COLLECTIVE BARGAINING AGREEMENT

BETWEEN

ALLEGIANT AIR

&

THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS,
TEAMSTERS AIRLINE DIVISION, and
AIRLINE PROFESSIONALS ASSOCIATION TEAMSTERS LOCAL
UNION No. 2118

AS REPRESENTATIVE OF
THE PILOTS
OF ALLEGIANT AIR

EFFECTIVE
August 1, 2026 – August 1, 2028

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SECTION 1

RECOGNITION AND SCOPE

A. Certification and Recognition

On August 24, 2012 in Case No. R-7332, involving Allegiant Air, LLC ("Company" or "Allegiant Air"), the pilots in the employ of Allegiant Air, and the International Brotherhood of Teamsters ("Union" or "IBT"), the National Mediation Board ("NMB" or "Board") certified that "the IBT has been duly designated and authorized to represent for the purposes of the RLA, as amended, the craft or class of Pilots, employees of Allegiant Air, its successors and assigns." In accordance with that certification, Allegiant Air hereby recognizes the IBT as the duly designated and authorized representative of the Pilots in the employ of the Company and its successors and assigns, which shall include all Pilots on the Allegiant Air Pilots System Seniority List (the "Allegiant Pilots"), for the purposes of the Railway Labor Act, as amended.

B. Purpose of Agreement

In the mutual interests of the Pilots, the Union and the Company, the purpose of this Agreement is to provide for orderly collective bargaining relations between the Company and the Union, a method for the prompt and equitable disposition of grievances, and a method for the establishment of rates of pay, rules and working conditions for the Pilots. In making this Agreement, it is recognized to be the duty of the Union, the Crewmembers and the Company to cooperate fully for the advancement of the purpose of this Agreement.

C. Sole Agreement

1. Unless expressly otherwise agreed by the parties, this Agreement supersedes all agreements, past practices, employment policies, and other understandings between the Company and the Union and/or the Pilots it represents. This includes any understandings between the Company and the Allegiant Air Pilots Advocacy Group and its predecessor, and between the Company and any individual Pilot, relating to the Pilots' rates of pay, rules, and working conditions that were established prior to August 1, 2016, *i.e*., the date this Agreement first became effective between the Company and the Union. Any and all subsequent amendments or revisions to this Agreement and to any appended letters of agreement between the parties shall be reduced to writing, signed by their authorized representatives, and become a part of this Agreement.

2. Whenever the words “Pilot(s)" or “Allegiant Pilots” or "employee(s)" are used in this Agreement, they designate and refer only to such Pilots as covered by this Agreement.

3. There shall be no discrimination by either party against any Pilot subject to the terms of this Agreement because of age, race, sex, color, religion, national origin, handicap, disability, or any other classification protected by law.

D. Scope

1. All present and future FAR Part 121 revenue flying (including international flying), and all charters operated or performed by the Company shall be performed exclusively by the Pilots on the Allegiant Air Pilots System Seniority List pursuant to and in accordance with the terms and conditions of this Agreement. Notwithstanding the preceding sentence, the Company may use pilots employed by third party contractors to conduct ferry flights (including ferry flights of newly acquired aircraft prior to being placed in revenue service), to serve as initial cadre pilots, and to conduct training flights and test flights, and such use shall not be a violation of this Agreement.

2. Nothing in this section shall preclude the Company from entering into a capacity purchase, code-share agreement, a marketing agreement, an interline agreement, a pro-rate, block space agreement, or joint venture, so long as such agreements do not result in the furlough of any of the Company’s Pilots.

    a. Nothing in Section 1.D.2. prohibits the Company from furloughing Pilots for reasons that are unrelated to the code sharing, capacity purchase, marketing, interline, pro-rate, block space or joint venture agreements.

3. The Company shall not create an “alter ego” to avoid the terms and conditions of the Agreement.

4. Subject to an appropriate confidentiality agreement, the Company will honor a request by the EXCO Chairman to allow a reasonable opportunity to review any of the agreements in Section 1.D.2.

E. Transactions Affecting Work Preservation

1. **Contracting Out Transactions Involving Sale/Transfer of Company Aircraft.** The Company shall not enter into any transaction involving the sale, lease or transfer of aircraft now or hereafter on the Company’s Operating Specifications whereby such aircraft are used or allowed to be

used to perform flying covered by Section 1.D.1. for the Company at any time within the twenty-four (24) month period from the commencement date of such transaction.

2. **Contracting Out/Subcontracting Out & Wet leasing Transactions Not Involving Company Aircraft**. The Company shall not enter into any transaction that provides or allows for any form of contracting out/subcontracting out of Company flying covered by Section 1.D.1., or any wet leasing from any entity, or any chartering of such flying from any entity, except to the extent necessary to protect the Company's schedule and operations due to circumstances beyond the Company's control, or wet lease equipment in order to protect the Company's schedule and operations, provided, however, that the cumulative time period for any and all such contracting out/subcontracting out/wet leasing may not exceed one hundred and fifty (150) days in any twelve (12) month period unless the Union otherwise agrees, which agreement will not be unreasonably withheld.

   As used herein, the term "circumstances beyond the control of the company" means: a grounding or repossession of a substantial number of the Company's aircraft by a government agency or a court order, loss or destruction of the Company's aircraft, involuntary reduction in flying operations due either to governmental action(s)/requirement(s) or a substantial and prolonged shortage in available fuel supply or other critical materials for the Company's operation, revocation of the Company's operating certificate(s), war emergency, a terrorist act, or labor dispute.

3. No Company Pilot in active status on the date of such wet lease or subcontracting shall be involuntarily reduced in status or lose any income or employee benefits as a result of such wet lease or subcontracting. For the purpose of this Paragraph E.3., the term, "reduction in status" shall be defined as a reduction in job classification, position, type of aircraft or loss of relative Master and/or Domicile Crew Schedule Bid position.

4. Upon written request from the Union, the Company will, on a monthly basis, furnish to the Union a report detailing actual flying as described in Paragraph E.1., above. Such report will include the number of hours, flights, and duration of such subservice (actual).

F. Sales and Transfer of Aircraft

In the event of a sale or transfer of aircraft, permitted under this Section 1, the Company shall use reasonable efforts to secure the employment with purchaser, lessor or transferee (provided it is an airline) of the Allegiant Air Pilots (if any) who are Furloughed or intended to be Furloughed as a result of such transaction.

