Fleet Technical Instructors and Related Employees
2016 – 2021 Agreement

Between United Airlines and The International Association of Machinists And Aerospace Workers (IAMAW)
PREAMBLE

This Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between United Airlines (referred to in this Agreement as the “Company”) and the International Association of Machinists & Aerospace Workers (referred to in this Agreement as the “Union”) representing the employees comprising the craft or class of Fleet Technical Instructors as certified by the National Mediation Board in Case R-7334 on September 17, 2012.

The Company and the Union pledge their best efforts to promote the highest degree of safety and customer service, operational efficiency, dignity and respect for employees working under reasonable conditions for competitive pay and benefits, and partnership between the Company and the Union dedicated to the success of United and its co-workers and stakeholders.

This Agreement is designed to provide clear and understandable rules as to the expectations, rights and obligations of Fleet Technical Instructors and related employees, the Union, and the Company. To facilitate identification of provisions that govern specific terms and conditions or that may apply in various circumstances, the Agreement is organized as follows:

Article 1 – Job Classifications & Vacancies
Article 2 – Job Security
Article 3 – Compensation & Benefits
Article 4 – Hours of Service & Overtime
Article 5 – Vacation & Holidays
Article 6 – Sick Leave & Leaves of Absence
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ARTICLE 1: JOB CLASSIFICATIONS & VACANCIES

A. Classifications and Positions

1. Each employee is assigned to a classification. Classifications covered by this Agreement include, but are not limited to: Fleet Technical Instructors (FTI), Fleet Training Specialists (FTS), Emergency Procedures Instructors (EPI), Emergency Procedures Specialists (EPS), Flight Training Program Developers (FTPD), and Multimedia Designers (MMD).

2. Employees covered by this Agreement, if qualified, may be assigned to provide instruction and on the job training to employees in the same or other classifications, regardless of the specific position they hold. Classifications covered under this Agreement, and descriptions of the work performed include, but are not limited to, the following:

a. Fleet Technical Instructor (FTI) Fleet Technical Instructors conduct the training referenced below for pilots assigned to fly Company aircraft utilizing flight simulators or other training devices and in a classroom environment. Fleet Technical Instructor duties include, but are not limited to:

- Aircraft systems training
- Normal, non-normal, security, and emergency procedures training
- Flight procedures training as necessary to support the instruction of systems
- Aircraft performance and aerodynamics training
- Conduct and remEDIATE the Systems Validation, in accordance with the Advanced Qualification Program (AQP) document
- Participate in the training of new and existing FTIs

A Fleet Technical Instructor may also be assigned to participate in the formulation, development and review of pilot in training courseware, and other subject matter as a Subject Matter Expert (SME).

b. Fleet Training Specialist (FTS) Fleet Training Specialists coordinate and support the work and training of Fleet Technical Instructors. Fleet Training Specialist duties include, but are not limited to:

- Participates in the development, maintenance, and quality assurance of training programs
- Coordinates FTI training, qualification and observation requirements, and serves as the primary point of contact in support of FTIs
- Provides input for the selection of training devices and classroom requirements
• Provides input for the selection of Fleet Technical Instructors
• Represents their assigned fleet at staff meetings and on committees, as directed by management

A Fleet Training Specialist will remain current and qualified as a Fleet Technical Instructor in his assigned fleet and may conduct the same training as an FTI only to the extent necessary to maintain currency requirements or to prevent an undue delay or cancellation of a training event. An FTS may conduct a training event which occurs during their scheduled work day as directed, and may be requested to conduct a training event beyond their scheduled work day. A Fleet Training Specialist, for planning purposes, will not be placed in the monthly schedule.

c. **Emergency Procedures Instructor (EPI)** Emergency Procedures Instructors conduct emergency procedures training for flight attendants and/or pilots assigned to fly Company aircraft utilizing emergency procedures training devices and in a classroom environment. Emergency Procedures Instructor duties may include, but are not limited to:
• Flight Attendant Initial Emergency Training
• Pilot emergency Procedures training
• Aircraft Transition Training
• Continuing Qualification Training
• Requalification Training (RQ1, RQ2, RQ3)
• Pilot and/or flight attendant Security Training
• Remedial Training
• Announced Line checks
• Participate in the training of new and existing Emergency Procedures Instructors
• Other training or instruction as assigned by the Company

An Emergency Procedures Instructor may also be assigned to participate in the formulation, development and review of flight attendant training courseware, and other subject matter as a Subject Matter Expert (SME).

d. **Emergency Procedures Specialist (EPS)** Emergency Procedures Specialists coordinate and support the work and training of Emergency Procedures Instructors. Emergency Procedures Specialist may duties include, but are not limited to:
• Coordination of daily operations of training centers
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Job Classifications & Vacancies

- Identification and recommendation of changes to improve training effectiveness in conjunction with the Advanced Qualification Program (AQP)
- Administration of local policies and procedures
- Identification of classroom requirements
- Representation of the department at staff meetings and on committees, as directed by management
- Coordinates EPI training, qualification and observation requirements, and serves as the primary point of contact in support of EPIs

An Emergency Procedures Specialist may also be directed to interact with corporate, industry or government organizations in the interest of emergency procedures training. An Emergency Procedures Specialist may conduct the same training as an EPI only to the extent necessary to maintain currency requirements or to prevent an undue delay or cancellation of a training. An EPS may conduct a training event which occurs during their scheduled work day as directed, and may be requested to conduct a training event beyond their scheduled work day. An Emergency Procedures Specialist, for planning purposes, will not be pre-placed in the monthly schedule.

e. **Flight Training Program Developer (FTPD)** A Flight Training Program Developer conducts the analysis, design, development, maintenance, implementation and evaluation of pilot training programs as assigned. Flight Training Program Developer duties also include, but are not limited to:

- Training development revisions
- Publishing processes, as requested
- Participates in AQP curriculum revision and upon request, participates in database management.
- Participates in the development of instructor training and/or small group trials
- The development and delivery of any other projects as assigned
- Participates in the training of employees in their classification
- Provides input for the selection of Flight Training Program Developers

A Flight Training Program Developer may also be assigned to develop and maintain department standards, processes, and work instructions, or direct team members in the development process.
f. **Multimedia Designer (MMD)** Multimedia Designer duties include, but are not limited to the design, development, documentation, configuration management, and production of graphics, audio, and video used in pilot training. Multimedia Designers may specialize in audio, visual, or graphic design, but may be assigned to perform other duties within the classification if properly trained. Multimedia Designers also participate in the research and evaluation of new technology used in training programs as requested.

### B. Vacancies

1. Vacancies determined to exist in the Fleet Technical Instructor or Emergency Procedures Instructor classifications are filled through a seniority bid process. If no qualified employee bids for the vacancy, the open position will be filled through a competitive process.

2. When filling vacancies for the Fleet Training Specialist or Emergency Procedures Specialist classification, the Company will select the most senior employee on the surplus list for that classification, if applicable. If the vacancy was not filled from an employee on the surplus list, the Company will select the most qualified Fleet Training Specialist or Fleet Technical Instructor or Emergency Procedures Specialist or Emergency Procedures Instructor who has bid for the vacancy, with due consideration of seniority among equally qualified candidates. If no qualified employee bids for the vacancy, the open position will be filled through a competitive process.

3. When filling vacancies for the Flight Training Program Developer classification, the Company will select the senior Flight Training Program Developer who bids on the vacancy. If not filled, the Company will select an employee covered by this agreement who meets qualification requirements and has bid for the vacancy with due consideration of seniority among equally qualified candidates. If no qualified employee bids for the vacancy, the open position will be filled through a competitive process.

4. Vacancies determined to exist in the Multimedia Designer classification are filled through a competitive process.

5. A new hire employee in the Fleet Technical Instructor, Emergency Procedures Instructor, Flight Training Program Developer, or Multimedia Designer classifications will be eligible to bid on a vacancy in their own or another classification covered under this agreement after 18 months of continuous service in their initial classification. If a vacancy is not filled through the procedures of this Section B, the Company may consider the transfer request of an employee with less than 18 months of service.

6. An employee may file a permanent bid with their local management on forms to be provided by the Company and must give a copy to the local Union. Such bids shall specify the fleet or department.

7. An employee bidding for a posted job must file their bid with the
Company as provided in the bulletin and file a copy of the bid with the Union.

8. An employee bidding for more than one vacancy shall indicate the order of preference on each bid form.

C. **Evaluation Periods** Employees awarded vacancies within the agreement will have a job trial period during which either the employee or Company may determine that the employee should return to his or her previous position.

1. A Fleet Training Specialist or Emergency Procedures Specialist filling a vacancy will have a 60 day job trial period, exclusive of administrative and qualification training requirements.

2. A Fleet Technical Instructor or Emergency Procedures Instructor filling a vacancy will have a 180 day job trial period.

3. A Flight Training Program Developer or Multimedia Designer filling a vacancy will have a 90 day job trial period.

4. An employee's trial period may be extended in appropriate cases by local agreement between the Union and the Company. The Company will notify the Union when an employee will be returned to their previous assignment. If an employee is returned to their previous assignment, he shall not, for a period of six (6) months, be permitted to bid for a vacancy in the same or a higher classification of work in which they were unable to demonstrate ability. After successfully completing the job trial period, the employee may not withdraw from or bid out of the job for a one (1) year period, except by permission of the Company.

D. **Temporary Assignments** Temporary assignments will be filled as outlined below:

1. There will be no limit on the length of time temporary employees not covered by this Agreement may perform the duties of emergency procedures training for flight attendants.

2. When the needs of service require additional employees, short-term assignments of less than 180 days per calendar year (additional days with agreement of the Union), excluding any administrative time for training, will be filled as follows:

   a. Existing qualified employees in the respective classification under this Agreement who are available to perform the temporary assignment.

   b. Existing qualified employees under this Agreement who are available to perform the temporary assignment.

   c. Furloughed employees in the respective classification will be offered the opportunity in seniority order. A furloughed employee may elect to bypass the temporary assignment and will remain on furlough status.
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Job Classifications & Vacancies

d. If no qualified employees are available and no furloughed employee accepts an opportunity, the temporary assignment may be offered to Company employees not covered by this agreement or it may be contracted out.

e. When filling temporary needs, the Company will inform the employee and the Union of the contemplated duration of the need. Temporary employees are not considered on active status in the classification and are subject to all provisions of this Agreement unless otherwise noted, except that they will accrue no seniority in the temporary position and will not be subject to recall after termination of the temporary job.

f. An employee under this Agreement assigned to a temporary assignment shall, upon such discontinuance of such temporary assignment, be returned to the former job and status.
ARTICLE 2: JOB SECURITY

A. Job Security

1. Contracting Out of Core Work

   a. The Company will not contract out to outside vendor(s) the “core” work currently performed by Fleet Technical Instructors, except as provided for temporary assignments as described in Article 1 D.2.d. The core work of Fleet Technical Instructors generally consists of conducting aircraft systems training, flight procedures training as necessary to support the instruction of systems, aircraft performance and aerodynamics training, conducting and remediating the Systems Validation in accordance with the Advanced Qualification Program (AQP) document, for pilots assigned to fly Company aircraft utilizing flight simulators or other training devices and in a classroom environment, and participating in the training of new and existing FTIs according to procedures established by the Company.

   b. Except as provided in Letter of Agreement #9, non-core work currently performed by Fleet Technical Instructors may be contracted out, provided it does not directly cause a reduction-in-force for employees employed as of the Effective Date of this Agreement at the location(s) where the contracting out occurs.

   c. As provided in Letter of Agreement #9, work currently performed by IAM represented Flight Training Program Developer and Multimedia Designer employees may not be contracted out prior to July 1, 2024.

2. Conferences Between the Company and Union

   a. In the event the Company decides to close a location or contract out work currently performed by employees covered by this Agreement, the Company and Union will meet and confer at least 60 days prior to implementation to review and evaluate the impact to employees. The following will be considered during the review and evaluation:

      (i) A detailed description of the nature of the proposed location closing or contracting out;

      (ii) The approximate number of employees and locations likely to be affected;

      (iii) The impact on the job security of the affected employees;

      (iv) The reason for the change and the impact it will have on the Company’s operation; and

      (v) The Company’s plan to minimize the impact.

   b. If the location closure or contracting out may result in a reduction-in-force of employees covered by this Agreement, the Company and Union will
Article 2  
Job Security

meet to discuss alternatives and reasonable efforts to provide retraining and/or alternate job placement within the Company for affected employees.

3. **EPI/EPS Job Security:**
   a. **Except as provided in Letter of Agreement #9,** no EPI/EPS employed by the Company as of the date of Ratification of this 2016 – 2021 FTI and Related employee Agreement, will be furloughed as long as other United employees perform customary EPI/EPS flight attendant training work. However, the Company may furlough EPI/EPS under the following circumstances:
      
      (i) Any significant reduction of operations and/or training capacity, technological advances rendering covered work unnecessary or obsolete;

      (ii) The FAA mandates that this work must be performed by other work groups.

   b. If an employee is furloughed for one of the above enumerated reasons the employee will be separated if they fail to exercise their seniority rights in any Union position on property or transfers into a different position within 90 days.

   c. The Company is excused from compliance with above due to force majeure events.

   d. EPI will remain a classification under this Agreement until the final protected EPI/EPS, voluntarily leaves the position, retires, is promoted, or is terminated for cause.

   e. The Company will create a career path for current EPI/EPS to transition to the FTI classification and or other positions within the Company based on a competitive selection process.

4. The Company agrees that it will maintain a minimum level of EPI/EPS to perform pilot emergency procedure training. No EPI assigned to perform pilot emergency procedure training will displace an FTI or create a furlough of an FTI.

5. **Seniority Protection Dates**
   a. **No employee in active service or on leave of absence on the date of signing of this Agreement who has a Bid Seniority date of June 3, 1999 or earlier will be furloughed from employment with the Company, except under the following circumstances:** failure by the employee to exercise seniority on the system to fill a permanent vacancy or to bump an employee not protected by this paragraph A.5, or failure to fill a permanent vacancy in a higher classification the employee is qualified to fill. An employee who fails to exercise seniority or to fill a vacancy will be eligible for applicable recall rights and normal furlough pay.
b. The Company will be excused from the requirements of paragraph A.5 in the event of circumstances beyond the control of the Company, including but not limited to a war, emergency, revocation of an operating certificate, grounding of aircraft, strike or other cessation of work.

6. Where the Company chooses to in-source work that is currently or customarily contracted out, such in-sourcing of work will be on a non-precedential basis and will not limit future Company decisions to contract out or be subject to the restrictions and protections provided under Section A.1, A.2, and A.3 above, unless expressly agreed by the Company and the Union.
ARTICLE 3: COMPENSATION & BENEFITS

A. Payroll

1. Employees will be paid on a pay schedule as determined by the Company, with each week for payroll purposes starting on Sunday and ending on Saturday. Pay schedules and pay periods may be modified by the Company as needed or as required by technology or law. The Company will notify the Union of any changes to the payroll schedule.

2. In the event a regular payday falls on a legal holiday, the Company will make every reasonable effort to have payroll prepared and distributed on the day preceding such legal holiday. In the event the distribution cannot reasonably be made prior to a legal holiday, the distribution will be made the day following such legal holiday.

3. Pay advices will include, but are not limited to, a statement of all wages and deductions made for the pay period. Sick leave and vacation balances will be available to employees through an online portal.

4. Employees leaving the service of the Company will be paid for all the time due within 72 hours after separation and in compliance with State law.

5. All wage increases provided for in this Agreement will be effective at the beginning of the pay period following the scheduled increase.

6. When there is a shortage of 1 day’s pay or more in the pay due an employee, the Company will issue a supplementary payment to cover the shortage as soon as reasonably possible and within 3 business days after it is determined what is due.

B. Wages

1. An employee whose rate of pay upon the Effective Date of this Agreement would be less than the rate he or she received on the day prior to the Effective Date, will be protected at the higher rate until the date on which his rate of pay under this Agreement equals or exceeds the rate of pay he received prior to the Effective Date. Nothing in this Agreement will be construed to prevent increases in individual rates or classifications over and above the minimum specified. The following monthly rates will prevail on the beginning of the pay period closest to the effective date.
### Article 3  Compensation & Benefits

#### 2. Fleet Technical Instructors:

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**Compensation & Benefits**

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#### 5. Flight Training Program Developer:

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2016 – 2021 Fleet Technical Instructors & Related Agreement

Article 3 Compensation & Benefits

6. Emergency Procedures Instructors:

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<th>Years of Pay Seniority</th>
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7. Emergency Procedures Specialist:

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C. Transfers Between Classifications

1. Employees transferring between classifications covered under IAM Agreements will remain on the same pay progression step in their new position as they were on in their former position.

2. If an IAM employee commences inactive status such as an illness leave of absence or furlough and returns to a different IAM position, the employee will return at the same step on the new wage progression scale as the step they left at on their old wage progression scale.
D. Plans and Eligibility

1. Insurance Benefits and Plans to Be Provided Sections D through K of this Article 3 provide for medical, dental, vision, flexible spending account, and life & accident benefits for employees, effective January 1, 2016, except for any effective dates otherwise set forth herein. Annual enrollment for 2015 has already occurred, and therefore 2015 insurance benefits, including employee contributions, shall remain unchanged for 2015. The benefits described herein shall not be amended, modified, altered or terminated without the prior written agreement of the Union, except as required by law or as otherwise permitted herein.

2. Eligibility for Insurance Benefits Subject to the specific provisions of Sections D through K below, employees and their eligible dependents (“Dependents”) are eligible for benefits under this Article 3 in accordance with the following. All Employees in active service and their Dependents shall be eligible for coverage under the medical plans described in Section E, the dental plans described in Section F, the vision plans described in Section G, the flexible spending account plans described in Section H, and the life & accident plans described in Section I. For any employee hired on or after the Effective Date of this Agreement, benefits will commence on the first day of the month following the expiration of ninety (90) days from the employee’s date of hire, unless an earlier date is required by law. Medical benefits under Section E and dental benefits under Section F for employees and their Dependents will be continued while the employee is on layoff due to a reduction in force for a period of ninety (90) days from the date of the employee’s layoff, provided the employee pays the Required Monthly Contribution.

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

4. Survivors An employee’s Dependents enrolled in any medical option on the date of the employee’s death shall be “Survivors” entitled to continue medical coverage and dental coverage in accordance with the terms of Section I.

5. Domestic Partners Except as otherwise prohibited by state or federal law, an employee’s domestic partner shall be treated the same as a spouse for purposes of any benefits described in this Article 3. A domestic partner is an individual who is the same sex as the employee for whom the employee has submitted proof of domestic partnership in accordance with the rules and procedures established by the Company, and provided the domestic partnership has not been terminated. Income will be imputed to the employee for any domestic partner benefits elected by the employee as required by state or federal law.

6. Quarterly Insurance Meetings Once per calendar quarter, the Company and the Union shall meet at the Union’s request to discuss, and make a good faith effort to resolve, any and all problems (including individual claim issues) relative to the insurance plans described herein.
E. **Active Employee Medical Benefits, Including Prescription Drug Benefits**

1. **Required Domestic Medical Plans** Effective January 1, 2016, the Company shall offer the following domestic medical plans, the first three (3) of which are collectively referred to herein as the “Core Medical Options.” The plan designs for the three (3) Core Medical Options are outlined in Appendix A.
   a. A Core Medical PPO;
   b. A Core Medical EPO;
   c. A Core Medical High Deductible Health Plan with Health Savings Account (“HDHP”), subject to the Company’s right to discontinue after one (1) year provided no other high deductible health plan with health savings plan is offered by the Company; and
   d. The “Select Regional Medical Plans” described in Section E.5.

2. **Optional Medical Plans** In addition to the required medical plans under Section E.1 above, each eligible employee shall be offered the opportunity to participate in any additional medical plan options offered by the Company. The Company shall have the sole authority to establish, modify and discontinue any such additional medical plan(s) and their terms and conditions of participation (including, but not limited to, eligibility, plan design, applicable plan documents, plan rules) uniformly across all participating employee groups but may vary contribution rates by employee group.

