 2 -DEFINITIONS..... 10

ARTICLE 3 - NON-DISCRIMINATION AND MANAGEMENT RIGHTS..... 13

ARTICLE 4 – COMPENSATION..... 14

ARTICLE 5 - VACATIONS 18

ARTICLE 6 – HOLIDAYS..... 22

ARTICLE 7 - SICK LEAVE / ON THE JOB INJURY..... 23

ARTICLE 8 - PHYSICAL EXAMINATIONS..... 25

ARTICLE 9 – SENIORITY 27

ARTICLE 10 - CLASSIFICATIONS AND QUALIFICATIONS..... 30

ARTICLE 11 - OVERTIME 42

ARTICLE 12 - PROBATIONARY PERIOD 46

ARTICLE 13 - HOURS OF WORK 47

ARTICLE 14 - TRANSFERS AND PROMOTIONS 49

ARTICLE 15 - FURLOUGH / RECALL 61

ARTICLE 16 - LEAVES OF ABSENCE 65

ARTICLE 17 - FIELD WORK 67

ARTICLE 18 - ATTENDANCE AT HEARINGS, INVESTIGATIONS, TRAINING... 68

ARTICLE 19 – GENERAL 69

ARTICLE 20 – REPRESENTATION 73

ARTICLE 21 - GRIEVANCE PROCEDURE 77

ARTICLE 22 - BOARDS OF ADJUSTMENT 80

ARTICLE 23 - MEAL PERIODS 85

ARTICLE 24 - PART TIME EMPLOYEES 86

ARTICLE 25 - UNION SECURITY 91

ARTICLE 26 - NO STRIKE – NO LOCKOUT 99

ARTICLE 27 - SAVING CLAUSE 100

ARTICLE 28 - HEALTH & SAFETY 101

TABLE OF CONTENTS

ARTICLE 29 - DURATION OF AGREEMENT	103
LETTER A - DECISION PROCESS SYSTEM BRDS / ARBITRATIONS	105
LETTER B - CR1 ENTRIES RELATIVE TO INVESTIGATIONS	107
LETTER C - CR1 ENTRIES / EMPLOYEE REBUTTAL	108
LETTER D – HEALTH BENEFITS ELIGIBLTY & EMPLOYEE CONTRIBUTIONS.	109
LETTER E – 401K COMPANY MATCH OF ELIGIBLE EARNINGS	111
LETTER F – COPE DEDUCTIONS	112
LETTER G – COMPANY NEPOTISM POLICY / CHANGES	113
LETTER H - EXPANSION OF VC, HOLIDAYS OR MEDICAL PLANS	115
LETTER I - AA FLOWTHROUGH AGREEMENT	116
LETTER J – NEW STATION IMPLEMENTAITON – STAFFING COORDINATOR.	121
LETTER K – SJU ARTICLE 21 – TIME LIMITS	123
LETTER L - ONE STATION AGREEMENT / JFK & LGA	125
LETTER M – SJU / ARTICLE 22 –BUREAU OF LABOR ARBITRATION	131
LETTER N - SJU / LOCAL LAWS ENTITLEMENTS	132
LETTER O – SHIFT BID COMMITTEES	133
LETTER P - FLOATING HOLIDAY / PROBATIONARY EMPS	135
LETTER Q – FLEXIBLE HIRING RATE CLARIFICATION	137
LETTER R – 1113 ME – TOO PROVISION	138
LETTER S – GUIDELINES OF EMP ON UNION LEAVE	140
LETTER T – PROFIT SHARING PLAN	142

ARTICLE 1 - RECOGNITION AND SCOPE

- A. In accordance with Recognition Agreements between SIMMONS AIRLINES, INC. AND TRANSPORT WORKERS UNION OF AMERICA dated May 12, 1989 and August 31, 1992, and FLAGSHIP AIRLINES, INC. AND TRANSPORT WORKERS UNION OF AMERICA dated May 9, 1990, the Company hereby recognizes the Transport Workers Union of America, AFL-CIO as the sole bargaining agent for all Fleet Service employees employed by the Company, and in their behalf to negotiate and conclude an Agreement with the Company with respect to rates of pay, rules and working conditions for all employees covered under this Agreement in the Title Groups set forth in Article 10.
- B. This Agreement is binding upon the parties hereto and their successors and assigns.
- C. It is understood and agreed that supervisors and other employees may assist in the performing of any work that may be necessary to complete a particular operation. This provision will not be used on a routine basis but will cover those instances wherein short-term help is required to complete the operation in question and due to the nature of the operation, overtime from the work unit is not readily available.
- D. Contracting Out of Work - The Company reserves the right to contract in or contract out any or all such work covered by this Agreement if by so doing the Company is able to accomplish such work more economically, provided however, that the Company will not layoff any employee covered by this agreement solely by reason of the fact that the work ordinarily done by such employee has been contracted out. It is

understood and agreed that should the Company at such time not have the manpower, facilities or tooling to do a particular job, such work may be contracted out without limitations.

- E. Prior to the staffing of any new cities, or upon notice of a significant growth of any existing cities, not currently staffed with Fleet Service Clerks represented employees, the Company agrees to meet with the TWU within a reasonable timeframe in order to provide the TWU an opportunity to demonstrate that the work can be accomplished at an equal or less total cost to the Company by American Eagle TWU Fleet Service Clerks covered by this agreement. The Company will provide a quarterly report to the International Union, which will identify the annual departures of American Eagle flights by city/location. In such locations where the TWU is unable to demonstrate that they can accomplish the work required at an equal or less total cost basis, such work will continue to be performed by station agents.
- F. After the date of signing of this agreement any new city/cities staffed by the Company with the TWU Fleet Service Clerks as a result of the provisions of Article 1.E., above, will not be subject to the provisions of Article 1.D. For purposes of this paragraph a new city is defined as any city other than BOS, DFW, JFK, LAX, LGA, MIA, ORD and SJU.
- G. In the event that the Company is a party to any merger, purchase, sale or acquisition, consolidation, reorganization or similar corporate transaction, the Company will meet with the Transport Workers Union to discuss the merger, purchase, sale or acquisition, consolidation, reorganization or similar corporate transaction. The Company will provide the Transport Workers Union with information concerning the proposed merger, purchase, sale or acquisition, consolidation, reorganization or

similar corporate transaction at the earliest practical time to allow the Union to prepare for those discussions. Those discussions will include the impact of the merger, purchase, sale or acquisition, consolidation, reorganization or similar corporate transaction upon Transport Workers Union represented employees.

- H. In the event that the Company is a party to any merger, purchase, sale or acquisition, consolidation, reorganization or similar corporate transaction, and a satisfactory agreement between the parties is not reached in regard to seniority integration, the Company will agree to utilize the procedure as set forth in paragraph J. below.
- I. In the event that American Eagle Airlines Inc. is integrated with any AMR affiliate, the parties representing each bargaining unit will meet to determine seniority integration. If a satisfactory agreement between the parties is not reached in regard to seniority integration, the Company will agree to utilize the procedure as set forth in Article J below.
- J. In the event of failure to reach a negotiated resolution, the seniority integration dispute will be resolved by a neutral arbitrator in accordance with Section 3 and 13 of the Allegheny-Mohawk Labor Protective Provisions.
- K. Successorship – In the event that the Company is a party to any merger, purchase, sale or acquisition, consolidation, reorganization or similar corporate transaction, the Company will agree to use its best efforts to ensure that the purchaser recognizes the Transport Workers Union as the sole collective bargaining agent of the employees covered by this Agreement, accepts the terms of the collective bargaining agreement then in effect, and accepts the Transport Workers Union represented employees transferred with such transaction.

ARTICLE 2 - DEFINITIONS

- A. "Employee" will mean an employee in the classifications covered by this Agreement.
- B. The term "hereunder" as used in this Agreement will be construed to mean and read "under all applicable provisions of this Agreement".
- C. "He" or any other pronoun used herein will be deemed and understood to designate any employee hereunder, whether male or female.
- D. The word "Qualification" as used herein will mean all requirements and/or qualifying tests, which may be deemed necessary by the Company for a particular type of work to be performed.
- E. A "Crew" is defined as a group of employees in a particular shop working under one Crew chief.
- F. "Base rate of pay", "base hourly rate", "regular hourly rate", "regular pay" or "pay as if working" will be defined as an employee's rate as shown in Article 4 including any applicable longevity, Crew Chief premium and geographic premium. The following are excluded from base rate of pay: shift differential and higher capacity pay premium.
- G. "Company seniority date" will be defined as the employee's hire date with the Company.

- H. "Classification seniority date" will be defined as an administrative date which determines the placement of an employee on the applicable pay scale.
- I. "Title Group Seniority" or "Occupational Seniority" will be defined as the employee's date of assignment in a title group and will accrue as outlined in the provisions of the labor agreement. Such occupational seniority will govern shift preference. (Including any paid training).
- J. The term "Emergency" will herein mean a sudden, generally unexpected occurrence or set of circumstances demanding immediate action.
- K. The term "temporary duty assignment" or "TDY" will herein mean a voluntary assignment to a station or location other than the station in which the employee is normally assigned in order to support operations for a known period of time.
- L. The term "field work" or "field trip" herein will mean an unexpected assignment of limited duration, to a station or location outside an employee's immediate work area.
- M. "Will" has the same meaning as "shall".
- N. "AMR EAGLE CARRIER", "COMPANY" OR "COMPANIES" means AMR Eagle Holding Corporation and a carrier(s) owned by AMR Eagle Holding Corporation, including, but not limited to, American Eagle Airlines, Inc. or Executive Airlines, Inc. provided that in the event of a divestiture of any form from AMR Corporation, "AMR Eagle Carrier", "Company", or "Companies" shall mean the successor entity resulting from such a divestiture, in which case all references to "AMR Eagle Carrier", "American Eagle Airlines", "Executive Airlines", "Company", and/or

“Companies shall be replaced with the name of the successor entity.

O. “Successor” will include, without limitation, any assignee, purchaser, transferee, administrator, receiver, executor, and/or trustee of the Company or of all or substantially all of the equity securities and/or assets of the Company.

P. “Successorship Transaction” means any transaction, whether single-step or multi-step that provides for, results in, or creates a successor.

Q. “Affiliate”, as used in this agreement means

1. any entity that controls the Company or any entity that the Company controls and/or
2. any other corporate subsidiary, parent, or entity controlled by or that controls any entity referred to in S 1 of this paragraph.

R. “On call” will mean an employee who has been instructed to remain or stand by at a station, shop, hangar, or other location, in order to begin work immediately upon the work becoming available.

S. “Meet and Confer” will mean an obligation to meet and provide information relating to a specific issue with the intent of resolving such issue.

ARTICLE 3

NON-DISCRIMINATION AND MANAGEMENT RIGHTS

- A. The Company and the Union agree to make it a matter of record in this Agreement that in accordance with the established policy of the Company and the Union, the provisions of this Agreement will apply equally to all employees hereunder regardless of sex, age, color, race, religion, sexual orientation, disability, veteran status or national origin.

- B. 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 the Union.

- C. The rights of ownership, the management of the Company and the direction of the working forces, including the right to hire, discipline and discharge employees for just cause, promote, demote, transfer, layoff and recall, the right to direct, plan and control operations, and to establish and change work schedules, and the right to determine the type of work to be performed, and the right to introduce new and improved methods, equipment or facilities, and to change existing methods, equipment and facilities, and to determine the location of the Company's facilities, and the work to be done at each, and the number of employees, and the right to lease facilities or equipment, and the right to establish or change Company rules, and in general to maintain discipline and efficiency, are vested exclusively with the Company so long as the exercise of such rights will not be in conflict with the specific provisions of this Agreement.

ARTICLE 4 - COMPENSATION

A. Flexible Hiring Rates

1. In the event that the Company, in its sole discretion, finds that any or all of its starting rates as specified below in this Agreement, are non-competitive with local market starting rates for similarly situated jobs, the Company may hire applicants in the Fleet Service classification at any station/base/location at rates of pay higher than those starting rates specified below. As market conditions change, the Company may, at its sole discretion, change its designated starting rate. Such designated starting rate may be higher or lower than previous starting rates however, such starting rate may not be lower than the first step nor higher than the maximum hourly rate in the applicable pay scale.
2. In those stations/base/locations where higher starting rates of pay are designated in accordance with paragraph 1 (a) above, all employees in the Fleet Service classification at that station/base/location who are receiving less than the new designated starting pay will have their rate of pay concurrently increased to the new designated higher starting rate for that classification.
3. Any employee who voluntarily transfers to a city that is not utilizing the Flexible Hiring rate at the time of transfer, will have his rate of pay reduced to the appropriate step, as if he had never received the Flexible Hiring rate. The same concept would apply for an employee who voluntarily transfers from a city that is not exercising the Flexible Hiring rate to a city that is utilizing the Flexible Hiring rate. In this case, the employee's pay rate would be adjusted to reflect the Flexible Hiring rate being exercised in that city.

ARTICLE 4 – COMPENSATION

4. An employee who transfers to or from a station/base/location which has an adjusted starting rate of pay for his classification will have his rate of pay adjusted upward or downward to conform to the rate of pay received by an employee with the same classification seniority at his new station/base/location. The adjusted rate may not be less than Step 1 nor higher than the maximum hourly rate in the applicable pay scale.

B. Shift Differential

1. An employee assigned to a shift which begins at or after 1500 (or the majority of the shift hours are after 1500) and before 2000 will receive a shift differential of twenty-five (25) cents per hour for all hours worked.
2. An employee assigned to a shift which begins at or after 2000 (or the majority of the shift hours are after 2000) and before 0500 will receive a shift differential of forty-five (45) cents per hour for all hours worked.
3. Shift differential will only be payable for actual hours worked and will not be compounded in the computation of overtime.
4. Shift differential will only be paid in conjunction with time at work, i.e., not included with vacation, sick pay, etc.

- C. An employee covered under this agreement in the position of Crew Chief will receive one dollar (\$1.00) per hour premium for all hours worked. Such premium will be compounded in the computation of overtime.

D. Rates of Pay

1. During the duration of this Agreement, the regular rate of pay of the classification(s) covered hereunder is specified below.
2. Except as stated in paragraph 3. below, for employees covered under this agreement, progression from one step to the next will be based on twelve (12) months of service in each step within a classification.
3. Effective on the date January 1, 2013, and for a period of eighteen (18) months thereafter, all employees covered by this agreement will be frozen at their current pay step. At the end of the 18-month freeze, progression will be in accordance with paragraph 2. above.

Title Group V - Fleet Service Clerk

	DOS	1/1/2015	1/1/2016
1 st 6 mos.	\$9.19	\$9.33	\$9.47
2 nd 6 mos.	\$9.46	\$9.60	\$9.75
2 nd year/step	\$9.72	\$9.87	\$10.01
3 rd year/step	\$9.98	\$10.13	\$10.28
4 th year/step	\$10.24	\$10.39	\$10.55
5 th year/step	\$10.51	\$10.67	\$10.83
6 th year/step	\$10.77	\$10.93	\$11.10
7 th year/step	\$10.96	\$11.12	\$11.29
8 th year/step	\$11.64	\$11.81	\$11.99
9 th year/step	\$12.30	\$12.48	\$12.67
10 th year/step	\$12.95	\$13.14	\$13.34
11 th year/step	\$13.73	\$13.94	\$14.14
12 th year/step (+)	\$15.30	\$15.53	\$15.76

ARTICLE 5 -VACATIONS

A. Employees hereunder will become entitled to and receive vacation allowances in accordance with the following:

1. As used herein the term "Year" is used to mean a calendar year.
2. As of December 31 of each year, each employee hereunder who has had one (1) year or more of active service with the Company will be entitled to a vacation period of one (1) week (40 hours) to be taken in the following year.
3. As of December 31 of each year, each employee hereunder who has had three (3) years or more of active service with the Company will be entitled to a vacation period of two (2) weeks (80 hours) to be taken the following year.
4. As of December 31 of each year, each employee hereunder who has had fifteen (15) years or more of active service with the Company will be entitled to a vacation period of three (3) weeks (120 hours) to be taken the following year.
5. As of December 31 of each year, each employee hereunder who has had twenty (20) years or more of active service with the Company will be entitled to a vacation period of four (4) weeks (160 hours) to be taken the following year.
6. An employee who, as of December 31 of any year, who has less than one (1) year of service with the Company will be entitled to a vacation with pay on the basis of three (3) hours

and twenty (20) minutes accrual for each month of active service with the Company for vacation to be taken in the following year.

- B. In any calendar month, fifteen (15) days or more of service with the Company will be considered a full month and less than fifteen (15) days will not be considered a full month. Fractions of one-half a day or more of earned vacation will be considered as entitling the employee to a full day's vacation and fraction of less than one-half a day will not be considered a full day.

- C. The pay for such vacation will be at the pay which the employee would normally have received at his base rate of pay.

- D. Preference in the period in which employees hereunder will be permitted to take their vacations will be granted at each city/station in order of Company seniority.

- E. The Company will post requests for vacation preference for the following year on Company bulletin boards at each city/station no later than October 15th of each year and employees eligible will list their preference no later than November 15th. The posted vacation slots will include at least one (1) slot for each week of the year. The Company will round to the nearest whole number (up) to determine the number of weeks to be provided thereafter. The actual number of slots per week will be determined exclusively by the Company. The vacation periods shall be assigned and posted on Company bulletin boards no later than by December 1st. Any employee not expressing a preference shall be assigned a vacation.

