# ARTICLE 2 SCOPE OF AGREEMENT

(F) <u>The parties agree to meet to discuss modifications to IAM's</u> <u>collective bargaining agreement to allow IAM represented employees to "buy-back" wage</u> <u>concessions in exchange for productivity.</u>

In addition, a standing committee of union and Management Members will be established no later than January 11, 2003 with the responsibility of exploring and implementing measures to achieve cost savings by insourcing of work, improving the efficiency of operations and/or by any other methods that create cost savings for US Airways.

# ARTICLE 5 HOURS OF SERVICE

(A) A standard workday shall be, unless otherwise specified herein, eight-and-one-half (8-1/2) consecutive hours, including a one-half (1/2) hour unpaid meal period.

(A) <u>A standard workday shall be, unless otherwise specified herein, either eight-and-one-half (8-1/2) consecutive hours, including a one-half (1/2) hour unpaid meal period or ten-and-one-half (10-1/2) consecutive hours, including a one-half (1/2) hour unpaid meal period.</u>

(B) <u>A work-week will consist of either five (5) scheduled eight-and-one-half (8 <sup>1</sup>/<sub>2</sub>) hour work days, and two (2) consecutive scheduled days off, or four (4) scheduled ten-and-one-half (10 <sup>1</sup>/<sub>2</sub>) hour work days and three (3) consecutive scheduled days off, except when:</u>

- 1. <u>as a result of employee shift swaps; or</u>
- 2. <u>working a five (5) work</u> day work-week an employee's scheduled days off are <u>Monday and Sunday; or</u>
- 3. <u>working a four (4)</u> work\_day work\_week an employee's scheduled days off are <u>Monday</u>, Saturday and Sunday or Monday, Tuesday and Sunday.
- 4. When a workweek, as described in Paragraph C, contains an observed Holiday, the work schedule for that week for all employees will have five (5) eight and one half (8.5) hour work days.

The standard workweek will be five (5) scheduled eight-and-one-half (8 <sup>1</sup>/<sub>2</sub>) work days. Employees will work the standard workweek except that each quarter employees may select a four (4) work day workweek as described above. Such selection must be submitted to the Company no later than the date prescribed by the Company and must designate the employee's days-off preference, either Monday, Saturday and Sunday, or Friday, Saturday and Sunday. The Company will provide the appropriate number of four (4) work day workweek schedules based on the number of employees selecting a four (4) work day workweek. The Company will determine the distribution of the days-off and will be awarded in seniority order.

(B) A work week will consist of five (5) scheduled work days, and two (2) consecutive scheduled days off, except when as a result of employee shift swaps and employees whose scheduled days off are Sunday and Monday.

(E) The Company will determine the monthly work schedules in the Posted Work Schedule (including days off, starting times and known travel and work assignments) and post no later than the  $1^{st}$  day of the month preceding the work schedule. Once posted, employees who are schedule for travel assignments will have their itinerary details approved by the Company as described in Article 7.

Once posted, the Company may change an employee's schedule as follows:

1. Days off and <u>workdays</u> with a minimum of five (5) days notice.

2. Where the original start time is between 05:30 and 08:30 and where the new start time remains between those hours notification is required no later than the end of their regular shift the day before the change.

3. Start time adjustments not described in (2) above will require notification of three (3) days prior to the change.

4. Overnight Travel Assignments (Field Service), where the employee was not previously scheduled for overnight field service, will require notification of seven (7) days prior to the change.

5. Field service may be cancelled at any time.

6. Work assignments, within their scheduled hours, on a scheduled workday may be changed based on the needs of service.

7. In cases of sickness or the absence of an employee the company may assign a Specialist to cover the absent employee's posted assignments and the above notification requirements will not apply.

8. No employee will be required to work more than two (2) different basic shifts in a work week. For the application of this provision, the basic shifts will be defined as follows: 05:00 - 11:59 will be shift 1, 12:00 - 17:59 will be shift 2 and 18:00 to 04:59 will be shift 3.

Minimum notices for schedule changes described above may be waived with mutual agreement of the employee and the Company.