3. **Failure to Make Election During Enrollment Periods** In cases in which an employee fails to make a coverage election, the following rules will govern unless agreed to otherwise by the Union and the Company:
   a. default to current coverage if available;
   b. if waived coverage (or a new hire), default to waive coverage;
   c. if enrolled in an optional PPO that is being eliminated for the ensuing plan year, default to Core Medical PPO;
   d. if enrolled in an optional EPO that is being eliminated for the ensuing plan year, default to Core Medical EPO;
   e. if enrolled in an optional HDHP that is being eliminated for the ensuing plan year, default to Core Medical HDHP, if offered, otherwise Core Medical PPO;
   f. if enrolled in an HMO or Aetna Select option that is being replaced for the ensuing plan year, default to replacement HMO; and
   g. if enrolled in an HMO or Aetna Select option that is being eliminated for the ensuing plan year, default to Core Medical EPO.

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

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

b. **Optional Medical Plans.** Contributions for the Optional Medical Plans under Section E.2 will be set at the Company’s discretion but will be included in the Aggregate Contribution Limit.

c. **Aggregate Contribution Limit** Employee contributions for all medical plans offered by the Company under this Section E (excluding the Core Medical HDHP), shall not in the aggregate exceed 20% of total projected costs. Compliance with the Aggregate Contribution Limit shall be determined after any required normalization of contributions to recognize the effect of any wellness credits and spousal surcharges. For the 2016 plan year, the cost share for the plans offered to employees will be set in accordance with the provisions of this Section E.4 without regard to the contractual limit on maximum year-over-year increases described in Section E.4.d.

d. **Annual Medical Cost Increases** Following the 2016 calendar year, any increase in the Required Monthly Contribution for the Core Medical Options and Select Regional Medical Plans, from one calendar year to the next, will not exceed 9.25% of the prior year’s contribution. This percentage will vary for the individual employee after taking into account credits and surcharges.

e. **Coverage Tiers** The Monthly Required Contribution for any Core Medical Option will be based on a four-tier structure (subject to insurance carrier requirements):

   (i) Employee only or spouse/qualified domestic partner only or Dependent children only (“employee only”);

   (ii) Employee and spouse/qualified domestic partner (“employee and spouse/domestic partner”);

   (iii) Employee and one or more children, or spouse/qualified domestic partner and one or more children (“employee and child(ren)”; and

   (iv) Employee and spouse/qualified domestic partner and one or more children (“family”).
f. **Actuarial Review** Upon Union request, the Company shall provide the Union’s actuary with the calculations and supporting data related to the determination of Required Monthly Contributions for the following plan year.

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

   a. in the event of replacement, the resulting disruption of employee enrollees in terms of their ability to continue utilizing the same medical providers in the proposed replacement plan is less than 20% (in which case the replacement plan shall be in all respects treated as a Select Regional Medical Plan covered by Article 3); and

   b. in the event of discontinuation and not replacement: (i) the year-over-year increase in the gross premium for such plan is more than 20%; or (ii) employee enrollment in such plan has declined to a level less than 50% of the enrollment on the Effective Date of the Agreement.

F. **Active Employee Dental Benefits**

1. **Required Dental Plan** Effective January 1, 2016, the Company shall offer, and each employee shall be eligible to participate in, the Core Dental Option. The plan design for the Core Dental Option is outlined in Appendix B.

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

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

   a. default to current coverage if available;

   b. if waived coverage (or new hire), default to waive coverage; and

   c. if enrolled in an optional dental plan that is being replaced or eliminated, default to Core Dental Option.

4. **Required Monthly Contributions** Employees electing dental coverage will be required to make monthly contributions as provided in this Section F.
Article 3

Compensation & Benefits

a. **Core Option 80%/20% Limit** Effective for the 2016 plan year and thereafter, Required Monthly Contributions for the Core Dental Option shall not exceed 20% of the total projected cost for the Coverage Tier elected. For the 2016 plan year, the 20% employee contribution will be based on total projected cost without regard to the contractual limit on maximum year-over-year increases described in Section F.4.c.

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

c. **Annual Dental Cost Increases** Following the 2016 calendar year, any increase in the Required Monthly Contribution for the Core Dental Option, from one calendar year to the next, will not exceed 9.25% of the prior year’s contribution.

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

   (i) Employee only or spouse/qualified domestic partner only or Dependent children only (“employee only”);

   (ii) Employee and spouse/qualified domestic partner (“employee and spouse/domestic partner”);

   (iii) Employee and one or more children, or spouse/qualified domestic partner and one or more children (“employee and child(ren)”; and

   (iv) Employee and spouse/qualified domestic partner and one or more children (“family”).

G. **Active Employee Vision Benefits**

   Effective January 1, 2016, each employee may participate in any vision plan options offered by the Company. The Company shall have the sole authority to establish such programs and their terms and conditions of participation, including, but not limited to, eligibility, plan design, applicable plan documents, plan rules, and contribution rates.

H. **Active Employee Flexible Spending Account Plans**

   Effective January 1, 2016, each employee shall be eligible to participate in the Company’s flexible spending account plans for health expenses and dependent care expenses by making an election to contribute a portion of his pay. The maximum election for health expenses shall be the lesser of the statutory limit (e.g., currently $2,500 for 2015) or $10,000. Reimbursement shall be available for expenses incurred during the plan year and following the plan year through the date currently permitted by law, or later if legally permissible and administratively feasible. Forfeitures shall be used to defray the administrative expenses of the program. The maximum election for reimbursement for dependent care expenses shall be the maximum statutorily permissible election.
I. **Survivors**

1. **Medical** An employee’s Dependents enrolled in any medical option on the date of the employee’s death shall be “Survivors” entitled to continue coverage in accordance with the terms of the applicable plan document, provided that if the employee has less than ten (10) years of service (measured from Company Seniority date to separation date) the period of continued coverage shall be limited to three (3) months (exclusive of COBRA).

2. **Dental** An employee’s Dependents enrolled in any dental option on the date of the employee’s death shall be “Survivors” entitled to continue coverage for three (3) months (exclusive of COBRA) in accordance with the terms of the applicable plan document.

J. **Life & Accident Insurance**

Effective as of the January 1, 2016, each employee will be eligible for life & accident insurance (i.e., life insurance, long term disability insurance, and accident insurance) on the same basis, including cost, as management and administrative employees of the Company (excluding officers). Effective as of the Effective Date of this Agreement, retiree life insurance coverage will not be offered. The Company subsidy for long term disability insurance shall be 50% of the cost of coverage.

K. **Retirement Plans**

1. **Pension Benefits** Employees covered by this Agreement shall be eligible for pension benefits as follows:

   a. Each employee who was covered by the collective bargaining agreement between United Air Lines, Inc. and the Union immediately prior to the Effective Date of this Agreement will continue to participate in the IAM National Pension Plan (NPP) at the following hourly contribution rate:

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</table>

   Such participation in the NPP shall be pursuant to the terms of the Standard Contract Language agreements executed by the Company and the Union in 2006, as may be amended from time to time upon agreement of the parties.

   b. Each employee who was covered by the collective bargaining agreement between Continental Airlines, Inc. and the Union immediately prior to the Effective Date of this Agreement will continue to participate in the Continental Retirement Plan (CARP) subject to the Company’s right to discontinue further benefit accruals in its sole discretion at any time. Should the Company cause CARP to no longer provide for benefit accruals for such employees, it will provide reasonable advance notice to the Union and will
Article 3 Compensation & Benefits

meet with the Union for the limited purpose of negotiating an alternative retirement plan for affected employees.

c. Employees hired after the Effective Date of this Agreement will commence participation in the NPP in accordance with the NPP rules for new hires in effect on the Effective Date of this Agreement.

2. **401(k) Benefits** Without regard to the pension plan in which an employee participates under subsection (1) above, each employee shall be eligible to participate in a Company-sponsored 401(k) retirement savings plan pursuant to the terms of such plan, provided that each such employee shall be eligible for matching contributions as described below and any such plan shall be amended accordingly. Any such plan will not be otherwise altered or diminished for such employees unless done so on a company-wide basis for all employees participating in such plan. Before any changes are made, the Company will notify the Union in writing in advance of the effective date of such change(s). Upon request by the Union, the Company will meet to explain the change(s). Notwithstanding the foregoing, the Company shall have the sole discretion to determine the specific Company-sponsored 401(k) retirement savings plan to which the matching contributions described below shall be made. The Company may transition all other employees under this Agreement from the United Airlines Ground Employee 401(k) Plan to the Continental Airlines, Inc. 401(k) Savings Plan, or vice versa, by plan merger or otherwise, provided the Company continues to provide each such employee with the matching contributions described below.

Matching contributions for any employee covered under this Agreement shall be equal to the greater of:

a. 100% of the employee’s before-tax contributions to the plan up to a maximum of $300 for the plan year; or

b. If the employee has at least five (5) years of service, the amount determined under the following chart based on the employee’s years of service (determined as of the last day of the applicable calendar quarter):

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Company Match</th>
</tr>
</thead>
<tbody>
<tr>
<td>At least 5 but less than 10</td>
<td>25% of the employee’s before-tax contributions for the plan year up to 4% (i.e., maximum match of 1%)</td>
</tr>
<tr>
<td>At least 10 but less than 15</td>
<td>50% of the employee’s before-tax contributions for the plan year up to 4% (i.e., maximum match of 2%)</td>
</tr>
<tr>
<td>At least 15</td>
<td>50% of the employee’s before-tax contributions for the plan year up to 6% (i.e., maximum match of 3%)</td>
</tr>
</tbody>
</table>
L. **Company-Wide Programs**

Except as otherwise expressly provided herein, covered employees shall be eligible to participate in other Company-wide programs on the terms and conditions established in such programs for participation by employees covered under this Agreement. These programs will not be altered or diminished for employees covered under this Agreement unless done so on a Company-wide basis. Before any changes are made, the Company will notify the Union in writing in advance of the effective date of such change(s). Upon request by the Union, the Company will meet to explain the change(s).

Other Company-wide programs presently include:

- Pass Travel Programs
- On-Time Bonus Programs
- Customer Satisfaction Bonus Program

M. **Profit Sharing Plan**

IAM represented employees covered under this agreement will cease any future participation in the Company’s Profit Sharing Plan effective January 1, 2015.
# APPENDIX A – PLAN DESIGNS FOR CORE MEDICAL OPTIONS

<table>
<thead>
<tr>
<th>PLAN DESIGN</th>
<th>Core PPO Option</th>
<th>Core EPO Option</th>
<th>Core HDHP</th>
</tr>
</thead>
<tbody>
<tr>
<td>In-Network</td>
<td>Out-of-Network</td>
<td>In-Network</td>
<td>Out-of-Network</td>
</tr>
</tbody>
</table>

### Annual Deductibles

<table>
<thead>
<tr>
<th></th>
<th>Core PPO Option</th>
<th>Core EPO Option</th>
<th>Core HDHP</th>
</tr>
</thead>
<tbody>
<tr>
<td>In-Network</td>
<td>$300 single/ $600 family</td>
<td>$600 single/ $1200 family</td>
<td>$200 single/ $400 family</td>
</tr>
<tr>
<td>Out-of-Network</td>
<td></td>
<td>$2500 single only $5000 true family deductible*</td>
<td>$5000 single only $10,000 true family deductible*</td>
</tr>
</tbody>
</table>

### HSA Seed Amount (pro-rated per paycheck)

<table>
<thead>
<tr>
<th></th>
<th>Core PPO Option</th>
<th>Core EPO Option</th>
<th>Core HDHP</th>
</tr>
</thead>
<tbody>
<tr>
<td>NA</td>
<td>NA</td>
<td>$750 single / $1500 family</td>
<td></td>
</tr>
</tbody>
</table>

### Annual Out-of-Pocket (OOP) Limits

<table>
<thead>
<tr>
<th></th>
<th>Core PPO Option</th>
<th>Core EPO Option</th>
<th>Core HDHP</th>
</tr>
</thead>
<tbody>
<tr>
<td>In-Network</td>
<td>$2000 single/ $4000 family (includes medical coinsurance and deductible, but not copays)</td>
<td>$4000 single/ $8000 family (includes medical coinsurance and deductible, but not copays)</td>
<td>$1,500/$3,000 (includes medical coinsurance and deductible, but not copays)</td>
</tr>
<tr>
<td>Out-of-Network</td>
<td>$3000 single only</td>
<td>$6000 true family maximum* (includes deductible and coinsurance)</td>
<td>$6000 single only $12000 true family maximum* (includes deductible and coinsurance)</td>
</tr>
</tbody>
</table>

### Cross Application Out-of-Network Deductibles and OOP to In-Network

<table>
<thead>
<tr>
<th></th>
<th>Core PPO Option</th>
<th>Core EPO Option</th>
<th>Core HDHP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>NA</td>
<td>Yes</td>
<td></td>
</tr>
</tbody>
</table>

### Office Visit PCP

<table>
<thead>
<tr>
<th></th>
<th>Core PPO Option</th>
<th>Core EPO Option</th>
<th>Core HDHP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Covered at 60% after deductible</td>
<td>Covered at 95% after deductible</td>
<td>Covered at 60% after deductible</td>
<td></td>
</tr>
<tr>
<td>$25 co-pay</td>
<td>$25 co-pay</td>
<td>$40 co-pay</td>
<td></td>
</tr>
</tbody>
</table>

### Office Visit Specialist

<table>
<thead>
<tr>
<th></th>
<th>Core PPO Option</th>
<th>Core EPO Option</th>
<th>Core HDHP</th>
</tr>
</thead>
<tbody>
<tr>
<td>$40 co-pay</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Preventive Services (comprehensive array; See Appendix C)

<table>
<thead>
<tr>
<th></th>
<th>Core PPO Option</th>
<th>Core EPO Option</th>
<th>Core HDHP</th>
</tr>
</thead>
<tbody>
<tr>
<td>100% preventive</td>
<td>100% preventive</td>
<td>100% preventive</td>
<td></td>
</tr>
</tbody>
</table>
### APPENDIX A – PLAN DESIGNS FOR CORE MEDICAL OPTIONS

<table>
<thead>
<tr>
<th>PLAN DESIGN</th>
<th>Core PPO Option</th>
<th>Core EPO Option</th>
<th>Core HDHP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Laboratory, x-ray and diagnostic testing</td>
<td>Covered at 80% after deductible</td>
<td>Covered at 60% after deductible</td>
<td>Included w/office visit</td>
</tr>
<tr>
<td>Hospital/Inpatient</td>
<td></td>
<td></td>
<td>Covered at 90% after deductible</td>
</tr>
<tr>
<td>Outpatient Facilities/Surgical</td>
<td></td>
<td></td>
<td>Covered at 90% after deductible</td>
</tr>
<tr>
<td>Urgent Care Center</td>
<td>$50</td>
<td>$50 co-pay</td>
<td></td>
</tr>
<tr>
<td>Emergency Room</td>
<td>$200 flat copay, waived if admitted</td>
<td>$200 co-pay, waived if admitted</td>
<td></td>
</tr>
<tr>
<td>Retail Generic Drugs</td>
<td>$10 co-pay</td>
<td>$10 co-pay</td>
<td>Covered at 100% after deductible</td>
</tr>
<tr>
<td>Retail Brand Preferred Drugs</td>
<td>$30 co-pay</td>
<td>$30 co-pay</td>
<td>Covered at 95% after deductible</td>
</tr>
</tbody>
</table>
APPENDIX A – PLAN DESIGNS FOR CORE MEDICAL OPTIONS

<table>
<thead>
<tr>
<th>PLAN DESIGN</th>
<th>Core PPO Option</th>
<th>Core EPO Option</th>
<th>Core HDHP</th>
</tr>
</thead>
<tbody>
<tr>
<td>PLAN DESIGN</td>
<td>In-Network</td>
<td>Out-of-Network</td>
<td>In-Network</td>
</tr>
<tr>
<td>Retail Brand Non-Preferred Drugs</td>
<td>$50 co-pay</td>
<td>$50 co-pay</td>
<td>Covered at 95% after deductible</td>
</tr>
<tr>
<td></td>
<td>Mandatory Mail – Limit 3 retail fills for maintenance drugs - only if less expensive than retail (Workaround for lower costs Rx at Target/Costco)</td>
<td>Mandatory Mail – Limit 3 retail fills for maintenance drugs - only if less expensive than retail (Workaround for lower costs Rx at Target/Costco)</td>
<td></td>
</tr>
<tr>
<td>Retail Drug Supply Limit</td>
<td>30 day supply</td>
<td>30 day supply</td>
<td>Covered at 100% after deductible (plan provides coverage for drugs that are allowed to be covered pre-deductible)</td>
</tr>
<tr>
<td>Mail Order Generic Drugs</td>
<td>$25 co-pay</td>
<td>$25 co-pay</td>
<td>Covered at 95% after deductible</td>
</tr>
<tr>
<td>Mail Order Brand Preferred Drugs</td>
<td>$75 co-pay</td>
<td>$75 co-pay</td>
<td>Covered at 95% after deductible</td>
</tr>
<tr>
<td>Mail Order Brand Non-preferred</td>
<td>$125 co-pay</td>
<td>$125 co-pay</td>
<td>Covered at 95% after deductible</td>
</tr>
<tr>
<td>Mail Order Drug Supply Limit</td>
<td>90 day supply</td>
<td>90 day supply</td>
<td>90 day supply</td>
</tr>
</tbody>
</table>

Covered Services and Excluded Services shall be the same for employees under this Agreement as for all other employee groups participating in such plans.
### APPENDIX B – PLAN DESIGN FOR CORE DENTAL OPTION

<table>
<thead>
<tr>
<th>Benefit Features</th>
<th>Traditional PPO Dental Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>In-network:</strong></td>
</tr>
<tr>
<td>Annual Deductibles</td>
<td></td>
</tr>
<tr>
<td>Individual</td>
<td>$50</td>
</tr>
<tr>
<td>Family (2 members of family must each satisfy individual deductible)</td>
<td>$100</td>
</tr>
<tr>
<td>Annual Benefit Maximum</td>
<td>$2,000</td>
</tr>
<tr>
<td>Orthodontics Lifetime Maximum</td>
<td>$2,000</td>
</tr>
<tr>
<td>Office Visit Copay</td>
<td>$0</td>
</tr>
<tr>
<td><strong>PREVENTIVE SERVICES and DIAGNOSTIC SERVICES</strong></td>
<td></td>
</tr>
<tr>
<td>Dental cleaning Topical Application of Fluoride, Sealants and Space Maintainers</td>
<td>100% Covered frequency and/or age limitations may apply to these services</td>
</tr>
<tr>
<td><strong>MINOR RESTORATIVE SERVICES</strong></td>
<td></td>
</tr>
<tr>
<td>Fillings, Endodontics, Periodontics, Oral Surgery</td>
<td>Covered up to 80%; after deductible</td>
</tr>
<tr>
<td><strong>MAJOR RESTORATIVE AND PROSTHODONTICS</strong></td>
<td></td>
</tr>
<tr>
<td>Initial placement of Dentures or Bridges to one or more natural teeth which are lost while covered by the Plan. Inlays and Crowns (Porcelain or Stainless Steel)</td>
<td>Covered up to 50%; after deductible; frequency and/or age limitations may apply to these services</td>
</tr>
<tr>
<td><strong>ORTHODONTICS</strong></td>
<td></td>
</tr>
<tr>
<td>Exams, X-Rays, Models, Appliances (Adult and Child)</td>
<td>Covered up to 50%; after deductible; frequency and/or age limitations may apply to these services</td>
</tr>
</tbody>
</table>

 Covered Services and Excluded Services shall be the same for employees under this Agreement as for all other employee groups participating in such plan.
APPENDIX C – PREVENTIVE SERVICES

Preventive Exams and Screenings – Adult Male

<table>
<thead>
<tr>
<th>Preventive Exam</th>
<th>Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical Exam</td>
<td>100% annually</td>
</tr>
<tr>
<td>Prostate-Specific Antigen (PSA)</td>
<td>100% annually</td>
</tr>
<tr>
<td>Lipid Panel</td>
<td>100% annually</td>
</tr>
<tr>
<td>Glucose Testing</td>
<td>100% annually</td>
</tr>
<tr>
<td>Colorectal Screening</td>
<td>100% annually</td>
</tr>
<tr>
<td>Complete Blood Count (CBC)</td>
<td>100% annually</td>
</tr>
</tbody>
</table>