1. Vacation schedules will be arranged by the Company to provide vacations at employee's convenience and preference as to date in order of company seniority, except the maximum number released at one time from a crew or classification will be limited by the requirements necessary to maintain efficient operation of the respective crews. Where there are ten (10) or more employees in a crew, at least two (2) employees will be permitted to take their vacation at the same time.
2. The actual days of vacation during any bid vacation period will begin on the employee's first scheduled workday following his scheduled days off.

F. An employee covered by this agreement who resigns and has given the Company fourteen (14) days advance notice will be entitled to his earned vacation pay. This notice provision may be waived by the Company. Upon death, the estate of an employee covered by this agreement will be paid in a lump sum for all accrued and unused vacation.

G. Upon retirement, an employee covered by this agreement who has accrued and unused vacation will receive a lump sum payment for his accrued vacation.

H. The Company reserves the right to cancel and reschedule vacation if necessary to maintain service and will give as much advance notice as possible to the employee, but at least two weeks. In the event that an employee's vacation has been cancelled by the Company, the employee will select, at his option to:

1. Reschedule his unused vacation during the same calendar year, if a slot is available, or

2. Be paid for his vacation period, or
 3. Carry his unused vacation over to the following year.
- I. Vacation allowance will not be cumulative and vacation time to which an employee becomes entitled on December 31 of any year will be forfeited unless taken during the following year, unless the employee is requested by the Company in writing to forego his vacation during the year in which it is to be taken.
 - J. The Company will permit an employee with less than three years of service to request up to twenty-four (24), and an employee with three or more years of service to request up to forty (40), hours for personal vacation days. Personal Vacation Days (PVDs) are defined as vacation days accrued in the current year for use next year to be taken in advance for the current year. The days would then be deducted from next year's allocations. The days will be granted if manning permits.
 - K. The amount of vacation allowed for employees on a ten (10) hour four (4) day workweek will be based on the employee's regular service. Normally, a vacation day is considered to be one eight (8) hour day. Therefore, the "fifth" day of the vacation week is indicated as "VC". The C-21 posting must indicate five (5) days (1 week) are accrued, the work schedule will also revert to an eight (8) hour a day, five (5) day a week shift.

ARTICLE 6 - HOLIDAYS

A. The following holidays will be observed and compensated as set forth herein:

New Years Day	Labor Day
Memorial Day	Thanksgiving Day
Independence Day	Christmas Day

The above holidays will be observed on State and National Observance designated days. The above Holidays shall be taken and paid in accordance with this section, and there shall be no “banking” or “moving” Holidays. In addition to the preceding holidays each employee will be entitled to one personal holiday, to be designated at any time during the year by the employee with at least 14 days’ notice and will be granted in order of seniority at the fourteen (14) day cutoff based upon operational requirements.

B. An employee who works on Memorial Day, Independence Day, or Labor Day (including OT and CSW) will receive one and one-half (1-1/2) times the base rate of pay (including shift differential) for all hours actually worked on such Holidays. An employee who works on New Year’s Day, Thanksgiving Day or Christmas Day (including OT and CSW) will receive double the base rate of pay (including shift differential) for all hours actually worked on such Holidays. An employee who does not work on a Holiday will not be entitled to pay under this Article.

C. No employee will be required to report for duty on a paid holiday except when absolutely required for the operation

ARTICLE 7
SICK LEAVE/ON THE JOB INJURY

- A. Sick leave is that time granted to an eligible employee who is incapacitated for the performance of his regular duties by sickness or injury arising from non-occupational causes.

- B. A full-time employee who completes six (6) months of active service with the Company will be credited with forty-eight (48) hours of sick leave for the calendar year in which the six (6) month period is completed.

- C. Upon being credited with the applicable forty-eight (48) hours of sick leave, as mentioned in paragraph B above, an employee will thereafter accrue four (4) hours of sick leave for each calendar month of active service with the Company up to a maximum of forty-eight (48) hours in any calendar year. Such sick leave accrued during a calendar year will not be used prior to January 1 of the following year.

- D. Unused sick leave will be cumulative up to a maximum of seven hundred twenty (720) hours.

- E. The sick leave provided under this Article 7 will be payable only in cases of bona fide illness or injury from non-occupational causes which result in the employee's incapacitation for the performance of his regular duties. Such sick leave will be paid in the following manner:
 - 1. Payment of sick leave will be the pay for the regular daily schedule of working hours, for those days which the employee would have worked but for the disabling sickness or injury,

calculated at the applicable base rate of pay. Such payment will commence from the first (1st) work day's absence and will continue until the employee's accrued sick leave is exhausted.

2. Any full time employee who has reached three hundred (300) hours in his sick bank may convert forty- (40) hours of sick leave into five (5) days of vacation time (to be taken in a one (1) week block only). Such vacations will be bid after all regular vacation bids (Article 5) have been awarded.

F. The Company acknowledges an employee's right to use sick time for the intended purpose. In accordance with Company policy, the use of sick time will not be subject to disciplinary action unless there is evidence to substantiate abuse.

1. It will be the responsibility of the employee who will be absent from work due to illness or injury to report the facts to his immediate supervisor at least one (1) hour prior to normal shift starting time in accordance with local procedures.
2. While it is not the policy of the Company to require a medical confirmation of illness the Company reserves the right to require such medical confirmation whenever circumstances indicate abuse of sick leave or excessive absenteeism.

G. Injury on duty benefits will be in accordance with the applicable worker's compensation laws.

ARTICLE 8
PHYSICAL EXAMINATIONS

- A. Any employee hereunder who fails to pass a Company physical examination may, at his option, have a review of his case as outlined below.
1. Within fifteen (15) days he may employ a qualified medical examiner of his own choosing and at his own expense for the purpose of conducting a physical examination for the same purpose as the physical examination was made by the medical examiner by the Company.
 2. A copy of the findings of the medical examiner chosen by the employee will be furnished to the Company within fifteen (15) days following the examination, and in the event that such findings verify the findings of the medical examiner employed by the Company, no further medical review of the case will be afforded.
 3. In the event that the findings of the medical examiner chosen by the employee disagree with the findings of the medical examiner employed by the Company, the Company will, at the written request of the employee, ask that the two (2) medical examiners agree upon and appoint a third, qualified and disinterested medical examiner, preferably a specialist for the purpose of making a further physical examination of the employee.
 4. Such three (3) doctors, one (1) representing the Company, one (1) representing the employee affected, one (1) disinterested doctor approved by the Company doctor and the employee's doctor will constitute a board of three (3), the majority vote of which will decide the case.

- B. If the majority opinion of the Board of three (3) medical examiners upholds the employee's case, he will be restored to his former job and be paid for time lost, at his base rate of pay, less any amount he may have received as compensation during the interim period.
- C. The expense of employing the disinterested medical examiner will be borne one-half (1/2) by the employee and one-half (1/2) by the Company. Copies of such medical examiner's report will be furnished to the Company and to the employee.
- D. The above procedures do not apply in the case of time sensitive examinations, such as random drug testing, when required by law or approved Company plan.
- E. In instances where the Company requires an examination by a specialist to make the initial determination as stated in paragraph A above, such costs will be borne by the Company.

ARTICLE 9 – SENIORITY

- A. Company seniority will commence with the effective day of placement on the payroll.
- B. All references in the agreement to seniority will mean Title Group Seniority, also referred to as Occupational seniority except where specific reference is made to Company seniority or Classification seniority.
- C. Occupational seniority will begin to accrue from the date of first assignment to a Classification, including paid training, within any of the Title Groups enumerated in Article 10 of this Agreement.
- D. If an employee is transferred from one station to another, his seniority will not be broken.
- E. Occupational seniority will govern all employees hereunder in the case of shift preference (hours/days off), promotion, demotion, transfer, retention in case of reduction in force, and re-employment after release due to reduction in force, provided that the employee's qualifications are sufficient for the conduct of the work in the Classification to which he is assigned.
- F. The parties agree to the establishment of an accurate seniority list for the Title Group covered by this agreement, including company, classification, and occupational seniority. Such list will be furnished to the Union quarterly.
- G. The Company will post copies of said seniority list quarterly on its bulletin boards at all stations where employees are based.

- H. Resignation, discharge for just cause, or failure to accept recall from layoff will result in forfeiture of seniority and all rights thereto.
- I. An employee or the Union may protest any omission or incorrect posting affecting any employee's seniority within thirty (30) days after posting of the seniority list, except that an employee on a leave of absence in accordance with Article 16 of this agreement will have thirty (30) days from the date of return to duty.
- J. An employee who, as of the date of this Agreement, accepts a position with the Company outside the bargaining unit will retain his seniority for a period of six (6) months. Such an employee may return to his former Title Group and station, if a vacancy exists, within six (6) months of the day he left the bargaining unit. If such employee works over the six-month period, he will forfeit all seniority.
- K. An employee who accepts a temporary (acting) Company Assignment to work outside his Title Group or to work outside the bargaining unit will retain and continue to accrue seniority in the Title Group from which he is temporarily transferred. An employee who accepts such an assignment will not work in that capacity for more than one hundred twenty (120) days within a calendar year (January 1st-December 31st). Nothing in this paragraph prohibits the Company from assigning an employee to such work outside of the bargaining unit for periods of shorter duration than one hundred twenty (120) days, provided that such assignments or the total of such assignments do not exceed one hundred twenty days (120) days in a calendar year (January 1st-December 31st). If an employee in such capacity works over the prescribed time, he

will forfeit all seniority. On a semi-annual basis the company will furnish the Local President a report listing employees names, station, branch, hours worked and job function of employees within the agreement working outside the bargaining unit, or as MPR. Any extensions will be made only by agreement between the Company and the Union.

- L. An employee having Title Group seniority who permanently transfers at his own request to a Classification in another Title Group (under either this Fleet Service Agreement or the Maintenance Agreement) will retain seniority in the Classification and Title Group from which he transferred for a period of time not exceeding his service in the former Title Group. Such retained seniority may be exercised only in the event of a reduction in force pursuant to the provisions of Article 15.

- M. In the event several employees are hired on the same date and have the same Occupational Seniority date, the following agreed upon procedure should be used to determine proper placement:
 - 1. Occupational Seniority / AE TWU
 - 2. Company Seniority
 - 3. Date of Birth

ARTICLE 10
CLASSIFICATIONS AND QUALIFICATIONS

A. Employees covered by this Agreement will be assigned to a Classification within the following Title Group:

1. Title V - Fleet Service Clerk

a. Crew Chief - Fleet Service Employee

b. Crew Chief – Staffing Coordinator

c. Fleet Service Employee

B. The Classification descriptions set forth are incorporated herein and made part of this Agreement.

C. Whenever and wherever qualifying tests are used to determine the competency of an employee for promotions, these tests will be prepared by the Company. The Company agrees that management will schedule and administer the Crew Chief qualifying test at each station at least once every quarter, in accordance with Article 10.G.2. below. Written portions of qualifying tests will be multiple choice type. Samples of qualifying tests will be available for union review on company premises prior to their use. When the Union has objections to any portions of any revisions or any new qualifying tests, the same may be discussed by the Union with the Company upon thirty (30) days' notice from the date the tests are renewed. If agreement concerning the objections raised cannot be reached, the tests may be placed in effect and the Union may take up the disputed points as a grievance under Articles 21 and 22 of the Agreement.

ARTICLE 10 – CLASSIFICATIONS & QUALIFICATIONS

D. The Company may assign an employee in a higher or lower Classification within his Title Group for a period not to exceed thirty (30) consecutive days. If the position is for a period of thirty-one (31) days or longer it may be considered a vacancy and will be filled in accordance with Article 14.

E. The Company agrees that an employee assigned to a lower Classification within his Title Group having a lower rate than the one he is assigned will be compensated at his base rate of pay. An employee assigned to a higher Classification within his Title Group will receive the higher rate of pay

CLASSIFICATION DESCRIPTIONS

F. CREW CHIEF – FLEET SERVICE CLERK

1. The Fleet Service Crew Chief will be responsible to management for the overall performance of the employees assigned to his crew, and the timely and satisfactory completion of work assignments by ensuring that:
 - a. Management instructions are promptly and correctly complied with.
 - b. Employees assigned to his crew are properly utilized and instructed for the efficient performance of their daily work.
 - c. Work assignments are carried out in compliance with operational and safety procedures required by the policies of the Company and appropriate Governmental Regulations.

- d. Required forms, records, reports, computer entries and other paperwork are completed legibly and correctly and in a timely manner.
 - e. Employees assigned to his crew use only those vehicles, tools and equipment on which the Company has determined them to be qualified.
 - f. Assigned equipment is in proper operating condition, scheduled for maximum utilization and operated for the purpose intended.
 - g. Hazardous conditions, unsafe practices, improperly functioning equipment and tools are immediately brought to the attention of management.
 - h. During the shift change, Crew Chiefs or Supervisors on the succeeding shift are briefed on all known or anticipated ramp obligations and/or issues.
2. The Fleet Service Crew Chief will be responsible to management for ensuring compliance with all Company policies, including those relating to personal conduct while on the job by those employees assigned to him.

In addition to the above, the Fleet Service Crew Chief will, upon request, assist management in areas such as, but not limited to:

- a. Periodic evaluation of operating requirements and performance.

- b. Operational planning and scheduling.
 - c. Evaluation of training methods and techniques.
 - d. Evaluation of equipment, vehicles and tools.
 - e. Performance appraisal of employees providing oral advice and comments.
3. The Fleet Service Crew Chief will be qualified in the duties of his classification and will be capable of performing such duties. A Fleet Service Crew Chief will assist his group in the performance of their duties. While he is performing such duties, his primary responsibilities listed in sections F.1. and F.2. above will not be assumed by others. However, the above provisions do not preclude management from directing individual employees under non-routine circumstances or, in the absence of the Fleet Service Crew Chief, from the immediate work area. The Fleet Service Crew Chief may be required to demonstrate proper work methods, conduct on-the-job or classroom training, conduct meetings or indoctrinate employees in new or revised operational procedures and will communicate with other Company personnel as required in a manner designated by the Company, including via e-mail, telephone or written correspondence.
4. In the event there are not enough Fleet Service Crew Chiefs on the daily schedule to cover each operational area, the company may assign a Fleet Service Clerk to perform as an Acting Fleet Service Crew Chief, with the following order of preference:

- a. A Crew Chief-qualified Fleet Service Clerk who has not self-demoted as a Crew Chief within the preceding twelve (12) month period. The most junior employee who is eligible to be assigned to the Acting Crew Chief under this paragraph must accept the assignment if all senior employees eligible under this paragraph have declined the assignment.
- b. In the event that there are no employees eligible under paragraph 4a above, a Crew Chief-qualified Fleet Service Clerk who has voluntarily demoted under Article 14N.2. within the preceding twelve (12) month period. The most junior employee who is eligible to be assigned to the Acting Crew Chief under this paragraph must accept the assignment if all senior employees eligible under this paragraph have declined the assignment.
- c. In the event that there are no employees eligible under paragraphs 4a and 4b above, an individual Fleet Service Clerk who has not been demoted by the Company within the preceding twelve (12) month period who volunteers to perform as Acting Crew Chief.
- d. In the event that there are no employees eligible to serve as Acting Crew Chief under paragraphs 4a, 4b, and 4c. above, the Company will assign the Fleet Service Clerk with the lowest occupational seniority on duty on the crew to perform as Acting Crew Chief unless otherwise prohibited by this Agreement (See Article 12C.).

G. CREW CHIEF – STAFFING COORDINATOR

1. The Staffing Coordinator Crew Chief will be responsible to management for the overall performance of the employees assigned to his crew and the timely and satisfactory completion of the work assignments by ensuring that:
 - a. Required reports are generated (electronically and/or on handwritten forms, as applicable) to document issues with the software or hardware, detail reasons for performance failures such as delays, or identify employees who failed to comply with an assigned task.
 - b. May be required to use Company email and comply with Company regulations regarding the use of computers, email and other software.
 - c. Communicate with Fleet Service Clerks and Crew Chiefs, Supervisors, Managers and other departments to relay information related to Dynamic Manning (or any similar computer-based staffing program implemented by the Company) or other information that is vital to the performance of the airline.
 - d. Demonstrate proficiency at achieving targeted performance metrics such as meal-period assignments, proper task management, flight delays attributable to the incorrect or inefficient assignment of tasks or other metrics as they are defined.
 - e. Complete training and remain proficient on the use of the Staff-Manager, the Dynamic Manning, or any similar or related software applications implemented by the Company.

- f. May be required to administer training to Fleet Service Clerks, Fleet Service Crew Chiefs and other employees in relation to Dynamic Manning (or any similar computer-based staffing program implemented by the Company).
2. To be eligible to bid on a Staffing Coordinator Crew Chief position, an employee must have successfully passed the Crew Chief qualifying test outlined in Article 10C. at the time of the bid. The Company agrees that management will schedule and administer the Crew Chief qualifying test at each station at least once every quarter, as follows:

January 1st – March 31st
April 1st June 30th
July 1st – September 30th
October 1st – December 31st
3. In stations where there is insufficient work related to Dynamic Manning (or any similar computer-based staffing program implemented by the Company), a Staffing Coordinator Crew Chief at that location may be required to assume Fleet Service Crew Chief duties in addition to his Staffing Coordinator Crew Chief duties.
4. Staffing Coordinator Crew Chiefs will be selected in accordance with Article 14B.2.
5. A Staffing Coordinator Crew Chief must fulfill a minimum of six (6) months or three (3) shift bids, whichever is less, to be eligible for self-demotion under Article 14N.2.