G. Successors and Assigns

1. This Agreement shall be binding upon the parties hereto, their successors, administrators and assigns. The Company agrees that the operations covered by this Agreement, shall not be sold, conveyed, or otherwise transferred or assigned to any Entity without first securing the written agreement of said Entity to:

    a. adopt and assume this Agreement in its entirety; and,

    b. assume all of the Company's obligations under the Agreement; and,

    c. hire the Pilots on the Allegiant Air Seniority List as of the first (1st) day of the month in which the sale, conveyance, transfer, or assignment of operations becomes effective. Pilots who, on the effective date of such sale, conveyance, transfer, or assignment, are on Furlough with recall rights, on an authorized leave of absence, or have been and remain discharged but subsequently are determined by a System Board of Adjustment to have been discharged without just cause, are included within the scope of the obligations set forth in the preceding sentence.

2. The Company shall ensure that written notice of the existence of this Agreement is provided to any potential purchaser, transferee, lessee, administrator, executor or assignee of the operations covered by this Agreement or any substantial part thereof on a timely basis and no later than the date the parties involved in the transaction exchange binding letters of intent (or similar documents) relating to the transaction.

3. In order to verify that the notice required by Section 1.G.1., above, is provided, the Company shall also ensure that a copy of the notice is delivered to the Union, subject to an appropriate confidentiality agreement.

4. For purposes of this subsection 1.G., a "successor" or "assign" includes any Entity which acquires all or substantially all of the assets or a Controlling Interest of the equity of the Company through a single transaction or multi-step related transaction which closes within a twelve (12) month period.

H. Additional Pilot Protections In Event of Successor Transactions or Operational Merger

1. In the event of a transaction resulting in a complete operational merger, which shall mean the combination of all or substantially all of the assets of

two carriers, between the Company and any other air carrier, the Company agrees that:

a. If the pilots of both pre-merger carriers, (i.e., the Allegiant Pilots and the pilots of the other air carrier(s) involved in the merger), are all represented by the International Brotherhood of Teamsters, there shall be a seniority integration of the Pilot groups in accordance with the International Brotherhood of Teamsters Seniority Merger Policy (IBT Merger Policy) in effect as of the date of such merger or other date as the parties may agree upon.

b. If the IBT Merger Policy is not in effect, then the Company shall ensure, as a condition precedent of any operational merger of the carriers, that provisions be included requiring that the surviving carrier shall provide for fair and equitable integration of the pre-merger Pilots' seniority lists in accordance with the provisions of the McCaskill Bond Amendment, 49 U.S.C. §42112.

c. If any of the Pilots at one or more of the merging carriers are not represented by the IBT, and the representational body(ies) of the Pilots do not agree to follow IBT Merger Policy, the provisions of the McCaskill Bond Amendment, 49 U.S.C. §42112, shall apply.

d. The Company will accept such integrated seniority list pursuant to Section H.1.a-c above, including conditions and restrictions if such list and the conditions and restrictions comply with the following criteria:

    i. There shall be no "system flush" whereby an active pilot may displace any other active pilot from the latter's Position; and,

    ii. Pilots on the furlough list as of the date the integrated seniority list takes effect may not bump/displace active Pilots as a result of the integration of the seniority list; and,

    iii. The integrated list does not cause or contribute to the incurring of back pay, increased costs associated with training Pilots in order to implement the integrated seniority lists, company paid moves, or payment of premiums for flying not actually performed.

2. Unless otherwise mutually agreed, integrated seniority list(s) shall not take effect until a Single Collective Bargaining Agreement (SCBA) covering the pre-transaction crewmember groups is in effect.

3. In the event the Company acquires another carrier and decides to operationally merge the two airlines, the following shall apply for the Collective Bargaining Agreements:

   a. If the Pilots of the acquired carrier are not represented by a labor organization, then no later than sixty (60) days after the integration of the merged seniority list that complies with the provisions of this Section H.1., the Company shall cause the Pilots of the acquired carrier to become subject to and covered by the terms and conditions of this Agreement.

   b. If the Pilots of the acquired carrier are represented by a labor organization other than the Union representing the Allegiant Pilots prior to the acquisition, and the Union representing Allegiant Pilots are certified by the National Mediation Board as the post-merger representative of the integrated pilot craft or class, then no later than thirty (30) days after the later of; (1) integration of the merged seniority list that complies with Section H.1-2; or, (2) a certification by the National Mediation Board of the post-merger representative of the integrated pilot craft or class, the Company shall cause the pilots of the acquired carrier to become subject to and covered by the terms and conditions of this Agreement.

   c. If the pilots of the acquired carrier are represented by the Union representing the Allegiant Pilots prior to the acquisition, then the Union and the Company shall on a timely basis begin negotiations to replace the two pre-integration collective bargaining agreements with a SCBA. If a SCBA has not been executed within nine (9) months from the date that the Union presents to the Company a merged seniority list that complies with Section H.1., the parties shall jointly submit the outstanding issues to binding interest arbitration, unless they mutually agree to continue negotiations. The interest arbitration shall commence within ninety (90) days from the conclusion of the negotiations covered by this paragraph**,** and a final decision shall be issued within sixty (60) days after the conclusion of the arbitration. The arbitrator(s) shall not be required or in any way limited to selecting and imposing SCBA terms contained in one or both of the pre-integration collective bargaining agreements.

4. Subject to applicable securities and other laws and regulations, the Company shall review with the Union in a timely manner the details of any material agreements relating to mergers. Proprietary, financial or other confidential or sensitive business information shall be subject to a standard confidentiality/non-disclosure agreement, if required by the Company.

I. Information Sharing and Expedited Dispute Resolution

1. The provisions set forth in this Section 1 shall be deemed to be the essence of this Agreement and, in the event of any violation thereof shall be enforceable in accordance with the provision set forth in this subsection 1.I.

2. A grievance filed by the Union alleging a violation of Section 1 of the Agreement shall, at the request of either party, bypass the initial steps of the grievance process and shall be submitted and heard on an expedited basis directly before the System Board of Adjustment sitting with a neutral arbitrator. The dispute shall be heard by the System Board of Adjustment and decided no later than thirty (30) days after such submission unless the parties agree otherwise in writing.

3. If the System Board determines that there has been a violation of Section 1 of this Agreement, it shall fashion an appropriate remedy. The decision of the System Board shall be final and binding.