Immunizations – Adult Male

<table>
<thead>
<tr>
<th>Immunization</th>
<th>Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tetanus Injections (with or without diphtheria)</td>
<td>100% as often as recommended by physician</td>
</tr>
<tr>
<td>Meningitis</td>
<td>100%</td>
</tr>
<tr>
<td>Herpes Zoster</td>
<td>100%</td>
</tr>
<tr>
<td>Influenza Vaccine</td>
<td>100% annually</td>
</tr>
<tr>
<td>Pneumococcal Vaccine</td>
<td>100%</td>
</tr>
<tr>
<td>Travel Vaccinations</td>
<td>100% as often as recommended by physician</td>
</tr>
<tr>
<td>Measles, Mumps, Rubella (MMR) for Adults</td>
<td>100%</td>
</tr>
</tbody>
</table>

Preventive Exams and Screenings – Adult Female

<table>
<thead>
<tr>
<th>Preventive Exam</th>
<th>Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical Exam</td>
<td>100% annually, 1 general and 1 well-woman exam annually</td>
</tr>
<tr>
<td>Lipid Panel</td>
<td>100% annually</td>
</tr>
<tr>
<td>Glucose Testing</td>
<td>100% annually</td>
</tr>
<tr>
<td>Colorectal Screening</td>
<td>100% annually</td>
</tr>
<tr>
<td>Chlamydia Infection Screening</td>
<td>100% annually</td>
</tr>
<tr>
<td>Mammogram</td>
<td>100% annually</td>
</tr>
<tr>
<td>Bone Density</td>
<td>100% annually</td>
</tr>
<tr>
<td>Pap Test</td>
<td>100% annually</td>
</tr>
<tr>
<td>Complete Blood Count (CBC)</td>
<td>100% annually</td>
</tr>
</tbody>
</table>

Immunizations – Adult Female

<table>
<thead>
<tr>
<th>Immunization</th>
<th>Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tetanus Injections (with or without diphtheria)</td>
<td>100% as often as recommended by physician</td>
</tr>
<tr>
<td>Meningitis</td>
<td>100%</td>
</tr>
<tr>
<td>Herpes Zoster</td>
<td>100%</td>
</tr>
<tr>
<td>Influenza Vaccine</td>
<td>100% annually</td>
</tr>
<tr>
<td>Human Papillomavirus (HPV)</td>
<td>100%</td>
</tr>
<tr>
<td>Pneumococcal Vaccine</td>
<td>100%</td>
</tr>
<tr>
<td>Travel Vaccinations</td>
<td>100% as often as recommended by physician</td>
</tr>
<tr>
<td>Measles, Mumps, Rubella (MMR) for Adults</td>
<td>100%</td>
</tr>
</tbody>
</table>
APPENDIX C – PREVENTIVE SERVICES

Preventive Exams and Screenings – Children Birth to 18
(Covered as Well-Child Care)

Office Visits; Examinations Includes:
- Physical and medical history
- Height and weight
- Head circumference (<1 year)
- Ocular prophylaxis (at birth)
- Hemoglobin (<1 year)
- Preventive health counseling, injury prevention and education
- Dental health
- Subjective assessment of vision and hearing (0–4 years)
- Vision and hearing screen (4–18 years)
- Developmental screening (up to 4 years)
- Blood pressure (>1 year)
- Administration of immunizations as indicated below

Immunizations – Children Birth to 18 (Covered as Well-Child Care)

Hepatitis B Series
Hepatitis A Series
Diphtheria/Tetanus/Pertussis (DTaP)
Adult Tetanus/Diphtheria (Td)
Haemophilus Influenza (Hib) Series
Influenza Vaccine
Rotavirus
Polio Series (IPV)
Pneumococcal Conjugate (PCV)
Measles/Mumps/Rubella (MMR)
Chickenpox Vaccine (VZV)
Travel Vaccinations
ARTICLE 4: HOURS OF SERVICE & OVERTIME

A. The Workday and Workweek

1. The work week begins at 0000 hours Sunday and ends at 2359 hours on Saturday.

2. A normal workday for Instructors will be 8 hours of scheduled assignments, exclusive of no less than a 1/2 hour lunch break.

3. A normal workday for a Specialist, Developer, and Multimedia Developer will consist of 8 consecutive hours per day up to a maximum of 10 consecutive hours per day, exclusive of a 1/2 hour lunch break, and will not exceed forty (40) hours in a work week, except with the concurrence of the employee.

4. When an employee’s workday includes travel for off-site training or temporary assignment, he will be scheduled for no more than 13 1/2 consecutive hours without the concurrence of the employee.

5. Regularly Scheduled Days Off (RDOs)

   a. Instructors will not be scheduled for less than 10 days off within a bid month without the concurrence of the employee. Instructors who are given 10 days off per bid month are expected to work recognized holidays except Christmas Day, which will be an additional day off. If a training location operates only 5 days per week, Instructors will be scheduled to have 2 consecutive days off per week.

   b. Specialists, Developers, and Multimedia Designers will normally be scheduled to have Saturday and Sunday off. Specialists, Developers, and Multimedia Designers will observe recognized holidays.

B. Monthly Scheduling

1. The Company will designate 12 approximately equal bid months per calendar year.

2. Employees will receive at least 12 hours free of all duty between normal work days. The employee may waive this limit.

3. Employees will not be scheduled to work more than 6 consecutive days without the concurrence of the employee.

4. When necessary, Fleet Technical Instructors will be given a reasonable amount of time to transition between training classes.

5. When necessary, Emergency Procedures Instructors will be given a reasonable amount of time prior to training assignments for preparation purposes.

6. Instructors may submit requests for days off no later than 2359 local time on the 5th of the prior month. The Instructor schedule shall be published no later than 2359 local time on the 19th of each month.
Article 4  Hours of Service & Overtime

a. The Company shall honor FTI RDO requests in a fair and equitable manner, with due consideration of seniority and the needs of the service, to the maximum extent possible for all 10 RDOs.

b. The Company will award RDO requests for EPIs based on Bid seniority and the needs of the service for all 10 RDOs.

7. Instructors may request to move RDOs within a month.

8. Employees will not be assigned to work, travel or OMC on Christmas Day without the concurrence of the employee.

9. EPI RDO Scheduling
   a. Will be based on bid seniority and needs of the operation.
   b. Will be given preference before Flight Attendant or any other work group assigned Emergency Procedures Training.
   c. Will be given preference, based on the needs of the operation, for two days prior and two days after an awarded block vacation (minimum of five consecutive days) for each instructor who has been awarded block vacation in that month.
   d. Will be given preference, based on the needs of the service, for one day before and one day after one DAT day per month per instructor who has been awarded DAT in that monthly.

C. Daily Scheduling – Instructors

1. Reserve
   a. Instructors may be assigned to reserve days and are expected to be available for an assignment in a timely manner. An Instructor who is unavailable on a reserve day, or fails to respond to a call from Scheduling within a reasonable amount of time, will receive an unauthorized absence and will not receive pay for the reserve day.
   b. An Instructor on reserve must provide and maintain current contact numbers with Scheduling.
   c. Before an assignment is considered final, the Instructor must acknowledge the assignment.
   d. Instructors are released from reserve at 12 hours prior to the next day’s assignment, at 1700 local time, or when authorized by Scheduling, whichever is earlier.
   e. Equally qualified Instructors on reserve shall be given assignments in the following order:
      (i) The Instructor with an unused reserve day the day before the open assignment, then;
(ii) The Instructor whose previous assignment terminated first. For the purposes of this subparagraph only, an Instructor RDO shall be considered to be an assignment that terminated at 2359.

2. If an Instructor is requested on an unscheduled basis to work past midnight into an RDO, the Instructor will not be scheduled to begin work following RDOs prior to 0600 local time without the concurrence of the Instructor.

3. Instructors may request to trade assignments and, if approved by management, such trades will be coordinated through Scheduling and the Specialist.

4. **Schedule Changes**
   a. Scheduling shall contact Instructors as far in advance as possible for assignment changes.
   b. When an assignment is cancelled, the Instructor may be given another assignment which occurs during the original assignment window (starting and ending times), required to report to the Training Center without a specific assignment during the original assignment window, or placed on reserve during the original assignment window.
   c. Notwithstanding Paragraph C.4.b above, up to four (4) times a bid month, the original assignment window may be moved once. The assignment window may be moved no more than plus or minus four hours and fifteen minutes (4:15) from the original start time. Any assignment made outside these windows may be made with Instructor concurrence.
   d. The Instructor’s schedule shall reflect the reserve assignment window.
   e. Before any schedule change is considered final, the Instructor must acknowledge the change. If a change is observed in the schedule, confirmation is still required. After duty hours, response to a change may be made by voice mail or email to Training Center scheduling.

D. **Line Observations**
   1. FTI’s & FTS’s will, as determined by management, and as part of their normal schedule, be scheduled for two line observations per Article 11, paragraph B.1.
   2. EPI’s & EPS’s may request line observations, and may be assigned as approved by management.

E. **Authorized Unpaid Time Off (AUTO)**
   1. AUTO may be awarded based upon operational activity and staffing. AUTO may be available in advance on a daily or extended basis.
   2. AUTO may be requested up to 30 days in advance and will be awarded in Bid Seniority order by work area and classification. AUTO requests within 7 days
Article 4

Hours of Service & Overtime

will be awarded on a first come, first served basis.

3. AUTO may be granted in increments up to 31 days. Advance and day-of-AUTO will be awarded 1) after known and awarded DAT requests are granted, and then 2) after Floating Holiday requests are granted.

F. Overtime

1. Basic Rules

   a. Overtime is any time the Company requests an employee to work on a regular day off or for time worked before or after the employee’s normal workday. Overtime will be determined at Management’s discretion based upon operational needs. Employees may not work overtime without prior Company approval except when not doing so would negatively impact a training class or operations.

   b. Overtime will be computed and paid for actual time worked. There will be no compounding or pyramiding of overtime or premium rates provided for in this Agreement and no employee will receive more than double the straight time rate for any hours worked.

   c. Assignment Continuation Due to the dynamic nature of training, an employee may be required to work beyond the normal workday limits to complete any required classroom training and/or associated duties for the day. In order to complete their assigned work, an employee may be required to remain beyond the normal workday limit. When this assignment continuation occurs, a full-time employee required to remain for 30 minutes or longer will receive no less than 1 hour’s pay at the applicable rate, even if the employee is released from the work before the hour ends, or actual time worked beyond 1 hour.

   d. Where any of these overtime provisions differ from federal, state or local law, the practices will be altered in that location to comply with the law.

2. Compensation for Working Overtime

   a. Overtime rate of time and 1/2 will be paid:

      (i) For the first 4 hours of scheduled work in excess of 8 hours in any regular workday, or the first 2 hours in excess of 10 hours for employees assigned to 10 hour workdays.

      (ii) For the first 8 hours worked on the first regular day off in the employee’s work week, or for the first 10 hours worked on the first regular day off in the employee’s work week for employees assigned to 10 hour workdays.

   b. Overtime rate of double time will be paid:
Article 4

(i) For hours worked in excess of the first 8 hours worked on a regular day off, or in excess of the first 10 hours worked on a regular day off for employees assigned to 10 hour workdays.

(ii) For all time worked on the second regularly scheduled day off and if a minimum of 4 hours is worked on the first regularly scheduled day off.

(iii) For time worked in excess of 12 hours in any 24 hour period except when an employee, after bidding, voluntarily changes their schedule.

c. For purposes of computing overtime compensation, the 24 period begins with the starting time of the employee’s assigned workday.

3. Overtime Equalization

a. Overtime opportunities shall be distributed as equally as practical among those available qualified employees to provide the first opportunity to the employee with the least number of overtime hours and the last opportunity to the employee with the highest number of overtime hours.

(i) Overtime hours worked or declined by an employee will be recorded as straight time hours offered. If 2 or more employees’ overtime balances are equal, Bid Seniority will govern.

(ii) No charge will be made to an employee’s overtime balance if the Company cancels the overtime opportunity.

(iii) Overtime balances shall be posted electronically. The initial establishment of the overtime equalization list in a classification at a location will be accomplished by prioritizing employees in descending Bid Seniority order with 0 hours assigned to each. Balances will be zeroed quarterly and employees on the list will be reprioritized in descending Bid Seniority order.

(iv) When a non-probationary employee is placed on a different overtime list, the individual will initially be charged with the average hours of the employees on the list.

(v) Probationary employees will be offered overtime only after all other qualified non-probationary employees on the overtime list have been considered. After the completion of probation, an employee will be placed on the overtime list and be charged with the average hours of employees on that list, plus the overtime hours actually worked or declined during the employee’s probationary period.

b. Overtime anticipated to be 4 hours or less which is in advance of or following a normal work day will be offered to those employees working on that day.
2016 – 2021 Fleet Technical Instructors & Related Agreement

Article 4 Hours of Service & Overtime

c. Overtime anticipated to be 4 hours or less and not continuous with a normal work day, or more than 4 hours, will be offered to those employees on an RDO, with the minimum overtime pay being 4 hours.

4. When all available employees in the work classification have been offered and declined overtime, overtime may be offered to other qualified employees covered by this Agreement.

5. Employees will not be required to work overtime against their wishes, except in operational emergencies when sufficient voluntary overtime cannot be secured to maintain training schedule integrity or project deadlines.

6. No employee will be offered overtime which would require them to work in excess of 16 hours in any consecutive 24 hour period.

7. An employee, at the time of the offer, may at their option elect to accrue compensatory time, up to a maximum of 24 hours, instead of overtime time pay. The maximum accrual of compensatory time may be increased with management approval.
ARTICLE 5: VACATION & HOLIDAYS

A. Vacation

1. The calendar year in which vacation is accrued is “the Accrual Year.” The calendar year in which vacation is scheduled and taken is “the vacation Usage Year.” Employee’s (excluding new hire probationary employees), vacation will be scheduled for and taken during the vacation Usage Year beginning January 1 following the Accrual Year in which the vacation was accrued. New hire probationary employees as of January 1 of the vacation Usage Year become eligible to use accrued vacation when they complete probation.

2. Accrual of Vacation Employees will accrue vacation as follows:

   a. A full-time employee in active paid service (including any Authorized Unpaid Time Off (AUTO)) will accrue vacation during the Accrual Year based on his or her completed years of vacation seniority (as reflected by the Vacation Seniority Date) as of December 31 of the Accrual Year, as follows:

<table>
<thead>
<tr>
<th>Completed Years of Service</th>
<th>Vacation Weeks/Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 year</td>
<td>Up to 1 week/40 hours (prorated)</td>
</tr>
<tr>
<td>1 to 3 years</td>
<td>2 weeks/80 hours regular</td>
</tr>
<tr>
<td>4 to 8 years</td>
<td>3 weeks/120 hours regular</td>
</tr>
<tr>
<td>9 to 15 years</td>
<td>4 weeks/160 hours regular</td>
</tr>
<tr>
<td>16 to 23 years</td>
<td>5 weeks/200 hours regular</td>
</tr>
<tr>
<td>24 or more years</td>
<td>6 weeks/240 hours regular</td>
</tr>
</tbody>
</table>

   b. Employees hired on or before the fifteenth (15th) day of the month will accrue vacation for that month. Employees hired after the fifteenth (15th) day of the month will begin to accrue vacation beginning with the first day of the month following the month of hire.

3. Block Vacation Bidding and Usage

   a. Block vacation weeks available for bid for the following year will be scheduled Sunday through Saturday. The Company will determine the number of employees who may be on vacation during any given week based upon local operational staffing requirements.

   b. The Company will consult with the Union at least thirty (30) days in advance of the vacation scheduling period but in no event later than October 1st, to discuss the method of scheduling vacations, including Day-at-a-Time (DAT) vacation, for the upcoming vacation year. If the discussion is not completed by October 15, it may be escalated to the level of AGC, the Department Manager and HR at that station, and if not resolved within 10 days, the issue will be escalated to the PDGC of the IAM and the Director of labor Relations.
c. Employees will bid their block vacation within the classification and specific fleet and/or department employed in accordance with Vacation Seniority.

d. Employees shall be permitted at their option to move their regular days off or their vacation period in the work week in which their block vacation begins to allow their regular days off and block vacation period to be adjacent.

e. If a holiday falls within the vacation period for a Specialist/FTPDMultimedia, the holiday is counted as such and the vacation day will be re-allocated for use as DAT.

f. Members of the military reserve who will attend a 2 week training assignment during the following year may, at the employee’s option, reschedule 1 or 2 weeks of accrued vacation to be taken during the employee’s military leave.

g. The Company will provide block vacation bid forms or electronic access for employees to indicate their preferences for block weeks. Confirmation of receipt will be provided to employees submitting pre-bids.

h. Employees will retain and carry with them their accrued block vacation if they transfer to another fleet or department in the same classification during the Vacation Usage Year. Based upon the needs of the service, the Company may honor vacation block weeks already awarded to transferring employees unless mutually satisfactory alternate arrangements are made.

4. **Day-At-a-Time (DAT) Bidding, Eligibility, and Usage**

a. Employees eligible for vacation may designate all of their vacation as block vacation, up to 2 weeks as DAT vacation, or a combination of block and DAT.

b. Consistent with operational manpower requirements, additional flexibility in the scheduling of DAT vacation may be implemented on a local basis by agreement between the Union and the Company. Any such local arrangements will not prejudice the system application of the DAT program and will be deemed to expire each vacation year unless renewed on a local basis by agreement between the Union and the Company.

c. Employees will bid DAT vacation following the block bidding process and following the establishment of the training schedule for the Vacation Usage year.

d. Following the vacation bid, DAT’s will awarded first come, first served based on operational availability as determined by the Company.

e. Employees will provide as much advance notice as possible when requesting DAT, Company approval is required for the award of DAT within 8 hours prior to the start of the shift. On non-teaching days DAT’s may requested
up to 4 hours after an employees scheduled shift start time, subject to management approval.

f. Half-day DATs will not be awarded during the initial vacation bidding process, but unbidded DAT coverage that remains available effective January 1 will be available for use as half-day DATs.

5. Use of Vacation, and Status of Vacation at Separation

a. Except as otherwise required by law, vacation must be taken during the calendar year (the Vacation Usage Year) following the year in which the vacation was earned (the Accrual Year). However, employees may carry forward, to the year after the Vacation Usage Year, a maximum of 3 unused vacation days and/or Floating Holidays in total (or hourly equivalent) to be used on any open DAT slot on their shift during the following year, or at the employee’s option, have all or part of the 3 unused vacation days (including block vacation, DAT’s, and Holidays) paid out no later than February 28 of the following year.

   (i) Employees with more than 3 unused vacation days (including block vacation, DAT’s and Holidays) at the end of the Vacation Usage Year will have all days in excess of 3 days paid out no later than February 28 of the following year.

b. If an employee works at the Company’s request on his or her scheduled vacation day, the employee will have the option of either (a) rescheduling the vacation day, or (b) receiving a payout of the vacation at the end of the Vacation Usage Year.

c. An employee who leaves the Company either voluntarily or involuntarily will receive full payment for unused vacation credited from the previous year and, if required by law, vacation accrued in the year of separation through date of separation. In the event of retirement, resignation with proper notice, permanent disability, or death, the employee or his or her estate will receive full payment for unused vacation credited from the previous year and all vacation accrued in the year of separation through date of separation. Except as otherwise required by law, an employee who has not completed 6 months of Company service is not eligible for pay for accrued vacation upon separation.

B. Holidays

1. Observed Holidays

   a. The recognized holidays for Specialist, FTPD, and Multimedia employees are in addition to regular days off, and are as follows:

   - New Year’s Day
   - Memorial Day
   - Independence Day
Article 5  Vacation & Holidays

- Labor Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Day

b. The recognized holiday for FTI’s and EPI’s is as follows:

- Christmas Day

2. Floating Holiday In addition, Specialist, FTPD, and Multimedia employees (excluding new hire probationary employees) are eligible for one (1) Floating Holiday each calendar year. The Floating Holiday may be requested at the discretion of the employee but is awarded with the approval of local management. Floating Holidays may not be carried over into the following calendar year.