H. FLEET SERVICE CLERK

1. The work of the Fleet Service Clerk classification, depending upon assignment, includes any or all the following:
 - a. Transporting cargo to and from aircraft including from the Company to other carriers, loads and unloads the cargo

compartments of airplanes with cargo (such as mail, passenger baggage, air express, air freight, ballast, animals, PPS and Company material) according to a predetermined plan.
 - b. Warehouses, weighs air freight, stacks, picks up and delivers cargo; checks cargo handled against its accompanying forms to identify any mishandling or discrepancies, corrects routine errors and brings others to a Fleet Service Crew Chief or supervisor's attention.
 - c. Safeguards cargo from weather.
 - d. May receive, weigh and tag passenger baggage.
 - e. Completes and checks all required forms connected with work assignments for completeness and accuracy in accordance with established procedures, referring forms that are not correct to a Fleet Service Crew Chief or supervisor.

- f. Checks deliveries of supplies against requisitions and brings discrepancies such as substitutions, shortages and damaged materials to a Fleet Service Crew Chief or supervisor's attention.
- g. Cleaning and servicing cabin interiors, including service cabin furnishings and supplies, and transporting such furnishings and supplies to and from aircraft. Provision airplane cabin by reading check list specifications, with equipment and supplies such as lines and blankets, etc. as well as carrying supplies weighing up to 50 lbs. on-board aircraft. Lift refuse containers weighing up to 35-50 lbs.; reach, bend and twist in confined space, hand clean, using cleaning fluid and materials, the interior of aircraft including meals trays, ash trays, lavatories, overhead storage bins and galleys.
- h. Drive vehicles with gross weight of 3000 to 8000 lb. in areas congested with aircraft, moving and stationary vehicles and equipment as well as positioning vehicle up to aircraft.
- i. Check condition, clean, sort, count, salvage and/or store equipment and assemble kits.
- j. Must possess the ability to judge distances.
- k. Required to shuttle crewmembers in a company van to and from terminal and hangar.
- l. Stoop, turn and reach.

- m. Works according to Company regulations and procedures and instructions from Crew Chief or supervisor.
- n. Operates air-conditioning truck, drives or guides powered equipment on ramp, warehouses, docks and in the hangar(s).
- o. Wears visual identification.
- p. Uses powered equipment, such as belt-loaders, industrial tractors, forklifts, and motor scooters, etc.
- q. Uses manually operated equipment such as hand trucks, lavatory service carts, cargo, and baggage carts.
- r. Uses specialized cleaning fluids and equipment.
- s. Uses baggage and cargo scales.
- t. Communicates with other Company and non-Company personnel as required in a manner designated by the Company.

In addition to the above duties, performs the following duties as assigned:

- u. De-icing of aircraft.

v. Cleaning of aircraft windshields.

w. Pushing out/towing of aircraft and related guide man functions.

x. Connecting/removing ground power and ground start units.

I. CREW CHIEF TRAINING

1. The Company will establish a specific training curriculum for existing and new bidders to Crew Chief positions, and may modify such curriculum as needed. The Company agrees to meet and confer with the union relating to the initial training curriculum before implementing the training. Thereafter, the Company will only implement any substantive changes to the training curriculum after allowing the Union the opportunity to review and provide input on the proposed changes to the training curriculum.
2. All employees who are either in, or subsequently awarded, a Crew Chief position will be required to complete the American Eagle Crew Chief Training course no later than one-hundred eighty (180) days after the effective date of this Agreement, unless otherwise mutually agreed to by the Company and Union.
3. The course curriculum will be based partially on the AE Certified Ramp Train-the-Trainer Course.

4. A final score of 80 will be required in order to receive credit for the course. The training will not certify the Crew Chief to instruct classroom Initial Ramp Training (IRT) due to requirements for the CRT to conduct one (1) IRT class per quarter. However, the Crew Chief will be deemed qualified to instruct the On-the-Job or hands-on portion of IRT.
5. Crew Chiefs will be required to complete training to assist in the handling and reconciliation of passenger baggage and cargo, including PPS.
6. Additional training will consist of leadership, conflict resolution and business ethics. These courses may be conducted either in the classroom or computer-based.
7. A Crew Chief who does not successfully complete the training on his first attempt will be given the opportunity to be registered for the next available Crew Chief training course and may be allowed to perform as a Crew Chief in the interim. If the Crew Chief does not elect to register for the course a second time, or does not successfully complete the Crew Chief training course on his second attempt, he will be returned to his original classification at his current location.

ARTICLE 11 -OVERTIME

A. Overtime, computed and adjusted to the nearest six-minute unit of work (tenths) will be paid.

B. Daily Overtime:

1. Employees working eight (8) hour shifts:

a. One and one-half (1-1/2) times the base rate of pay for each hour worked in excess of eight (8) hours.

b. An employee hereunder will not be entitled to overtime rates until he has worked eight (8) hours in the workday, including time worked before or after his regular shift.

2. Employees working ten (10) hour four-day work week:

a. One and one half (1-1/2) times the base rate of pay for each hour worked in excess of ten (10) hours.

b. An employee hereunder will not be entitled to overtime rates until he has worked ten (10) hours in the workday, including time worked before or after his shift.

C. Weekly Overtime: Time worked on an employee's regularly scheduled days off will be considered overtime and will be paid as follows:

1. Employees working eight (8) hour shifts:

- a. One and one-half (1-1/2) times the base rate of pay for hours worked on an employee's scheduled day(s) off.

2. Employees working ten (10) hour four- day workweek:

- a. One and one half (1-1/2) times the base rate of pay for hours worked on an employee's scheduled day(s) off.

D. Shift differentials will not be compounded in the calculation of overtime rates.

E. Overtime work will be distributed in seniority order among the employees qualified to perform the work necessitating overtime as equitably as practicable. The Company and the Union will "meet and confer" to develop a distribution method for each work location.

F. Exchange of Shifts or Days Off:

An employee working an exchange of shifts or days off will be paid at his base rate of pay for the new schedule. If an employee works additional hours at Company request in conjunction with an exchange of shifts or days off, overtime provisions hereunder will apply.

G. An employee whose overtime working period continues into the following day will continue to receive overtime rates for all overtime so worked.

H. If any work period continues so that its termination will fall within seven and one-half (7-1/2) hours prior to the commencement of the employee's regular shift in the succeeding workday, he will receive pay for all time worked during his regular shift on the succeeding workday at the rate of time and one-half his regular hourly rate.

Example: An employee's normal daily shift starts on Thursday at 07:30 AM and ends at 06:00 PM. He worked overtime and punched out at 12:00 AM. His next normal day to work is Friday at 07:30 AM and will get paid at time and one-half his regular hourly rate of pay i.e. when he punched out he was within 7 ½ hours of his next scheduled workday.

I. No overtime will be worked except by direction of the proper supervisory personnel of the Company, except in cases of emergency and when prior authority cannot be obtained.

J. If overtime on any workday or any workweek is due to an authorized exchange of days off or shifts by employees (which must be approved in advance by the appropriate supervisor), said time will be compensated at his base rate of pay; provided, however, any continuous work, exclusive of meal periods in excess of eight (8) hours on an eight hour shift or ten (10) hours on a ten hour shift will be paid for at the overtime rates provided in Paragraphs B and C of this Article.

K. Except as set forth in Article 6.B. and Article 24.E., in no event will any employee covered hereunder receive more than one and one-half (1-1/2) his base rate of pay (excluding shift differentials) under this Agreement.

ARTICLE 11 – OVERTIME

L. In the event of an emergency or when there are an insufficient number of employees being available, the Company will assign employees in inverse order of seniority to perform such work. The Company will use its best efforts to provide employees a minimum of two (2) hours notice in writing.

M. When an employee covered by this Agreement has been relieved for the day and is recalled to work, or works on his regularly scheduled days off, he will be paid not less than two (2) hours at his base rate of pay.

ARTICLE 12

PROBATIONARY PERIOD

- A. New employees will be considered on probation for the first six (6) months of active service. Probationary employees may be disciplined or discharged without having recourse to the grievance and arbitration provisions of this agreement.

- B. Probationary employees will be assigned a shift and work group by the Company. New employees will bid a shift on succeeding shift bids, but may not change work areas until completion of probationary period.

- C. No Probationary employees will work in a crew chief capacity during the first six (6) months of employment.

- D. Employees on probation will have the right to union representation, and may file a grievance based on alleged violations of the agreement excluding discipline and discharge.

ARTICLE 13

HOURS OF WORK

- A. The workday will consist of a twenty-four (24) hour period beginning at 12:00 o'clock midnight and a regular day's work shall consist of eight (8) hours, exclusive of meal periods.
- B. The basic workweek (and pay week) will consist of:
1. Seven (7) days beginning at 12:01 a.m. Saturday and the regular weekly work schedule shall consist of five (5) workdays of eight (8) hours each within the workweek.
 2. Each employee will be scheduled two (2) days off during each workweek. The Company will make every reasonable effort to arrange work schedules so that, whenever practicable, those days will be Saturday and Sunday. When an employee's days off are other than Saturday and Sunday, they will be two (2) consecutive days. Nothing herein will prohibit the Company from scheduling Friday and Saturday as the two (2) consecutive days off; (provided that when this is done Friday will be considered the first scheduled day off and Saturday will be considered the second scheduled day off for purposes of overtime, in accordance with Article 11 C.) except that when an employee's days off are changed to Friday and Saturday, the first Saturday following such change will be paid, if worked, at the rate of time and one-half the employee's base rate of pay.
- C. The Company will provide an option for work locations to have ten (10) hour shifts. Each work location must submit, for approval, their applicable work rules which would include the shift starting times

and overtime rules. The Company reserves the right to disapprove or terminate such if it is more costly or less productive than eight (8) hour shifts. The Company agrees to meet and confer with the Union before terminating approved plans.

1. The four-day workweek will consist of four (4) consecutive ten (10) hour workdays, exclusive of meal period. The four (4) day workweek will total forty (40) hours for each calendar week.

D. The Company will publish and post work schedules which will include shifts, hours, and days off for employees under this agreement. Employees will have the opportunity to bid shift, hours and days off at least three times per year. Each bid period will last a minimum of three months unless otherwise dictated by operational necessity.

E. Seven (7) calendar days notice will be given for shift changes, except in emergencies.

F. Part time employee's hours will be governed by the provisions of Article 24.

G. Shift and day off trades (CS) are permissible at local management's discretion. Trades require the supervisor's prior approval and are limited by service needs and state and federal laws. No such trades may generate extra pay for either employee involved.

H. Full time employees may volunteer for split days off.

ARTICLE 14

TRANSFERS AND PROMOTIONS

- A. Before any new employee is hired, employees covered by this Agreement will be given preference in accordance with their seniority; as provided herein.

- B. Vacancies subject to bidding will be filled by appointment of the most senior qualified bidder. The following Classifications will be considered bid positions:

1. Crew Chief - Fleet Service

- a. Except as provided in Articles 14N.1.f. and 14N.2.e. below, notices of Fleet Service Crew Chief vacancies and awards will be posted system-wide either electronically (on JetNet Career page or equivalent) or on all bulletin boards in all shops and work areas/cities where employees are employed.

- b. Notices of Crew Chief vacancies will be posted for a period of at least ten (10) days prior to being filled.

- c. The posting must state the qualifications and location of the position, as well as the deadline for submitting a request for consideration for the position.

- d. Employees interested in the posted Fleet Service Crew Chief positions must submit their request through the established TWU Transfers and Bid Procedures. The parties agree the Company may develop and implement an electronic means (i.e. JetNet career page or equivalent) for the submission of

bids under this Article which may, upon reasonable notice to the TWU, replace the current established procedures.

- e. Fleet Service Crew Chief positions will be awarded to the most senior qualified employee who has submitted a timely bid for the position.
- f. Candidates who are selected for the position will receive a written offer for the position, which shall include a starting date, training schedule, and the assigned shift and days off. Unsuccessful candidates will also receive a response in writing.

2. Crew Chief – Staffing Coordinator

- a. Except as provided in Letter J and Articles 14N.1.g. and 14N.2.f. below, notices of Staffing Coordinator Crew Chief vacancies and awards will be posted system-wide either electronically (on JetNet Career page or equivalent) or on all bulletin boards in all shops and work areas/cities where employees are employed. (Reference Letter J).
- b. Notices of Staffing Coordinator Crew Chief vacancies will be posted for a period of at least ten (10) days prior to being filled.
- c. The posting must state the qualifications and location of the position, as well as the deadline for submitting a request for consideration for the position.
- d. Employees interested in the posted Staffing Coordinator Crew Chief positions must submit their request through the TWU Transfers and Bid Procedures (or any electronic equivalent implemented by the Company in accordance with Article 14B.1.d.).

- e. Except as provided in Letter J and Articles 14N.1.g. and 14N.2.f. below, Staffing Coordinator Crew Chief positions will be awarded to the most senior qualified employee who has submitted a timely bid for the position. (Reference Letter J).
 - f. Candidates who are selected for the position will receive a written offer for the position, which shall include a starting date, training schedule, and the assigned shift and days off. Unsuccessful candidates will also receive a response in writing.
- C. Qualifications for the purpose of bidding will be established by the Company and may include such reasonable, measurable standards as are beneficial to the efficiency of the Company's operations and to the employees. Employees bidding for lateral positions within their current Classification will be deemed qualified.
- D. An employee bidding for more than one vacancy will indicate the order of his preference on each bid, and if he is the senior bidder for more than one vacancy he will have the opportunity to qualify only for the vacancy ranked highest in his preference.
- E. An employee hereunder may request a transfer to fill a regular full time or part time vacancy within his Title Group, not subject to bidding, either at his own or at another station, provided that the employee is qualified for the conduct of the work to which he is to be assigned and provided:

1. Employee has a minimum of six (6) months service with the Company.
 2. Employee has submitted a written request for transfer to his supervisor not less than fifteen (15) calendar days prior to the declared vacancy date.
 3. Employee has not completed or refused a transfer within the six (6) month period preceding the declared vacancy date.
 4. Each January 1 and July 1 a request for transfer not submitted within the preceding thirty (30) days will be voided and it will be necessary for a new request to be submitted.
 5. A vacancy created by the transfer of an employee may be filled or left unfilled by the Company at its option.
 6. Employees who accept a transfer request will report to their new assignment within fourteen (14) days of acceptance, except as outlined in 14H. below.
- F. An employee hereunder may request a transfer to a full time or part time vacancy outside his Title Group, not subject to bidding, either at his own station or at another station provided that the employee is qualified for the conduct of the work to which he is to be assigned and provided:
1. Employee has a minimum of six (6) months service with the Company.
 2. Employee has submitted a written request for transfer to his supervisor not less than fifteen (15) calendar days prior to the declared vacancy date.

3. Employee has not completed or refused a transfer within the six (6) month period preceding the declared vacancy date.
4. Each January 1 and July 1 a request for transfer not submitted within the preceding thirty (30) days will be voided and it will be necessary for a new request to be submitted.
5. A vacancy created by the transfer of an employee may be filled or left unfilled by the Company at its option.
6. Employees who accept a transfer request will report to their new assignment within fourteen (14) days of acceptance, except as outlined in 14H. below.

G. Full time vacancies, under 14E. and 14F., will be filled by the most senior qualified employee requesting to fill such vacancy in accordance with the following order of preference:

1. System surplus employees in the same classification, provided they are senior to the most senior employee holding recall rights to the occupation.
2. If there are employees on layoff retaining recall rights to the classification, these employees will be blended in seniority order with active part time employees at that station who have transfer requests on file to full time status in the classification with the vacancy. If the station has no employees with recall rights or when the recall has been satisfied, proceed directly to number 3.
3. Transfer requests of employees currently on payroll in the same classification in other cities blended in seniority order with part time employees transfer requests in the same classification within the city with the vacancy.

4. Transfer requests under 14F. of the Fleet Service agreement of those employees (active or laid off) who have a valid transfer from one classification to another at their own station.
 5. Transfer requests by employees on the active payroll who desire to fill a vacancy in another classification at another station.
 6. Transfer request by an employee on layoff status in the same classification in which the vacancy exists and who submits a transfer request after being laid off adhering to all procedural and qualification requirements under 14E. of the Maintenance Agreement.
 7. Transfer request by an employee on layoff status in a classification other than the classification in which the vacancy exists and who submits a transfer request after being laid off adhering to all procedural and qualification requirements under 14F. of the Fleet Service agreement.
 8. New hire.
- H. In the event that the Company, due to operational concerns, requires an employee to remain in his current position for a period of time beyond a period of fourteen (14) days, the employee's base rate of pay will be the greater of his current base rate of pay or the base rate of pay associated with the new assignment from the fifteenth (15th) day after acceptance of the transfer to the new assignment until the actual date of the transfer.

In no event will the employee be withheld from reporting to his new assignment for a period greater than thirty (30) days. If the transfer to the new assignment causes the employee to incur a new occupation or classification seniority date, such seniority will accrue beginning with the earlier of the actual date of transfer or the fifteenth (15th) day following acceptance of the transfer to the new assignment.