J. Management Rights

1. Except to the extent expressly limited or modified by a specific provision of this Agreement, the Company reserves and retains, solely and exclusively, all of the inherent rights, powers and authority to manage the business and direct its work force and all the matters relating thereto that the Company had prior to the signing of this Agreement. These rights, powers and authority include, but are not limited to, directing the Pilot workforce; determining the appropriate number of Pilots; hiring, promoting and discharging Pilots; establishing and enforcing rules of conduct; maintaining discipline and efficiency; introducing new equipment; determining the location(s) of the workforce, operations, and facilities; planning directing and controlling operations; selling all or part of its business; selling or leasing aircraft or facilities; determining when and where to operate scheduled or unscheduled flights; determining marketing arrangements with other air carriers; and investing (including equity investments) in other business entities, including other air carriers. The aforesaid rights of management shall not be exercised so as to violate or conflict with any express provision of this Agreement, the Railway Labor Act (RLA), as amended, or the Federal Aviation Regulations (FARs).

2. Company Policies

    a. Pilots covered by this Agreement shall be governed by all applicable Company rules, regulations, manuals and policies that do not conflict with the terms and conditions of this Agreement and

which may be amended from time-to-time. In the situation where a Company rule, regulation, manual or policy, including any terms included therein, conflict with this Agreement, this Agreement shall control and apply. The Company shall maintain all such applicable Company rules, regulations, manuals and policies, and subsequent revisions thereto, in a manner affording each Pilot easy access regardless of the Pilot's location (e.g., in electronic format on the Company intranet).

b. Upon written request by the Union, the Company agrees to formally meet with the Union regarding any revisions and/or new rules, regulations, manuals and policies that the Union believes may or has materially impact(ed) the terms and conditions affecting the Pilots covered herein. The Company further agrees to provide the Union with all relevant information pertaining to such revisions. Any dispute regarding compliance with this Section 1.J.2.b. shall be resolved in accordance with the provisions of Section 1.I. of this Agreement.

K. No Strike Commitment and Protection from Discipline during a Legal Job Action

1. Except as otherwise permitted by law, from the effective date of the Agreement through thirty (30) days following the date, if any, that the parties are released from mediation by the National Mediation Board in connection with negotiations for a successor Agreement (the "Release Date"), the Union, including its directors, officers, representatives and agents, will not engage in, promote, or cause any strike or work stoppage at the Company, and the Company will not lock out any employee covered by this Agreement. Nothing herein shall preclude either party from exercising its legal rights to enforce status quo violations, including seeking injunctive relief from a court of competent jurisdiction.

2. Unless otherwise agreed to by the parties, the commitment stated in subsection 1.K.1. above shall be inapplicable as of the Release Date, without regard to whether the parties are then engaged in collective bargaining under the RLA.

3. It shall not be a violation of this Agreement, and it shall not be cause for discharge, permanent replacement or any other disciplinary action if any Pilot covered by this Agreement: refuses to enter upon the property of the Company, any Company Affiliate or any other Entity where its employees are engaged in a lawful strike or where the employees of a third-party entity doing business with the Company, Company Affiliate or other Entity are engaged in a lawful strike. It shall not be cause for discharge or disciplinary action if a Pilot refuses to cross or work behind any lawful

picket line, including without limitation a lawful picket line of the IBT, or any other labor organization. At the request of the Company, the Union shall use its best efforts to provide information to the Company about the existence of any labor disputes and picket lines that could affect the Company's operation. When requested by the Company, the Union shall promptly assist in identifying alternative hotels, and/or airlines that would be available to the Pilot when he exercises his rights under this Agreement.

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SECTION 2

DEFINITIONS

Active Pilot – A current and qualified Pilot not on a Leave of Absence or Furlough, performing in the service of the Company.

Additional Duty Designated Day(s) (ADD) – An added Duty Day(s) to a Pilot's Composite Line to designate an obligation for additional Pay Credit Hours to bring a Pilot's line value up to the Monthly Minimum Guarantee.

Agreement – This Collective Bargaining Agreement in its entirety, including its Amendments, Letters of Agreement (LOA) or Letters of Understanding (LOU) signed by the parties during the term of the Agreement.

Aircraft – A device that is used or intended to be used for Flight in the air.

Augmented Crew(s) – A Flight Crew that has more than the minimum number of Pilots required by the airplane type certificate to operate the aircraft to allow a Pilot to be replaced by another qualified Pilot for in-flight rest.

Awards – A Vacancy which an Active Pilot Bids for and receives through his Standing Bid.

Bid(s) – A Pilot's desired selection(s) for all Vacancies and Displacements.

Bid Line – Regular, Composite, or Reserve lines of time, prepared monthly utilizing a PBS System and awarded or assigned to a Pilot.

Bid Packages – A bid form with the total number of Bid Lines and names of each Pilot qualified to Bid; the Bid Lines, per Position, per Domicile; the Trip Pairings per fleet type available to all qualified Pilots during the Bid Period.

Bid Period – A calendar month where Pilots bid for and are awarded or assigned Duty in the service of the Company, unless otherwise agreed.

Block Hours/Time – The recorded time beginning when an aircraft moves for the intention of Flight and ends when the Aircraft next comes to rest at the ramp blocks, as measured by the Company.

Calendar Year – January 1 through December 31.

Captain – A Pilot on the Allegiant Air Pilot's System Seniority List who is qualified for a required Status in an aircraft and conducts flying or additional Duty which is covered under this Agreement. The Captain is the "pilot in command" of the flight and has final

authority and responsibility for all phases of such flight, including the operation and safety of the Aircraft and its crew.

Chairman – The administrative head of a Union committee.

Check Airman – A Pilot who is designated by the Company and approved by the FAA, to train on the line, or in the simulator, and to evaluate, or qualify other Pilots on procedures, techniques, or competency to operate Company aircraft.

Checking – A Training event to determine a Pilot's qualification in a fleet type.

Chief Pilot – A designated management position in the Company's Flight Operations Department.

Crew Scheduling – Part of the operational team located in the Operations Control Center (OCC) responsible for all flight planning/tracking and the scheduling of Crewmembers.

Crewmember – Pilots and Flight Attendants who occupy FAA required positions on Company aircraft.

Company – Allegiant Air, LLC.

Composite Line – A Pilot's awarded or assigned monthly work schedule, during a Bid Period, that contains Trip Pairings, Reserve Days, ADD Days, Vacation, and possibly Days of Training.

Customs – The government department at an airport where Crewmembers passengers, baggage and/or freight on flights originating or terminating outside of a country are required to pass through and be examined prior to entering another country.

Day – The twenty-four hour (24:00) period commencing at 00:00 and ending at 23:59.