(F) When not otherwise scheduled by the Company in the posted work schedule, employees will have Saturday and Sunday off. When not otherwise scheduled for a specific assignment on a workday as indicated in the posted work schedule, employees will be on "Flex Time". Employees will elect a normal Flex Time shift starting time not earlier than 05:30 AM or later than 08:30 AM <u>on the half hour or hour</u> quarter hour increments (ie example 0530 AM 05:45 AM etc). <u>Employees working a four (4) day workweek may elect a Flex Time shift starting time not earlier than 05:30 AM or later than 07:00 AM</u>. In the event the Company elects to establish permanent schedules with starting times outside of the 05:30 AM – 08:30 AM window, including other periods with flexible start times, classification seniority within the bid area will be used in the assignments.

Employees may request adjustments to <u>their</u> Flex Time <u>start times</u> <u>and/or</u> <u>workweek</u> quarterly. Where the Company is unable to honor all Flex Time <u>and/or</u> <u>workweek start time</u> requests, classification seniority within the Bid Area will be used. Approved Flex Time start times will remain in effect unless a change is requested by the employee at the beginning of the quarter and approved by the Company. Any changes required by the Company to posted Flex Times, <u>workweek</u> or days off for a work assignment will be in accordance with Paragraph (E) above.

(G) In the General <u>each</u> Bid Area the Company may assign one (1) Specialist per week <u>on a</u> <u>rotating basis</u> to Field Service "Relief" to cover unscheduled training requirements that require travel. Employees scheduled as Relief may be assigned other work for which they are qualified when not assigned to travel. When not otherwise scheduled by the Company in the posted work schedule, employees scheduled for Relief will <u>work a five (5) day workweek and</u> have Saturday and Sunday off. When Relief employees are not assigned to travel such employees will work their normal Flex start time. Changes to Relief employee schedules are not subject to the notification provisions in paragraph (E) above.

(M) <u>The Company will establish a joint committee of Management and Maintenance Training</u> <u>Specialists Employees to discuss the establishment of a ten (10) or more hour work day. The</u> <u>IAM and AW will appoint the Maintenance Training Specialists to this committee. The</u> <u>committee will convene within thirty (30) days of Operational Employee Integration (OEI) and</u> <u>will continue for a duration of sixty (60) days. The Company and the Union will sign a Letter of</u> <u>Agreement outlining the provisions of the ten (10) or more hour work day where the Company</u> <u>and Union mutually agree.</u>

The Company may, at its sole discretion, discontinue the use of shifts more than eight (8) hours in any location or bid area within a location, with a sixty (60) day posted notice to the membership.

## ARTICLE 6 OVERTIME AND HOLIDAYS

**(A)** The overtime rate is capped at time-and-one-half the base rate of pay. The rate of time and one-half (1 1/2 x), computed on an actual minute basis, adjusted to the nearest tenth (1/10) of an hour, shall be paid for all hours worked in excess of eight (8) hours when scheduled to work a five (5) day workweek or in excess of ten (10) hours when scheduled to work a four (4) day workweek (for five (5) eight (8) hour days) or worked in excess of ten (10) hours (for four (4) ten (10) hour days) excluding the thirty (30) minute unpaid meal period in any regular work day. For regular days off there will be a weekly forty (40) hour qualifier which must be satisfied prior to being eligible for time-and-one-half rates on a day off. The forty (40) hour qualifier to be used for eligibility will be the four (4) or five (5) scheduled work days in the employee's workweek. prior to the employee's first scheduled day off. Hours paid but not worked and shift swaps worked will not count toward the forty (40) hour qualifier except that vacation/comp time will count toward the forty (40) hour qualifier. Once the forty (40) hour qualifier has been satisfied, all hours worked excluding the 30 minute unpaid meal period on any of the employees regularly scheduled days off each work week will be paid at time-and-one-half rate.

(B) Employees will observe the following holidays each year on the dates established by Federal Law (where applicable) and all employees shall be paid their straight time rate for eight (8) hours: (TBD) New Year's Day, <u>Martin Luther King Day</u>, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the day after Thanksgiving, and Christmas Day. <u>except that holiday pay will not apply if the holiday falls on an employee's regularly scheduled day off</u>. <u>Effective January 1, 2010, Martin Luther King Day will be added. (Note:</u> <u>Martin Luther King Day will be a holiday for former West employees in 2009.)</u>

If a holiday falls within an employee's <u>bid</u>-vacation period, that employee will be paid in accordance with the first (1st) sentence of paragraph (B) <u>or may elect to convert the holiday</u> <u>pay to eight (8) hours compensatory time subject to the maximum allowable compensatory</u> <u>hours provided for in paragraph K. If the holiday is not converted to compensatory time</u> <u>the employee may elect to add the day to the beginning or end of his/her vacation period.</u> No holiday pay will be due to an employee on an unpaid leave of absence or on furlough status.