- I. An employee having qualified for a different Classification within the Maintenance Agreement (including a qualified employee from a Classification within the Fleet Service Agreement), who subsequently fails to demonstrate the required mechanical ability within six (6) months will be returned to his previous Classification and location. Furthermore, the employee would need to re-qualify and allow a period of twelve (12) months to elapse before re-bidding for the same Classification.

- J. An employee having received Company furnished training, who subsequently fails to successfully complete that training, will be offered one (1) make up test opportunity, and if employee fails, the employee will be subject to disqualification.

- K. An employee who is promoted and successfully bid a Crew Chief position, will not be held on a trial basis on his new assignment for a period longer than one-hundred and eighty (180) days and may be demoted or returned to his former assignment in the event of inability to perform his duties in a satisfactory manner. All employees successfully bidding a Crew Chief position will be required to have their performance evaluated by a review panel prior to the last day of their one-hundred and eighty (180) day trial period. The Transport Workers Union is invited to participate on any such panel in accordance with procedures as determined by the Company.

ARTICLE 14 – TRANSFERS AND PROMOTIONS

- L. An employee who fails to meet performance expectations during the 180-day trial period will be demoted as outlined herein. In the event that he is demoted, he may return to his former Classification hereunder for which he is qualified, but he will not for a period of twelve (12) months after such return, bid for a vacancy in the same classification for which he was unable to demonstrate his ability.

- M. An employee who permanently transfers at his own request to another classification of work as provided in this Fleet Service Agreement or the Maintenance Agreement will continue to receive his same base rate of pay but in no event will his base rate of pay exceed the maximum rate for the classification to which he transferred. If his base rate of pay at the time of such transfer is not the same as any base rate of pay for the classification to which he transferred, he will immediately receive the nearest higher base rate of pay for such classification.

- N. An employee who voluntarily or involuntarily returns to a former classification, will accrue classification seniority for all time out of the original classification provided the employee retains occupational seniority in the former classification at the time of return. Under these circumstances the employee will be treated as if they had never left the original classification. The employee's base rate of pay will be on the same step they would have been on had they never left the original classification. In the case of a transfer from a higher to a lower classification caused by a reduction in force under this Agreement, the above rules will apply.

- o. A Crew Chief who has passed his 180-day training and evaluation period, outlined in Article 14K above, may only be demoted as follows:

1. Demotion By The Company

A Crew Chief may only be demoted by the Company under the following circumstances:

- a. The Company must show just cause for the demotion either through documented examples of non-performance, or proven misconduct that would warrant immediate demotion.
- b. Prior to the demotion, the Company agrees to meet with the Union to discuss the basis for the demotion and to determine if there is any basis on which to pursue a different course of action. However, the Company does not need the Union's concurrence to proceed with the demotion. The Union does not waive any rights to challenge the Company's decision pursuant to Articles 21 and 22 of this Agreement.
- c. An employee who is demoted by the Company shall receive written notice and the reasons for the demotion.
- d. An employee who is demoted by the Company from a Crew Chief position shall be deemed ineligible to bid for, receive an award to, or act in the capacity of a Crew Chief position in that classification for a period of twelve (12) months from the effective date of his demotion.
- e. A Crew Chief who is demoted by the Company shall be returned to his former classification at his current location.
- f. Following a demotion of a Fleet Service Crew Chief by the Company pursuant to this section, the vacancy will

first be posted for bid and awarded on a local airport basis only. In the event that there are no local qualified bidders to fill the vacancy, then the position will be filled on a system-wide basis in accordance with Article 14B.1.

- g. Following a demotion of a Staffing Coordinator Crew Chief by the Company pursuant to this section, the vacancy will first be posted for bid and awarded to Fleet Service Crew Chiefs on a local airport basis only. If there are no qualified local Fleet Service Crew Chief bidders, the bid will then be posted for bid and awarded to Fleet Service Clerks on a local airport basis only. In the event that there are no local qualified bidders to fill the vacancy, then the position will be filled on a system-wide basis in accordance with Article 14B.2.

2. Voluntary (“Self”) Demotion

A Crew Chief may voluntarily step down from his Crew Chief position under the following circumstances:

- a. The parties agree that no later than thirty (30) days after the effective date of this Agreement, those employees who are in Crew Chief positions may notify the Company in writing of their desire to voluntarily step down.
- b. Thereafter, a Crew Chief may only voluntarily step down from his position during one of the two self-demotion windows to be established during the year. Unless otherwise mutually agreed to by the parties, those self-demotion windows will be prior to, but coincide with the contractual shift bids.
- c. All requests to voluntarily step down must be made in writing (including, but not limited to, via e-mail), to the

employee's manager or the manager's designee, and must be made at least thirty (30) days prior to the start of a new shift bid.

- d. A Staffing Coordinator Crew Chief must fulfill a minimum of six (6) months or three (3) shift bids, whichever is less, to be eligible for self-demotion under this Article.
- e. Following the self-demotion window described in subsection 2b. above, the Fleet Service Crew Chief positions to be vacated by the self-demotion process will be posted for bid and awarded on a local airport basis only. If more employees desire to self-demote than those bidding for the jobs at that airport, self-demotions will be limited to the number requesting to backfill the positions from that airport. If insufficient local bidders are available, the self-demotions will be permitted in seniority order up to the number of bidders.
- f. Following the self-demotion window described in subsection 2b. above, the Staffing Coordinator Crew Chief positions to be vacated by the self-demotion process will first be posted for bid and awarded to Fleet Service Crew Chiefs on a local airport basis only. If there are no qualified local Fleet Service Crew Chief bidders, the position will then be posted for bid and awarded to Fleet Service Clerks on a local airport basis only. If more employees desire to self-demote than those bidding for the jobs at that airport (including both Fleet Service Crew Chiefs and Fleet Service Clerks), self-demotions will be limited to the total number requesting to backfill the positions from that airport. If insufficient local bidders are available, the self-demotions will be permitted in seniority order up to the number of bidders.

- g. An employee who is voluntarily demoted shall be returned to his former classification at his current location.

- h. An employee who voluntarily demotes from a Crew Chief position shall be deemed ineligible to bid for or receive an award to a Crew Chief position in that classification for a period of twelve (12) calendar months from the effective date of his voluntary demotion

ARTICLE 15 - FURLOUGH/RECALL

FURLOUGH

- A. An employee having seniority (one who has completed his probationary period) and who is directly affected by a reduction in force may at his option:
1. Exercise his seniority to displace the most junior employee at his station in his own or lower classification within his Title group.
 2. Exercise his seniority to fill a vacancy in a lower classification within his Title group at his station.
 3. Exercise his seniority to fill a vacancy in his own or lower classification in the system not subject to bidding.
 4. When there are insufficient vacancies to accommodate the number of employees being reduced he may exercise his seniority to displace the employee or employees with the least system seniority in his own or lower classification.
- B. At the time of the lay-off, employees will be advised of, and in order of his seniority, offered his choice of the stations where appropriate vacancies exist and/or the location/s of the least senior employees in his classification in the system. The number of vacancies and the number of least senior employees in the appropriate classification selected for displacement will correspond to the number of laid off employees who elect to exercise their seniority to a job in their own classification.

1. The number of least senior employees exposed to displacement under this procedure will be subject to change prior to identification of awards.
 2. After awards are given the number of least senior employees exposed to displacement under this procedure will not be changed because of failure of a laid off employee to move to a job previously allocated.
- C. An employee who is directly affected by a reduction in force and exercises his seniority, either at the time of layoff or after accepting layoff, and thereafter must resign for personal reasons (cannot accept the new area, job or location) will retain recall rights if at the time of resignation they so notify the Company in writing of their desire to retain their recall rights. Any employee wishing to avail himself of this provision must do so within 90 days of accepting the new position or location.

Example:

Employee is laid off at DFW and elects to displace a junior employee in ORD. After a few weeks in Chicago the employee's family cannot join him and he elects to resign and retain his recall to DFW. This would be permissible.

Same situation as above except the employee elects layoff at the time of the reduction in force and after being unemployed for some time transfers to a vacancy at ORD. He elects to resign for whatever reason and would be eligible to retain his recall rights.

- D. The Company will notify the Union thirty (30) days in advance of planned reductions in force, the number of employees and the locations.

E. An employee who changes stations due to a reduction in force pursuant to A3 and A4 above will be reimbursed by the Company for moving and travel expenses under existing move policy limits.

RECALL

F. An employee who has completed his probationary period and is laid off by the Company and does not exercise his seniority to displace an employee or accept a vacancy in his or a lower classification will continue to accrue occupational seniority during such layoff for a period of ninety (90) days and the employee will continue to retain occupational seniority thereafter. All seniority will be canceled and reemployment/ recall rights forfeited if the employee is not reemployed / recalled by the Company within ten (10) years from the effected date of layoff.

G. An employee who has completed his probationary period and, in lieu of lay-off, exercises his seniority to displace an employee or accepts a vacancy in his or a lower classification will continue to accrue occupational and classification seniority for a period not exceeding his previous service to a maximum of two (2) years during such displacement. The employee will continue to retain occupational and classification seniority thereafter. All seniority will be cancelled and recall rights forfeited if the employee is not recalled by the Company within ten (10) years from the effective day of the layoff.

H. An employee bumping through one or more classifications or accepting vacancies and eventually laid off, will retain reemployment / recall rights to any non-bid position in each such classification.

- I. An employee will file his proper address with the appropriate manager at the time of lay-off and must keep the Company informed of any change of address
- J. At the time of reemployment/recall notice, the employee must notify the Company within five (5) days of intent to return to work, and must return to work within fifteen (15) days from the post mark of the original recall notice. An employee who fails to provide such notice or who fails to return to work within the prescribed time limits will lose all rights to reemployment/recall and his seniority will be forfeited unless such time is extended by the Company for a period not to exceed fifteen (15) days. The Company will furnish the Union with all reemployment/recall letters. All notices and replies will be by certified mail return receipt requested.

ARTICLE 16 - LEAVES OF ABSENCE

- A. When the requirements of the service will permit, an employee hereunder may be granted a leave of absence for a period not in excess of ninety (90) days. When such leaves are granted, the employee will retain and continue to accrue seniority during such leaves.

- B. When the requirements of the service will permit, such leave or leaves may be extended for additional periods not to exceed ninety (90) days. If such leave is extended by the Company, the employee will retain but not accrue seniority.

- C. When leaves are granted on account of sickness, injury, or pregnancy an employee hereunder will retain and continue to accrue his seniority plus length of service for pay purposes until he is able to return to duty, except that in no case will leave for sickness or injury exceed a total continuous period of three (3) years.

- D. An employee on leave of absence will report prior to termination date of such leave his intention to return to employment. Failure to make such report or secure renewal of leave of absence will terminate leave of absence and his employment.

- E. An employee hereunder returning from a leave of absence will be permitted to exercise his seniority in resuming his classification at the base to which he had previously been assigned.

- F. The reemployment and seniority status of any employee hereunder who, while in the active service of the Company, takes a Military Leave, will be governed by the provisions applicable by law.

G. Three (3) days of personal emergency leave (bereavement leave) with pay for death in the immediate family will be extended to the employee covered by this Agreement. Immediate family includes Spouse or Company-recognized Domestic Partner, Children / dependent and non-dependent, Mother / Step-mother / Mother in-law, Father / Step-father / Father-in-law, Sister / Step-sister, Brother / Step-brother, Domestic Partner's Mother or Father, Employee's Grandparents, Employee's Grandchildren, Legal guardian (former/current), or any person who is a permanent member of your household. If additional days are required, such days may be deducted from the employee's vacation allowance. Personal emergency days must be taken within thirty (30) days of the personal emergency; any extensions must be approved by local management.

H. Employees called for jury duty will receive their base rate of pay less the fee received for jury services. Such an employee will promptly show his supervisor the jury summons and also show the courts validation of jury service when completed.

I. An employee hereunder granted a leave of absence under the provisions of the Family Medical Leave Act will continue to accrue all forms of seniority during such leave.

J. The Company reserves the right to require a physical examination of any employee at the Company's expense prior to return from any leave of absence. If an employee is required to report for said exam outside his base station, the Company will be responsible for travel costs and associated expenses.

K. To the extent that the Company provides more expansive leaves of absence benefits to other employee groups, those benefits will be applied to all employees covered by this Agreement.

ARTICLE 17
FIELD WORK

- A. When an employee hereunder is required to perform work away from his base station on his regularly scheduled workdays, he will be paid at least eight (8) hours (or ten (10) hours as applicable) at his base rate of pay (including shift differential) for each scheduled workday while away from his base station, whether traveling, on call or working.

- B. When an employee hereunder is required to perform work away from his base station on his scheduled day off, he will be paid at least eight (8) hours compensation at overtime rates, whether traveling, on call or working.

- C. During such assignment, the employee will, while away from his base, be reimbursed actual reasonable expenses for meals, lodging and transportation.

- D. The distribution of fieldwork will be governed by the procedures as agreed to by the Company and the Union at each station/base.

- E. No employee will be assigned to a temporary duty assignment (TDY) against his wishes. All temporary duty assignments of ten (10) days or longer will be given in writing to the employee affected and the station chairman or the Local President of the Union or his designee.

ARTICLE 18 - ATTENDANCE AT HEARINGS
INVESTIGATIONS OR TRAINING CLASSES

- A. When an employee hereunder is required by the Company to attend training classes during regular working hours, he will be paid for time spent in the attendance of such classes at his base rate of pay and such time will be deemed as time spent at his regular work, provided, however, any time so spent after regular work hours or on a scheduled day off will not be classed as overtime and will be compensated for, when attendance is required by the Company, at the employee's base rate of pay.

- B. An employee required due to training, hearings, investigations or meetings, to travel on a scheduled day off, will be paid at least eight (8) hours for such time at time and one-half his base rate of pay. Travel time referred to herein will begin sixty (60) minutes before the scheduled departure of the flight actually taken by the employee and will end with the actual arrival at the airport of destination. If an employee is required to provide his own ground transportation to an airport other than his base station, the travel time will begin from the time he begins his trip to arrive at the airport of departure. In both cases, the time will end with the actual arrival at the airport destination. No employee will receive more than eight (8) hours unless the actual trip time exceeds such.

- C. When an employee hereunder is required by the Company to attend hearings, investigations or meetings, he will be paid for such time at his base rate of pay and such time shall not be considered overtime.

- D. When an employee hereunder is required by the Company to attend training classes, best efforts will be made to schedule such training on an employee's scheduled workday.

ARTICLE 19 -GENERAL

- A. All orders to and request from an employee involving transfers, promotions, demotions, layoff, reemployment, leaves of absence, or anything affecting his pay or status, will be in writing.

- B. When requested by the Local President, employees will be granted relief from duty without pay for the purpose of official Union business provided this does not interfere with the operation.

An employee, holding a position as an International TWU Representative, an International TWU Officer, or a full time position with the International Union or any of its locals, may request through the International Union, a Union Business (Pay) Continuance Leave of Absence, referred to as "UBP". The request for a UBP will be in writing from the International Union. The request will be sent to the Vice President or designee of Employee Relations. If approved by the Company, the UBP will not exceed twelve (12) calendar months. The written approval will state the expiration date of the leave. An employee on a UBP will continue to retain and accrue seniority throughout the leave.

1. A UBP may be extended in the same manner as stated above. A request for an extension of a UBP must be submitted and approved prior to the expiration date of the current UBP.

2. If the UBP is extended, the employee will continue to retain and accrue seniority.

3. If an employee is on a UBP, there will be no interruption to the employee's pay and benefits, but the Company will bill the Local Union or the International Union, as applicable, for the employee's salary plus a percentage override for tax and benefit related expenses. Failure of the responsible party to pay the billing will result in the termination of the UBP for the affected employee.

C. Within forty-five (45) days after signing this Agreement, the Company will provide each employee a copy of this Agreement.

D. Employee's covered by this Agreement and their immediate families will be allowed the same pass and reduced fare privilege afforded other American Eagle Airlines, Inc. employees.

E. The Company will provide bulletin boards at each station where employees hereunder are employed, marked Transport Workers Union of America, AFL-CIO and the appropriate Local number, for the posting of official Union business. Such notices will bear the signature of an officer of the Union and will not contain anything of a defamatory or personal nature attacking the Company or its representatives.

F. If the Company requires the employees to wear uniforms, the employee will be required to wear standard Company uniforms. At those locations where local law does not require providing a uniform, the Company will provide the following:

Basic Uniform: The Company will pay fifty percent (50%) for the employee's first uniform set and the employee will pay fifty percent (50%). All basic uniform replacement will occur at eighteen (18) month intervals and the Company will provide full replacement of the basic uniform.

Jackets/Winter Coats: The Company will pay fifty percent (50%) for the employee's first jacket/winter coat and the employee will pay fifty percent (50%). All replacements will be paid for in the same manner.

Payroll deduction for initial and replacement uniform purchases will not exceed \$50 per month. If the employee leaves the Company prior to paying for the proportionate one half (1/2) share in full, the remaining cost will be deducted from the final paycheck.

An employee will be responsible to replace any part of the uniform, which is lost or damaged due to negligence or abuse. Employees may wear the standard TWU insignia on pins and hats. TWU pins may be worn on the Company uniform jackets.

G. Disciplinary documents generated on an employee covered by the Transport Workers Union will only be kept in his file for a period not to exceed (2) two years.