Day Off – A Day on a Bid Line in which the Pilot is free of all Duty at his Permanent or TDY Domicile.

Deadhead – Any approved transportation scheduled by the Company for a Pilot where said Pilot is not acting as a required Crewmember.

Deadhead Pay – Compensation for Deadhead Duty, as defined above.

Designated Examiners (DE) or Designated Pilot Examiner (DPE) – A Pilot designated by the FAA to conduct oral examinations and inflight or flight simulator check rides.

Displace/ Displacement – The replacement of a less senior Pilot in a Status by a more senior Pilot. All Displacements shall be accomplished in accordance with the provisions of this Agreement.

Displaced – A Pilot who is involuntarily replaced by a more senior Pilot from a current Vacancy into lower preference Vacancy on his Standing Bid.

Domicile - Permanent Domiciles and Virtual Domiciles.

Duty – Any task that a Flight Crewmember performs as required by the certificate holder, including but not limited to Flight Duty period, Flight Duty, pre- and post-Flight Duties, administrative work, Training, Deadhead transportation, Aircraft positioning on the ground, Aircraft loading, and Aircraft servicing.

Duty Off – The time when a Pilot is released from Duty as detailed in Section 14, Hours of Service.

Duty On – The time when a Pilot reports for Duty, as detailed in Section 14, Hours of Service.

Effective Date – The date upon which a Pilot occupies an awarded Vacancy for a new Domicile and/or new Position.

Effective PCH – The Pay Credit Hour (PCH) a Pilot is obligated to recover during a Bid Period if he is returning to service and was ineligible to Bid or ineligible to participate in SAP.

Eligible Dependents – A Pilot's spouse and children, as defined by Company policy.

Equipment – A specific make and model of Aircraft, including derivatives and modifications within a fleet type (e.g., MD80-82,-83,-88; A-320,-318,-319,-321; Boeing 757/767-200, -300).

Equipment Lock – A provision in this Agreement requiring a Pilot to remain in a Position for a period of 24 months because of a change in fleet type or in Status.

Executive Council (EXCO) – The Union's governing body (e.g., Chairman, Vice-Chairman, Secretary/Treasurer) at Allegiant Air. The EXCO shall be comprised of Pilots from the Allegiant Air Pilot's System Seniority List and elected by members of the Union's Allegiant Air Pilots in "good-standing," or in certain cases appointed by the President of their local.

Extension – A Flight Segment(s) or Duty added to the end of a Pilot's originally scheduled release time without violating the Pilot's legality.

Family and Medical Leave Act (FMLA) – A federal or state law requiring covered employers to provide employees a job-protected Leave of Absence for qualified medical and family reasons.

First Officer – A Pilot on Allegiant Air Pilot's System Seniority List qualified for a required Status in an Aircraft and conducts Flying or additional Duty which is covered under this Agreement. The First Officer is directly responsible to the Captain and is second in command of the Aircraft.

First Paycheck – The first monthly paycheck including one-half (1/2) of a Pilot's Minimum Guarantees and pay for all PCH in excess of his Minimum Guarantees from the previous Monthly Bid Period.

Flight or Flying – Performing Duty involving either the operation of the controls of an Aircraft or Deadheading on an Aircraft, unless the context makes clear that the reference is solely to operation of the controls of an Aircraft.

Flight Duty Period – For purposes of Section 3, Flight Duty Period means a period that begins when a flightcrew member is required to report for duty with the intention of conducting a flight, a series of flights, or positioning or ferrying flights, and ends when the aircraft is parked after the last flight and there is no intention for further aircraft movement by the same flightcrew member. A flight duty period includes the duties performed by the flightcrew member on behalf of the certificate holder that occur before a flight segment or between flight segments without a required intervening rest period. Examples of tasks that are part of the flight duty period include deadhead transportation, training conducted in an aircraft or flight simulator, and airport/standby reserve, if the above tasks occur before a flight segment or between flight segments without an intervening required rest period.

Flight Segment or Segment – A completed Flight from brake release at the departure airport for the purpose of flight to brake set at the next arrival point.

Flight Standards Review Board (FSRB) – The FSRB is made up of the Director(s) of Pilot Training and Standards, Fleet Managers, the Chief Pilot, the Manager of Flight Operations Safety, and an IBT Representative.

Furlough/ Furloughed Pilot – (also **Involuntary Furlough** and **Voluntary Furlough)**

1. Due to a reduction in force, the removal of a Pilot from Active Service with the Company or the period of time during which a Pilot is not in active service with the Company as a Pilot, due to a reduction in force.

2. A Pilot who voluntarily elects to be removed from active service with the Company, during a reduction of force, when his Seniority would otherwise allow the Pilot to remain in active service.

3. An Involuntary Furlough is the removal from active service from the Company as a Pilot when a Pilot's Seniority does not allow him to remain in active service.

Golden Days – Days Off designated by a Pilot assigned to a Reserve Line after Schedules are final, that are immovable by Crew Scheduling, per Section 16, Reserve.

Ground School – A part of the FAA or Company required Training for Initial New Hire, Initial Equipment, Transition or Upgrade Training.

Hourly Pay Rate – The hourly dollar amount paid to a Pilot for all PCH earned, as determined by his Position and Status.

Initial Training Course – Initial Ground School, Simulator Training and Aircraft Training required for a Pilot not previously qualified in any fleet type at the Company.

Instructors – All personnel who are qualified and are assigned to Duties as Ground Instructors, Simulator Instructors and Check Airman.

International Flights – A Flight or portion of a Flight that arrives and/or departs from an airport that is outside of the United States.

Junior Assigned (JA) – The procedure used by Crew Scheduling to involuntarily assign a Pilot to Duty on a Day Off, in inverse Seniority order, beginning with the most junior available Pilot.

Junior Assignment Pay – The Hourly Pay Rate of the Pilot who is Junior Assigned to Duty, pursuant to Section 3, Compensation.

Jury Duty – The governmental requirement for a Pilot to fulfill his civic duty and potentially serve on a jury.

Legal Rest – Shall be pursuant to FAR Part 117, unless otherwise provided for in this Agreement.

Long Term Training – Any Training, as defined in this Agreement, with a duration of fifteen (15) Days or longer. A Pilot in Long Term Training shall be paid in accordance with Section 3, Compensation.

Longevity – A Pilot's period of Active Service with the Company, measured in twelve (12) Month periods, with each period comprising a Year of Longevity. A Pilot shall begin to accrue Longevity on his first Day of initial ground school as provided in Section 17, Seniority, and continue to accrue during his Active Service with the Company. A Pilot's Longevity shall not continue to accrue beyond the provisions set forth in this Agreement for Leaves of Absence, Furloughs, or other periods of Flying inactivity.