3. Specialist, FTPD, and Multimedia employees will observe holidays on the days designated by the Company at that location. If the Company requests a Specialist, FTPD, or Multimedia employee to work a holiday, the employee may float the holiday during that year or receive time and one half their base rate of pay in addition to the normal holiday pay.
ARTICLE 6: LEAVES OF ABSENCE & SICK LEAVE

A. Leaves of Absence

1. Jury Duty (including Grand Jury Duty)
   a. In addition to vacation accrued based on active paid service, the Company will grant employees necessary time off for actual work time (base hours) missed as a result of being called for mandatory jury and grand jury duty (both jury pool and trial service if selected).
   b. Subject to the needs of the service, the Company will grant employees time off for voluntary jury service, but such voluntary service will be unpaid.
   c. Employees may retain jury-duty payments they receive, regardless of whether the service is mandatory or voluntary.
   d. Upon receipt of a summons for jury duty (or selection for voluntary jury service), the employee will provide a copy of the summons (or, in the case of voluntary service, applicable court documentation) to his or her supervisor. When the employee completes the jury service, he or she must furnish his supervisor with court documentation reflecting his or her attendance and dates of service.
   e. An employee required by the court to report for jury duty will not be required by the Company to report for work on his or her regularly scheduled shift the same day, including a midnight shift immediately prior to actually reporting for jury duty (or at the employee’s option, a midnight shift immediately following actually reporting for jury duty) or an afternoon shift immediately following serving jury duty. An employee performing jury duty for 5 or more consecutive working days will, at his or her request, be scheduled for adjusted regular days off as necessary to accommodate his or her jury service. Upon completion of jury duty, or if temporarily released from jury duty for a calendar week or more, the employee will resume his or her regular shift and days off.

2. Military Leave
   Military leave, including return from military leave, will be governed by Company policy, as amended and in effect at the time of the leave or return, and by the Uniformed Services Employment and Reemployment Rights Act and other applicable law.

3. Personal Leave (PLOA)
   a. Where an active employee (excluding new hire probationary employees) presents the Company an application stating justifiable reasons, and where the requirements of the operation permit, the Company may grant an unpaid PLOA, in writing, for up to 90 days. Subject to the requirements of the operation, the Company may, in writing, extend a PLOA in increments of 90 days upon the employee’s appropriate application in writing to the Company.
b. Employees on PLOA must provide the Company and the Union at least 10 days’ advance notice of their return from a PLOA. Upon their return, they will be returned to the job held when PLOA was granted.

c. An employee granted PLOA will retain and continue to accrue seniority during the first 90 days of any such leave. For PLOAs extended beyond 90 days, the employee will retain but will not accrue seniority after 90 days, except as required by applicable law. The employee will remit applicable dues or service fees directly to the Union during his or her entire PLOA.

4. Educational/Skill Development Leave

a. Where an active employee (excluding new hire probationary employees) presents the Company an application stating justifiable reasons, and where the requirements of the operation permit, the Company may grant an unpaid Educational/Skill Development Leave. The application must specify the entire period of time the employee plans to remain on such leave in order to obtain the desired education and/or skills, and the leave cannot exceed the period necessary for the designated course(s), class(es), or skill development, up to a maximum of 2 years. Extensions may be authorized based upon the requirements of the operation.

b. An employee granted Educational/Skill Development Leave will retain and continue to accrue seniority during the first 90 days of any such leave. For Educational/Skill Development Leave longer than 90 days, the employee will retain but not accrue seniority after 90 days.

c. If the Company grants the Educational/Skill Development Leave, the employee, upon request, may be allowed to reemployment prior to the end of the original leave period if a vacancy is available. At the end of the leave, the employee will be returned to work if a vacancy is available or based upon competitive bid.

5. Company Offered Leave of Absence (COLA) At its discretion, the Company may offer COLA whenever a reduction in force situation exists. The Company will confer with the Union on the terms and conditions of any COLA.

6. Outside Employment While on Leave During a leave of absence, outside employment for an employer other than the Company is not permitted without prior written approval from the Company and notice to the Union. An employee who engages in such unapproved employment will be deemed to have resigned his or her employment with the Company and his or her name will be stricken from the seniority roster.

7. Full time Union Leave

a. Employees accepting full-time employment with the Union as representatives of the employees covered by this Agreement will be granted an indefinite unpaid leave of absence by the Company. An employee on leave of absence for this purpose will retain and continue to accrue seniority.
b. The employees on Union Leave will receive all Company-provided employee benefits that can reasonably be continued in effect during their leaves of absence. The Union will pay the premiums for medical coverage received by employees on leave and serving in these positions.

8. Personal Emergency Leave (PEL)

a. An employee’s supervisor may authorize up to 4 days off with pay if an employee’s immediate family member becomes critically ill, or in the event of a death in the immediate family of (a) the employee, or (b) the employee’s spouse or Company-recognized domestic partner. When the death is that of a non-immediate family member of the employee or of his or her spouse or Company-recognized domestic partner, the employee’s supervisor may approve up to a full day off with pay. Personal Emergency Leave may also be granted if the employee or his or her spouse or Company-recognized domestic partner experiences a miscarriage or other medical pregnancy termination procedure.

b. Familial Relationship Definitions For the purpose of this policy, “immediate” family members are:

- Husband/Wife/Domestic Partner (as recognized by applicable law or by the Company)
- Child (defined as natural children, step-children or in-laws)
- Parent (defined as natural parents, step-parents or in-laws)
- Brother or Sister (defined as natural siblings, step-siblings or in-laws)
- Grandparent (defined as natural grandparents, step-grandparents, or in-laws)
- Grandchildren and any other relatives living with the employee.

c. Additional Requirements:

(i) To qualify for Personal Emergency Leave, the employee may be required to submit documentation.

(ii) Generally speaking, Personal Emergency Leave for purposes of bereavement must be taken within 30 days after the date of death.

(iii) An employee may take up to 2 instances of Personal Emergency Leave for each family member over the course of his or her employment with the Company.

(iv) If an employee is on vacation, Personal Emergency Leave will begin at the scheduled expiration of the vacation.

(v) If an employee is absent from work on sick leave or any type of LOA, Personal Emergency Leave will not be granted.
9. **Benefits While On Leave** The chart below provides a brief overview of benefits available to employees while on a leave of absence. For full details, consult the governing provisions of this Agreement.

<table>
<thead>
<tr>
<th>Leave Type</th>
<th>Medical/Dental/Vision</th>
<th>Basic Life</th>
<th>Voluntary Life</th>
<th>Right to return to position</th>
<th>Seniority</th>
<th>Length of Leave</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal (PLOA)</td>
<td>To end of month and then COBRA</td>
<td>180 days only – at employee’s expense</td>
<td>Portable coverage at employee’s expense*</td>
<td>Yes</td>
<td>90 days</td>
<td>90 days</td>
</tr>
<tr>
<td>Furlough</td>
<td>Until pay continuation Ceases</td>
<td>Company paid for 90 days</td>
<td>Portable coverage at employee’s expense*</td>
<td>Based on your recall rights</td>
<td>Less than 10 years adj. to Pay and vacation seniority after 90 days,</td>
<td>Less than 10 years / length of service. More than 10 years / lifetime</td>
</tr>
<tr>
<td>Paid Medical</td>
<td>Yes</td>
<td>Company Paid</td>
<td>Active coverage at employee’s expense</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Military</td>
<td>Company policy</td>
<td>Company policy</td>
<td>Portable coverage at employee’s expense*</td>
<td>Yes</td>
<td>Yes</td>
<td>Up to 5 years</td>
</tr>
<tr>
<td>EIS</td>
<td>Active rates for ½ of leave and then COBRA</td>
<td>Company paid</td>
<td>Active rates at employee’s expense</td>
<td>Yes</td>
<td>Continues for length of leave</td>
<td>6 years or length of service</td>
</tr>
<tr>
<td>Education/Skill Development</td>
<td>To end of month and then COBRA</td>
<td>180 days only – at employee’s expense</td>
<td>Portable coverage at employee’s expense*</td>
<td>If position is available</td>
<td>90 days</td>
<td>Length of program</td>
</tr>
</tbody>
</table>

*Employee can exercise right to continue (“port”) coverage directly with the life insurance carrier. Premiums for portable coverage may vary from the active premium cost.

**B. Sick Leave**

1. Paid sick leave is available to employees (excluding new hire probationary employees) for use when they are unable to perform their regular duties due to illness or non-occupational injury. Such leave will be granted only in cases of actual illness or injury.
a. Beginning with an employee’s second non-FMLA sick leave absence of 3 or more days within a rolling 6-month period, the employee will be required to submit a doctor’s certificate for all sick leave absences of 3 or more days.

b. Whether and when doctor’s certification will be allowed or required for approved FMLA occurrences will be governed by applicable law.

c. In special circumstances local management may waive or require a doctor’s certification. The Company may require a doctor’s certification before approving any sick leave of 3 or more consecutive weeks.

d. Dental and doctor appointments will not be considered a basis for paid sick leave unless it can be shown that the dentist or doctor in question does not maintain office hours outside the employee’s regular work time or on the employee’s regular days off.

e. During the first 6 months of employment an employee will not be paid sick leave pay for absences due to illness or non-occupational injury.

f. Sick leave charged to the employee’s accrued paid sick leave bank will be paid at 100% based on the employee’s rate of pay and regularly scheduled hours.

2. **Sick Time Accrual** Active Employees will accrue paid sick leave of 8 hours per month of paid status, up to a maximum sick leave bank of 1200 hours.

3. To the extent permitted by law, if an employee’s employment ceases for any reason, all of his or her credit for sick leave will be cancelled except for vacation credit converted into sick leave, and no payment for such accumulated credit will be made at any time. However, subject to the terms and conditions of a retiree bridge medical plan, employees will be eligible to participate in such plan by using the balance in their sick bank at retirement to participate in the contributory funding aspect of the plan.

4. Except as otherwise required by law, employees may use up to 3 days of accrued sick leave for absences required by the injury or illness of a spouse or dependent minor child. No more than a total of 3 days may be used per rolling year.

5. Employees will retain and continue to accrue seniority while on sick leave.

6. The costs of medical certifications and examinations in connection with sick leave will be the responsibility of the employee. However, if the Company requires an additional medical certification or physical exam not addressed above, the Company will assume the costs for the certification or exam.

C. **Occupational Injury Leave**

1. Occupational Injury occurs when an employee is unable to work because of an injury or illness incurred on the job. The injury or illness must be one that is covered by the applicable state Workers’ Compensation law, and must be verified in
writing by the employee’s treating physician. Leaves of absence for Occupational Injury will be granted upon the employee’s presentation of written verification from a qualified doctor in accordance with the applicable state Workers’ Compensation law.

2. In the event of Occupational Injury, employees may use their own personal physician if they have registered that physician with the Company prior to the injury or illness. The Company will have the right to monitor the employee’s course of treatment through its own physician. The Company will pay the costs of any separate and additional physical exams it requires of an employee.

3. Full-time employees (excluding new hire probationary employees) will accrue paid Occupational Injury Leave of 8 hours per month of paid status, up to a maximum bank of 1200 hours. As soon as reasonably practicable after the Effective Date of the Agreement, each subsidiary-United employee employed as of the Effective Date of this Agreement will receive a credit of 100 hours for every 66 hours in his or her Occupational Injury Leave bank, up to a maximum of 1200 hours.

   a. No Occupational Injury Leave credit will accrue while an employee is in unpaid status, except AUTO.

   b. Paid Occupational Injury Leave accrual is in addition to Sick Leave accrual, and may be used only for absence resulting from Occupational Injury Leave.

   c. For each hour of Occupational Injury Leave pay or Workers’ Compensation pay the employee receives, an hour will be deducted from his or her Occupational Injury Leave bank.

   d. Employees who exhaust their occupational injury bank may elect to convert any remaining sick bank hours into occupational injury hours.

4. Occupational Injury Leave pay will be based on the employee’s payroll rate of pay and scheduled hours. Such pay will be at a rate equal to the employee’s payroll rate of pay times his or her regularly scheduled hours, reduced by the amount of Worker’s Compensation pay the employee receives from the Company’s insurance carrier or the state.

5. If an employee’s employment ceases for any reason, all of his or her credit for Occupational Injury Leave will be cancelled, and no payment for such accumulated credit will be made at any time.

6. Employees will not be refused permission to return to work because they have not signed releases of liability pending the disposition or settlement of any claims which they may have for compensation arising out of Occupational Injury.

D. Extended Illness Status (EIS)

   1. An employee unable to work due to illness or injury who exhausts his or her sick leave will be placed on active no-pay status for 16 days. Thereafter, if the
employee remains unable to return to work, he or she will be placed on Extended Illness Status. Subject to the Company’s reasonable accommodation process, an employee’s initial EIS leave may continue for up to (a) 6 years from the first day the employee is placed on EIS leave, or (b) the employee’s length of service (whichever period is shorter). The Company will notify the Union when an employee is placed on EIS.

   a. Subject to the Company’s reasonable accommodation process, an employee who has returned from a previous EIS leave will be eligible for a subsequent EIS leave equal to (a) the unused duration eligibility from the previous EIS leave, plus (b) 1/2 of his or her length of service since returning to work from the previous EIS leave, up to a maximum of 6 years or the employee’s total length of service (whichever period is shorter).

   [Example: Employee A with 10 years of service (6-year EIS maximum) goes on EIS leave and returns to work 2 years later. Employee A would initially be eligible for a subsequent EIS of up to 4 years (6 years minus 2 years previous EIS). After 2 years of active paid service following the return, Employee A would be eligible for a second EIS leave of up to 5 years (4 years plus 1/2 times 2 years of active paid service).]

   [Example: Employee B with 4 years of service (4-year EIS maximum) goes on EIS leave and returns 2 years later. Employee B would initially be eligible for a subsequent EIS of up to 2 years (4 years minus 2 years). After 2 years of active paid service following the return, Employee A would be eligible for a second EIS leave of up to 3 years (2 years plus 1/2 times 2 years of active paid service).]

   b. An employee will be eligible for a maximum of 6 years of EIS leave during their employment for EIS based on the same non-occupational illness or injury.

2. Employees on EIS:

   a. Must ensure that their address and other contact information on file with the Company are kept current;

   b. For pay purposes only, will retain and continue to accrue seniority for the length of the EIS leave or the employee’s length of service, whichever period is shorter;

   c. May, with management approval and subject to Company policies as amended and in effect at the time of travel, be granted free or reduced rate transportation privileges except vacation passes; and

   d. May remain on active-employee medical insurance coverage for a maximum duration equal to ½ of his or her EIS leave duration eligibility. Coverage will be according to the provisions of the Company’s applicable insurance plan(s) as amended and in effect. Thereafter, the employee may, at his or her own expense, continue insurance coverages according to the
provisions of the Company’s insurance plans as amended and in effect, but will not accrue or be entitled to any employee benefits.

(i) If an employee who has returned from a previous EIS leave goes on a subsequent EIS leave, he or she may remain on active-employee medical insurance coverage for a maximum duration equal to (a) the unused coverage eligibility from the previous EIS leave, plus (b) 1/4 of his or her length of service since returning to work from the previous EIS leave.

[Example: Employee C with 10 years of service (6-year EIS maximum, 3-year coverage maximum) goes on EIS leave and returns to work 2 years later. Employee A would initially be eligible for medical coverage during a subsequent EIS for up to 1 year (3 years minus 2 years previous EIS). After 2 years of active paid service following the return, Employee C would be eligible for coverage during a second EIS leave for up to 1.5 years (1 year plus 1/4 times 2 years of active paid service).]

[Example: Employee D with 5 years of service (5-year EIS maximum, 2.5-year coverage maximum) goes on EIS leave and returns 2 years later. Employee D would initially be eligible for medical coverage during a subsequent EIS for up to .5 year (2.5 years minus 2 years). After 2 years of active paid service following the return, Employee D would be eligible for coverage during a second EIS leave for up to 1 years (.5 year plus 1/4 times 2 years of active paid service).]

3. In addition, upon returning to work from EIS resulting from occupational illness or injury, an employee will be eligible for a vacation payout as follows:

a. The employee will be retroactively credited with vacation accrual for a period of the EIS leave not to exceed ½ of his or her EIS leave eligibility (a maximum of 3 years or ½ length of service, whichever is shorter).

b. The employee will be entitled to a payout of ½ of that vacation accrual balance after deducting from that balance any vacation time off taken by the employee upon their return which was accrued while on EIS.

4. If an employee on EIS accepts employment elsewhere without prior approval by the Company and the Union, he or she will be deemed to have severed his employee relationship with the Company.

5. Approximately 60 days prior to the end of the employee’s EIS leave, the Company will notify the employee at his or her address on file with the Company that the leave will be expiring and that the employee is responsible either (1) to obtain and provide the Company with necessary medical certifications and other information regarding his or her ability and intention to return to work or (2) to invoke the Company’s reasonable accommodation process. Approximately 30 days
before the end of the employee’s EIS leave, the Company will send a follow-up notification to the employee. If the employee does not respond to these notifications, separation by termination of the employee’s EIS leave will be automatic and the Company will not be required to follow the procedures specified in the provisions of the Agreement.

a. Following notice to the Union and the employee that the employee will be separated, the employee may file a grievance protesting his separation and the Union may appeal the Company’s decision directly to Step 3 of the grievance procedure.

b. The grievance must be filed within 10 days after the effective date of the separation. If such appeal is not filed, the Company’s action will be final and binding.

c. Further appeal, if desired, will be to the System Board of Adjustment.

E. Medical Dispute Resolution

1. In the event that the employee’s Physician and the Company’s Physician do not agree on an employee’s ability to return to regular duties, the employee may request Medical Dispute Resolution. Medical Dispute Resolution will be initiated when the employee submits a request in writing to the designated Company department within 40 calendar days of the employee’s notification of the conflicting physicians’ determinations.

2. The Company will identify a list of impartial physicians from which the employee will select a third-party physician to complete a third-party medical evaluation. The decision of the majority concerning the employee’s medical fitness to perform his/her regular duties will be binding upon the Company and the employee.

3. The expense of the Company’s Physician will be borne by the Company; the expense of the employee’s Physician will be borne by the employee; and the expense of the selected impartial physician will be borne $\frac{1}{2}$ by the employee and $\frac{1}{2}$ by the Company.

4. This third-party physician Medical Dispute Resolution procedure will not apply to assignments involving restricted duty, whether temporary or permanent.
ARTICLE 7: SENIORITY

A. Seniority Defined Employees have 4 types of seniority under this Agreement:

1. **Company Seniority Date** An employee’s Company Seniority begins on the date an employee is placed on the Company’s payroll. Employees will stop accruing Company Seniority and their date will be adjusted for periods on educational and personal leaves of absence that exceed 90 days.

2. **Pay Seniority Date** An employee’s Pay Seniority begins on the effective date the employee becomes active in any position within the classifications governed by this Agreement and is used to determine an employee’s pay rate progression. This date will not change as long as the employee remains active in a position covered by this Agreement. Employees will stop accruing Pay Seniority and their date will be adjusted for periods of educational and personal leaves of absence that exceed 90 days for all employees, and for periods on furlough that exceed 90 days for employees with less than 10 years of Company service at the time of the furlough.

3. **Vacation Seniority Date** An employee’s Vacation Seniority begins on the date an employee is placed on the Company’s payroll and is used to determine vacation accrual and vacation bidding. Employees will stop accruing Vacation Seniority and their date will be adjusted for periods of educational and personal leaves of absence that exceed 90 days for all employees, and for periods on furlough that exceed 90 days for employees with less than 10 years of Company service at the time of the furlough.