H. In the event free parking facilities for employees are not available at airport locations, the Company will assume the monthly parking charge, assessed by the appropriate

authority (airport, port, etc.) for parking in an area designated for employees. This provision will not apply to replacement or original charges to employees for decals, stickers, gate keys, or similar items. Also, where other transportation to and from employee parking facilities is recognized by the Company as an integral part of the employee parking arrangements that transportation will be at Company expense.

- I. No employees will incur any cost associated with the initial issue or renewal of Company or associated Airport/Base required ID badges.

- J. The Company will forward to the ranking Local Union Representative a copy of the regular shift bid schedule for the station. The shift bid schedule will include scheduled shift hours and scheduled days off.

ARTICLE 20 -REPRESENTATION

- A. The Union may select and designate such representatives in the respective fields, stations, shops and other working units as may be necessary for the purpose of representing the employee under the terms of this Agreement, or in accordance with the Railway Labor Act, as amended.
- B. The Union will notify the Company in writing of the names of its Accredited Representatives at each station and any changes in the personnel thereof. The Company will inform the Union, in writing, of the supervisors with whom said Accredited Representatives will deal and changes thereof.
- C. International Officers and Accredited Representatives, or Local Officers of the Union will, at any time during regular working hours, have access to the premises of the Company where employees hereunder are located, for the purpose of investigating grievances or other matters directly connected with the operations of this Agreement and its procedures for the settlement of any dispute. As a matter of courtesy, notice of such intended visit will be given to the ranking Company Official.
- D. An Accredited International Representative of the Union or designated Company official who believes that any provision of this agreement has not been or is not being properly applied or interpreted and which has not yet become the subject of an actual grievance, will have the right within ten (10) days after such alleged misapplication or misinterpretation has been ascertained to protest such violation, in writing, to the other party, who will evaluate such protest and render a decision in writing within fifteen (15) days.

Disputes in respect to actual grievances will be handled exclusively according to the provisions of Article 21, Grievance Procedure. If no settlement is reached under paragraph (D) of this Article, an appeal may be made, in writing, within thirty (30) days to an Arbitration panel (as described in Article 22K) of this Agreement.

E. The Union does not question the right of the Company supervisors to manage and supervise the work force and make reasonable inquiries of employees, individually or collectively, in the normal course of work. In meetings for the purpose of investigation of any matter which may eventuate in the application of discipline or dismissal, or when written statements may be required, or of sufficient importance for the Company to have witnesses present, or to necessitate the presence of more than one Company supervisor, or during reasonable cause or post accident drug/alcohol testing as provided in Article 20. G., the Company will inform the employee of his right to have a Union representative present. If the employee refuses representation, the supervisor's record will reflect his refusal.

1. When the Company convenes a meeting under the provisions of Article 20. E., it will, except for rare and compelling reasons, indicate the purpose of the meeting and then, provide an opportunity for the employee and his Union representative to confer for a reasonable period of time. Once the 20. E. meeting reconvenes, it will continue until concluded by the supervisor.

2. Before written notification of discipline or dismissal is given to the employee, he will be afforded the opportunity to discuss the matter with his supervisor. If he desires, he

will have a Union representative present during this discussion. Nothing in this article will be construed as preventing the Company from holding an employee out of service pending an investigation.

F. Employees covered by these Agreements who are interviewed by a Company Security Department representative as part of a Security Department investigation may, upon request, have an Accredited Representative present during the interview. If a local representative is not readily available, after the request, the Company's Security Department will not be required to wait for his availability before conducting the interview. However, the employee in that circumstance may request the presence of another TWU represented employee to be present. The role of the Representative will be that of a silent observer only. The Representative may in no way interfere nor impede the Security Department's investigation and/or interview.

G. Employees who are required to take a reasonable cause or post accident drug/alcohol test by the Company may, upon request, have a TWU representative present as a witness during those parts of the specimen collection process indicated below.

1. In those stations where a local TWU representative is not readily available, the Company will delay the test for up to one (1) hour from the time the employee requests or is notified of his right to union representation, whichever comes first, in order to allow the first available representative to be present at the medical facility.
2. Only one (1) TWU representative will be allowed to accompany the employee to the medical collection facility

and into the collection area where the medical collector opens the drug testing kit, completes the relevant paperwork and secures the kit after completion of the drug testing process. The TWU representative will be allowed to witness the opening of the collection kit by the collector, the documentation of the chain of custody procedure by the collector and the employee, and the packaging and sealing of the kit for shipment following the collection. The union representative will not be allowed to accompany the employee or collector into the restroom.

3. In accordance with the FAA's directive of July 1990, no TWU representative will engage in any activity, which disrupts the collection process. Should the TWU representative engage in disruptive activity, the Representative will be required by the Company supervisor to wait in the employee/patient waiting area until the collection process and paperwork have been completed. This is pursuant to the FAA's directive.

ARTICLE 21 -GRIEVANCE PROCEDURE

- A. An employee who believes that he has been unjustly dealt with or that any provisions of this Agreement have not been properly applied or interpreted, or against whom the Company has proffered charges in writing, may present his grievance through his representative, within seven (7) days to his supervisor who will evaluate the grievance or complaint and render his decision as soon as possible but no later than seven (7) days following receipt of said grievance. The supervisor must physically give the employee the grievance response.

If the decision of the supervisor is not satisfactory, the grievant may appeal within ten (10) days to the Regional Vice President of Field Service or his designee, who will render a decision as soon as possible, but no later than ten (10) days after the appeal is submitted to him. Responses will be sent to the grievant by certified mail return receipt requested to the grievant's home address as provided by the employee on the grievance form.

- B. If the decision of the Regional Vice President of Field Service or his designee is not satisfactory to the employee, the grievance and the decision thereon may be appealed to the American Eagle Airlines, Inc. Board of Adjustment as provided for in Article 22 of this Agreement; provided however said appeal is submitted within twenty (20) days of receipt of the decision rendered by the Regional Vice President of Field Service or by his designee. Once a grievance has been docketed for System Board, the Regional Vice President of Field Service or his designee and the Local Union President or his designee will meet in an effort to resolve the grievance prior to a System Board hearing.

Any grievances involving discharge only, will be submitted initially to the second step, as provided in section (B) of this Article. If the grievance is unresolved after such second step it may be submitted to the System Board of Adjustment, as provided in section (C) of this Article.

All grievances processed under the procedures provided above will be in writing and will be signed by the employee whose grievance it is, and all decisions on said grievance will be in writing.

- C. An employee who has a grievance and his representative may present the grievance during work hours without loss of pay for time so spent, but no more time than is reasonably necessary will be devoted to such presentation of grievance.
- D. If the decision to be made by the Company under the provisions of this Article 21 is not made within the time limits prescribed herein for such decisions, the grievance will be processed to the next step. If such untimely answers are a recurring problem at a given location/station the Local president can call for a panel review of the late answers. The panel will be composed of the Senior Vice President of the department and the International Representative (or his designee) of the Transport Workers Union. Such panel will review the facts surrounding the late grievance answers and issue a panel decision outlining the remedy. Such remedy will be binding on the Company and the employees.
- E. If, as a result of a decision in any of the steps of the grievance procedure, an employee is exonerated, all related disciplinary records will be removed from the employee's personnel file and balancing entries made. In addition, if he has been held out of service, he will be reinstated without loss of seniority, and he will be paid at his base rate of pay for his regularly scheduled hours.

- F. An employee who has a grievance and his representative may present the grievance during work hours without loss of pay for time so spent, but no more time than is reasonably necessary will be devoted to such presentation of grievance.

- G. If the decision to be made by the Company under the provisions of this Article 21 is not made within the time limits prescribed herein for such decisions, the grievance will be processed to the next step. If such untimely answers are a recurring problem at a given location/station the Local president can call for a panel review of the late answers. The panel will be composed of the Senior Vice President of the department and the International Representative (or his designee) of the Transport Workers Union. Such panel will review the facts surrounding the late grievance answers and issue a panel decision outlining the remedy. Such remedy will be binding on the Company and the employees.

- H. If, as a result of a decision in any of the steps of the grievance procedure, an employee is exonerated, all related disciplinary records will be removed from the employee's personnel file and balancing entries made. In addition, if he has been held out of service, he will be reinstated without loss of seniority, and he will be paid at his base rate of pay for his regularly scheduled hours.

ARTICLE 22 - BOARDS OF ADJUSTMENT

- A. There are hereby established, pursuant to the provisions of the Railway Labor Act, as amended, boards of adjustment, called the "Boards of Adjustment, American Eagle Airlines, Inc."
- B. The Boards will be composed of four (4) members, two selected by the Company and two selected by the Union. Either party will have the right to change its representatives from time to time provided only that the designation of the representative for any particular dispute must be made prior to the start of the scheduled hearing.
- C. The System Board will have jurisdiction only over disputes between the Company and the Union or any employee governed by this Agreement growing out of grievances involving interpretations or applications of this Agreement. The Area Board will have jurisdiction only over disputes between the Company and the Union involving discharge or discipline.
- D. The members of the respective Boards will select a Chairperson and a Vice Chairperson whose terms of office will be one (1) year, provided, however, that the offices of Chairperson and Vice Chairperson will be filled alternately by a member representing the Union; that is, when a Union member is the Chairperson, a Company member will be the Vice Chairperson, and vice versa.
- E. The Chairperson, or in his absence, the Vice Chairperson, will preside at meetings of the Board and will have a vote on the adoption of all decisions of the Board.
- F. A dispute submitted to the Board will be in the form of a petition submitted by either party and stating the position of the party submitting the grievance. Union submissions will be submitted to the ATD office and assigned a case number.

Time limits will not begin running until the date a case number is assigned and docketed. (Reference to paragraph H.)

- G. The written appeal will be sent to the International TWU in the form of a petition. The International TWU will assign a case number and forward the appeal and two (2) copies, with the case number noted on each, to the Employee Relations Department. The scheduling of cases to be heard before the Boards is an administrative matter addressed by mutual agreement between the Union and the Company.
- H. In the event any dispute or grievance is properly appealed to the System Board, the Company and the Union members of the System Board will, upon request of either party, meet and attempt to resolve the controversy. The System Board will thereafter meet on the matter as soon as possible and at all events within thirty (30) days of request by either party. The System Board hearings will generally be held in DFW unless a different location is agreed upon by the Board members.
- I. The TWU Local president or his designee and the Company designated employee relations representative will establish a time and date for all Area Board cases, however,
 - 1. In the event of a discharge case the meeting will take place within ten (10) days of the Union submission to set a date for the discharge hearing. Such hearing will be within thirty (30) days of that meeting.
 - 2. For cases involving discipline, which are properly submitted for hearing, the local Area Board will adopt a procedure that will require discipline cases to be scheduled for hearing as soon as possible but not less than once every quarter.
- J. The Board may summon any necessary witness(s) and

relevant non-confidential records of the Company and the employee involved. An employee will not be required to testify unless he was a first hand witness.

- K. The advocates will exchange all documents they may enter and the names of witnesses they may call in their direct case no later than ten (10) calendar days prior to the date set for all System Board or Area Board hearings. In the event that a neutral referee has been selected by the parties, the advocates will exchange all documents they may enter and the names of witnesses they may call in their direct case no later than forty-five (45) calendar days prior to the date set for the hearing. Upon mutual written agreement both parties may waive the days for document exchange and witness names as listed above. Additionally nothing shall prevent either party from exchanging any or all documents and witness names prior to the calendar days listed above.
- L. A majority vote of all members of the Board will provide full and complete authority to compromise and otherwise settle any and all grievances presented to it. Any settlement or agreement reached on any grievance will be binding upon the Union, the employee, and the Company. Board findings and decisions will be stated in writing and will be rendered within thirty (30) calendar days from the close of the hearing, unless the period is extended by agreement of the parties to the dispute. In the event the Board deadlocks and is unable to resolve the issue(s) after hearing evidence either member of the Board can, within ten (10) days of the meeting of the Board, request the appointment of a neutral arbitrator in writing.
 - 1. The jointly selected impartial arbitrator will sit with a Board, comprised of one (1) member selected by the Company from the two (2) original Company Board members and one (1)

Board member selected from the two (2) original Union Board members. In the event the parties are unable to agree on a selection of an arbitrator, either party may request the National Mediation Board to provide a list of seven (7) neutrals. The parties will select one neutral to serve as the third (3rd) member of the Board by alternately striking names from the list submitted by the National Mediation Board, with the first strike being determined by toss of a coin.

2. A majority vote of all members of the arbitration panel, as provided herein, will be competent to make a finding or decision with respect to any dispute properly submitted to it and such finding or decision will be final and binding upon all parties, including the grievant(s), to such dispute. Board findings and decisions will be stated in writing and will be rendered within forty-five (45) calendar days from the close of the hearing, unless the period is extended by agreement of the board members.
- M. The Boards of Adjustment or the Arbitration panel will have no power to amend or modify this Agreement or any written agreements or addenda supplementary hereto or to establish any new terms or conditions of the same.
- N. The Board will keep a complete and accurate record of all matters submitted for its considerations and of all findings and decisions made. Such findings and decisions of the Board will be stated in writing in each case a copy of the finding or decision will be furnished to the Company, the Union, and such employees who are a party to the dispute.
- O. All expenses of the Board, including those incurred by reason of the participation of a "Referee" in the determination of the controversy as herein provided, will be borne one-half by the

Company and one-half by the Union. The salary or compensation of the members of the Board, if any, will be by the parties selecting such member or members; except that Board members who are employees of the Company will be granted necessary leaves of absence without loss of pay to attend Board meetings. Board members will receive space available transportation over the lines of the Company from point of duty to point of meetings of the Board.

- P. Essential witnesses and representatives will be furnished space available transportation over the Company's lines without charge to, the point of hearing and return.

ARTICLE 23
MEAL PERIODS

- A. Meal periods will be thirty (30) minutes, except when a longer period is agreed upon between the parties.

- B. Meal periods will be scheduled not earlier than three (3) hours after commencement of work and not later than six and one half (6-1/2) hours after commencement of work for full time employees. If the employee is not scheduled for a meal period within the foregoing time span, the meal period will be provided between the six and one half hour and the end of the employee's scheduled shift and the employee will receive thirty (30) minutes additional pay at his base rate of pay.

- C. An employee on a four (4) day workweek ten (10) hour shift: The meal period will be one half hour unpaid, commencing after three and one half (3 1/2) hours and before the sixth (6th) hour of the shift. Each ten (10) hour shift will actually be scheduled for 10.5 hours. By mutual, local agreement between the company and the union, ten (10) hour shifts may be scheduled with no meal period. Such ten (10) hour shifts will actually be scheduled for ten (10) hours.

ARTICLE 24
PART TIME EMPLOYEES

The Company may utilize part time employees in all classifications under this Agreement at all stations. The provisions of the Agreement will apply to part time employees, except as follows:

A. Any vacancy or vacancies may be declared by the Company to be part time.

B. A part time vacancy or vacancies will be filled by the most senior qualified employee(s) requesting to fill such vacancy or vacancies in accordance with the following order of preference:

1. By full time employees in the same classification currently working at the station.
2. By an employee with recall rights to the station.
3. By employees with active transfers on file.
4. By new employees.

A full time employee's refusal of part time work will not affect that employee's seniority or recall rights under this Agreement.

C. A part time employee will be scheduled as follows:

1. For no less than three (3) consecutive hours, but no more than six and one-half (6-1/2) consecutive hours in a workday

excluding lunch and for a maximum of five (5) consecutive workdays in a workweek.

2. For up to eight (8) consecutive hours (excluding meal periods) for up to four (4) consecutive workdays in a workweek.

3. Part time employees may volunteer for split days off. Probationary employees may be assigned to split days off during probation only.

D. Part time employees required to work in excess of five (5) hours will be allowed a thirty (30) minute unpaid meal period. The provisions of Article 23B will not apply.

E. If a part time employee works on a Memorial Day, Independence Day or Labor Day (including OT and CSW), he will be paid one and one-half (1-1/2) times the base rate of pay (including shift differential) for all hours actually worked on such Holidays. A part time employee who works on New Year's Day, Thanksgiving Day or Christmas Day (including OT and CSW) will receive double the base rate of pay (including shift differential) for all hours actually worked on such Holidays. If a part time employee does not work on a Holiday, he will not be entitled to pay under this Article 24 or Article 6. (Reference Article 6.B.).

F. The probationary period for a part time employee will be the same as for a full time employee.

G. A part time employee will accrue Company and Occupational seniority on the same basis as a full time employee.

H. Overtime requirements may be met by the Company by requiring part time employees to work after their scheduled hours or may request them to work before their scheduled hours at his base rate of pay up to eight (8) hours in a workday.

1. The provisions of Article 11 - Overtime will apply to part time employees after eight (8) hours in a workday have been worked, and at the rates provided in this Agreement.
2. Day Off Overtime. Time worked on an employee's regularly scheduled day off will be paid as follows:
 - a. If an employee has not worked forty (40) hours or five (5) workdays during the workweek, he will receive his base rate of pay for all hours up to eight (8) hours on an employee's day off. Any hours over eight (8) will be paid at one and one-half (1-1/2) times the base rate of pay in accordance with Article 11 C. of this Agreement.
 - b. If an employee has worked forty (40) hours including CS, or five (5) workdays during the workweek, he will receive one and one-half (1-1/2) times his base rate of pay for hours worked on an employee's scheduled day(s) off.