In addition to the eight (8) hours pay for the holiday, employees who are scheduled to work on a holiday shall be paid at the straight time rate for the first eight (8) hours worked.

(M) Employees may-request-use accrued Compensatory time in one (1) hour increments up to four (4) hours and in four (4) no less than four (4) ONE (1) hour increments, thereafter, awards will be made to the senior employee based on the training requirement and subject to the terms of Article 11 paragraph (E) or employees may request in writing (may be electronic) compensatory time in increments of one (1) hour up to a maximum of three (3) hours subject to management approval.

# ARTICLE 7 TRAVEL AND TRAVEL PAY

(B) Employees required to attend or conduct training outside their location on a scheduled work day are compensated for travel by the most direct route at straight time rates <u>including scheduled</u> <u>days off</u>. Travel time includes all required flight time, all required connecting and required waiting time from the conclusion of training, excluding overnights. All travel time <u>outside the</u> <u>Continental United States</u> on a scheduled day off will be paid at the employee's time-and-one-half (1 1/2) rate. Additionally, travel time will begin <u>two (2)</u> one (1) hour<u>(s)</u> prior to the scheduled departure time of the flight that originated the trip for domestic locations and two (2) hours prior to the scheduled departure time of the flight that originated the trip for International locations. Employees, at their option, may elect to have any travel time converted to compensatory time.

(**D**) Reasonable and customary expenses associated with travel, <u>excluding mileage to and from</u> <u>the airport at your home base, <u>incurred outside their location</u>, will be reimbursed per Company policy. Including but not limited to:</u>

(G) No employee will be required to travel and/or conduct training classes outside the US Airways system <u>and/or outside of locations where the Company has aircraft maintenance</u> <u>performed</u> unless the Company and the employee reach a mutual agreement on all issues related to the assignment, excluding base rate of pay. <u>No employee will be required to travel outside</u> <u>the United States if a Federal Agency has Advised against such travel.</u>

(I) If for any reason the employee on a training assignment away from his base is released by an authorized agent of the Company for a period of eight (8) consecutive hours or more, he shall not be paid for the time released, but in no event shall the employee receive less than eight (8) <u>-or</u> ten (10) hours pay based on the employee's <u>-pay as schedule for the day</u>, during any twenty-four (24) hour period while away from his base station.

## ARTICLE 8 SENIORITY

(K) An <u>active Maintenance Training Specialist employee</u> who accepts a first level Management position or below within the Maintenance Department shall retain all accrued seniority under this agreement and will continue to accrue seniority for pay purposes only as a Maintenance Training Specialist. <u>These employees may return to a covered position under this agreement in the case of a reduction in force, demotion or failure to pass probation or should the employee decide to return to a covered position by filling any vacancy or by displacing the junior employee on the system.</u>

An active Maintenance Training Specialist who transfers to a position outside of the bargaining unit, within or outside of the Maintenance Department may, for a one-hundredeighty (180) day period, exercise all seniority accrued in the case of a reduction in force, demotion, discharge for incompetency, or should such employee voluntarily decide to return to a covered position, to a vacancy in his previous location and if no vacancy, displace the junior employee in that location.

Any active employee accepting a position outside of the bargaining unit, outside of the Maintenance Department shall retain all accrued seniority for one-hundred-eighty (180) days after leaving the bargaining unit and shall thereafter forfeit it.

After the expiration of the above prescribed period, the employee who transferred outside of the bargaining unit, within the Maintenance Department, who returns to a position under this Agreement in the case of a reduction in force, demotion or discharge for incompetency, may only exercise his seniority to a vacancy or displace the most junior employee on the system.