4. **Bid Seniority Date** An employee’s Bid Seniority begins on the date the employee is placed on the Company’s payroll for newly hired regular employees. For Company employees transferring into this Agreement, Bid Seniority is the date an employee is notified that he or she is awarded an open vacancy. A common seniority date will be assigned when multiple positions are filled at the same time for the same vacancy. For Specialist positions, an employee will both: (a) retain and continue to accrue Bid Seniority in his or her basic classification; and (b) accrue Bid Seniority in the Specialist position beginning the day after the Specialist vacancy posting closes. Employees will stop accruing Bid Seniority and their date will be adjusted for periods of promoted status that exceed 183 days, and for periods on educational and personal leaves of absence that exceed 90 days. Bid Seniority is used for furlough recall and all types of bidding contained in this Agreement except for vacations.

B. Adjustments to Seniority Dates When adjustments are made to the 4 seniority dates described above, they will be made for different types of absences as follows:

1. Personal or Educational Leave of Absence: Seniority for all dates will be retained and continue to accrue during the first 90 days of the leave of absence. Seniority for all dates will no longer accrue starting with the 91st day.

2. Non-occupational or Occupational Extended Illness Leave of Absence:
Seniority for all dates will be retained and continue to accrue for the duration of the leave.

3. Union Leave of Absence: Seniority for all dates will be retained and continue to accrue for the duration of the leave. Employees on Union leave may return to their former positions without a vacancy.

4. Furlough Except as otherwise provided, employees will retain and continue to accrue Company Seniority and Bid Seniority for the duration of furloughs from active service. For Pay Seniority and Vacation Seniority, employees with 10 or more years of service at the time of furlough will retain and continue to accrue seniority while on furlough. For Pay Seniority and Vacation Seniority, employees with less than 10 years of service at the time of furlough will retain and continue to accrue seniority for the first 90 days while on furlough and any time worked when recalled for a temporary assignment.

C. Probation

1. Company employees transferring competitively into an IAM-represented classification will be regarded as probationary for the first 180 calendar days of active service in the position.

2. Newly hired employees will be regarded as probationary for the first 180 calendar days of active service in the position. Depending on training needs, probation may be extended to a maximum of 1 year from date of hire.

3. An employee’s probationary period may also be extended in appropriate cases, such as the employee’s extended absence because of accident or illness, in which case the Company will notify the Union.

4. Employees may be discharged at any time and for any reason during their probationary periods without a hearing.

5. Upon successful completion of their probationary periods, employees will be retained on the Seniority List in order of their Bid dates.

D. Seniority Lists

1. Seniority Lists

   a. Seniority Lists will be made available electronically and will include the Name, Classification, Position, Bid Seniority date, and Company Seniority date of each employee in a position represented by this Agreement. Seniority lists will be sorted in Bid Seniority date order. Ties will be broken in the following order:

      (i) Company Seniority date;

      (ii) The lowest of the last 4 digits of the social security number.

   b. Seniority lists for Specialist positions will be sorted in Specialist Bid Seniority date order. Ties will be broken in the following order:
Article 7

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(i) Basic position Bid Seniority date;
(ii) Company Seniority date;
(iii) The lowest of the last 4 digits of the social security number.

2. Juniority Lists
   a. Juniority lists, used for purposes of layoff and recall, will be made available electronically and will include the Name, Classification, Position, and Bid Seniority date, and Company Seniority of each employee in a position covered under this Agreement. Juniority lists will be sorted in Bid Seniority date order with the junior employee listed first. Ties will be broken in the following order:
      (i) Company Seniority date in juniority order;
      (ii) The highest of the last 4 digits of the social security number.

3. Employees are responsible for reviewing the Seniority List to ensure their seniority dates are accurate. Any discrepancies should be reported immediately to local management. Such claims may be processed by the Assistant General Chair of the Union if not resolved locally. If an employee fails to protest the list within 60 days after his or her seniority date and position on the seniority list is first established or adjusted, there will be no monetary liability or other retroactive application for subsequent seniority adjustments.

E. Loss of Seniority
An employee will lose all forms of seniority under this Agreement and be removed from all seniority lists for the following reasons:

1. Resignation or termination;
2. Retirement;
3. Discharge for just cause;
4. Absence from work for 2 consecutive days without properly notifying the Company of the reason for absence, unless the failure to notify the Company of the absence was due to verifiable circumstances beyond the control of the employee;
5. Failure to return to active service from a Leave of Absence or Inactive Status (Personal Leave, Educational Leave, COLA, Furlough), unless the failure to report was due to verifiable circumstances beyond the control of the employee;
6. Failure to return from an Extended Illness Leave of Absence within the time period specified in this Agreement or as specified by applicable law;
7. Failure to respond to or return from an offer of permanent recall, where the employee retains no other recall rights;
8. Not paying the required administrative fee to the Union when in permanent promoted status within the same Division of the Company;
9. Entering permanent promoted status outside the same Division within the Company; and

10. Except for employees transferring to another Company position in an IAM-represented work group not covered by this Agreement, after 3 consecutive months in a permanent position that is not promoted status.

F. Employee Transfers Employees that transfer to different IAM-represented classifications within this or any other collective bargaining agreement will retain and continue to accrue seniority in their former classification for 2 years. Employees may return to their former classification within 2 years, however, there must be a vacancy in order for an employee to return. When the employee voluntarily returns to a former classification within that 2 year period, the employee will lose seniority in the classification he or she left. The Company will notify the Local Committee of such movement. Employees working in Specialist positions who have passed their trial period may return to the basic position and work status within their classification without a vacancy.

G. Promoted Status

1. Promoted status means a permanent or temporary assignment (processed on the employee profile) to a management position within their division below the Director level.

2. Employees in promoted status as of the Effective Date of this Agreement who, under the predecessor agreement, were accruing classification/bid for 183 days may continue to accrue such seniority for the remainder of said 183 days. Employees in promoted status as of the Effective Date of this Agreement who were accruing Bid Seniority without limitation may continue to accrue such seniority for 183 days from the Effective Date. In either case, after the 183 days, employees in promoted status may retain but will no longer accrue Bid Seniority.

3. To continue accruing Bid Seniority for 183 days and to retain Bid Seniority thereafter, employees in promoted status must pay a monthly administrative fee to the Union as set by the Union. Employees in promoted status on the Effective Date of this Agreement will commence payment of the administrative fee within 90 days of that date. Employees who transfer to promoted status after the Effective Date must commence payment of the administrative fee in the month that follows such transfer. Employees in promoted status who elect not to pay the required administrative fee will lose their Bid Seniority.

4. Employees in permanent promoted status will use their Bid Seniority to obtain available vacancies when they desire to return to the basic position in their classification. (There must be a vacancy in order for an employee in promoted status to return.) An employee in a permanent promoted position may return to the basic position without a vacancy at any time during the first 60 days in a promoted position. In no event will an employee be furloughed or bumped from his or her location as a result of a management employee returning to a position covered under this Agreement.
5. Employees in temporary promoted status will not need a vacancy when they desire to return to the previous position from which they were temporarily promoted.

6. If an employee is temporarily assigned to a promoted position (as defined in Subsection 1 above) for combined periods which exceed 183 days within a 12 month rolling year, the employee will retain Bid Seniority and furlough recall seniority but will accrue no more than 183 days seniority during that 12 month period.

H. Reductions

1. If it becomes necessary to reduce the number of employees in any position covered by this Agreement, the Company will provide 20 calendar days’ written notice or pay in lieu thereof to regular, non-probationary employees, except for any furloughed employees recalled for temporary vacancies. The 20 day notice period will begin on the date following the written notice. The Company will notify the appropriate District and Local IAM officials.

2. During a reduction in force, system vacancies in the affected position will be suspended if necessary. All reductions will occur in reverse seniority order by location according to their Bid Seniority date. Affected employees will have 5 days after notification of the reduction in force to complete an option form. Employees will be placed on furlough status with applicable recall rights and furlough pay if they do not return the form.

3. Reductions will follow the process outlined below:

a. Specialist Positions

   (i) Affected employees will be placed on a surplus list for the Specialist Position and will have first rights for future vacancies in this classification. However, once an affected employee on the surplus list is offered a Specialist position, he will be removed from the surplus list.

   (ii) Affected employees may displace the most junior employee in the basic classification for which they maintain seniority at any location where the classification exists or;

   (iii) Affected employees may choose to elect layoff with applicable furlough pay and recall rights as a Specialist in the fleet department/location from which they were furloughed.

b. Basic Positions

   (i) Affected employees (except EPIs who will be addressed in a separate LOA) will be reduced in basic classification juniority order, with ties broken in accordance with Section D.1.a above.

   (ii) Employees affected in the location will be given the following options based on their Bid Seniority date:
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(A) An affected employee may displace the most junior employee in the same basic classification where the basic classification exists.

(B) Affected employees may choose to elect layoff with any applicable recall rights and furlough pay.

(C) Employees who fail to choose options or whose options were unavailable will be furloughed with any applicable recall rights and furlough pay.

4. Move Package

   a. Employees transferring to a different location as the result of being furloughed and accepting a system option per this Section H will be allowed actual reasonable moving expenses when substantiated by properly receipted bills to a maximum total cost payable by the Company of $10,000 for the following items:

      (i) Shipping, insurance, storage, packing and unpacking for household effects for up to 36,000 pounds;

      (ii) One-time mileage reimbursement at the rate of $0.29 per mile, or the rate in accordance with Company policy, whichever is greater, for up to 2 automobiles;

      (iii) Miscellaneous expenses such as vehicle registration, application fees, non-refundable deposits, cable hook-up, cancellation fees, rental car while personal car is in transit, shipment of pets, and other similar expenses;

      (iv) Hotel and meal expenses for a period not to exceed 14 total days when commencing work at and/or moving to the new location. Hotel expenses may not exceed $200 per night. Meal expenses may not exceed $40 per day for each immediate family member.

   b. When an employee drives his or her car(s) from the former location to the new location, on a one-time basis he or she will be granted travel time up to 400 miles per day, to a maximum of 7 days, via the direct route, and will be paid 8 hours pay at straight time for each day needed for traveling to a maximum of 40 hours pay within a 7 day period.

   c. Under normal circumstances it is expected that employee moves will be completed within 6 months of reporting to the new location and within a 14 day move period, from start to finish. However, when circumstances beyond the control of the employee necessitate additional time, an extension may be approved after the situation is reviewed by the Company.

   d. Within 6 months of reporting to the new location, 2 service fee waived space available travel passes to the new location will be provided for the employee and eligible dependents.
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e. The Company will designate a Relocation Services Provider to assist employees moving under this provision.

I. Recall Employees who are involuntarily furloughed from a basic position will have recall rights as follows:

1. Employees that have more than 10 years of Bid seniority as of Date of Signing of this Agreement maintain recall rights to the basic position and location(s) from which they were laid off until recall is offered and is either accepted or declined; and

2. Employees that have less than 10 years of Bid seniority as of Date of Signing of this Agreement maintain recall rights to the basic position and location(s) from which they were laid off for up to the length of their Bid seniority. These recall rights terminate when recall is offered and is either accepted or declined, or the term of their recall rights expire. These employees will have their pay seniority date and vacation seniority date adjusted for the duration of any furlough beyond 90 days.

3. A furloughed employee retains recall rights to his or her basic classification at the location, so long as the employee remains active in any classification at any other location.

4. Regardless of whether the employee accepts or declines, an employee’s recall rights have been satisfied and will cease when the employee is offered recall to his or her primary classification and/or location.

5. To maintain eligibility for recall, furloughed employees must keep a current address and phone number on file with the Company. When recall is offered, the Company will notify the appropriate District and Local IAM officials. Absent extenuating circumstances or mutual agreement otherwise, an employee will lose recall rights as follows.

   a. Written notice of recall is undeliverable at his or her last address of record (notification of recall will be sent return receipt requested);

   b. The employee fails to accept recall from furlough within 7 calendar days following the date of written notification; or

   c. The employee fails to report to work within a maximum of 16 calendar days after acceptance of recall, or 72 hours after being informed that all necessary clearances have been met, whichever is later.

   d. Employees may be administratively separated if they hold no other Company recall rights.

6. Temporary Recall of Furloughed Employees

   a. Employees may be recalled by the Company for temporary assignments, but are not required to accept such recall and may decline it without affecting their recall rights.
b. Temporarily recalled employees will not accrue vacation for the following year or be eligible to take vacation.

c. Temporarily recalled employees will receive health and pass travel benefits during the temporary assignment.

d. Once the temporary assignment has concluded, temporarily recalled employees will return to inactive furlough status with no additional furlough benefits.

J. Furlough Pay

1. A regular employee who has completed at least 1 year of compensated service with the Company, laid off through no fault or action of his or her own, will receive furlough pay based on the length of total actual straight time compensated service with the Company since the employee’s last date of hire. Furlough pay will be computed on the basis of the employee’s regular straight time hourly rate at the time of layoff.

2. Employees who retire in lieu of furlough will receive furlough pay.

3. Calculation is based on the following furlough pay table:

<table>
<thead>
<tr>
<th>Compensated Service</th>
<th>Furlough Pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 year of service</td>
<td>None</td>
</tr>
<tr>
<td>1 year but less than 2 years of service</td>
<td>2 weeks</td>
</tr>
<tr>
<td>2 years but less than 3 years of service</td>
<td>2 weeks</td>
</tr>
<tr>
<td>3 years but less than 4 years of service</td>
<td>3 weeks</td>
</tr>
<tr>
<td>4 years but less than 5 years of service</td>
<td>4 weeks</td>
</tr>
<tr>
<td>5 years but less than 6 years of service</td>
<td>5 weeks</td>
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<tr>
<td>6 years but less than 7 years of service</td>
<td>6 weeks</td>
</tr>
<tr>
<td>7 years but less than 8 years of service</td>
<td>7 weeks</td>
</tr>
<tr>
<td>8 years but less than 9 years of service</td>
<td>8 weeks</td>
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<tr>
<td>9 years but less than 10 years of service</td>
<td>9 weeks</td>
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<tr>
<td>10 years but less than 11 years of service</td>
<td>10 weeks</td>
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<tr>
<td>11 years but less than 12 years of service</td>
<td>11 weeks</td>
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<td>12 years but less than 13 years of service</td>
<td>12 weeks</td>
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<tr>
<td>13 years but less than 14 years of service</td>
<td>13 weeks</td>
</tr>
<tr>
<td>14 years but less than 15 years of service</td>
<td>15 weeks</td>
</tr>
<tr>
<td>15 or more years of service</td>
<td>17 weeks</td>
</tr>
</tbody>
</table>

4. An eligible employee will begin receiving furlough pay with the pay period following the effective date of the layoff. Furlough pay will be the equivalent of normal straight time earnings, at regular pay periods and continuing until all such furlough is paid. Furlough pay will not be due after an employee has
been offered recall or accepts other employment with the Company. If an employee
dies while receiving furlough pay, the unpaid balance will be paid to his or her
executor, administrator or legal heirs.

5. An employee is not eligible for furlough pay if any one or more of the
following conditions exist:

   a. The employee remains employed with the Company in any position.

   b. The employee fails to exercise seniority to accept any position in the
   same or higher classification that would enable him or her to remain in the
   active employ of the Company at their location.

   c. The layoff is caused by an Act of God, a war emergency, revocation
   of the Company’s Operating Certificate or Certificates, or grounding of a
   substantial number of Company aircraft.

   d. The layoff is caused by a strike or picketing of the Company’s
   premises or any work stoppage or other action that interrupts or interferes with
   any operations of the Company.

   e. The employee is dismissed for cause or resigns.

   f. Without being furloughed, the employee retires.

   g. There is a temporary cessation of work because of circumstances
   beyond the Company’s control.

6. Furlough Restoration When an employee returns to active service in an
IAM-represented position from layoff status while receiving furlough pay, he or she
will retain eligibility for any unused weeks of furlough pay in the event of a future
furlough. If the employee has exhausted furlough pay, he or she will not be eligible
for additional furlough pay until the employee has returned to work as an active
IAM-represented employee and fulfills 1 year of compensated service. After 1 year
of compensated service as an IAM-represented employee:

   a. An employee returning from permanent recall will have his or her
   eligibility for furlough pay fully restored; and

   b. An employee returning to active service in a regular, non-temporary
   position under this or any other collective bargaining agreement between the
   Company and the Union who has not been permanently recalled will regain his
   or her rights to obtain furlough pay in the event of future qualifying events
   based on the length of time that has occurred since the employee’s return to
   active service.
K. Furlough Benefits

1. An employee on furlough will continue to have employee pass privileges for 6 months beginning with the effective date of the furlough.

2. A furloughed employee’s medical benefits will continue until the end of the month in which pay or pay continuation ceases.
ARTICLE 8: UNION REPRESENTATION

A. Recognition The Company recognizes the Union as the exclusive representative and sole collective bargaining agent with respect to rates of pay, rules and working conditions for all employees employed by the Company composing the craft or class of Fleet Technical Instructors (which includes related employees as described in this Agreement) for purposes of the Railway Labor Act, pursuant to the certification issued by the National Mediation Board on September 17, 2012, in Case No. R-7334.

B. Union Security

1. As a condition of employment, all employees of the Company covered by this Agreement will, on the Effective Date of this Agreement, become and remain members in good standing of the Union or, in the alternative, render the Union a monthly sum equivalent to the standard monthly dues required of the Union members (“Service Fees.”) Employees covered by this Agreement and hired on or after the Agreement’s Effective Date will comply with these requirements on or before the 60th day following their initial seniority date.

2. During the life of this Agreement the Company agrees to deduct from the pay of each member of the Union and remit to the Union standard initiation (or reinstatement) fee, Service Fees, and monthly membership dues uniformly levied in accordance with the constitution and by-laws of the Union as prescribed by the Railway Labor Act, as amended, provided such member of the Union voluntarily executes form(s), to be known as a check-off form. Such authorization form will be provided by the Union, and will provide such information as the Company may require to make the deductions. The Company will pay over to the District Lodge 141 the wages withheld for such fees and/or dues. The amount so withheld will be deducted from the appropriate paycheck, reported and paid to the Union monthly. The employee’s employee number, last name, first name, middle initial, dues or fees deducted, dues rate, rate of pay, station code, department, job, and status of employment will be transmitted with the monthly fees/dues.

   a. The Company will advise the Union of the name, employee number, hire date, home address, station code, department, job of any new hires and the names, employee numbers and dates of all other employees covered by the Agreement who have been terminated, laid off, retired, transferred, changed status, or recalled at the time the Company turns over the monies to the Union per above.

3. It will be the responsibility of any employee who is not on a dues deduction program to keep their membership current by direct payments of monthly dues or Service Fees to the Union.

4. No employee covered by this Agreement or an employee whose employment is terminated pursuant to the provisions of this Section B, nor the Union, will have any claim for loss of time, wages or any other damages against the Company because of the Company’s agreeing to this Section B of this Agreement or because of any alleged violation, misapplication, compliance or non-compliance
with any of the provisions of this Section B. The Union will indemnify the Company and hold the Company harmless from any and all such claims and any and all legal fees incurred by the Company in connection therewith, except to the extent that such claims or fees are finally determined by a court of competent jurisdiction to have resulted from the gross negligence, fraud or willful misconduct of the Company. If the Company is named as a defendant or charged party in any action by an individual discharged pursuant to the provisions of this Article, the Company will promptly notify the Union and the Union will undertake the defense of the case. Subject to the Company’s right to elect to undertake its own defense, the Union will maintain the exclusive right to defend, settle, mitigate damages, litigate, and/or take whatever action it deems necessary and proper through attorneys of the Union’s choosing and at the Union’s cost. If the Company decides to retain its own counsel, it will do so at its own cost, and not at the cost of the Union, and if the Company elects to undertake its own defense the Union will be relieved of its obligation in this Section to indemnify the Company and hold the Company harmless. Nothing in this Section will prohibit the Union from filing a claim against the Company for non-compliance with this Section B or obligate the Union to indemnify the Company for, hold the Company harmless from, or defend the Company in the event the Union files such a claim against the Company.

5. Any employee maintaining, or maintaining and accruing, seniority under this Agreement but not employed in a classification covered by this Agreement will not be required to maintain Union membership during such employment but may do so at his option. Should such employee return to a classification covered by this Agreement, he will be required to become a member of the Union within 15 days after the date he returns to such classification, and will, as a condition of employment in classifications covered by this Agreement, become a member of the Union and maintain membership in the Union so long as this Section B remains in effect, to the extent of paying an initiation (or reinstatement) fee and/or monthly membership dues or Service Fees.