I. Part Time - Sick Leave

1. A part time employee who completes six (6) months of active service with the company will be credited with twenty-four (24) hours of sick leave for the calendar year in which the six (6) month period is completed.

2. Upon being credited with the applicable twenty-four (24) hours of sick leave, as mentioned in paragraph I (1) above, a part time employee will thereafter accrue two (2) to three and one half (3-1/2) hours (based upon the employees scheduled hours) of sick leave for each calendar month of active service with the company up to a maximum of thirty-nine (39) hours in any calendar year. Such sick leave accrued during a calendar year will not be used prior to January 1 of the following year.
3. Unused sick leave will be cumulative up to a maximum of seven hundred twenty (720) hours.
4. A part time employee who uses accrued sick leave will be compensated at his base rate of pay for the number of hours he is scheduled to work.
5. Any part time employee who has reached one hundred fifty (150) hours in his sick bank may convert up to thirty nine (39) hours of sick time into five (5) days of VC based upon the scheduled number of hours the employee is scheduled to work at the time the VC is taken (to be taken in a one (1) week block only). Such vacations will be bid after all regular vacation bids (Article 5) have been awarded.

J. Part Time Vacations

1. The number of vacation weeks accrued will be determined by length of service (as for full time employees) adjusted for leave of absence and layoff.
2. The number of hours paid per day of accrued vacation will be based on the employee's average weekly hours worked,

3. excluding overtime and including CS, any hours worked as a result of an authorized change of shift (CS), in the previous calendar year (such average will not be more than forty (40) hours for any one week period).
 4. Notwithstanding, the provisions of Article 5 of the Agreement, in the event that a full time employee changes status and becomes a part time employee, or in the event a part time employee changes status and becomes a full time employee, the average weekly hours worked calculation in J (2) above will apply for the vacation during the year in which the employee's status changed.
- K. All full time employees under this agreement may, if affected by a reduction in force, may exercise their seniority under the provision of Article 15 to fill a full time job in their own or lower classification or may at their option elect to displace or fill a part time position at their station. An employee electing to fill a part time position under the provisions of Article 15 will retain recall rights back to the full time position.
- L. A part time employee's injury on duty benefits will be in accordance with the applicable workman's compensation laws.
- M. A part time employee whose shift begins at or after 1500 and before 2000 will receive a shift differential of twenty-five (.25) cents per hour for all hours worked. For part time employees whose shift begins at or after 2000 and before 0500 will receive a shift differential of forty-five (.45) cents per hour for all hours worked.

ARTICLE 25 -UNION SECURITY

- A. All employees covered by this Agreement will, as a condition of employment, maintain membership in the Union so long as this Agreement remains in effect, to the extent of paying an initiation fee and membership dues (not including fines and penalties), or agency fees in accordance with applicable law. An employee may have his membership dues deducted from his earnings by signing the form "Assignment and Authorization for Check-Off of Union Dues", also referred to as "Check-Off Form" or, if no such authorization is in effect, he must pay his initiation fee and membership dues directly to the Union.
- B. All new employees of the Company hired on or after the effective date of this Agreement will become members of the Union sixty (60) calendar days after the date of employment with the Company and will, as a condition of employment, maintain membership in the Union so long as this Agreement remains in effect, to the extent of paying initiation fees and membership dues, or in lieu of maintenance of membership, agency fees in accordance with applicable law. The Company will allow the Union an opportunity, during local orientation, to meet with new employees and transferees regarding Union matters.
- C. Employees who are or become members of the Union under paragraphs A. or B. above will pay membership dues as set forth in this article, except that payment for membership dues will not be required as a condition of employment during leaves of absence without pay or during periods of transfer to a classification or position not covered by this Agreement.

- D. "Member of the Union", for purposes of this Article will mean any employee who is a member of the Union and is not more than sixty (60) calendar days in arrears in the payment of initiation fee and membership dues as specified herein, or agency fee payer not more than sixty (60) calendar days in arrears in the payment of his fees.
- E. When an employee who is a member of the Union becomes delinquent within the meaning of paragraph D above, the following procedure will apply:
1. The Director of the Air Transport Division of the Union will notify the employee in writing, certified mail, return receipt requested, that he is delinquent in the payment of the initiation fee and membership dues or agency fees, as specified herein, and accordingly, is subject to discharge as an employee of the Company. Such letter will also notify the employee that he must remit the required payment within fifteen (15) calendar days of the date of mailing of the notice, or be subject to discharge. This provision will be deemed to be complied with if the Union sends, but the employee refuses receipt of the above mailing.
 2. If, upon the expiration of the fifteen (15) calendar day period, the employee still remains delinquent, the Director of the Air Transport Division of the Union will certify, in writing, to the Vice President-Employee Relations of the Company, copy to the employee, that the employee has failed to remit payment within the grace period allowed and is therefore to be discharged. The Vice President-Employee Relations after being presented with the appropriate documentation will take proper steps to discharge such employee from the services of the Company.

3. An employee discharged by the Company under the provisions of this paragraph, will be deemed to have been discharged for cause within the meaning of the terms and provisions of this Agreement.
-
- F. Any discharge under the terms of this Article will be based solely upon the failure of the employee to pay or tender payment of initiation fee and membership dues or agency fees, as specified in this Article, and not because of denial or termination of membership in the Union upon any other ground.
 - G. Any grievance by an employee concerning the interpretation or application of the provisions of this Article will be subject exclusively to the following procedure:
 1. An employee who believes that the provisions of this Article pertaining to him have not been properly interpreted or applied may submit his request for review, in writing, within five (5) calendar days from the date the grievance arises, except that a grievance arising under paragraph E 1. must be filed within the fifteen (15) calendar day period specified in that paragraph. The request will be submitted to his immediate supervisor who will review the grievance and render his decision, in writing, not later than five (5) calendar days following the receipt of the grievance.
 2. The immediate supervisor will forward his decision to the employee with a copy to the Local Union Accredited Representative. If the decision is not satisfactory to both the employee and the Union, then either may appeal the grievance directly to the System Board of Adjustment,

established under Article 22 of this Agreement, within ten (10) calendar days from the date of the decision. The terms and provisions of such Article will be applicable, except as otherwise specified in this Article.

3. If the Union should appeal the decision to the System Board of Adjustment, it will prepare a joint submission of the grievance setting forth the Union's and the employee's position and forward copies to the employee, the Vice President-Employee Relations of the Company and to the members of the System Board of Adjustment. If the employee should appeal the decision, he may request the Vice President-Employee Relations to prepare the submission papers in his behalf for the System Board of Adjustment. In this event, such request will be made by the employee, in writing, to his immediate supervisor who will transmit, through the local Manager all facts, data and information concerning the grievance, together with a copy of the decision from which the appeal is taken. The Vice President-Employee Relations will forward copies of the employee's separate submission to the employee, the local Manager, the Director of the Air Transport Division of the Union and to the members of the System Board of Adjustment.

4. During the period a grievance is filed under the provisions of this paragraph and until after final award by the System Board of Adjustment, the employee will not be discharged from the Company because of noncompliance with the terms and provisions of this Article. In the event the employee's grievance is denied because he has not tendered dues owed under this Article, he will be considered discharged for cause. In any proceeding

under this Article, the employee, the Company, and the Union will be allowed to present any facts or arguments supporting their position concerning proper application of this Article.

- H. The Union agrees that it will indemnify the Company and save 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.
- I. The Company will not interfere with, restrain or coerce employees because of membership or lawful activity in the Union, nor will it, by discrimination in respect to hire, tenure of employment or any term or condition of employment, attempt to discourage membership in the Union.
- J. The Union agrees that neither the Union nor its members will intimidate or coerce any employee in respect to his right to work, in the proper exercise, performance, or implementation of his duties and responsibilities with the Company, or in respect to Union activity or membership. The Union further agrees that the Company may take disciplinary action for any violation of this provision.
- K. The Company agrees to deduct from the pay of each employee who voluntarily executes the check-off form on or after the effective date of this agreement, and remit to the Union the membership dues uniformly required by the Union.
- L. When a member of the Union properly executes such "Check-Off Form", the Union will forward an original copy to the appropriate official as designated by American Eagle, Inc. Any Check-Off Form which is incomplete or improperly executed will be returned to the Local Union Office, which submitted it.

Any notice of revocation as provided for in this Article or the Railway Labor Act, as amended, must be in writing, signed by the employee and delivered by certified mail, addressed to their respective Local Union Office. Each Local Union Office will forward a copy to the appropriate official as designated by American Eagle, Inc. for future Union dues withholding. Check-Off Forms and notices received by the Company will be stamp-dated on the date received and will constitute notice to the Company on the date received, and not when mailed.

- M. When a Check-Off Form, as specified herein, is received by the Company as provided above on or before a given payday, deductions will commence with the first regular paycheck following said payday, and will continue thereafter until revoked or cancelled as provided in this Article. The Company will remit to the Union a check in payment of all dues collected on a given payday, on or as soon after the payday as possible. These remittances will be subject to normal accounting practice with respect to adjustments necessary because of the methods involved in the deduction procedure. The Company remittance of Union membership dues to the Union will be accompanied by a list of names, personnel numbers and station numbers of the employees for whom deductions have been made in that particular period, arranged in order of their personnel numbers. Additionally, the Company will supply in duplicate to the office of the Union a listing of those employees who are on leave of absence; have accepted a position outside the bargaining unit; or have terminated employment with the Company. The Company will further provide a list of any employees covered by this agreement not on Check-Off to the Union on a monthly basis.
- N. No deductions of Union dues will be made from the wages of any employee who has executed a Check-Off Form and who

has been transferred to a job not covered by the Agreement, or who is on leave without pay. Upon return to work within a classification covered by this Agreement, deductions will be automatically resumed provided the employee has not revoked the assignment in accordance with this Article, and provided it is in accordance with the other appropriate provisions of this Article and of the Railway Labor Act, as amended.

- O. An employee who has executed a Check-Off Form and who resigns or is terminated from the employ of the Company for reasons other than layoff will be deemed to have automatically revoked his assignment and if reemployed, further deductions of Union dues will be made only upon execution and receipt of a new Check-Off Form. Provided, however, that upon return from layoff, leave of absence, or reinstatement from disciplinary discharge to work within a classification covered by this Agreement, deductions will be automatically resumed. In cases where Check-Off is not reinstated by the Company due to mechanical or software errors, the Company will collect the back dues at a maximum of fifty (50) dollars per month and remit to the Union, provided the employee has not revoked the assignment in accordance with this Article, and such deductions are in accordance with the other appropriate provisions of this Article and of the Railway Labor Act, as amended.

- P. Collection of any back dues owed at the time of starting deductions for any employee, and collection of dues missed because the employee's earnings were not sufficient to cover the payment of dues for a particular pay period, will be the responsibility of the Union and will not be the subject of payroll deductions.

Q. Deductions of membership dues will be made in a flat sum from each paycheck provided there is a balance in the paycheck sufficient to cover the amount after all other deductions authorized by the employee or required by law have been satisfied. In the event of termination of employment, the obligation of the Company to collect dues will not extend beyond the period in which his last day of work occurs.

ARTICLE 26
NO STRIKE – NO LOCKOUT

- A. It is the intent of the parties to this Agreement that the procedures set forth herein and in the Railway labor Act, as amended, for the resolution of disputes will serve as a means of peaceable settlement of all disputes that may arise between them and that, therefore:
1. The Company will neither cause nor permit any lockout of employees covered hereunder during the life of this Agreement; and
 2. Neither the Union nor the employees covered hereunder, both individually and collectively, will authorize, cause, sanction, or engage in any strike or job action against the Company, illegal picketing of the Company's premises, slowdown, sit-down, walkout, work stoppage, or curtailment of work of any kind, during the life of this Agreement.

ARTICLE 27
SAVING CLAUSE

- A. Should any term or provision herein be rendered invalid, such invalidation will not affect the remaining terms and provisions of this Agreement which will remain in full force and effect.

- B. In the event of invalidation, unless otherwise required by law, either the Company or the Union may, upon thirty (30) days written notice, request negotiations concerning modifications or amendment of the invalidated provision or provisions and such negotiations will commence within fifteen (15) days from the date of receipt of said notice.

ARTICLE 28 - HEALTH & SAFETY

- A. No employee will be required to participate in a bomb scare investigation/search against his wishes.
- B. The Company will provide protective devices and other equipment necessary to meet safety regulations and safety standards and will make provisions for the health and safety of the employee during hours of employment. The Company will also make available adequate rain and cold weather gear, and hearing protection. The Company will provide goggles, gloves, and facemasks to those employees assigned the deicing function at Company expense.
- C. The Company agrees to maintain safe, sanitary conditions in all Company shops and facilities.
- D. The Company will provide adequate heating in all shops and facilities.
- E. In order to eliminate accidents, illness and unsafe and unsanitary conditions a joint Company/Union safety committee will be established. It will be the duty of this committee to see that all state and local health and safety regulations are complied with, that safety equipment is being used and that safety practices and procedures are being followed.
- F. In the event that the Joint Safety Committee is unable, within sixty (60) days, to resolve an issue which has been brought to its attention, either the Company or the Union may submit the issue to the System Joint Safety Committee which will

constitute a board to review the issue(s). The System Joint Safety Committee will consist of a representative of the Transport Workers Union International and a representative of the Company's Safety office. If the issue(s) is/are not resolved by the System Joint Safety Committee, either representative may submit the issue(s) on appeal to the Board of Adjustment in accordance with the provisions of Article 22 of the labor agreement.

ARTICLE 29 - DURATION OF AGREEMENT

This Agreement shall become effective as of January 1st, 2013. It shall continue in full force and effect until and including December 31st, 2018 and shall renew itself until each succeeding January 1st thereafter, except that a written notice of intended change may be served in accordance with Section 6, Title I of the Railway labor Act, as amended, by either party hereto at least three hundred (300) days prior to January 1st, 2019 (Six (6) years from effective date). If the aforesaid notice is made, conferences between the parties will commence no later than two hundred and seventy (270) days prior to January 1st, 2019 (Six (6) years from effective date) unless otherwise mutually agreed to by the parties.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this 1st day of January 2013.

TRANSPORT WORKERS UNION
OF AMERICA, AFL-CIO

AMERICAN EAGLE AIRLINES, INC

James C. Little
International President

Dan P. Garton
President

Garry Drummond
Int'l Vice President, ATD Director

Pedro Fabregas
President, Executive Airlines, Inc.

Jose Galarza
American Eagle Coordinator

Cathy McCann
Vice President / People

ARTICLE 29 - DURATION OF AGREEMENT

(continued)

Witnesses:

TRANSPORT WORKERS UNION
OF AMERICA, AFL-CIO

AMERICAN EAGLE AIRLINES, INC

Dan Rivera
TWU Local 570

Mark Matthews
Managing Director / Customer Services

Roy Nichols
TWU Local 575

Joan Stevens
Employee Relations / TWU

Daniel Montalvo
TWU Local 575

Harvey Allen
TWU Local 575

Rafael Melon
TWU Local 571

Tim Nolan
TWU Local 571

Luis DeJesus
TWU Local 573

LETTER A –DECISION PROCESS SYSTEM BRDS /
ARBITRATIONS

Reference Article 22

February 3, 2005

Mr. Joseph C. Gordon
International Representative
Transport Workers Union
1791 Hurstview Drive
Hurst, TX 76054

Dear Mr. Gordon,

Procedures for Finalizing Awards: The following procedures are provided in order to standardize the arbitration process and avoid any controversy regarding the deliberations and discussions associated with the publication of System and Area Boards of Adjustment awards:

1. Executive Sessions for every case should take place at the conclusion of the hearing or at such time as agreed upon by a majority of the Board at the conclusion of the Hearing. This postponed session may be necessary due to the submission of briefs or other post-hearing issues, and should be the exception, not the rule.

2. An arbitrator's draft decision, distributed to the Board unsigned, may be changed to any extent agreeable to a majority of the Board. A written decision once executed and signed by the neutral arbitrator, will only be modified as to content by agreement of all Board members.

3. The Board members are not to discuss the decision of the Board with anyone other than the Board members prior to the publication of the award by the Administrator of the System Board.
4. No ex parte communication concerning the case (that is, discussion held without the presence of the full Board) is permitted at any time.
5. The details of the Board's deliberations must be held confidential by virtue of the Boards intended neutrality. No Board member should divulge the nature or content of the discussions held between the Board members in reaching their decision.

Sincerely,

Denise Lynn
Vice President, People
American Eagle Airlines, Inc

Agreed to:

Joseph C. Gordon
International Representative
Transport Workers Union

LETTER B – CR1 ENTRIES RELATIVE TO INVESTIGATIONS

February 3, 2005

Mr. Joseph C. Gordon
International Representative
Transport Workers Union
1791 Hurstview Drive
Hurst, Texas 76054

Dear Mr. Gordon,

This letter will confirm our understanding reached during negotiations, that if there is an investigation of sexual harassment and the charged employee is found to be exonerated of the charges, no entry regarding the charge or investigation will be made in the CR1. Any entry previously made will be deleted from the CR1.

In other cases, a CR1 entry, if any, will reflect the nature of the discussion with the employee. As always, the employee has the prerogative of reviewing the CR1 entry and providing any additional information desired.

This will in no way preclude the Company from discussing policy as related to investigations.

If the above accurately reflects your understanding of our agreement, please signify by signing below.