## ARTICLE 9 FILLING VACANCIES

(B) The minimum qualifications which may be used in the filling of vacancies within Bid Areas are as follows:

1. Line Maintenance Bid Areas: valid A and P License, three years (3) experience performing aircraft maintenance on commercial aircraft or the military equivalent. Line Maintenance will consist of two-<u>separate</u> bid areas (Airbus and Boeing). <u>representing the eurrent fleet. (ie...Boeing, Airbus, Embraer, etc.)</u> There will be no requirement for a Boeing bid area when the Company's aircraft fleet no longer contains Boeing <u>737</u>-series aircraft.<u>count falls below a level of fifty (50) aircraft.</u>

2. Avionics Maintenance Bid Area: valid A and P License, three (3) years experience performing avionics maintenance on commercial aircraft or the military equivalent. There will be no requirement for an Avionics bid area when the Boeing aircraft fleet count falls below a level of fifty (50) aircraft.

3. Base Maintenance Bid Area: valid A and P License, structural repairs or aircraft maintenance on commercial aircraft or the military equivalent.

4. General Bid Area: valid A and P License, three years (3) experience performing aircraft maintenance on commercial aircraft or the military equivalent.

#### ARTICLE 10 LEAVES OF ABSENCE

(G) Employees will receive a maximum of ten (10) eighty (80) paid hours working days off within a fourteen (14) calendar day period in a calendar year for reservist summer camp training that will not count against the employee's vacation. The Company will pay the employee the difference between his regular pay, excluding shift premium, and the amount received from the military. Employees will be required to provide the Company with a copy of their reserve training orders and will be required to submit to the Company proof of the amount of pay received from the military within seven (7) days after the employee returns. This amount (excluding expenses) will be deducted from the employee's next paycheck. The Company will comply with applicable Federal laws governing the reemployment rights of veterans returning from military leave.

#### ARTICLE 11 VACATION WITH PAY

(A) Employees hereunder shall become entitled to and receive vacations in accordance with the following:

1. During the employee's first calendar year of service, he earns  $\frac{\text{one }(1) \text{ vacation day}}{\text{eight }(8) \text{ hours vacation}}$  for each full calendar month of employment up to a maximum  $\frac{\text{of ten}}{\text{vacation days }(10) \text{ eighty }(80) \text{ hours vacation }(\text{no-days hours})$  are earned in June or October).

(B) Employees will be required to bid and take a minimum of two (2) weeks vacation annually. Any unused vacation  $\frac{days hours}{days hours}$  will be paid to the employee during the first quarter of the following year (except as provided for in paragraph J below). These  $\frac{days hours}{days hours}$  will be paid at the rate of pay on December 31<sup>st</sup> of the calendar year, in which they were earned.

(F) Vacation request for the following year must be requested in writing and submitted no later than October 15. Vacation weeks request bid in October will be bid based on five (5) eight and one-half (8.5) hour days. Vacation requests will be awarded by classification seniority in full week increments on a single round basis. -The weeks requested are to be contiguous with the employees scheduled days off unless the employee and the company agree otherwise. The company will grant Vacation requests for thirty three and a third fifty-percent (33.3%) (50%) of the employees in each bid area at each station with a minimum of one (1) using standard rounding for each week. Vacation requests, which exceed the thirty three and a third fifty-percent (33.3%) (50%) minimum, will be approved as outlined in the paragraph below.

#### ARTICLE 12 SICK LEAVE

(A) Employees who have satisfactorily completed their probationary period shall be credited with sick leave accrual for each full month of active service retroactive to their date of entry into the department. Employees currently on the seniority roster as of the effective date of this agreement shall have their current accrual carried forward. Total accumulative sick leave credit shall not exceed <u>one hundred fifty 150 days</u> twelve hundred (1,200) hours. Employees who have a sick leave balance on the effective date of this agreement greater than <u>one hundred fifty 150 days</u> twelve hundred (1,200) hours will retain that balance but will not accrue any more until the employee drops below the <u>one hundred fifty 150 day</u> twelve hundred (1,200) hour point.

(B) Employees on sick leave shall receive their sick leave compensation for the time accrued to their personal sick leave credit on the regular established pay days. Employees shall be paid beginning with and including the first (1<sup>st</sup>) day of any illness <u>based on their work schedule for</u> <u>each day that workweeks schedule</u>, provided they have sick leave remaining in their bank. Employees must be in active pay status for <u>eighty (80) regular scheduled hours (does not include overtime or shift swap hours) ten (10)</u> or more <u>work days</u> in a month in order to accrue sick leave for the month.