6. The payment of membership dues or Service Fees will not be required as a condition of employment during leave of absence without pay.

7. The provisions of this Section B will not apply to any employee covered by this Agreement to whom membership in the Union is not available by tender of initiation (or reinstatement) fee, if applicable, and monthly dues or Service Fees, upon the same terms and conditions as are generally applicable to any other employee of his classification at his point on the Company’s system or in the local lodge on the Company’s system to which assigned by the Union, or to any employee to whom membership in the Union is denied or terminated for any reason other than the failure of the employee to tender initiation (or reinstatement) fee, if applicable, and monthly dues.

8. If an employee covered by this Agreement becomes delinquent in the payment of monthly dues or Service Fees, the Union will take steps necessary in accordance with its established procedures to notify the employee in writing that he is delinquent in the payment of monthly membership dues or Service Fees as
Article 8  

Union Representation

specified herein and accordingly will be subject to discharge as an employee of the Company. If such employee still remains delinquent in the payment of dues or service fees after the Union has completed all steps in its established procedure, the Union will certify in writing to the Company that the employee has failed to remit payment of dues or Service Fees within the grace period allowed under the Union’s procedure and is, therefore, to be discharged. The Company will then promptly notify the employee involved that he is to be discharged from the services of the Company and will promptly take proper steps to so discharge the employee.

9. When a member of the Union properly executes a dues or fees authorization form the President and Directing General Chairman of the Union will forward the necessary information to a Payroll Representative designated by the Company. A check off form must be completed in a legible manner acceptable to the Company or it will be returned to the President and Directing General Chairman of the Union for correction.

10. Any notice of revocation of checkoff authorization as provided for in this Article or the Railway Labor Act, as amended, must be in writing, signed by the employee and 2 hard copies delivered by first class mail or other mode of delivery accepted in the ordinary course of business, addressed to the President and Directing General Chairman of the Union. Dues or Service Fee deductions will be continued until 1 copy of such notice of revocation is received by the appropriate Payroll Representative from the President and Directing General Chairman of the Union.

11. An employee who has executed a check off form and who (1) has been promoted to a job which is not covered by the Agreement and in which the employee does not pay a monthly administrative fee to retain seniority pursuant to Article 7.G.2, (2) resigns from the Company, (3) is laid off and accepts employment in classifications not covered by any IAM Agreement, or (4) is otherwise terminated from the employ of the Company, will be deemed to have automatically revoked his assignment as of the date of such action. If such an employee (1) transfers back or returns to a job covered by the Agreement, (2) is rehired, (3) is recalled, or (4) is re-employed, further deductions of Union dues will be made only upon execution and receipt of another check off form. An employee who has executed a check-off form who enters layoff status directly from a position covered by this Agreement will have his dues or Service Fees deductions automatically reinstated upon direct recall to a classification covered under this Agreement.

12. The Union will be responsible to collect (1) back dues or Service Fees owed at the time of starting deductions for any employee, (2) dues or Service Fees missed because the employee was delinquent in dues or fees at the time of going on leave of absence, and (3) initiation (or reinstatement) fees or dues or Service Fees missed because of accidental errors in the Union’s accounting procedure.

13. Dues or Service Fee deductions are to be withheld from the first pay date of the month. Should a deduction be missed, or in the event an insufficient amount is deducted the proper adjustment will be made from the next pay check(s) until collected.
14. Check off forms submitted to the Company at least 12 days or more before the first pay date of the month will commence deductions on that date. When a check off form is submitted to the Company that indicates an initiation (or reinstatement) fee is to be withheld that fee will be withheld equally from the first 2 pay dates of the month and dues or Service Fee deductions will commence the following month.

15. In the event of termination of employment, there will be no obligation of the Company to collect initiation (or reinstatement) fee or dues or Service Fees until all other deductions have been made, and such obligation to collect dues or Service Fees will not extend beyond the pay period to which the employee’s last day of work occurs.

16. The seniority status and rights of employees granted leaves of absence to serve in the Armed Forces will not be terminated by reason of any of the provisions of this Section B, but such employees will upon resumption of employment in classifications covered by this Agreement be governed by the provisions of Section B.2 above.

17. When an employee is to be discharged by the Company under the provisions of this Section B, the discharge will be deemed to be for cause within the meaning of the terms of this Agreement. A grievance by an employee who is to be discharged as the result of an interpretation or application of the provisions of this Section B will be subject to the following procedure:

   a. Such employee who believes that the provisions of this Section B pertaining to him have been improperly interpreted or applied and who desires a review must submit his request for review in writing within 5 days from the date he receives notification of the discharge. The request will be submitted to the Vice President of Labor Relations with a copy to the President and Directing General Chairman of the Union. The Vice President of Labor Relations or his designee will review the grievance and render a written decision, to the employee, with a copy to the President and Directing General Chairman of the Union not later than 10 days following receipt of the grievance.

   b. If the decision is not satisfactory to either the employee or the Union, then either may appeal the grievance directly to the System Board of Adjustment within 15 days from the date of the decision. The terms governing the Board of Adjustment will be applicable, except as otherwise specified herein.

   c. During the period a grievance is pending under the provisions of this Section and until a decision is rendered by the Vice President of Labor Relations or his designee, or by the Board of Adjustment if appeal is made to that Board, the employee will not be discharged from the Company because of non-compliance with the terms of this Section B.
d. Saturdays, Sundays, and holidays will be excluded only from the time limits specified in this Section B.17.

C. **Union Officials**

1. The Union will notify the Company in writing of the election, appointment, or removal of Union Representatives. The District Lodge will notify the Company in writing of the Committee members at each location.

2. Effective upon the Date of Signing of this Agreement, the Company will assume the cost of a total of 500 hours of straight-time pay per year, to be used by employees authorized by the Union for the purpose of administration of this Agreement between the Union and the Company. Union Representatives and other employees authorized by District Lodge 141 must give prior notice and report all time spent on Union business to the designated management representative.

3. The parties will work with each other in good faith to ensure both that: (1) employees are reasonably represented in grievances and (2) the Company’s operation continues without undue delay.

4. The Union will provide the Company with the names, addresses, and phone numbers of its official Union Representatives.

5. The Company will provide the Union a reasonable amount of time as needed (not to exceed 2 hours) to participate in new-hire orientation for employees covered under this Agreement.

D. **Union Travel and Access to Company Facilities**

1. **Union Travel** Employees of the Union will be furnished positive space transportation over the lines of the Company for the purpose of administering this Agreement at the level and to the extent such passes are provided to officials of other unions representing other Company work groups.

2. **Bulletin Boards**
   a. The Company will provide bulletins boards (maximum dimension 3’ x 5’) acceptable to the Company for the Union’s exclusive use at each station where employees covered by this Agreement are located. The Company and the Union will determine the placement of bulletins boards by mutual agreement.
   
   b. No political, inflammatory, controversial, or derogatory material will be permitted on Union bulletin boards. Union bulletin boards will be used exclusively for Union notices or materials regarding the following:
      
      - Union recreational and social affairs
      - Union elections
      - Union appointments and results of Union elections
      - Union meetings
      - Educational materials relating to contract administration
      - Excerpts from official Union publications
There will be no other general distribution or posting by employees on the Company’s property.

3. **Union Access** The Company will sponsor the officially designated representative(s) of the Union in obtaining appropriate credentials (S.I.D.A. Badge). The Company agrees to admit to its bases the officially designated representative of the Union to transact business as is necessary for the administration of the Contract. Such business will not interfere with the operations of the Company.
ARTICLE 9: INVESTIGATIONS, GRIEVANCES & ARBITRATION

A. Investigations

1. An employee who has completed his/her probationary period will not be disciplined or discharged without just cause. Except for attendance/dependability matters below the level of termination warning, the Company will conduct an investigatory meeting with an employee to discuss charges that, with reasonable foreseeability, could result in discipline. The Company will provide written notice to the employee of any such action, and will copy the Union’s Local Committee on all such notices. An employee who has completed his/her probationary period will have access to the grievance process.

2. The Company will follow a progressive discipline system. This will not limit the Company’s ability to discharge employees for a single serious offense, to hold an employee out of service without pay, or to issue a disciplinary suspension if circumstances so warrant.

3. If the Company intends to question a non-probationary employee as part of an investigation that, with reasonable foreseeability, could result in discipline against that employee, the Company will inform the employee that he/she has the right to have a Union representative present during the questioning. If the employee elects to have a Union representative present, the Union representative will not interfere with the Company’s questioning, but at the conclusion of the Company’s questioning will be given an opportunity to ask clarifying questions. The Union representative will be afforded a reasonable opportunity to consult with the employee before questioning begins. This Section A.3 will not apply to Supervisor inquiries of employees in the normal course of work.

4. Employees held out of service pending investigation of disciplinary charges will incur no loss of pay, except that employees may be held out of service without pay when charged with any of the following: (1) being arrested for or charged with a disqualifying criminal offense that falls under the jurisdiction of the airport or city where the employee works; (2) participating in an unlawful or prohibited job action; (3) refusal or adulteration of a drug or alcohol test; (4) insubordination, or refusal to obey a direct order that is not safety-related; (5) refusal to participate in a Company investigation; (6) an act or threat of abuse or violence; (7) an act of fraud; or (8) use or possession of alcohol, illegal drugs, or weapons on Company property. In the event an employee is held out-of-service without pay, proposed termination charges will be prepared within 30 days from the date the employee was held out of service. If circumstances require an employee to be held out of service without pay and without charge for greater than 30 calendar days, the employee will revert to paid status beginning on the 31st day, provided the employee is otherwise fully qualified and available to work. Upon issuance of the proposed charges, the parties will meet to schedule the Investigative Review Hearing within 15 calendar days.

5. No employee will be disciplined to the extent of loss of pay (other than for insubordination, job abandonment or failure to attend a scheduled investigatory
meeting) or discharged from employment without a prompt, fair and impartial investigative hearing at which he may be represented and assisted by Union Representatives. Prior to the hearing, the Company will give the Union and employee copies of any previous disciplinary action letters which are to be considered, and the Company will advise the Union in writing of the precise charges against the employee. The Union and employee will have at least 72 hours advance notice (excluding Saturdays, Sundays, and Holidays) prior to any disciplinary hearing, and at least 72 hours (excluding Saturdays, Sundays, and Holidays) before the hearing the Company and the Union will provide to each other copies of documents or records upon which they intend to rely at the hearing. Any appeals of discipline imposed as a result of the investigative review hearing will be made directly to Step 3 of the grievance procedure using the rules and time limits which apply to that Step.

6. Witnesses necessary for a proper disciplinary investigation or hearing will be compensated at their applicable rate for time spent in the investigation or hearing. The employee charged or under investigation will be compensated for time spent in the investigation or hearing at his/her straight-time rate.

7. Upon written or verbal authorization from the employee, the Company will provide the Union with access to the employee’s personnel file at a time and location to be determined by the Company, and the Union will be entitled to copies of any documents contained in the file.

8. Upon receipt of the employee’s written request submitted no sooner than 15 months after the date of a disciplinary letter (including letters of warning, reprimand, or suspension), the Company will remove the record of that disciplinary action from the employee’s active personnel file. The 15 month waiting period will not include periods while the employee was on layoff, Leave of Absence or Extended Illness Status. Regardless of whether the employee requests removal, disciplinary letters more than 15 months old may not be considered by the Company as part of the employee’s past record when assessing subsequent discipline.

   a. In instances of disciplinary discharges or discipline involving a violation of the Company’s policy against harassment, discrimination, or retaliation (H&D Policy), the record will, pursuant to Section E.8 above, be removed from the employee’s personnel file. However, records will remain in the Company’s corporate fair employment practices files for 48 months and during that period may be considered in connection with future alleged instances of the employee’s violation of the Company’s H&D policy.

9. In the event that the Company determines that an employee holding a Specialist classification is not meeting the qualifications and performance requirements of the position, the following process will normally apply:

   a. The Company will provide the employee with coaching and counseling that makes the employee aware of his/her performance deficiencies and the improvements or corrections required to bring his/her performance to acceptable levels to remain in the Specialist position.
b. If the employee’s performance does not improve to acceptable levels, the Company will provide targeted training reasonably calculated to assist the employee in making the required improvements or corrections.

c. If the employee continues to perform below acceptable levels, a written warning will document that fact and formally notify the employee that failure to correct his/her performance to a level meeting the qualifications and performance requirements of the Specialist position will result in the employee being returned to the basic classification associated with the position. This written warning will remain in effect for 12 months, regardless of whether or when the Company determines that the employee either has improved to acceptable levels or should be returned to the basic classification.

d. At any time after issuance of the written warning while it remains in effect, the Company may return the employee to the basic classification based on its reasonable judgment that the employee does not meet the minimally acceptable qualifications and performance requirements of the Specialist position.

e. As circumstances warrant, these performance improvement steps may be accelerated or escalated to correct the employee’s conduct. Documentation is not subject to automatic purging and will remain in the employee’s file until it expires according to its terms.

B. Grievances and Arbitration

1. Purpose If an employee, group of employees, or the Union believes that the Company has either violated the Agreement in how it disciplined or discharged an employee or interpreted or applied the Agreement, the complaint should be settled at the lowest possible level based upon the facts and common sense under the following procedures. The Company will designate a representative(s) at each location where persons covered by this Agreement are employed who is empowered to settle all local grievances not involving change in Company policy, or interpretations, or changes in the intent and purpose of this Agreement.

2. Procedures

a. Time Limits Because the ability to research or document issues decreases over time, complaints must be lodged promptly after the disputed event occurs. The Company is not responsible for any monetary remedy extending more than 30 days prior to the filing of the complaint in writing in Step 1. Any Company answers not appealed in writing within the required time limits for any step of the procedure will be considered closed on the basis of the Company’s answer, unless the time limits have been extended by mutual written agreement. Complaints not timely answered by the Company are considered denied, and may immediately be appealed to the next step of the procedure. Time limits for hearings, appeals, decisions, and System Board responses exclude Saturdays, Sundays, and Holidays.
b. **Stenographic Record** Whenever the parties agree that a stenographic record should be made of any investigation or hearing provided for in this Agreement, the cost will be shared equally by both parties to the dispute. When it is not mutually agreed that such a stenographic record should be made, the party that desires such stenographic record may obtain and pay for it. A copy of such stenographic record will be furnished to the other party to the dispute upon request at pro rata cost. The cost of any additional copies requested by either party will be paid by the party requesting them, whether the stenographic record is taken by mutual agreement or otherwise.

c. **Management Grievance** The Company may file a grievance against the Union. Any such grievances will be filed in writing with the Union’s President and Directing General Chairperson, who will provide a written answer within 14 days. If the answer is unsatisfactory, the Company may appeal the grievance to the System Board within 14 days following receipt of the Union’s answer.

3. **Steps**
   a. **Step 1**
      (i) If an employee has a complaint, he should first discuss the matter with his Supervisor, who will attempt to settle the matter.

      (ii) If the issue is not satisfactorily resolved, the employee may request a Steward to handle the matter with the Supervisor.

      (iii) If the matter is still not resolved, within 30 days of when the employee first knew or should have known of the event giving rise to the dispute, the Steward must put the facts in writing on a standard form provided by the Company and give it to the Supervisor, who has 3 days to give the Union a written response. The complaint form and response will not prejudice either party from raising facts or arguments at future steps of this Grievance Procedure.

b. **Step 2**
   (i) If the Union decides to pursue the complaint further, it must be filed in writing with the Company on a standard grievance form within 15 days from the time for the Supervisor’s written response in Step 1.

   (ii) Unless other provisions in Step 2 apply, the grievance will be considered in a hearing between local management representative(s) and the Local Union Committee within 15 days of the Company receiving the Step 2 grievance form. The Company will provide a written answer to the grievance within 5 days after discussions have concluded. If it is not satisfied with the response, the Union may appeal the grievance to Step 3 of the procedure within 15 days from the Company’s written answer. This appeal may contain any disputed or additional germane facts.
(iii) At the request of either party, contract interpretation grievances concerning the intent rather than the application of the Agreement will not be heard in a Step 2 grievance hearing, but instead may be submitted directly to Step 3 of this Grievance Procedure. If upon review at Step 3 the parties agree that a grievance submitted under this Section relates to contract application rather than intent, the grievance will be returned directly to Step 2 for full consideration of all issues.

c. **Step 3** If not settled earlier, the grievance will be reviewed by representatives appointed by the Company and Union within 10 days of its referral to Step 3. **If the Union desires a formal hearing at the Step 3 level, the PDGC will make a request through the Director of Labor Relations.** The Company will provide a written answer within 14 days of this review. If the Union decides to further appeal the answer to the System Board, within 40 days from the Company’s answer it must perfect all facts in a written Submission to the Company and the System General Chairman.

d. **Step 4 - System Board of Adjustment** If the grievance remains unsettled after being processed through Step 3 above, the System General Chairman may request the case be heard by the System Board in compliance with Section 204, Title II of the Railway Labor Act as amended.

(i) **The System Board**

(A) The System Board of Adjustment will consist of 3 members: the Chairman, a neutral member selected in a manner agreeable to the Company and Union; a Company Member appointed by the Company; and a Union Member appointed by the Union. In matters relating to contract interpretation, all 3 members of the Board will hear and decide the case by majority vote. In disciplinary cases, only the Chairman will sit on the Board and will alone decide the case.

(B) Unless the parties agree otherwise, the Board will meet in the city where the Company’s Executive Offices are maintained.

(C) The Board will have the power to make sole, final and binding decisions on the Company, the Union, and the employee(s) insofar as a grievance relates to the meaning and application of this Agreement. The Board will have no power to modify, add to, or otherwise change the terms of this Agreement, establish or change wages, rules, or working conditions covered by this Agreement.

(ii) **Submissions to the System Board**

(A) To be properly before the System Board, the appealing party’s Submission must include: (a) the question or questions at issue; (b) a statement of the specific Agreement provisions which are claimed to have been violated; (c) all facts relating to the dispute.
which it intends to cite in support of its position; and (d) its full position.

(B) A copy of this Submission will be served on the other party.

(C) In cases involving appeals of disciplinary action, letters in the file, suspension, or discharge, the only written procedural step will be the Union’s Submission to the Board.

(D) In cases not involving appeals of disciplinary action, letters in the file, suspension, or discharge, either:

   (1) Within 40 days of receiving the appealing party’s Submission, the other party will file a Statement of Position with the appealing party and System Board that will include: (a) the question or questions at issue; (b) all facts relating to the dispute which it intends to cite in support of its position; and (c) the full position on which it will rely, or

   (2) Where the parties agree, in advance of the System Board hearing, the Company and Union will prepare a Joint Submission to the System Board which will be signed by each representative and presented to the System Board Member(s). The Joint Submission will include: (a) the issue or issues to be decided; (b) the facts on which the parties agree; (c) the disputed facts; and (d) the primary positions of each party.

   (3) Any delay in the filing of a Statement of Position will not cause a delay in the scheduling of the hearing unless expressly agreed to by the parties.

(E) Within 15 days after the date the Statement of Position or Joint Submission is filed with the other party, the parties will advise the System Board of the facts, if any, on which they desire to present evidence during the hearing. Each party will have the opportunity at the hearing to present evidence on the facts on which the other party presents evidence. The Chairman may also advise the parties the facts on which he desires to have evidence.

(iii) **System Board Hearings**

   (A) Witnesses who are Company employees will receive free non-revenue positive space (NRPS) transportation over the lines of the Company from the point of duty or assignment to the point at which they must appear as witnesses and return, to the extent permitted by law.

   (B) Witnesses testifying at the hearing may be required to do so under oath if requested by either party.

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(C) Evidence presented at the hearing may include sworn depositions, written evidence, or oral testimony.

(D) Notwithstanding Section B.2.b above regarding stenographic records generally, if a stenographic record of a Step 4 System Board hearing is requested by either party, the cost will be shared equally between the parties.