Sincerely,

Denise Lynn
Vice President, People
American Eagle Airlines, Inc

Agreed to:

Joseph C. Gordon
International Representative
Transport Workers Union

LETTER C – CR1 ENTRIES / EMPLOYEE REBUTTAL

February 3, 2005

Mr. Joseph C. Gordon
International Representative
Transport Workers Union
1791 Hurstview Drive
Hurst, Texas 76054

Dear Mr. Gordon,

This letter will confirm our understanding reached during negotiations, that when an employee hereunder is coached and counseled resulting in a CR1 entry, the employee can submit a separate rebuttal to the CR1 entry, sign and date it and it will be attached to the related CR1. The employee can request a photocopy of the related CR1 documentation.

If the above accurately reflects your understanding of our agreement, please signify by signing below.

Sincerely,

Denise Lynn
Vice President, People
American Eagle Airlines, Inc

Agreed to:

Joseph C. Gordon
International Representative
Transport Workers Union

LETTER D – HEALTH BENEFITS ELIGIBILITY AND EMPLOYEE CONTRIBUTIONS

January 01, 2013

Mr. James C. Little
International Representative
Transport Workers Union
1848 Norwood
Suite 112
Hurst, TX 76054

Dear Mr. Little,

This letter will confirm our understanding reached during the recently concluded Section 1113 negotiations with the TWU.

Specifically, the parties agreed to language establishing a minimum number of hours a Fleet Service Clerk must work in order to be eligible for participation in the Company's Health & Welfare Benefits Program. (See Chart)

In order to be eligible to participate in the Company's Group Health and Welfare Benefits Program in the following year, a Fleet Service Clerk must have in excess of 799 "eligible hours" in the 12-month period between July 1st and June 30th of the preceding year.

"Eligible hours" shall include all paid work hours, paid sick, paid vacation, UBP, UBC, IOD and FMLA. Unpaid time off from work (other than IOD and FMLA) is not included in the calculation of "paid hours" for purposes of determining eligibility.

Number of Eligible Hours July 1 – June 30	Coverage – Employee Contribution Level
0 - 799	No Benefit Coverage
800 - 1559	Part-time Contributions
1560 and greater	Full-time Contributions

The first calculation to determine the above eligibility will be the period of July 1, 2012, through June 30, 2013, for participation in the Company’s Health and Welfare Benefits Program for the 2014 calendar year.

Sincerely,

Cathy McCann
Vice President, Employee Relations
American Eagle Airlines, Inc

Agreed to:

Jose Galarza
International Representative
American Eagle Coordinator
Transport Workers Union

LETTER E – 401k COMPANY MATCH OF ELIGIBLE EARNINGS

January 01, 2013

Mr. James C. Little
International Representative
Transport Workers Union
1848 Norwood
Suite 112
Hurst, TX 76054

Dear Mr. Little,

This letter will confirm our understanding reached during negotiations whereby the Company offers to continue to provide a Company contribution for employee savings deferred in a 401(k) plan.

The details are outlined in the American Eagle 401(k) Plan Document. However, subject to the extent allowed by law, the Company shall contribute as an Employer Matching Contribution the following amount based on the employee’s elective contributions and length of service:

Complete Years of Service	Company Match of Eligible Earnings
1 – 10	50% of up to 6% of eligible earnings for a maximum of 3%.
11 – 15	66.6% of up to 6% of eligible earnings for a maximum of 4%.
16 – 19	83.3% of up to 6% of eligible earnings for a maximum of 5%.
20+	100% of up to 6% of eligible earnings for a maximum of 6%.

Sincerely,

Agreed to:

Cathy McCann
Vice President, People
American Eagle Airlines, Inc

Jose Galarza
International Rep
AE Coordinator
Transport Workers Union

LETTER F – COPE DEDUCTIONS

April 28, 1998

Mr. James C. Little
International Representative
Transport Workers Union
1848 Norwood
Suite 112
Hurst, TX 76054

Dear Mr. Little,

This will confirm our recently reached agreement with regards to COPE payroll deductions.

We agreed the Company will allow all TWU represented employees to authorize payroll deductions for this fund, on a voluntary basis only. It will be the employee's responsibility to obtain and submit an authorization card to the Company. The Company will transfer funds collected to the TWU on the same schedule used for dues transfer.

Sincerely,

Dan Garton
President
American Eagle Airlines, Inc

Agreed to:

James C. Little
International Representative
Transport Workers Union

LETTER G – COMPANY NEPOTISM POLICY / CHANGES

April 28, 1998

Mr. James C. Little
International Representative
Transport Workers Union
1848 Norwood
Suite 112
Hurst, TX 76054

Dear Mr. Little,

Changes have been announced to the Company's Nepotism Policy to be effective March 1, 1990. These revised rules will permit the employment of relative (defined as an employee's spouse, parent, brother, sister, brother-in-law, sister-in-law) provided that no first or second level supervisory relationship may be created at any time between such individual employees.

For purposes of first or second level supervisory relationships, crew chiefs and other bid positions under the American Eagle, Inc. / TWU Agreements will not be considered supervisory positions and therefore relatives in these positions and in non-bid position under their direction will not be in conflict with the new policy.

As outlined in the attached policy statement, each employee is responsible for ensuring he/she is in compliance with the applicable restriction of the policy. Therefore, it is agreed that no transfers or bids from incumbents of future hires, under the applicable contractual provisions, will be allowed if such transfer of bid would create a first or second level supervisory conflict as described above. It is further agreed that if any bid or transfer that

would be in violation of the above policy is attempted or completed under any condition, such bid or transfer will be voided. If the above accurately reflects your understanding, please signify by signing below.

Sincerely,

Dan Garton
President
American Eagle Airlines, Inc

Agreed to:

James C. Little
International Representative
Transport Workers Union

LETTER H – EXPANSION OF VC, HOLIDAYS OR MEDICAL
PLANS

January 01, 2013

Mr. James C. Little
International Representative
Transport Workers Union
1848 Norwood
Suite 112
Hurst, TX 76054

Dear Mr. Little,

This letter will confirm our understanding reached during the recently concluded negotiations in which the Company agrees that in the event it grants to other employees at American Eagle Airlines Inc. any additional holiday(s), vacation(s), or an improved medical plan, the Company will grant the same to those employees covered under this Agreement.

The parties agree that, as a result of the unique circumstances arising from these 1113 negotiations, this letter will not apply with respect to any improvements to holidays or vacations granted to other employee groups from the effective date of this Restructuring Agreement through the amendable date of this Restructuring Agreement. Nothing herein shall impact, affect or otherwise in any way negate any other me-too agreement between the parties.

Sincerely,

Cathy McCann
Vice President, People
American Eagle Airlines, Inc

Agreed to:

Jose Galarza
International Rep
AE Coordinator
Transport Workers Union

LETTER I – AA FLOWTHROUGH AGREEMENT

February 3, 2005

Mr. Joseph C. Gordon
International Representative
Transport Workers Union
1791 Hurstview Drive
Hurst, TX 76054

Dear Mr. Gordon,

AMERICAN EAGLE/AMERICAN AIRLINES EMPLOYMENT PROGRAM

The purpose of this program is to increase the opportunities for qualified Eagle employees to be hired at American Airlines. Inc. for the positions of:

Aviation Maintenance Technician
Overhaul Support Mechanic
Parts Washer
Aircraft Cleaner
Plant Maintenance Mechanic
Plant Maintenance Man
Utility Man
Cabin Cleaner
Building Cleaner
Stock Clerk
Fleet Service Clerk
Ground Serviceman
Dispatcher

General Qualifications

1. Employees which are on any step of the PPC or ACP programs are not eligible.
2. Employee has passed all levels of training offered during this period.
3. Licenses as required by the position applied for.

Qualifications for M & E Employees

1. Employee has completed 36 months of service with Eagle.

Qualifications for Ramp Employees

1. Employee has completed 24 months of service with Eagle.

Qualifications for Dispatch Employees

1. Employee has completed 36 months of service with Eagle.

General Rules

1. After completing the required length of service with American Eagle Airlines Inc. or its associated subsidiaries. American Eagle Airlines will accept applicants whom desire to be employed by American Airlines. This program will be administered by American Eagle Airlines and all documentation and requests for positions at American Airlines under this procedure will be handled by the American Eagle Coordinator.
2. Applicants meeting the above listed qualifications will be placed on a preferred hiring list.

3. American will afford qualified American Eagle employees on the preferred hiring list the opportunity for open positions prior to interviewing candidates from companies outside of AMR and in accordance with #4 below:
4. American will extend to qualified American Eagle Airlines employees at least one (1) out of four (4) vacancies that remain after American Airlines internal transfer procedures are complied with.
5. No more than ten (10) Ramp Service employees per classification per station per month will be permitted to leave American Eagle Airlines under this procedure. No more than ten (10) percent of Maintenance and Engineering employees per classification per station per quarter will be permitted to leave American Eagle Airlines under this procedure. No more than five (5) percent of the Dispatch employees per six months will be permitted to leave American Eagle Airlines under this procedure.
6. The preferred hiring list provided by American Eagle Airlines will be forwarded to American Airlines upon a request from American Airlines that a job vacancy exists under #3 above.
7. The employee is responsible for having his/her name on the list. (Which will include the location/s the employees wishes to be considered for), providing American with a fully completed application and resume and ensuring the Employee Information Record (EIR) is up to date.
8. Employee must pass any qualification tests administered by American Airlines.

9. Employee must pass any Drug and Alcohol tests as administered by American Airlines. Any failures of these tests are cause for immediate corrective action up to and including discharge from AMR.
10. Any refusal of a job offer from American Airlines will result in a permanent bar from transferring to American Airlines under this policy.
11. Lists will be forwarded quarterly to the Transport Workers Union International.
12. American may spread the hiring dates as required to meet its goals.
13. Employee will retain and carry Company seniority to their new position but other seniority and benefits will be as provided at the new position. Vacation accrued at the time of leaving American Eagle Airlines will be paid off at the appropriate rate and will not be carried over to the new position.

Any American Eagle Airlines employee who is hired at American Airlines will serve a new probationary period. Failure to complete the probationary period successfully will result in termination from American Airlines. The employee who fails to pass probation will not have any rights (including bumping back) to return to his/her former position at American Eagle Airlines, Inc.

Sincerely,

Agreed to:

Denise Lynn
Vice President, People
American Eagle Airlines, Inc

Joseph C. Gordon
International Representative
Transport Workers Union

LETTER J - NEW STATION IMPLEMENTATION OF STAFFING
COORDINATOR POSITION

January 01, 2013

Mr. James C. Little
International Representative
Transport Workers Union
1848 Norwood
Suite 112
Hurst, TX 76054

Dear Mr. Little,

This letter will confirm our understanding reached during negotiations regarding the Staffing Coordinator Crew Chief position.

Within sixty (60) days of the effective date of this letter of agreement, the Company agrees that it will transfer all work done at DFW associated with Dynamic Manning that falls within the provisions of Article 10 of the Fleet Service Agreement to the TWU Fleet Service bargaining unit. The Company further agrees that the TWU Fleet Service bargaining unit shall receive all future work associated with Dynamic Manning (or any similar computer-based staffing program implemented by the Company) that falls within the provisions of Article 10 of the Fleet Service Agreement at any other base or station that implements the Dynamic Manning System.

The Parties have further agreed to the following procedures with respect to the selection of Staffing Coordinator Crew Chiefs at DFW:

1. By the effective date of this agreement, the Company will post all Staffing Coordinator Crew Chief positions available at DFW system-wide on all bulletin boards in all shops and

work areas/cities where employees are employed, in accordance with the established bid procedure.

2. Notices of the Crew Chief vacancies will be posted for a period of ten (10) days prior to being filled.
3. The Company and Union will meet and agree on procedures for the selection of Staffing Coordinator Crew Chiefs. The selection of Staffing Coordinator Crew Chiefs shall not exceed a period of seven (7) days.
4. After the selection process has been completed, those employees selected for the Staffing Coordinator Crew Chief Positions will have fourteen (14) days to report to DFW in accordance with Article 14E.6.
5. The Company agrees to train the selected Staffing Coordinator Crew Chiefs in accordance with Article 10.I.
6. The Company agrees that the entire bidding, selection, and training process for Staff Coordinator Crew Chiefs will not exceed a period sixty (60) days.

After the initial sixty (60) day implementation period of the Staffing Coordinator Crew Chief position at DFW, the Parties shall follow the procedures outlined in Article 14 regarding the bidding, selection and awarding of all future Staffing Coordinator Crew Chief positions. The Parties further agree to follow these procedures outlined in numbered paragraphs 1-6 above at any other base or station that implements the Dynamic Manning System (or any similar computer-based staffing program implemented by the Company) in the future.

If the above accurately reflects your understanding, please signify by signing below.

Sincerely,

Carth McCann
Vice President, People
American Eagle Airlines, Inc

Agreed to:

Jose Galarza
International Rep
AE Coordinator
Transport Workers Union

LETTER K – SJU / ARTICLE 21 – TIME LIMITS
Reference Article 21

April 28, 1998

Mr. James C. Little
International Representative
Transport Workers Union
1848 Norwood
Suite 112
Hurst, TX 76054

Dear Mr. Little,

This letter will confirm our understanding reached during negotiations whereby the Transport Workers Union agrees that the following specific procedures will be followed for all TWU employees based in SJU in regards to Article 21 of the American Eagle Airlines / TWU Labor Agreement:

If any decision made by the Company under the provisions of Article 21 is not appealed by the employee affected within the time prescribed herein for such appeals or if the grievance is not presented within the time specified in Article 21, the decision of the Company shall become final and binding.

Furthermore, if the decision to be made by the Company under the provisions of Article 21 is not made within the time limits prescribed herein for such decision, the grievance of the employee shall be granted.

All other provisions of Article 21 of the American Eagle Airlines / TWU Labor Agreement shall remain in effect and are not deemed to be altered or amended in any other way.

If the above accurately reflects your understanding of our agreement, please signify by signing below.

Sincerely,

Dan Garton
President
American Eagle Airlines, Inc

Agreed to:

James C. Little
International Representative
Transport Workers Union

LETTER L - JFK/LGA One-Station Agreement

January 01, 2013

Ms Cathy McCann
Vice President People
American Eagle Airlines
4333 Amon Carter Blvd
Ft Worth, TX 76155

Dear Ms McCann,

This will confirm our discussion during the negotiations leading up to the signing of the Labor Agreement effective TBD.

We have agreed to recognize JFK Airport (JFK) and LaGuardia Airport (LGA) as a one station complex under the following scenarios:

A. An employee based at JFK or LGA will:

1. Be given preference over employees located at other airports / stations with regards to Article 14 – Transfers and Promotions and be considered before any other candidates regardless of their seniority for JFK and LGA higher classification, transfer and reclassification positions / vacancies.
2. Be deemed to be based as one station in the event of:
 - a. A surplus of employees at one airport when vacancies exist at the other;
 - b. A reduction in force at either airport when there are no vacancies available at the other;

- c. A reduction in force at both airports;
- d. A recall of laid-off employees at both airports;
- e. Temporary assignments between airports

B. Higher Classification positions:

1. A higher classification vacancy will be filled by honoring requests of qualified employees for reassignment from one airport to the other. To be considered qualified, an employee must hold, as a result of having been selected the successful bidder, a job in the same classification as the vacancy and involving the same requirements. The method to follow is outlined below in paragraph (D).
2. Vacancies remaining after such requests have been honored are to be awarded as outlined in Article 14 of this agreement.
3. If a reduction in force is exercised at either JFK or LGA an employee in a bid position affected by the RIF may exercise his seniority to first fill a non-bid vacancy at his current airport, if one exists. If no vacancy exists he may then exercise his seniority to displace a non-bid position at his current airport.

C. Non-Bid Vacancies - Transfers:

1. If a vacancy occurs (non-bid) within the one station complex, requests for lateral reassignment between JFK and LGA will be honored before transfer requests from other stations in the system are considered, and before new employees are hired. An employee interested in being reassigned to the other station (JFK to LGA or LGA to JFK) must file a request for such reassignment not less than fifteen (15) calendar

days prior to reassignment date. All requests will be valid until the following January 1st and July 1st. Each January 1st and July 1st, a request for reassignment not submitted within the preceding thirty (30) calendar days will be voided and it will be necessary for a new request to be submitted.

2. Under this procedure, the Company will not require, as a condition of being eligible to request reassignment, that an employee has completed six (6) months of service at his current airport. However, an employee on probation must have completed his probationary period before being eligible to request such reassignment from one airport to another.
3. Selection to fill a vacancy will be made on the basis of the most senior employee in the same status requesting the reassignment, unless medically restricted.
4. If there are no requests, or an insufficient number of requests to fill any such vacancies, requests for transfer on file from employees at other locations in the system will be honored.

D. Reclassification:

1. If an employee is eligible for upgrading from one classification to another, this will be done on a one-station basis, subject to the requirements of Article 14 as outlined in the AMT & related agreement and Article 14 of the Fleet Service Agreement.

E. Surplus Employees At One Airport, Shortage At The Other Airport:

1. When there is a surplus of employees at one airport and corresponding vacancies at the other airport, the number of

employees involved at the airport with the surplus will be equalized through reassignment of volunteers, if any.