Management Pilot(s) – A Pilot trained and qualified in a Position on a Company Aircraft and serves in an officer, director, manager, or supervisory position with the Company.

Military Service/Duty – Service in one of the branches of the Armed Forces of the United States, including the National Guard and Coast Guard.

Minimum Days Off – The number Days Off required on a Pilots Bid Line during a Bid Period, as defined in Section 14, Hours of Service.

Month(s) – A period beginning and ending with the dates that are conventionally accepted as marking the beginning and end of a numbered month (as January 1 through January 31 in the Gregorian calendar).

Monthly Bid Awards – A Pilot's monthly Schedule assigned after the Bid Period closes.

Monthly Bid Period – The process where Pilots Bid for, are awarded or assigned Bid Lines constructed from monthly Flying or Reserve Availability Periods (RAP), participate in the Schedule Adjustment Period (SAP) and Composite Lines are constructed.

Monthly Minimum Guarantee – The minimum Pay Credit Hours (PCH) a Pilot shall be paid, on a Monthly basis, in a Bid Period.

Moving Days – In accordance with Section 6, Expenses, the uninterruptible consecutive Days free of all Duty that are afforded a Pilot during a move, for the purpose to transfer his family, household goods and vehicles from his previous Domicile to a new Domicile.

New Hire Pilot – A Pilot who is hired by the Company with either no previous experience with the Company or a Pilot who was previously employed by the Company, who may or may not have been on the Allegiant Air Pilot's System Seniority List.

Open Time – In accordance with this Agreement, any Trip Pairings or portions thereof, or RAPs which remain unassigned, shall be made available in the Schedule Adjustment Period (SAP) and/or Open Time process and available to qualified Pilots in each specific fleet type to bid for, be awarded, or assigned such unassigned Duty.

Out-of-Domicile Reserve Duty Assignment – In accordance with Section 16, Reserve, a Pilot on a RAP from one Domicile being utilized for a Trip Pairing at another Domicile.

Pay Credit Hour (PCH) – Pursuant to Section 3, Compensation, it is the calculated time earned by a Pilot, or Check Airman, while on Duty, or for compensation related to Non- Flying Duties which are specified in this Agreement.

Permanent Domicile – An airport or multiple airports where a Pilot has been awarded or assigned to a Vacancy for the purpose of performing Flying Duty for the Company as detailed in Section 12, Filling of Vacancies.

Pilot – In accordance with this Agreement, an individual whose name appears on the Allegiant Air Pilot's System Seniority List.

Pilot-in-Command – The Captain of the Aircraft unless the Captain designates another

Pilot during his absence from the flight deck.

Position – A Pilot job in a designated Equipment Type (e.g., Aircraft) and Status (e.g., Captain, F/O).

Positive Contact – Company notification to a Pilot by telephone or in person and the Pilot responds with a verbal acknowledgment.

Probationary Period – The first 365 Days of a Pilot's employment by the Company, as defined in Section 17, Seniority.

Proficiency Check (PC) – The graded portion of a Simulator Training Period for qualifying a Pilot in a fleet type.

Proficiency Training (PT) – Company or FAA Training given to a Pilot prior to a Proficiency Check.

Protest Period – The defined period of time within the Bid Period when a Pilot, who has been awarded a Bid Line may submit to the Company potential errors with his award for the purpose to remedy potential errors.

Qualification Event – A required ground, simulator, or flight training program (e.g. Differences Training, Transition Training, Upgrade Training, Proficiency Check, Recurrent Flight Training, Line Check, OE/SLF), as defined in Section 11, Training.

Rates of Pay – The hourly amount of money a Pilot earns when performing Duty or any additional non-Duty assignment, as defined in this Agreement. All Rates of Pay shall be based on a Pilot's Position and Longevity with the Company and such hourly values shall be found in Section 3, Compensation.

Reassigned/Reassignment – An involuntary change to a Pilot's scheduled Duty on a scheduled work day(s). The Company shall utilize the provisions within Section 15, Scheduling, when reassigning a Pilot and such Pilot shall be paid in accordance with Section 3, Compensation.

Recurrent Training – The required Training, as defined by the FAA, for a Pilot in his current Position.

Regular Bid Line/Regular Lines – Bid Lines which contain only Trip Pairings, required Training, Vacation, and Days Off. Regular Bid Lines/Regular Lines shall have no Reserve Availability Periods (RAPs) scheduled in them by the Company. A Pilot may voluntarily pick up RAPs through the Open Time process, pursuant to Section 15, Scheduling.

Remedial Training – Training given to a Pilot who fails, or is not recommended for, any phase of a Training or Qualification Event, as provided for in Section 11, Training.

Removed for Operating Experience Days (ROE) – A designation which may be placed by the Company on a Pilot's Regular or Composite Bid Line, obligating such

Pilot for additional Duty, as a result of a Trip being removed from his Bid Line. ROE Day(s) which are placed on a Pilot's Bid Line shall be on the same Day(s) as the Day(s) where the Trip was removed.

Report Time – In accordance with Section 14, Hours of Service, it is the later of the actual or scheduled time that a Pilot arrives at the airport.

Reserve Availability Period (RAP) – A scheduled period of time in a Pilot's Bid Line in which a Pilot is obligated to remain available to the Company for the purpose of being assigned a Trip Pairing or any additional Duty, as specified in this Agreement.

Reserve Bid Lines – A Bid Line in a Bid Period which is constructed with only RAP's and Days Off.

Resident Airport – A Virtual Domiciled Pilot's designated Airport of use for all Company provided Deadhead transportation to and from his TDY assignment.

Rest Period – Pursuant to Section 14, Hours of Service, a Rest Period is the time between Duty Off and the subsequent Duty On time.

R.O.N. – Means "Remain Over Night." When using RON in this Agreement, it is the period of time scheduled for a Pilot to receive rest in a designated rest facility, when on Company business away from his Domicile.

Schedule –Duty awarded or assigned by the Company

Scheduled Report Time – The scheduled time that the Company requires a Flight Crewmember to report for an assignment.

Scheduled Rest Period – Provisions set forth in this Agreement or by the FAA that requires the Company to provide a Pilot scheduled periods of duty off time between Duty in his Bid Line.

Seasonal Base/Domicile – A Pilot Domicile requiring staffing for less than twelve (12) months of a Calendar Year.