(E) Each party will assume the compensation, travel expense and other expenses of the witnesses it calls or summons. The expenses of the Chairman will be shared equally by the Company and the Union.

(F) No post hearing briefs will be required following System Board hearings, but either party will be entitled to submit a brief if it so chooses.

(iv) System Board Decisions

(A) The Chairman will give his written decision within 30 days of the close of the hearing unless extended by mutual agreement.

(B) The Chairman’s copy of all transcripts and/or all records of cases will be filed in a place to be provided by the Company that will be accessible to the parties.
ARTICLE 10: GENERAL & MISCELLANEOUS

A. Management and Operation of Business

1. Except as restricted by this Agreement, the Company has the sole and exclusive right to manage, operate, and maintain the efficiency of the business and working forces. This includes the rights: to hire, discipline, suspend and discharge employees for just cause; to hire, promote and demote employees, and maintain discipline and efficiency in the Company’s facilities; to determine where and when to operate scheduled or unscheduled flights; to determine the type and location of facilities, equipment, and aircraft the Company will utilize; to sell or discontinue all or part of the business; to sell or lease aircraft or facilities; to determine marketing methods and strategies; to enter into code sharing, affiliation, or marketing agreements with other carriers; and to invest (including equity investments) in other business entities including, without limitation, other air carriers.

2. The exercise of any right reserved herein to management in a particular manner, or the non-exercise of a right, will not operate as a waiver of the Company’s rights, nor preclude the Company from exercising the right in a different manner. The rights enumerated above will not be deemed to exclude other preexisting rights of management, except as expressly provided in this Agreement.

B. No-Strikes, No-Lockouts

1. The parties intend the procedures in this Agreement and the Railway Labor Act to serve as a means of peaceable settlements for all disputes that may arise between them.

2. During the life of this Agreement, and continuing through 30 days following the date, if any, the parties are released from mediation by the National Mediation Board in connection with negotiations for a successor Agreement:

   a. The Company, including its directors, officers, representatives, and agents, will not lock out any employee.

   b. The Union (including its directors, officers, representatives, and agents), will not cause, support, promote, or authorize, or authorize its members to cause, nor will any member of the Union participate in, any sit-down, stay-in, job action, or slow-down in any location or facility of the Company; any curtailment or restriction of the operations or any work of the Company; any strike or stoppage of any of the Company’s operations; or any picketing of any of the Company’s facilities or premises. These prohibitions will also apply where a grievance or dispute comes under the jurisdiction of the System Board of Adjustment as provided for in this Agreement. The Company reserves the right to discipline any employee taking part in any violation of this provision. Notwithstanding the provisions of this Section, it is understood that (1) there is no contractual prohibition on the ability of employees to honor lawful picket lines of the Company’s employees, on or in front of the premises; and (2) the employees covered by this Agreement are not prohibited from engaging in a
concerted refusal to perform Struck Work. Struck Work for purposes of this contract means when the Company, in response to a labor dispute at a company where the employees are engaged in a lawful strike, is performing work for that company pursuant to an agreement or arrangement with the company and the Company has not previously performed such work.

C. **New Equipment, Technology and Methods**

1. In the event of the introduction of new or different technology or methods which will have a significant impact on employees under this Agreement, the Company and the Union will meet and confer at least 60 days prior to the implementation of the new or different technology or methods to objectively review and evaluate the impact of the technological or method change. The following will be considered during the review and evaluation:

   a. A detailed description of the nature of the proposed technological or method changes.
   
   b. The approximate number, locations and employee classifications likely to be affected by the technological or method change.
   
   c. The impact on the job security of the employees in the affected classification(s).
   
   d. The reason for the change and the impact it will have on the Company’s operation.
   
   e. The Company’s plan to minimize the impact of the technological or method change on the employees affected.

2. If technological or method changes result, or are likely to result, in a reduction in force of employees covered by this Agreement, the Company will meet with the Union, in order to discuss and consider alternatives to the reduction in force that would minimize or eliminate the reduction in force.

D. **Safety**

1. Safety is United’s most important priority and is the responsibility of all employees. All employees are expected to help maintain a safe, sanitary, clean and healthy work environment. Each employee will work in a safe manner to ensure unsafe acts or conditions are eliminated. To ensure a safe environment, employees are required to comply with the Company’s safety programs, safety policies and procedures. Employees are expected to immediately report unsafe conditions, equipment, tools and practices to a supervisor in the affected work area.

2. The Company will maintain emergency first aid equipment accessible to employees.

3. The Company agrees to maintain safe, sanitary, and healthy working conditions in all facilities and agrees to furnish good drinking water and sanitary fountains.
4. The Company and IAM-represented employees will comply with all federal, state, and local laws, rules, and regulations applicable to providing a safe work place for employees.

5. Reasonable time without loss of pay will be allowed to employees for participation in safety meetings and to resolve safety infractions.

6. It is an obligation that employees proactively report safety concerns to management. The Company and Union will jointly review safety incidents to identify “root cause” and corrective actions as required and will provide safety related documents as reasonably requested by the Union.

7. The Company acknowledges the importance of all of the safety programs, including its Blood borne Pathogen Exposure Control Plan as well as ergonomics studies and equipment review to safeguard employees from working in unsafe or unsanitary conditions.

8. The Company will furnish all necessary safety devices for employees working on hazardous or unsanitary work, and employees will be required to use or wear such devices in performing such work.

9. The Company will make available, at no cost to covered employee, a complete post-exposure evaluation when warranted.

10. An employee has the right to refuse to perform work he or she reasonably believes to be unsafe or in violation of established health and safety rules, or any local, state or federal health and safety regulations or laws.

11. When any new equipment is put into service by the Company, employees covered by this Agreement will be given an opportunity to become familiar with such new equipment, provided, however, that the Company may establish a reasonable time within which such employee must become familiar with such equipment.

12. Employees covered by this Agreement will be subject to all applicable federal, state, and local regulations and Company policies with respect to the use, possession, testing on reasonable suspicion, and removal from/return to duty requirements involving the use of alcohol, illicit drugs, and other controlled substances. An employee impaired at work, with a confirmed positive test for alcohol, illicit drugs, or other controlled substances will be discharged for cause. However, at the sole discretion of the Company, an employee who is discharged under this provision may be offered an opportunity for conditional reinstatement under such terms and conditions as the Company determines appropriate based on the individual facts and circumstances.

E. Uniform/Appearance Standards

1. In the event the Company requires employees under this Agreement to wear common shirts, such shirts will be provided at no cost to the employee. These shirts shall be replaced by the Company at such a time as they become worn beyond
their useful life.

2. Employees may wear the official Union pins on a place visible on their shirt and in compliance with the local department appearance policy.

3. Employees are responsible for laundering and maintaining all company provided garments in a clean and presentable manner.

4. A Uniform Committee representative from each classification required to wear common shirts will be provided an opportunity to participate in the selection, change, or alteration of common shirts.

F. **Badging & Security**

Consistent with the needs of the operation, on a local basis the Company will discuss accommodations that might be required in individual cases to allow employees to obtain necessary security badges. Once per year employees will be allowed 60 minutes, not including meal or break times, during working hours to secure airport security badge annual renewals. Employees not scheduled to work during airport badging office hours will be compensated for 60 minutes at the straight time rate once per year for time spent for the annual airport badge renewal.

G. **Service Records for Separating Employees**

Upon the request of an employee separating from employment, the Company will provide the employee with a copy of his service record reflecting the employee’s years of service and work history with the Company.

H. **Pleasure Travel**

Employees and their eligible family members will be provided the same free and reduced rate pleasure travel privileges and/or modifications as the Company extends to other major non-management work groups in accordance with Company policy, as may be amended by the Company. The Union will be notified of any changes in policy prior to implementation.

I. **Distribution of Agreement**

The Company will provide employees with access to the terms of this Agreement (a) electronically, with hyperlinks, on the Company’s employee website; (b) by maintaining a limited number of printed copies at each work location for use and consultation at the location; (c) by providing means for employees either to download the terms of the Agreement on USB or flash drives provided by the employee, or to print individual Sections or sections; and (d) by printing a modest number of copies of the Agreement for distribution to employees upon finalization of the printed form of the Agreement.

J. **Provisions for Parking**

1. If free parking facilities are not readily available for employees at their normal work locations, the Company will pay the standard monthly parking fee charged for parking in the area designated for employees at that location.
2. Employees may be responsible to pay the cost of replacement fees for parking decals, stickers, gate cards, keys or similar items.

K. Non-Discrimination and Gender References

1. In keeping with the established policies of the Company and the Union, this Agreement will apply equally to all employees regardless of any protected category under applicable law, including age, citizenship, color, disability, gender, gender identity, genetic information, national origin, pregnancy, race, religion, sexual orientation or veteran status. The Company will not discriminate or retaliate against any employee because of his membership in or lawful activity on behalf of the Union.

2. Whenever this Agreement refers to employees or jobs in the male or female gender, the reference will be recognized as including both genders equally.

L. Indemnification

1. In the event any employee covered by this Agreement is sued in a civil action for damages or other financial relief arising out of such employee’s performance of her/his regular paid duties as specified by the Company (including any such action initiated by a fellow employee), the Company, through its insurers, will defend, indemnify, and hold harmless such employee from any money judgment or money award rendered against her/him because of actions taken on behalf of the Company within the scope of his/her performance of regular paid duties, unless it is finally determined by a court of competent jurisdiction that such damages or award resulted from the employee’s gross negligence, fraud or willful misconduct.

2. It is expressly understood that such defense, indemnification, and hold harmless of any employee is limited by and subject to all terms and limitations of the Company’s policy with its insurers as modified and in effect at the time of such action or judgment.

M. Agreements and Amendments

All formal agreements, amendments, deletions, and additions to this Agreement must be approved by the Union’s President and Directing General Chairperson and the Company’s Vice President, Labor Relations, or their designees.

N. Saving Clause

1. The parties’ intent is that this Agreement be and remain in compliance with all applicable laws and regulations. If any provision of this Agreement is in violation or potential violation of any applicable law or regulation, or if any provision of this Agreement is rendered or declared invalid by any existing or subsequently enacted legislation or by any decree of a court of competent jurisdiction:

   a. The remaining provisions will be unaffected and will continue in full effect, and
b. At the request of either party, the parties will, in a timely manner, meet and confer for the purpose of curing the violation or potential violation in a way that requires the least change, disruption of the existing circumstances, and additional cost as is possible while minimizing any negative impact on the employees.

O. Successorship Transactions

1. The Company and any Parent will require any successor, assign, assignee, transferee, administrator, executor, and/or trustee of the Company or of a Parent (a “Successor”) resulting from the transfer (in a single transaction or in multi-step transactions) to the Successor of the ownership and/or control of 50% or more of the equity of the Company or Parent or 50% or more of the value of the assets of the Company or the Parent (a “Successorship Transaction”) to continue to recognize and treat with the Union as the representative of the employees covered by this Agreement, to employ or cause the Company to continue to employ the employees represented by the IAM in accordance with the provisions of the Agreement, and to assume and be bound by the Agreement. “Parent” refers to “United Continental Holdings, Inc.” (“UCH”) or any entity that has a majority control of the Company, whether directly or indirectly through the majority control of other entities that have majority control of the Company. This Agreement will be binding upon any Successor of the Company unless and until changed in accordance with the provisions of the Railway Labor Act, as amended.

2. The Company and its Parent will not conclude any agreement for a Successorship Transaction unless the potential Successor agrees in writing, as an irrevocable condition of the Successorship Transaction, to assume and be bound by this Agreement, to recognize the Union as the representative of the Company’s employees, to guarantee that the employees represented by the IAM under this Agreement will be employed by the Successor in accordance with the provisions of the Agreement, and if the Successor is an air carrier or an entity that controls an air carrier, to abide by Section 3, below.

3. In the event of a Successorship Transaction in which the Successor is an air carrier or entity that controls or is under the control of an air carrier, the Company will require, as a condition of any operational merger that the Successor will provide employees covered under this Agreement with seniority integration rights pursuant to the McCaskill-Bond amendment and Sections 2, 3 and 13 of the Labor Protective Provisions specified by the Civil Aeronautics Board in the Allegheny-Mohawk merger (“Allegheny-Mohawk LPPs”).

4. In the event the Company or its Parent receives a proposal (a “Proposal”) for a transaction which would result in a Successor if completed, and the Company or its Parent determines to pursue or facilitate the Proposal, the Company or its Parent will in good faith seek to provide the Union with the opportunity to make a competing Proposal at such time and under such circumstances as the Board of Directors of the Parent or the Company reasonably determines to be consistent with its or their fiduciary duties.
5. Consolidation(s) or corporate merger(s) among or between United, Continental, UCH, Continental Micronesia (CMI), and/or Mileage Plus (MPI) (a) will not change the “single carrier” status, or the recognition, bargaining or contract compliance obligations of the entity or entities that result from or remain after such (a) transaction(s), (b) will not constitute a Successorship Transaction, and (c) will not trigger any obligations under this Section O or otherwise be deemed a violation of the Agreement.

P. **New Hire Orientation**

The Union will be permitted to participate in new-hire employee orientation or initial training sessions which include Union-represented employees under this Agreement.

Q. **Type Rating**

The opportunity to complete training and type-rating certification on assigned aircraft fleet type may be offered to Fleet Technical Instructors, Emergency Procedures Instructors, Fleet Training Specialists, Emergency Procedures Specialists and Flight Training Program Developers who meet FAA certification and experience prerequisites. Training will not include flight training in Company aircraft. Training will be offered as availability of the Company’s facilities and training programs allow.

R. **Fleet/Department**

Employees covered by this Agreement will be assigned to a Fleet or Department and will do the work specific to that Fleet or Department, however, the Company may assign work to qualified employees covered by this Agreement but outside of those specific Fleets/Departments, including such work that may be common to several Fleets or Departments with due consideration for classification of work. The Union will be provided an opportunity to consult with the Company to ensure that the involved employees have received the appropriate training and possess the appropriate competence to do the work.

S. **Crew Member Training**

With the exception of FAA, the training of crew members from other airlines will not be combined with United crew members in the same classroom or training event. Observers are permitted, but will not participate in training.

T. **Work Relocation**

In the event of the geographical relocation in whole or in part of work covered by this Agreement, the Union and Company will meet to establish a transfer and or layoff procedure.

U. **Fleet Technical Instructor**

Fleet Technical Instructor and related work will be performed by employees covered by this Agreement. Supervisors and Managers should not perform Fleet Technical Instructor and related work, except for incidental or occasional performance of such work to ensure the integrity of the operation. The Company and Union intend this to be limited to unique, unforeseeable, emergency, or other critical and safety-related situations, and that any such work performed be non-repetitive, short in duration and operationally critical, and where no hourly-rated employee could reasonably be
anticipated to perform the task. In no event will any Fleet Technical Instructor and related employee be denied the opportunity for compensated work. However, it is the responsibility of all co-workers to provide the best customer service and to support the operation. In the event disputes over the extent to which, or circumstances under which supervisory or management personnel perform Fleet Technical Instructor and related work may arise, the Department Manager and Local Committeeperson will promptly meet and confer in an effort to resolve such matters and to determine an appropriate resolution, including but not limited to pay for denied opportunities for compensated work or overtime, consistent with these provisions and the negotiating processes that led to this Agreement.

V. Agreement When this Agreement is accepted by the parties and signed by their authorized representatives, it will supersede any and all existing agreements and understandings, explicit or implicit, affecting the craft or class of employees covered by this Agreement. Any customs, employment policies or interim arrangements established prior to the date of this Agreement will not create any contractual or legal obligation to continue such customs, policies, or arrangements following the Effective Date of this Agreement.
ARTICLE 11: TRAVEL AND EXPENSES

A. Temporary Duty (TDY) Employees may be assigned to Temporary Duty (TDY) at another location. TDY shall be assigned as follows:

1. Every attempt shall be made to schedule TDY from a list of available volunteers in bid seniority order. However, the Company may consider an employee’s home of record before considering volunteers in bid seniority order.

2. If there are not enough volunteers, assignments shall be made in inverse bid seniority order until each employee has been involuntarily assigned once per calendar year.

B. Line Observation Program Days

1. Fleet Technical Instructors and Fleet Training Specialists will maintain familiarity with line operations on their assigned fleet by being scheduled for Line Observation Program days or training observation events in accordance with the applicable Advanced Qualification Program (AQP) document. Line Observation Program days/training events may be scheduled upon instructor request with concurrence of the Fleet Planner/scheduler. Relevant provisions of the Flight Operations Manual will govern the conduct of employees occupying jump seats. The Union will be consulted prior to any change to the jump seat policy which affects employees covered by this Agreement.

2. When an employee covered by this Agreement is required to travel on the Line Observation Program with a Flight Crew they will be accommodated at the same overnight lodging as the Flight Crew, provided space is available.

C. Travel

1. When employees covered by this Agreement travel away from their training center to attend or conduct training or any Company required business, they shall be paid for such work on the same basis as at their training center.

2. If employees travel on regular days off, the RDO will be restored in the current month, the following month, or retained as compensatory time with management approval.

3. Upon return to their training center, or home of record with management approval, employees shall have a minimum of twelve (12) hours rest before being required to report for their next assignment. The employee may waive this limit.

4. Employees will not be required to stay in hotels where union employees are on strike or picketing the hotel.

5. The Company will maintain information accessible to all employees on travel assignments regarding airport security regulations, a local point of contact, and an emergency contact procedure for all locations where employees covered by this agreement attend or conduct training or any other Company required business.
D. **Expenses**

1. Employees will upon request be provided a five hundred dollar ($500) per week travel advance, provided the employee is enrolled in direct deposit. Travel advances must be resolved prior to any further advances being issued.

2. Where the Company does not provide transportation and lodging, actual expenses will be reimbursed in addition to per diem referenced in Section D.5 below. Where overnight lodging is approved by the Company for employees away from their training center, single room accommodations will be provided. If required to secure his own transportation and/or lodging, an employee shall submit an expense claim in accordance with the Company Business Travel policy and shall be reimbursed in a timely manner.

3. With prior management approval, an employee may be allowed to secure a rental car when they are away from their training center, if necessary for the purpose of transportation during TDY assignments. Employees may be required to share rental cars with other employees where appropriate.

4. Employees traveling for work assignments shall be reimbursed for long term parking at airports where parking or airport transportation is not available.

5. Employees who travel on Company business will receive per diem to cover all expenses other than transportation and lodging, while away from their base station, beginning with the actual flight departure from the employee’s training center location and ending with the actual time they return to their training center location (flight block in). The per diem rate will be increased according to the table below. Per diem shall be discontinued during any period of days off during which an employee returns to the training center location or home residence. An employee shall submit an expense report in accordance with Company regulations for expenses not covered by per diem. Employee expenses shall be reimbursed in a timely manner.

<table>
<thead>
<tr>
<th>Effective Date</th>
<th>Per Diem Rate</th>
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<tbody>
<tr>
<td>11/17/2014</td>
<td>$2.10</td>
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<tr>
<td>1/1/2015</td>
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<td>1/1/2016</td>
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<td>$2.25</td>
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<tr>
<td>1/1/2018</td>
<td>$2.30</td>
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</table>
ARTICLE 12: EFFECTIVE DATE & DURATION

A. Effective Date The provisions of this Agreement will become effective on April 18, 2016 (the “Effective Date”) except as otherwise specifically stated in the Agreement.

B. Amendable Date This Agreement will continue in full force and effect through and including December 31, 2021 and will thereafter renew itself without change each succeeding January 1, unless written notice of intended change is served in accordance with Section 6, Title I, of the Railway Labor Act, as amended (the “Act”) by either party no earlier than 18 months prior to December 31, 2021 or any December 31 thereafter.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this April 18, 2016.