2. Selection of volunteers will be made on the basis of the most senior volunteers. If no employee volunteers or an insufficient number volunteer, then the selection will be made on the basis of the most junior employee from the airport with the surplus to the airport with the shortage.
3. If a surplus still exists, such employees who refuse reassignment will be subject to a reduction in force.
 - a. Such surplus employee may accept layoff with recall rights to the original airport of surplus.
 - b. If such employee accepts layoff and a vacancy occurs in the city from where he was laid off, he will be blended in seniority order with active transfers in the same classification within the one station complex. Such vacancy will be filled with the most senior employee.
 - c. An employee who accepts layoff as described above will not be afforded the provisions outlined in paragraph (G) below or the provisions of Article 15 of this Agreement.
4. No Transfer Requests (C) or Reassignments (D) will be processed until the equalization process has been finalized.

F. Reduction In Force:

1. If a reduction in force is exercised at one of the stations in the one-station complex, the two stations will be combined for the purposes of the reduction in force.

2. In the event that there is not a vacancy at the other airport, in the one-station complex then the most junior employee will be affected by the reduction in force and may accept layoff or exercise his seniority in accordance with the provisions of Article 15 of this agreement.

G. Recall:

1. An active employee involuntarily moved from one airport to the other (JFK to LGA or LGA to JFK), as a result of a reassignment, surplus or reduction in force will maintain recall rights back to the original airport.
2. This recall will not be applicable to any higher classification position that was affected by a reduction in force.
3. Vacancy(s) that occurs in the city where there was a reduction in force:
 - a. Will first be offered to active employees within the one-station complex who hold recall.
 - b. Remaining vacancies will be processed as outlined in Article 15 of this agreement.

H. Expenses:

1. An employee reassigned from one airport to another within the one-station complex, whether by employee request or by direction of the Company, will not be eligible for the Company moving reimbursement / expense.

I. Temporary Assignments Between Airports:

1. When an employee, regularly assigned to one airport is assigned to duty at another airport, the provisions of Article 17 will apply.

2. When such assignments are made, employees will be regarded as working and will be paid their regular hourly rate while traveling from one airport to another within the one-station complex.

J. The Company agrees to meet and confer with the Union on other stations that may need to be added to this One Station Agreement.

If the above accurately reflects your understanding, please signify by signing below.

Sincerely,

Agreed to:

Jose Galarza
International Representative
American Eagle Coordinator
Transport Workers Union

Cathy McCann
Vice President,
Employee Relations
American Eagle Airlines, Inc

LETTER M – SJU / ARTICLE 22 – BUREAU OF LABOR
ARBITRATION

Reference Article 22

April 28, 1998

Mr. James C. Little
International Representative
Transport Workers Union
1848 Norwood
Suite 112
Hurst, TX 76054

Dear Mr. Little,

This will confirm our discussions during the negotiations leading up to the signing of labor Agreements effective April 28, 1998. During these discussions we discussed the Bureau of Arbitration and Conciliation of the Department of Labor of Puerto Rico. We have agreed on a trial basis to utilize this avenue to hear cases that are appealed in accordance with Article 22 of the collective bargaining Agreement from employees based in San Juan, Puerto Rico.

Both parties may terminate this trial upon written notice to the other party and all cases will thereafter be handled in accordance with the provisions of the labor Agreement. In addition, if either party does not wish a particular case to be heard by this tribunal, they can, upon written notice to the other party, schedule the case under the provision of the labor Agreement.

Sincerely,

Dan Garton
President
American Eagle Airlines, Inc

Agreed to:

James C. Little
International Representative
Transport Workers Union

LETTER N – SJU / LOCAL LAWS ENTITLEMENTS

February 3, 2005

Mr. Joseph C. Gordon
International Representative
Transport Workers Union
1791 Hurstview Drive
Hurst, TX 76054

Dear Mr. Gordon,

This will confirm our discussion during the negotiations leading up to the signing of the labor Agreement effective January 22, 2005.

The Company agrees that it will provide to its employees in Puerto Rico who are represented by the Union those entitlements which it is legally required to provide to them under the laws of the Commonwealth of Puerto Rico, as properly amended from time to time by the Commonwealth.

If the above accurately reflects your understanding, please signify by signing below.

Sincerely,

Agreed to:

Denise Lynn
Vice President, People
American Eagle Airlines, Inc

Joseph C. Gordon
International Representative
Transport Workers Union

Letter O – SHIFT BID COMMITTEES

February 3, 2005

Mr. Joseph C. Gordon
International Representative
Transport Workers Union
1791 Hurstview Drive
Hurst, TX 76054

Dear Mr. Gordon,

This will confirm our discussion during the negotiations leading up to the signing of the labor agreements effective January 22, 2005.

During negotiations, the TWU raised an issue concerning the construction of eight (8) hour part-time shifts with weekends off. In an effort to address these concerns the Company has invited the TWU leadership to participate at such locations in circumstances where it is necessary to form a committee.

Such committees will be comprised of both Union and Company personnel where TWU Fleet Service employees exist, and will work together in the construction of bid lines.

Such committees can be comprised of just Union personnel or may be a joint committee with both Union and company personnel where the TWU Fleet Service employees exist.

The Company agrees that it will provide the committee with all the information needed to build the bid, which will include the flight schedule, budgeted hours and the allotted physical headcount for that city. The Company and committee will agree on a specific time frame that the bid will be completed.

The Committee will construct the bid and submit the bid for review by local management at that location. Once the review has been completed, if the bid has not been approved, the committee may submit an appeal to an oversight group for review.

The oversight group will consist of the Regional Vice Presidents of Field Services and the International Representative, TWU, and will have the final binding decision regarding the implementation of the bid.

If the above accurately reflects your understanding, please signify by signing below.

Sincerely,

Denise Lynn
Vice President, People
American Eagle Airlines, Inc.

Agreed to:

Joseph C. Gordon
International Representative
Transport Workers Union

LETTER P – FLOATING HOLIDAY / PROBATIONARY EMPS
(Reference Article 6)

October 28, 2008

Mr. Jose Galarza
American Eagle Coordinator
Transport Workers Union of America
1791 Hurstview Drive
Hurst, Texas 76054

Dear Jose,

Over the course of the past several weeks, the Company and the TWU have engaged in discussions regarding the application of the floating holiday for probationary Aircraft Maintenance Technicians, Inspectors, Tool and Die Mechanics, Ground Support Technicians, Repairman, Aircraft Cleaners, Inventory Control Specialists and Fleet Service Clerk employees.

As a result of those discussions, we have agreed to settle one grievance concerning that application. As you know, this grievance protests the practice of denying the floating holiday outlined in Article 6A for employees currently on probation, less than 6 months of Company service. Under this settlement agreement, effective October 28, 2008, any employee in Title Groups I, II, III, IV and V and currently on probation will be entitled to one personal holiday, within the current calendar year and as outlined in Article 6A. This agreement does not provide for retroactive awards, none will be granted as a result of this settlement agreement.

If the above accurately reflects your understanding of our agreement, please signify by signing below.

Agreed to:

Dianne Taber
Counsel, Employee Relations
American Eagle Airlines

Jose Galarza
American Eagle Coordinator
Transport Workers Union

LETTER Q – FLEXIBLE HIRING RATES / CLARIFICATION
(Reference Article 4)

DATE: January 11, 2006

Joe Gordon
International Representative
Transport Workers Union
1791 Hurstview Drive
Hurst, TX 76054

Dear Mr. Galarza,

Per our discussion and as a clarification to the application of Flexible Hiring rates with regards to an employees' classification seniority date, it has become necessary to establish this Bulletin for future references. This is a result of system board Case #'s AE-49-05, 50-05, 51-05. It became evident between the Company and the Union that it was necessary for the Company to adjust the Classification seniority date for incumbent employees and as you know the evidence demonstrated that this practice became effective January 1, 2001.

The applicable Articles are:
Article 4 A (1,2) AMT's and related
Article 4 A (1,2) Fleet Service clerks

In the event that a particular station utilizes the flexible hiring rates, Article 4 (A 1), and raises its starting rate of pay for a specific classification, then incumbent employees at that station and in that specific classification who were at a rate lower than the new flexible hiring rate, will have their base rate of pay raised, Article 4 (A 2). The effective date of the new base rate of pay will be the date the external candidate (hired at the flexible rate) commences employment within the station and classification.

Example:
BOS hires an AMT at \$13.53 per hour (step 3).
Date of hire 2/1/06

All Incumbent employees will be raised to the new higher rate effective 2/1/06.

In addition, the incumbent who has had their base rate of pay raised will have their classification seniority date adjusted to reflect the effective date of the increase. Thereafter, the employee will receive step increases on an annual basis. No employee can exceed the maximum step for his or her classification.

Example:

<u>Current date</u>		<u>Base rate of pay</u>	<u>Occ date</u>	<u>Class date</u>
2/1/06	John Doe	12.63	11/5/04	11/5/04
Flex Rate to \$13.53 effective 2/1/06.				
<u>Current date</u>		<u>Base rate of pay</u>	<u>Occ date</u>	<u>Class date</u>
2/1/06	John Doe	13.53	11/5/04	2/1/04

If the above accurately reflects your understanding of our agreement, please signify by signing below.

Sincerely,

Dianne E. Taber
Counsel, Employee Relations
American Eagle Airlines, Inc.

Agreed to:

Joe Gordon
International Representative
Transport Workers Union

LETTER R – 1113 ME-TOO PROVISION

January 01, 2013

Mr. Jose Galarza
International Representative
American Eagle System Coordinator
Transport Workers Union of America—AFL-CIO
1791 Hurstview Drive
Hurst, Texas 76054

“Me, too: Provision”

Dear Jose,

During the negotiations that led to the signing of the Agreement between American Eagle Airlines, Inc. (“AE” or “the Company”) and the Transport Workers Union of America, AFL-CIO (“TWU”) covering Fleet Service employees, the Company and the TWU agreed to the following, effective upon ratification of the Fleet Service Agreement by the TWU membership:

- 1) Notwithstanding any provision to the contrary in this Restructuring Agreement (“Agreement”) the terms of the Agreement shall not become effective until the Company has received approval to implement, through binding agreement, and/or implemented by legal unilateral authority revisions to (i) the labor contracts of the Company’s other non-TWU unionized employees and (ii) the wages, benefits and working conditions of the Company’s non-union hourly employees and (iii) the wages, benefits, and working conditions of the non-union salaried and management employees so that the aggregate revisions, agreed to or imposed, in (i), (ii), and (iii) for each individual non-TWU union and non-union employee group are reasonably projected by the Company to produce the targets of labor cost savings specified in the Company’s 1113(c) Restructuring Proposals for each union dated March 21, 2012 and in the Company’s March 21, 2012 Big Tent Presentation for each non-union labor group, and any Section 1113(c) motion subsequently filed by the Company, provided that the targets specified in the Company’s motion match the March 21, 2012 targets.

LETTER R – ME-TOO PROVISION

- 2) The Company agrees that if it fails to implement the changes described in paragraph 1 for any other non-TWU union or non-union employee group, without implementing other changes that are reasonably projected by the Company to achieve equivalent labor cost savings, the Company will meet with TWU to discuss and agree upon a proportionate reduction in projected labor cost savings under the Agreement. This paragraph shall expire upon the earlier of 1) six (6) months after the date the Company emerges from the bankruptcy process; or 2) when the changes described in paragraph 1, or other changes that are reasonably projected by the Company to achieve equivalent labor cost savings, are implemented for all non-TWU union or non-union employee groups.
- 3) The Company further agrees that if it obtains modifications to agreements with other non-TWU union groups that result in labor cost savings to the Company from reduction in TWU represented employees working under TWU agreements, it will meet with TWU to discuss and agree upon an appropriate credit to the TWU based on the level of labor cost savings realized by the Company from that reduction.
- 4) The Company will provide TWU with sufficient relevant information reasonably necessary for TWU to determine compliance with the terms of this agreement.
- 5) Any alleged violation of these provisions will be resolved pursuant to the grievance and arbitration procedures of the applicable TWU Agreement.

If this letter accurately reflects the agreement of the parties, please indicate by signing below.

Sincerely,

Cathy McCann
Vice President,
People Department
American Eagle Airlines, Inc.

Agreed to:

Jose Galarza
International Representative
AE System Coordinator
Transport Workers Union

LETTER S - GUIDELINES EMPL ON UNION LEAVE OF
ABSENCE

Reference Article 16

January 01, 2013

THIS LETTER OF AGREEMENT is made and entered in accordance with the provisions of the Railway Labor Act, as amended, by and between AMERICAN EAGLE AIRLINES, INC. AND EXECUTIVE AIRLINES, INC. (hereinafter the "Company") and the TRANSPORT WORKERS UNION OF AMERICA (hereinafter the "Union". The parties hereto have mutually agreed upon the following procedure for an Employee(s) performing Union business and being placed on an unpaid labor leave of absence.

1. In the case of an employee holding a position as an International Representative, an International Officer of the Transport Workers Union or an employee holding a full time position within the International Union, the written request must be submitted by the Director Air Transport Division of the Transport Workers Union to the Vice President - Employee Relations. During this leave for Union business, the employee will maintain his benefits.
 - a. An employee on a Union Leave of Absence shall retain and continue accrue Company, Occupational and Classification Seniority for the duration of the leave.
 - b. An employee on a Union Leave of Absence shall be entitled to full reinstatement rights at the end of the leave.
 - c. An employee on a Union Leave of Absence shall have the option of continuing to participate in American Eagle's health plan or may waive it for the TWU health plan.

THIS LETTER OF AGREEMENT shall become effective on the date of execution and shall remain in full force and effect concurrent with the Employee's Basic Agreement

IN WITNESS WHEREOF; the parties have signed this Agreement effective as of the date first written above.

Sincerely,

Agreed to:

Cathy McCann
Vice President,
People Department
American Eagle Airlines, Inc

Jose Galarza
International Representative
AE System Coordinator
Transport Workers Union

LETTER T – PROFIT SHARING PLAN

LETTER OF AGREEMENT
between
AMERICAN EAGLE AIRLINES
and the
FLEET SERVICE EMPLOYEES
in the service of
AMERICAN EAGLE AIRLINES
as represented by the
TRANSPORT WORKERS UNION of AMERICA, AFL-CIO

PROFIT SHARING PLAN

THIS LETTER OF AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor act, as amended, by and between American Eagle Airlines (hereinafter referred to as the “Company”), and the Fleet Service employees in the service of American Eagle Airlines, as represented by the Transport Workers Union of America, AFL-CIO (hereinafter referred to as the “Union”).

WHEREAS the Company and the Union have reached consensual agreement upon a collective bargaining agreement (hereinafter referred to as the “Agreement”);

NOW THEREFORE, the parties agree as follows:

A “first dollar” profit sharing plan for Fleet Service employees will be implemented as described below:

A. DEFINITIONS

1. “Pre-tax earnings” means the Company’s consolidated earnings for the target year before any applicable income tax expense, excluding any accruals for profit sharing and/or incentive compensation, accounting adjustments, or extraordinary or one-time items as may be determined by the Company’s Board of Directors Compensation Committee (consistent with Generally accepted Accounting Principles (GAAP) and applicable regulations, after consultation with the Company’s independent auditors.
2. “Profit Sharing Pool” means 100% of the Company’s pre-tax earnings for the target year at the applicable percentage.

B. PROFIT SHARING POOL

Bracket #	American Eagle Profit Margin %	Profit Sharing Pool
1	0-2	5% of pre-tax profit within the bracket
2	2-4	10% of pre-tax profit within the bracket
3	4-6	15% of pre-tax profit within the bracket
4	6-8	20% of pre-tax profit within the bracket
5	8+	25% of pre-tax profit within the bracket

C. DISBURSEMENT

1. The profit sharing payments due to individual Fleet Service employees shall be computed as follows:
 - a. For the year in which the profit sharing was earned, the applicable profit sharing pool shall be divided by the total W-2 earnings of all eligible employees of the company to arrive at a profit sharing percentage of W-2 figure. This figure will be used to distribute the profit sharing pool based on share of W-2 salary expense.
 - b. The profit sharing percentage of W-2 figure, as calculated in 1.a. above shall be multiplied by the individual employee's reported W-2 earnings for the year in which profit sharing is was earned.
 - c. To be eligible for profit sharing payments, employees must:
 - i. Have earned W-2 salaries during the year in which profit sharing was earned.
 - ii. Hold current employment status, either active or on leave, with the company as of the date the profit sharing pool distribution calculations are made.
2. Profit Sharing awards are not considered compensation for purposes of determining Company contributions to the 401(k) plan.

D. Fleet Service employees at American Eagle and Executive Airlines will participate in the Profit Sharing Plan on terms outlined above and in no event may those terms be any less favorable than any other labor group at American Eagle.

E. The effective date of the Profit Sharing Plan, as to TWU represented employees covered by this agreement, will be when it has been ratified by the membership, and the Agreement and this letter or agreement have been approved by the bankruptcy court. TWU represented employees covered by this Agreement shall begin to accrue Profit Sharing earnings on January 01, 2013, to be paid out annually beginning in March 2014.

IN WITNESS WHEREOF, the parties hereto have signed this Letter of Agreement on this 1st day of January, 2013.

FOR AMERICAN EAGLE AIRLINES, INC

FOR THE TRANSPORT WORKERS UNION
OF AMERICA, AFL-CIO

Cathy McCann
Vice President – Human Resources

Jose Galarza
AE System Coordinator

LETTER T – PROFIT SHARING PLAN