(C) Non active employees must have been in an active pay status for <u>eighty (80) regular</u> scheduled hours (does not include overtime or shift swap hours) ten (10) or more work days

in a month in order to be paid for holidays that fall during the month. <u>The maximum period of</u> time an employee can receive holiday pay under these provisions is one (1) year.

#### ARTICLE 17 GENERAL, MISCELLANEOUS AND TRAINING

(I) The Company will provide employees reasonable preparatory time for the study of subject material prior to instructing the material for the first time  $\frac{1}{2}$  and/or prior to instructing a course the employee has not taught within the past six (6) months.

#### ARTICLE 18 WAGE RATES

### <u>Wages</u> : From Term Sheet

Schedule A – Hourly rates of pay for all steps will increase by the following amounts:

- 3% to base rates of pay effective DOS
- 3% to base rates of pay effective 9/12/14
- 3% to base rates of pay effective 9/12/15
- Base rates of pay effective 9/12/16 In the event a Joint Collective Bargaining Agreement (JCBA) at the New American Airlines has not been ratified prior to 9/12/16, a 1.5% increase to base rates of pay will be applied and the amendable date of the agreement will be extended by one (1) year
- Base rates of pay effective 9/12/17 In the event a JCBA at the New American Airlines has not been ratified prior to 9/12/17, a 1.5% increase to the base rates of pay will be applied and the amendable date of the agreement will become 9/12/18
- •\_\_\_Signing Bonus Each MTS employee will receive a signing bonus of \$1500;
- The signing bonus will be paid within 30 days following ratification. In order to be eligible to receive the signing bonus an employee must be in an active pay status on the date of ratification (employees on union, military and FMLA leave will be considered active) and have been active at least nine (9) of the twelve (12) months prior to date of ratification.

All economic improvements will become effective on the 1<sup>st</sup> day of the 1<sup>st</sup> pay period following the effective date of the agreement.

## ARTICLE 22 INSURANCE

ATTACHMENT A

July 3, 2014June 26, 2014

Mr. Tom Higginbotham President & Directing General Chairman IAMAW District 142

Dear Mr. Higginbotham:

This letter will confirm our agreement regarding the application of excise tax or other penalty included in The Patient Protection and Affordable Care Act (PPACA) or any excise tax or penalty which may replace the PPACA.

In the event the Company determines that any of the PPO 100, 90 or 80 percent plan design options provided for in this Agreement (each a "Plan") would be or become subject to an excise tax or other penalty under applicable law (and thus become an "Affected Plan"), the Company will meet and confer in good faith in order to reach an agreement with the Union concerning the minimum modification or modifications to the affected Plan necessary to avoid application of the excise tax or other penalty. The Company shall provide to the Union information that the Union reasonably requests, including actuarial reports, necessary for the Union's design and consideration of such modifications. Unless otherwise agreed, any agreed modification shall become effective at the time the excise tax or penalty would become applicable in respect of the Affected Plan (the "Affected Plan Date").

If the Company and the Union are unable to agree on modifications necessary to avoid the application of the excise tax or other penalty on the Affected Plan within ninety (90) days after the initial meeting, an arbitrator shall immediately be selected in accordance with the Collective Bargaining Agreement to determine the modifications to the design of the Affected Plan that will become applicable. The authority of the arbitrator is expressly limited to establishing those modifications to the design of the Affected Plan that will ensure that no excise tax or other penalty will apply. If the arbitrator determines that no reasonably practical modification to the Affected Plan can guarantee that no excise tax or other penalty will apply, the Company shall have the right to terminate the availability of the Affected Plan to the Maintenance Training Specialist employees. If, under the preceding sentence, the Company has terminated or would have the right to terminate the availability to the Maintenance Training Specialist employees of all three Plans, the arbitrator will be empowered to designate an alternative plan design (a "New Plan") that is available from the Company provider and that replicates the provisions of the 80 percent plan to the greatest possible extent without causing the New Plan to become subject to any excise tax or other penalty. In the event that the arbitrator has not issued a determination prior to the excise tax or penalty becoming due or if such penalty or excise tax is otherwise owed for any reason, notwithstanding any contrary provision of law, the Company shall be permitted to implement such modifications to the design of the Affected Plan as it considers to be necessary to avoid the excise tax or penalty. The Company shall have a reasonable period of time following the issuance of the arbitrator's determination to implement the New Plan. Notwithstanding the foregoing, the provisions of this Letter of Agreement shall not be effective if, after the effective date of this Agreement, the Company enters into any new or amended collective bargaining agreement having a term of three (3) years or more with any union group that does not contain a provision substantially similar to this Letter of Agreement.

