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EXECUTIVE DIRECTOR

July 30, 2024

Mr. Greg Unterseher Director Airline Division International Brotherhood of Teamsters 25 Louisiana Avenue, NW Washington, DC 20001

RE: ALLEGIANT PILOT COLLECTIVE BARGAINING AGREEMENT POTENTIAL DECERTIFICATION AND TEAMCARE

Dear Greg:

This is a further response to our July 11, 2024 correspondence regarding the continued TeamCare participation of the Pilot group in the event that the group is no longer represented by the International Brotherhood of Teamsters.

Although our last correspondence was specific, it appears that there has been some questions raised should be addressed. Hopefully this clarifies the question of whether the Pilot Group has continued TeamCare coverage in the event of a decertification from the Teamsters Union.

To state it as simply as possible, if the pilots are no longer represented by the Teamsters and become non-represented employees or represented by another union, **TeamCare coverage for the Pilot Group will end at 11:59 p.m.** on the last day of the month in which the National Mediation Board certifies the decertification vote under the Railway Labor Act. So that there is no ambiguity or further confusion, it is very important to note that <u>under no condition</u> will TeamCare extend coverage for the Pilot Group after that date. As cited below, decertification is not considered a COBRA event and therefore self-contributions by any Pilot employee after decertification will not be accepted by the Fund.

This is supported by the Trust Agreement, Plan Document, and specifically - the Participation Agreement signed by the employer and the Teamsters:

This Agreement and the obligation to pay contributions to the Health & Welfare Fund will continue after the termination of a collective bargaining agreement except no contributions shall be due during a strike unless the Union and the Employer mutually agree in writing otherwise. This Agreement and the Employer's obligation to pay contributions shall not terminate until a) the Trustees decide to terminate the participation of the Employer and provide written notice of their decision to the Employer specifying the date of termination of participation or b) the Employer is no longer obligated by a contract or statute to contribute to the Health & Welfare Fund and the Health & Welfare Fund has received a written notice directed to the Health & Welfare Fund' Contracts Department at the address specified above sent by certified mail with return receipt requested which describes the reason why the Employer is no longer obligated to contribute. An Employer's obligation to contribute to the Fund will cease in the event the Union loses its status as bargaining representative of the employees as a result of: a) either an order issued by or an election conducted by the National Labor Relations Board under the National Labor Relations Act, the National Mediation Board under the Railway Labor Act or a state labor relations board/agency with authority to determine the Union's representative status, or b) a valid written disclaimer of interest by the Union.

To add clarity to the above, **Union** is defined in the Plan Document as:

## 1.44: Local Union

Those Local Unions affiliated with the International Brotherhood of Teamsters who have executed Collective Bargaining Agreements which require contributions to be made to the Fund on behalf of the covered employees, and such other unions as the Trustees may agree upon.

The Fund has no relationship with the Air Line Pilots Association (ALPA). It is important to reiterate that TeamCare coverage will end at 11:59 p.m. on the last day of the month in which the National Mediation Board certifies the decertification vote under the Railway Labor Act.

In addition, decertification is not considered a COBRA event and TeamCare would not be providing the Pilot Group with COBRA continuation coverage:

## 3.13 TERMINATION OF COVERAGE DUE TO EMPLOYER WITHDRAWAL

Such a Former Covered Participant may not maintain Coverage by making Self-Payments, and the Fund will not accept Self-Payments from such a Former Covered Participant, except as authorized by any other applicable section of this Plan.

Please let me know if you have any further questions regarding continued coverage with TeamCare in the event of a decertification from the Teamsters Union.

Sincerely,

Michael Mullane

Director.

Marketing, Field Service, and Business Communications Group