Segments – A Flight or Deadhead that is identified by number and scheduled within a Trip Pairing.

Seniority – A Pilot's number on the Seniority List.

Seniority List – The Allegiant Air Pilots System Seniority List.

Short Term Training - Any Training, as defined in this Agreement, with a duration of less than fifteen (15) Days. A Pilot in Short Term Training shall be paid in accordance with Section 3, Compensation.

Sick Leave – The primary accrued benefit a Pilot earns through his Longevity with the Company that is used to pay a Pilot as described in Section 10, Sick.

Simulator Training – Full motion Simulator Training.

Special Tracking – In accordance with Section 11, Training, is additional individualized Training for Pilots who experience Training failures.

Standing Bid – A Pilot's order of Position and/or Domicile preferences for Vacancies or in the event of a Displacement, in his preferential order from the most to least favored.

Status – A Pilot's rank as Captain or First Officer.

System-wide Seniority order – The list, in Seniority order, of all flight deck Pilots employed by the Company.

Training – A Company-sponsored program of instruction and/or evaluation required by the Company or the FAA (e.g., Initial, Transition, Upgrade).

Training Event – An individual event of any Training required by the Company or the FAA.

Training Line – A monthly Schedule provided by the Company to the individual Check Airman or Instructor providing his daily Training events (e.g., Periods for Simulator Duty, Ground School Duty, Department meetings).

Transition Training – Training involving a Pilot change in Equipment Type, but not Status. (e.g., Captain MD-80 to Captain B757, FO MD-80 to FO A320), as defined in Section 12, Filling of Vacancies.

Trip – A series of Segments to be executed between the Pilot's show time at a Domicile to the Pilot's Duty Off time.

Trip Drops – Is the process by which a Pilot voluntarily removes a Duty from his Bid Line without obtaining new Duty in the same transaction, in accordance with Section 15, Scheduling.

Trip Pairings – A flight segment or series of flight segments over one or more days to which a Pilot is awarded or assigned.

Trip Trades – A voluntary change in a Pilot's Schedule such that Trip Pairings or portions thereof or RAPs are exchanged between Pilots, or between a Pilot, SAP and/or Open Time.

Union – The International Brotherhood of Teamsters, Airline Professionals Association Local 2118.

Upgrade/Upgrade Training – Required Company or FAA Training involving Pilots moving from First Officer to Captain.

Vacancy – An available Position in excess of the number of Pilots already in that Position.

Vacation – An annual granted benefit of scheduled Day(s) free from Duty as described in Section 9, Vacation. The quantity of Vacation blocks a Pilot receives is determined by his Longevity.

Vacation Pay – The Pay Credit Hour (PCH) of a block of Days, in accordance with Section 3, Compensation.

Virtual Domicile (VBD) – A Virtual Base Domicile Pilot's designated residence.

Voluntary Flying Notification – A process initiated by the Company for the purpose to cover unassigned Duty.

SECTION 3

COMPENSATION

A. Longevity

Longevity shall begin to accrue on the date a Pilot first reports for Initial Training, to include any Company orientation, and shall continue to accrue except as otherwise provided for in this Agreement**.**

B. Pay Rates

Pilots shall receive an Hourly Pay Rate based on their Position and Longevity with the Company. The Hourly Pay Rates are listed in subsection 3.CC. of this Agreement. Except as otherwise provided in this Agreement, Pilots shall be paid the Monthly Minimum Guarantee and/or the Pay Credit Hour ("PCH") set forth in subsection 3.CC. below.

C. Minimum Guarantees

Except as otherwise provided in this Agreement, a Pilot shall be paid no less than:

1. A Monthly Minimum Guarantee of seventy (70) PCH in a Monthly Bid Period for Regular and Composite line holders or seventy-two (72) PCH for Reserve Line holders.

2. The Minimum Guarantee shall be reduced pro-rata for any Leaves of Absence referenced in Section 8 that are not protected from loss of Pay.

3. Pilots who, by authorized Trip Trades or Trip Drops, reduce their credited line value below the Monthly Minimum Guarantee shall have his Monthly Minimum Guarantee reduced accordingly to an Adjusted Monthly Minimum Guarantee.

D. Pay Credit Hours ("PCH")

A Pilot shall be paid for all PCH earned in the Monthly Bid Period by multiplying his Hourly Pay Rate, as provided for in subsection 3.CC., including all applicable Pay Overrides, pursuant to this Section 3, and the greater of:

1. On a trip pairing basis, one (1) PCH for one (1) hour (1:1) of the scheduled block hours flown within an FDP; or,

2. On a trip pairing basis, one (1) PCH for one (1) hour (1:1) of the actual block hours flown within an FDP; or,

3. A minimum of one (1) PCH for every two (2) hours of Duty (1:2) associated with an FDP or Deadhead, per Duty period; or,

4. A minimum of four (4) PCH for each Day for scheduled and unscheduled RON away from assigned domicile, including scheduled sit days away from assigned domicile (e.g., a Pilot begins Duty at 0600 and is released for rest at a station away from domicile at 0900 and after rest the Pilot commences Duty at 2000 on the same Day, returning to assigned domicile and released at 2345); or,

5. For each Duty period that contains a Flight Duty Period, for pay purposes only, a minimum of five (5) PCH; or,

Note: In the actual application of this provision, the Company will conduct an audit at the conclusion of each Bid Month and retroactively ensure each paid Trip Pairing in a Lineholder's line receives a minimum value of five (5) PCH per Flight Duty Period. This provision will only apply to Reserve Lineholders if the Trip Pairing is paid Above Guarantee (i.e., because the Trip Pairing was picked up in Open Time or the Pilot has exceeded their Minimum Guarantee). Any adjustments made in accordance with this provision shall be included in the Pilot's 15th of the month paycheck.

Example 1: A Reserve Lineholder has accrued 70 PCH and is assigned a Trip Pairing while on a RAP with a value of 4 PCH. Because the Trip Pairing would take the Pilot above their Minimum Guarantee (70 PCH + 4 PCH = 74 PCH), the Trip Pairing would be paid Above Guarantee and thus subject to the 5 PCH Flight Duty Period minimum for pay purposes (70 PCH + 5 PCH = 75 PCH).

Example 2: A Reserve Lineholder has accrued 67 PCH and is assigned a Trip Pairing while on a RAP with a value of 4 PCH. Because the Trip Pairing would *not* take the Pilot above their Minimum Guarantee (67 PCH + 4 PCH = 71 PCH), the Trip Pairing would *not* be paid Above Guarantee and thus is *not* subject to the 5 PCH Flight Duty Period minimum for pay purposes.