In the event a plan is modified pursuant to this Letter of Agreement (LOA), employees will be afforded the opportunity through an open enrollment period to elect a different plan, prior to the implementation of any modified plan.

Sincerely,

E. Allen Hemenway Vice President Labor Relations

Agree and concur:

Mr. Tom Higginbotham President & Directing General Chairman IAMAW District 142

#### ARTICLE 23 DURATION

Duration : From Term Sheet

Three (3) year agreement from DOS (Date of Signing), unless extended in accordance with Article 18 – Wage Rates

#### **TERM SHEET ITEMS**

Voluntary Early	• In the event of a headcount overage or the need for a reduction in f	orce
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Out Program	which occurs prior to ratification of a JCBA for the combined LUS
-	<b>H</b>
(VEOP)	Maintenance Training Specialists and equivalent LAA employees, the
	Company will offer active employees and employees on authorized Union
	Leave of Absence the opportunity to participate in a Voluntary Early Out
	Program as follows:
	• Employees must have a minimum of fifteen (15) years of service to
	participate and have otherwise been unaffected by the reduction
	• The maximum number of VEOs (Voluntary Early Outs) offered in
	a location, classification and bid area will be at a minimum, as
	determined by the Company, equivalent to the number of
	reductions in that location, classification and bid area
	• Employees awarded a VEOP will receive a lump sum payment of
	\$22,500.00 within thirty days of the employees release date
	$\circ$ In addition to lump sum payment, employee will receive any
	severance allowance as outlined in Article 20 of the Maintenance
	Training Specialists agreement
	• This Lump sum payment will not have any impact on the "Sick
	Leave Buy Back" policy currently in place
	Duj Duon Ponej en renej m Pinee

• Job Protection – No furlough protection effective DOS: no employee will be
<ul> <li>furloughed to the street at any MTS location (providing the employee exercises his seniority to the fullest extent) as a result of any flight activity that may be transferred from LUS to LAA</li> <li>Cross Utilization: The Company may utilize LAA (Legacy American</li> </ul>
Airlines) employees to perform LUS (Legacy US Airways) maintenance training specialists work. In exchange for the cross utilization provisions contained within this paragraph the Company agrees to provide additional job protections as defined below
• Job Protection – No displacement: effective with the implementation of Cross Utilization, no employee will be involuntarily displaced from their current location
<ul> <li>The job protections described above will apply only to those employees whose names appear on the Maintenance Training Specialists System Seniority List as of the date of ratification of this agreement and shall not apply in circumstances where the Company's non-compliance is caused in substantial part by Conditions Beyond the Company's Control.</li> <li>In the event the movement of MTS work from a location results in the need to relocate MTS employees at the merged carrier, the relocation of MTS</li> </ul>
employees from that location will not be considered a violation of the above Job Protection provisions
<ul> <li>IAM agrees to file a Single Carrier Application with the NMB within thirty (30) days from date of ratification of this agreement</li> <li>The Company will be prepared to commence JCBA negotiations within thirty (30) days from date of ratification</li> <li>Add all previous TAs</li> </ul>
<ul> <li>"Conditions Beyond The Company's Control" shall include, but not be</li> </ul>

company employee group or the employees of a Commuter Air Carrier operating pursuant to an authorized codeshare arrangement with the company; (3) a national emergency; (4) involuntary revocation of the company's operating certificate(s); (5) grounding of a substantial number of the company's aircraft; (6) a reduction in the company's operation resulting from a decrease in available fuel supply caused by either governmental action or by commercial suppliers being unable to meet the
governmental action or by commercial suppliers being unable to meet the company's demands; and (7) the unavailability of aircraft scheduled for
delivery