For United Airlines, Inc.: For the International Association of Machinists and Aerospace Workers, AFL-CIO:

/s/ Greg Hart /s/ Sito Pantoja
Greg Hart Sito Pantoja
Executive VP & COO General Vice President – Transportation
United Continental Holdings, Inc. IAMAW

/s/ Mike Bonds /s/ Mike Klemm
Mike Bonds Mike Klemm
Executive VP, HR & Labor Relations President and Directing General Chairman
United Continental Holdings, Inc. IAMAW – District 141

/s/ P. Douglas McKeen /s/ Timothy J. Klima
P. Douglas McKeen Timothy J. Klima
Senior VP, Labor Relations Airline Coordinator
United Continental Holdings, Inc. IAMAW

/s/ Howard Attarian /s/ James Carlson
Howard Attarian James Carlson
Senior VP, Flight Operations Assistant Airline Coordinator
United Continental Holdings, Inc. IAMAW

/s/ Sam Risoli /s/ Mike Manzo
Sam Risoli Mike Manzo
Senior VP, Inflight Services Grand Lodge Representative
United Continental Holdings, Inc. IAMAW

12-1
## Article 12

Effective Date & Duration

<table>
<thead>
<tr>
<th>/s/ Jeff Wall</th>
<th>/s/ Sandy Gardner</th>
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<tbody>
<tr>
<td>Jeff Wall</td>
<td>Sandy Gardner</td>
</tr>
<tr>
<td>VP, Labor Relations</td>
<td>Grand Lodge Representative</td>
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<td>United Continental Holdings, Inc.</td>
<td>IAMAW</td>
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<tr>
<th>/s/ Mike Hansen</th>
<th>/s/ Richard Pantoja</th>
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<tr>
<td>Mike Hansen</td>
<td>Richard Pantoja</td>
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<tr>
<td>Managing Director, Labor Analysis</td>
<td>Research Economist - IAMAW</td>
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<tr>
<th>/s/ Chad Melby</th>
<th>/s/ Mike Cyscon</th>
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<tr>
<td>Chad Melby</td>
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<th>/s/ Laura Stone</th>
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<th>/s/ Joe Bartz</th>
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<td>Senior Manager, Labor Relations</td>
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<td>Victor Hernandez</td>
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<tr>
<th>/s/ Gabriel “Bill” Imbemba</th>
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<td>Negotiating Committee</td>
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</table>
April 4, 2016

Mike Klemm
President & Directing General Chairperson
Air Transport Lodge District 141
International Association of Machinists &
   Aerospace Workers, AFL-CIO
1771 Commerce Drive, Suite 103
Elk Grove Village, IL 60007

Dear Mr. Klemm:

This confirms our understanding and agreement regarding implementation process for the pending tentative agreements covering the crafts and classes of Central Load Planners, Fleet Service Employees, Fleet Technical Instructors and Related, Maintenance Instructors, Passenger Service Employees, Security Officers and Storekeepers, contingent on ratification and execution of such agreements.

Whereas, United and the IAM recognize that there will be technical and logistical challenges to the immediate implementation of the terms of new agreements, including but not limited to the integration of IT, time and attendance, and payroll systems; and

Whereas, United and the IAM acknowledge that, although the parties discussed many of these implementation and transition issues during negotiations, it is likely that additional and as yet unforeseen impediments and complications will arise in the future; and,

Whereas, United and the IAM desire to provide for the systematic handling of implementation challenges;

Therefore, United and the IAM have agreed as follows:

1. United will use its best efforts to fully implement the terms of the new agreements as soon as reasonably practicable and will share implementation targets and timelines with the Union, as well as regular updates and progress reports. As impediments or other issues in doing so arise, the Company or Union will notify the other party, and the parties will meet promptly to discuss the issues and develop practicable solutions to address the underlying interests, consistent with the process by which the agreements were negotiated. The parties will attempt to mitigate or avoid detriment, losses or harm to affected employees, to the extent practicable.

2. It is expressly agreed that changes to work rules as set forth in the agreements will not be implemented at the effective date, but rather will be effective only upon their actual implementation, as determined by the Company and Union based on availability of resources and required programming, system re-configuration and changes in technology. No retroactive payments or “look back” payments will be due as a result of the scheduled or actual implementation of any of the terms of the new agreements, except that rates of pay will be fully implemented on their effective dates as specified in the agreements.
3. Should any of the implementation items not be completed by the date of the first scheduled pay scale increase (November 15, 2016), United and IAM will engage in a problem-solving process to determine the extent to which the failure to complete implementation should be considered unreasonable, whether the Company’s efforts may be considered insufficient, and whether employees are entitled to any prospective remedy pending the completion of implementation. Should any dispute remain unresolved, it may be processed on an expedited basis at the System Board of Adjustment in accordance with the terms of the agreements.

4. To further the working relationships established, United and the IAM agree to engage in an issue resolution process, as appropriate and necessary, to address matters that may arise under the agreements. The parties agree that such process is not intended to provide for substantive changes in the basic terms and conditions of the agreements, except as may be mutually agreed, and that such process will not be covered by or conducted pursuant to Section 6 of the RLA or be deemed a waiver of the parties’ agreement in Article 11, Effective Date and Duration, of the respective collective bargaining agreements.

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

Sincerely,

/s/ Thomas Reardon
Thomas Reardon, Director, Labor Relations

Agreed, this 4th day of April, 2016:

/s/ Mike Klemm
Mike Klemm
President & Directing General Chairperson
Air Transport Lodge District 141
International Association of Machinists & Aerospace Workers, AFL-CIO
LOA #2: Lump Sum Payment

April 4, 2016

Sito Pantoja
General Vice President-Transportation
International Association of Machinists
& Aerospace Workers
9000 Machinists Place
Upper Marlboro, MD 20722-2687

Dear Mr. Pantoja:

This confirms our understanding and agreement regarding lump sum payments to eligible employees within the Central Load Planners, Fleet Service Employees, Fleet Technical Instructors and Related Employees, Food Service, Maintenance Instructors, Passenger Service Employees, Security Officers, and Storekeepers crafts and classes (the “Eligible Crafts and Classes”) in connection with the ratification and execution of the tentative agreements dated April 4, 2016.

Part of the compensation package included in the 2016-2021 tentative agreements includes a $100 million lump sum payment which will be paid contingent upon and after ratification to eligible IAM members in the Eligible Crafts and Classes.

Should the contract(s) ratify, United will provide to the IAM for review a list of eligible employees on the date of signing of the Agreement so that the distribution process can begin. United will also provide the IAM all payroll data and information reasonably requested by the Union in connection with developing the allocations to eligible employees. United Airlines agrees to pay the first distribution within 60 days of the date of signing of the ratified contracts. Should there be any contract(s) that fail to ratify, eligible employees under the ratified contracts will receive their shares in the same manner and amount as if all contracts had ratified.

We have agreed $100,000,000 will be the total payment amount, and any fringe benefits or other deductions or payments (e.g., taxes, other than the employer’s share of FICA) that are legally or contractually required to be made or increased in amount because of the payments to individual employees herein will not increase the Company’s financial liability beyond the $100,000,000.

All payments under this Letter of Agreement will be made separately from employees’ normal paychecks and will be subject to withholding of (i) applicable taxes as required by law; and (ii) Union dues, fees and assessments. The lump sum payments will not be considered pensionable earnings under either the IAM National Pension Plan or the Continental Retirement Plan, or eligible compensation for purposes of company contributions or company-matching contributions to any defined contribution (401(k) plan(s). Employees may make individual contributions to the 401(k) plan(s).

United and IAM have agreed on the methodology for eligibility and allocation of the $100,000,000 to employees. Eligible employees will receive an equal share per year of completed Company Service as of the date of signing of the Agreement, approximately $200 per year of service. Eligible employees with less than one year of service will receive a minimum payment equal to a one-year share.

Employees in the following status on the date of signing of the Agreement will be considered eligible for the lump sum payment:

LOA #2-1
2016 – 2021 Fleet Technical Instructors & Related Agreement

- **Active**

- **Leaves of Absence**
  - Educational (*Only includes educational leaves provided for in the CBA, does not include employees on a Company offered Special Leave*)
  - Illness
  - Military
  - Personal (*Only includes personal leaves provided for in the CBA, does not include employees on a Company offered Special Leave*)

- **Temporary Assignments**

To ensure that the Company’s total liability or payments do not exceed the total payment amount a holdback amount shall be established which will be funded through withholding two percent (2.00%) of the $100,000,000 to correct any errors or omissions in the allocation, calculation, and distribution of amounts to employees, as determined in the challenge process described below. Such errors or omissions will be paid by the Company from the holdback amount no later than 60 days after the date that the challenge process described below is fully concluded and becomes final and non-appealable. Any portion of the holdback fund that remains unpaid after satisfying any errors or omissions as determined in the challenged process shall be paid pro rata to eligible employees according to the allocation methodology.

Challenges, if not resolved by the IAM and United, will be decided by a neutral arbitrator selected by the IAM and United in the same manner as a neutral member of a System Board of Adjustment. If notwithstanding this challenge procedure, an employee brings an action or charge against the Union and/or the Company pertaining to the terms and/or application of this Letter, the defending parties shall bear their own costs and fees associated with their defenses.

Please indicate your concurrence by signing one copy of this Letter of Agreement as indicated below, and returning it to the undersigned.

Sincerely,

/s/ P. Douglas McKeen  
P. Douglas McKeen  
Senior Vice President, Labor Relations  
United Airlines  
Agreed, this 4th day of April, 2016

/s/ Sito Pantoja  
Sito Pantoja  
General Vice President-Transportation  
International Association of Machinists & Aerospace Workers, AFL-CIO

LOA #2-2
April 4, 2016

Sito Pantoja
General Vice President-Transportation
International Association of Machinists
& Aerospace Workers
9000 Machinists Place
Upper Marlboro, MD 20722-2687

Dear Mr. Pantoja:

On behalf of United Continental Holdings, Inc., a Delaware corporation (the “Corporation”), reference is made to the Restated Certificate of Incorporation of the Corporation (the “Charter”). Capitalized terms used but not defined herein have the respective meanings set forth in the Charter.

The Corporation hereby confirms that, pursuant to Part III of the Charter regarding the Class IAM Junior Preferred Stock, the IAM, as holder of the Class IAM Junior Preferred Stock, shall continue to have voting rights as prescribed therein until such time (the “IAM Termination Date”) as (i) there are no longer any persons represented by the IAM (or any IAM Successor) employed by the Corporation or any of its Affiliates or (ii) the letter agreement between the Corporation and the IAM, dated as of May 1, 2003, no longer provides that the IAM has the right to appoint a director of the Corporation. As set forth fully in Part III of the Charter, until the IAM Termination Date, the IAM as holder of the share of Class IAM Junior Preferred Stock shall have the right, voting as a separate class, to (1) elect one director to the Board of Directors at each annual meeting of stockholders for a term of office to expire at the succeeding annual meeting of stockholders, (2) remove such director with or without cause and (3) fill any vacancies in such directorship resulting from death, resignation, disqualification, removal or other cause.

Please acknowledge and confirm your agreement with the terms set forth above by signing this letter agreement in the space indicated below.

Sincerely,

UNITED CONTINENTAL HOLDINGS, INC.

/s/ Brett J. Hart
Brett J. Hart
Executive Vice President, General Counsel and Secretary

Acknowledged and agreed,

INTERNATIONAL ASSOCIATION OF MACHINISTS
& AEROSPACE WORKERS

/s/ Sito Pantoja
Sito Pantoja
General Vice President-Transportation

LOA #4-1
April 4, 2016

P. Douglas McKeen  
Senior Vice President, Labor Relations  
United Airlines  
233 S. Wacker Drive, 25th Floor  
Chicago, IL  60606

Dear Mr. McKeen:

This confirms our understanding and agreement with respect to job protections and the contracting out of work. United hereby commits that, through July 1, 2024, the Company will not contract out any work currently performed by those IAM-represented United employees covered under the Passenger Service Employees and Fleet Service Employees collective bargaining agreements at all hub and station airport locations, including but not limited to:

- Work at stations as set forth under Article 2.A.1;
- Work in support of United Express operations at CLE, EWR, IAH, LAX, ORD and SFO;
- Work insourced in support of the United Express operation at IAD;
- Work insourced in DEN in support of the United Express operations and TOB;
- Work retained through agreement between United and IAM (pursuant to Article 2.A.4.b) at ATL, BIL, IND, KOA, LIH, MCI, OGG, RDU, RNO, RSW, SAT, SJC, SJU, SLC, SMF, STL, and TUL.
- Work performed by IAM-represented employees covered under the Central Load Planners, Storekeeper Employees, Maintenance Instructors, Fleet Technical Instructors & Related and Security Officers collective bargaining agreements.
- Work performed by IAM-represented reservations agents covered under the Passenger Service Employees collective bargaining agreement.

After July 1, 2024, the provisions of Article 2 in the collective bargaining agreements for IAM-represented employees will remain in full force and effect, except to the extent modified by subsequent agreement.

Sincerely,

/s/ Sito Pantoja  
Sito Pantoja  
IAM General Vice President

Agreed this 4th day of April, 2016:

/s/ P. Douglas McKeen  
P. Douglas McKeen  
Senior Vice President, Labor Relations

LOA #9-1
LOA FTI 3: EPI/EPS Job Protections

Original November 17, 2014
Renewed April 4, 2016

Mike Klemm
President & Directing General Chairperson
Air Transport Lodge District 141
International Association of Machinists & Aerospace Workers, AFL-CIO
1771 Commerce Drive, Suite 103
Elk Grove Village, IL 60007

Dear Mr. Klemm:

This confirms our understanding and agreement regarding job protection for Emergency Procedures Instructors and Emergency Procedures Specialists (EPI’s/EPS’s) as part of the Fleet Technical Instructors and Related Agreement dated November 16, 2014. The job security described below is provided in consideration of the Company’s ability to assign other Company employee’s to Flight Attendant emergency procedures instruction at the Company’s sole discretion.

1. Scope/Vacancies:
   a. The EPI/EPS job description will remain, but EPI’s/EPS’s will maintain a claim only to pilot emergency procedure instruction work which will be shared with FTIs. EPI’s will have ability, and may be required to perform both pilot and flight attendant emergency procedures training and other training as needed. The Company agrees that flight attendant emergency procedures training will not be covered work under any other collective bargaining agreement for any class or craft at United.
   b. The IAM remains bargaining agent and duly certified representative to resolve disputes for currently represented employees.

2. Job Description:
   a. The EPI/EPS job description will specify pilot emergency procedures instruction training as core work, with flight attendant training or other assigned training as non-core additional duties to be assigned at the discretion of the Company, remaining at the work location.

3. Job Security:
   a. No EPI/EPS will be furloughed as long as other United employees perform customary EPI/EPS flight attendant training work. However, the Company may furlough EPI/EPS under the following circumstances:
      (i) Any significant reduction of operations and/or training capacity, technological advances rendering covered work unnecessary or obsolete;
      (ii) FAA mandates that this work must be performed by other work groups.
   b. If an employee is furloughed for one of the above enumerated reasons the employee will be separated if they fail to exercise their seniority rights in any Union position on property or transfers into a different position within 90 days.
   c. The Company is excused from compliance with above due to force majeure events.

LOA #FTI 3-1
2016 – 2021 Fleet Technical Instructors & Related Agreement

d. EPI will remain a classification under this Agreement until final EPI/EPS protected, voluntarily leaves position, retires, is promoted, or is terminated for cause.

e. The Company will create a career path for current EPI/EPS to transition to the FTI classification and or other positions within the Company based on a competitive selection process.

f. The Company agrees that it will maintain a minimum level of EPI/EPS to perform pilot emergency procedure training. No EPI assigned to perform pilot emergency procedure training will displace an FTI or create a furlough of an FTI.

4. Seniority and furlough protection:
   a. Employees who transfer to another position or are promoted have a right to return for 180 days from the date of transfer or promotion.

5. Unless modified herein, the terms of basic agreement apply to EPI’s/EPS’s.

6. Buy-Out:
   a. Is contingent on the ratification of the UA/IAM Fleet Technical Instructors and Related employee tentative Agreement reached on October 9, 2014;
   b. Payout will be based on an employee’s Bid Seniority date.
      i. $3,000 per year of service, $80,000 maximum (26 weeks pay minimum).
      ii. No minimum service required.
      iii. The program is limited to the seven most senior applicants with Company discretion to exceed this cap.
   c. Includes pass travel continuation as defined under the program;
   d. Participants separation dates will be determined by the Company based on operational needs of service;
   e. The program will have a defined period of availability following the effective date of the Ratified JCBA.

Please indicate your concurrence by signing one copy of this Letter of Agreement as indicated below, and returning it to the undersigned.

Sincerely,

/s/ Thomas Reardon
Thomas Reardon
Director, Labor Relations
United Airlines

Agreed, this 4th day of April, 2016:

/s/ Mike Klemm
Mike Klemm
President & Directing General Chairperson
Air Transport Lodge District 141
International Association of Machinists & Aerospace Workers, AFL-CIO

LOA #FTI 3-2
2016 – 2021 Fleet Technical Instructors & Related Agreement

LOA FTI 4: Job Classification Consolidation

Original November 17, 2014
Renewed April 4, 2016

Mike Klemm
President & Directing General Chairperson
Air Transport Lodge District 141
International Association of Machinists & Aerospace Workers, AFL-CIO
1771 Commerce Drive, Suite 103
Elk Grove Village, IL  60007

Dear Mr. Klemm:

This confirms our understanding and agreement regarding the consolidation of job classifications as part of the 2014 – 2018 Fleet Technical Instructor and Related Agreement. Contractual provisions will apply to employees according to the consolidated job classification chart below.

**Consolidated Job Classification**

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<thead>
<tr>
<th>Current Job Classification</th>
<th>Previous Job Classifications</th>
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<tr>
<td>Fleet Technical Instructor (FTI)</td>
<td>Fleet Technical Instructor (FTI)</td>
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<tr>
<td>Emergency Procedures Instructor (EPI)</td>
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<tr>
<td>Fleet Training Specialist (FTS)</td>
<td>Fleet Technical Specialist (FTS)</td>
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<td>Emergency Procedures Specialist (EPS)</td>
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<td>Multimedia Designer (MMD)</td>
<td>Flight Simulator Draftsman</td>
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<td>Flight Training Media Producer</td>
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<td>Flight Training Audio Technician</td>
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<td>Flight Training Sr. Media Producer</td>
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<td>Flight Training Graphic Designer</td>
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<td></td>
<td>Flight Training Electronic Media Designer</td>
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</tbody>
</table>

Employees currently furloughed from the Previous Job Classifications will transfer and retain recall rights to the Consolidated Job Classifications.

Please indicate your concurrence by signing one copy of this Letter of Agreement as indicated below, and returning it to the undersigned.

LOA #FTI 4-1
Sincerely,

/s/ Thomas Reardon

Thomas Reardon
Director, Labor Relations
United Airlines

Agreed, this 4th day of April, 2016:

/s/ Mike Klemm

Mike Klemm
President & Directing General Chairperson
Air Transport Lodge District 141
International Association of Machinists &
Aerospace Workers, AFL-CIO
LOA FTI 5: Profit Sharing

Original November 17, 2014
Renewed April 4, 2016

Mike Klemm
President & Directing General Chairperson
Air Transport Lodge District 141
International Association of Machinists &
Aerospace Workers, AFL-CIO
1771 Commerce Drive, Suite 103
Elk Grove Village, IL 60007

Dear Mr. Klemm:

This confirms our understanding and agreement regarding the participation of Fleet Technical Instructors and Related Employees in the Company’s Profit Sharing Plan as part of the 2014 – 2018 Fleet Technical Instructor and Related Agreement.

For profit-sharing for 2014 paid in 2015, employees covered under the FTI & Related Agreement will participate in the Company’s Profit Sharing Plan in the same manner as was in place prior to the effective date of the 2014 – 2018 FTI & Related Agreement.

Effective January 1, 2015, IAM represented employees covered under the FTI & Related Agreement will cease any and all participation in the Company’s Profit Sharing Plan

Please indicate your concurrence by signing one copy of this Letter of Agreement as indicated below, and returning it to the undersigned.

Sincerely,

/s/ Thomas Reardon

Thomas Reardon
Director, Labor Relations
United Airlines

Agreed, this 4th day of April, 2016:

/s/ Mike Klemm

Mike Klemm
President & Directing General Chairperson
Air Transport Lodge District 141
International Association of Machinists &
Aerospace Workers, AFL-CIO

LOA #FTI 5-1