Example 3: A Pilot is assigned a Trip Pairing consisting of three (3) Segments. The first Segment is a Scheduled Deadhead with 1.0 Block Hour. The second Segment is a Flight operated by the Pilot with 2.0 Block Hours. The third Segment is a Scheduled Deadhead with 1.0 Block Hour.

Pursuant to Section 3.D. of the Agreement, the Pilot shall receive 5.0 PCH for the FDP and all related duty.

Example 4. An FDP on a Pilot's schedule is cancelled or removed. For purposes of the audit described above, a Pilot remains eligible for the minimum five (5) PCH per FDP where the FDP is cancelled or removed from the Pilot's schedule with pay protection under Sections 3.F.

(Cancellation Pay) or 3.G. (Removal Pay) of the Agreement.

Example 5: A Pilot is assigned a multi-Day Trip Pairing. On Day 1, the Pilot is Scheduled for Deadhead Segment from 0500 to 1100 with 4.5 Block Hours and does not operate a Flight Segment. Following completion of the Deadhead Segment(s), the Pilot is released for a Rest Period away from Domicile.

On Day 2, the Pilot remains away from Domicile and performs no Duty until reporting for a Flight Duty Period at 2130. The Pilot operates a Flight Segment from 2230 to 0300 with 4.5 Block Hours and is released from Duty at 0300 on Day 3.

Following release from Duty, the Pilot remains away from Domicile and performs no additional Duty on Day 3.

Pursuant to Section 3.H. of the Agreement, the Pilot shall receive 4.5 PCH for the Deadhead Segment from 0500 to 1100 on Day 1. The Flight Duty Period beginning at 2130 on Day 2 and concluding at 0300 on Day 3 has a value of 4.5 PCH. Therefore, pursuant to Section 3.D.5. of the Agreement, the Pilot shall receive 5.0 PCH for that Flight Duty Period. The Pilot shall also receive 4.0 PCH pursuant to Section 3.D.4. for Day 3 following release from the Flight Duty Period at 0300.

Accordingly, the Pilot shall receive a total of 13.5 PCH for the Trip Pairing, consisting of 4.5 PCH pursuant to Section 3.H. for the Deadhead Segment(s) on Day 1, 5.0 PCH pursuant to Section 3.D.5. for the Flight Duty Period spanning Day 2 and Day 3, and 4.0 PCH pursuant to Section 3.D.4. for Day 3.

Example 6: A Pilot is assigned two (2) Flight Duty Periods on the same Day. The first Flight Duty Period is from 0600 to 0845 with 2.0 Block Hours. The Pilot is then released for rest from 0900 to 2000. The second Flight Duty Period is from 2000 to 2330 with 2.0 Block Hours.

Pursuant to Section 3.D.5. of the Agreement, the Pilot receives a minimum of 5.0 PCH for each Flight Duty Period.

Accordingly, the Pilot shall receive 5.0 PCH for the first Flight Duty Period and 5.0 PCH for the second Flight Duty Period, for a total of 10.0 PCH.

6. His Minimum Guarantee, as provided in Section 3.C.

7. In addition to the greater of 3.D.1. through 3.D.6., all applicable PCH earned, as provided in this Section 3.

E. Premium Pay

1. The Company may, at its discretion, identify certain open Trip Pairings as "Premium Pay Trip Pairings." The amount of premium pay associated with a Premium Pay Trip Pairing shall be determined at the Company's discretion, but shall be no less than one and one-half times (1.5x), and no more than three times (3x), a Pilot's Hourly Pay Rate for such assignment. The Company may designate different levels of premium pay in increments of one quarter times (.25x) a Pilot's Hourly Pay Rate for such assignment for different Premium Pay Trip Pairings. The Company shall identify to the Pilots the amount of premium pay associated with a particular Premium Pay Trip Pairing.

2. A Pilot will only be eligible to receive the additional pay associated with a Premium Pay Trip Pairing if the Pilot voluntarily picks up the Premium Pay Trip Pairing from Open Time in accordance with Section 15.Q., and the Pilot actually operates the Premium Pay Trip Pairing (unless the Trip Pairing is cancelled, or the Pilot is reassigned by the Company to alternate Duty). The premium pay designation (i.e., the additional pay associated with a Premium Pay Trip Pairing) shall not be applicable to the assignment of Premium Pay Trip Pairings to RSC, to Trip Drops under Section 15.S., and/or to Trip Trades under Section 15.T.

3. The Company may remove the premium pay designator at any time while the Premium Pay Trip Pairing is still in Open Time, in which case it shall no longer be a Premium Pay Trip Pairing.

F. Cancellation Pay

When a Pilot's Scheduled Duty is cancelled, in whole or in part, he shall be paid for the scheduled PCH, on a one for one (1:1) basis, along with any additional applicable overrides, as provided for in Section 3, for all such cancelled Duty.

G. Removal Pay

Except as otherwise provided for in Section 3, when after the posting of the Initial Bid Lines, a Pilot who is removed from Duty by a Management Pilot, a Check Airman, or for any other purpose when directed by the Company, shall be paid one hundred percent (100%) of all scheduled PCH lost due to such Removal.

H. Deadhead Pay

1. When a Pilot is required to Deadhead to or from Duty, the Pilot shall be paid PCH of the greater of the Scheduled or Actual Block Time of such Deadhead, on a segment-by-segment basis.

2. When a Pilot is required to Deadhead by surface transportation, the Pilot shall be paid PCH of the Deadhead time determined by dividing the Google Maps published driving distance by sixty (60). When a Pilot is scheduled to Deadhead by surface

transportation via rental car and the Deadhead time as calculated in this Section 3.H.2. is in excess of one (1) hour, such time in excess of one (1) hour shall be paid ABG.

3. When a Pilot picks up a Trip Pairing from Open Time or Trip Trades with another Pilot(s), and the Trip Pairing originates in a location other than the Pilot's Permanent Domicile, the Pilot shall not be paid Deadhead PCH for reporting to the Trip Pairing's origination location, or returning to the Pilot's Permanent Domicile at the conclusion of the Trip Pairing unless a Scheduled Deadhead segment(s) is included in the Trip Pairing.

I. Reserve Duty

1. Except as otherwise provided in this Agreement, a Pilot awarded a Reserve Bid Line shall be paid no less than his appropriate Minimum Guarantee, as provided in subsection 3.C.

    a. A dropped RAP shall carry a value of three and three quarters (3.75) PCH for determining the Adjusted Monthly Minimum Guarantee.

2. The Pay for a Pilot with a Composite Line on a Short Call Reserve Availability Period (RAP), or Long Call Reserve Day shall be the greater of:

    a. Three and three quarters (3.75) PCH for each scheduled Short Call RAP or Long Call Reserve Day; or,

    b. In accordance with subsection 3.D., Pay Credit Hours, the PCH of the assigned Trip Pairing to his RAP.

J. Vacation Pay

A Pilot with Vacation Days in his Bid Line, as provided in Section 15, Scheduling, shall be credited twenty (20) PCH for a Vacation Block (seven (7) Days).

K. Open Time Pay

1. Awarded Open Time trips shall be paid above the Monthly Minimum Guarantee or adjusted minimum guarantee in addition to all other PCH earned, as provided in this Section 3.

2. Trip Trades with Open Time shall be paid above the Monthly Minimum Guarantee if the net value of the trip trade is positive and shall reduce the Monthly Minimum Guarantee if the net value is negative.

L. Voluntary Flying Notification Pay

Voluntary Flying Notification Pay. A Pilot who is assigned to Duty from a Voluntary Flying Notification (VFN) shall be paid at least two times (2X) his Hourly Pay Rate for such assignment(s). The Company may, at its discretion, identify VFNs to be paid above two (2X) times a Pilot's Hourly Pay Rate ; the amount of such pay shall be determined at the Company's discretion, but shall be no less than two times (2X), and no more than three times (3X), a Pilot's Hourly Pay Rate. The Company may designate different levels of premium in increments of one quarter times (.25X) a Pilot's Hourly Pay Rate for such assignment.

M. Removed for Operating Experience (ROE) Pay

After the posting of the Initial Bid Lines in the applicable Monthly Bid Process, a Pilot is considered Removed for Operating Experience (ROE) if a Trip Pairing, or portion thereof, is removed for purposes of conducting Operating Experience (OE) or other Training.

1. A Pilot who is removed for OE and is not reassigned to another Trip Pairing(s), or given an ROE Day(s) in accordance with Section 15, Scheduling, shall be paid the scheduled PCH of the removed Trip Pairing(s), or removed portions thereof.

2. In accordance with the provisions in this Section 3, a Pilot who is Removed for OE and is reassigned to another Trip Pairing(s), shall be paid the greater of:

    a. the scheduled PCH of the Trip Pairing(s), or portions thereof, which is removed; or,

    b. the scheduled PCH of the Trip Pairing(s) to which he is reassigned; or,

    c. The actual PCH of the Trip Pairing(s) to which he is reassigned.

3. A Pilot who is Removed for OE and is assigned an ROE Day(s) in accordance with Section 15, Scheduling, shall be paid, on a Day for Day basis the greater of:

    a. Three and three quarters (3.75) PCH per Reserve Day (not applicable to Regular Lines); or,

    b. the PCH for the Trip Pairing(s) from which he was removed for OE; or,

    c. if he is subsequently assigned a Trip Pairing(s), the PCH of such Trip Pairing(s), as provided for in subsection 3.D., Pay Credit Hours.

d. if the Pilot trades the ROE Day for a Trip Pairing or Reserve Day which is in Open Time, the PCH for the original Trip Pairing is no longer guaranteed, as provided in subsection 3.M.2., and he shall be paid the PCH, in accordance with subsection 3.D., for the new Duty.

N. Reassignment Pay

If a Pilot is Reassigned, as provided in Section 15, Scheduling, he shall be paid the greater of:

1. The scheduled PCH of his original Trip Pairing; or,

2. The scheduled PCH of the Trip Pairing to which he is reassigned; or,

3. The actual PCH of the Trip Pairing completed.

O. Jury Duty Pay

1. A Pilot on Jury Duty shall immediately notify the Company by providing a copy of the Jury Summons to the Chief Pilot's office upon notification of the Jury Duty requirement which impacts their availability in the Bid Period. All Pilots on Jury Duty shall be paid:

   a. Three and a half (3.5) PCH multiplied by the number of Jury Duty Days when the notification is prior to the posting of the Initial Bid Lines in the applicable Bid; or,

   b. If after the posting of the Initial Bid Lines in the applicable Monthly Bid Period, the Pilot shall be paid the PCH for all Duty dropped for the Day(s) of Jury Duty**.**

2. Any fees received by the Pilot as a juror shall be considered to be in addition to his compensation from the Company. The Pilot shall not be required to report or pay back such fees to the Company.

P. Training Pay

1. A Pilot assigned to Initial Training shall be paid no less than the full or Monthly Bid Period Guarantee of his time in Training, including all travel to and from the Training location. In addition, he shall be paid the applicable PCH, in accordance with provisions set forth in subsections 3.P.2. or 3.P.4., below.

2. Short-Term Training.

A Pilot in Short-Term training shall be paid four (4) PCH per Day for every Day he is in Short-Term Training.

3. Long-Term Training

   A Pilot shall be paid the Monthly Minimum Guarantee for any Month a Pilot is in Long-Term Training.

4. When Long or Short Term Training is scheduled after the posting of the Initial Bid Lines in the applicable Monthly Bid Process, the Pilot shall be paid the greater of:

   a. the PCH for all Duty dropped for such Training, or

   b. the applicable Pay provisions as set forth in subsections 3.P.2., 3.P.3.

Q. Home Study Pay

In cases where the FAA grants the Company a reduction in training hours by shifting classroom training to home study, a Pilot shall receive $75 per hour for Captains and $35 per hour for First Officers, with a minimum of one hour. Time is measured as required per the FAA, the greater of regulatory or what is approved in the Company's FAA training manual.

R. Flight Instructor/Check Airman Pay

1. A Pilot who performs duties as Check Airman or Instructor Pilot on a full time training line shall receive the applicable Minimum Guarantees, as provided below:

   a. A check airman, or Instructor on a full time training line assigned to the Company's headquarters or a Training Center shall receive a Minimum Guarantee of 80 PCH. To satisfy that guarantee, a Pilot must be available for a minimum of 16 Training Events (as defined in FAA approved Company manuals) or Ground School Days.

   b. A check airman or instructor conducting training part time while bidding will be paid the greater of the Trip Pairing dropped (if applicable) or event pay.

2. Instructors and Check Airmen will receive the following override while serving part time or on a training line:

   a. Aircrew Program Designee (APD) shall receive a Pay rate Override of one hundred twenty five percent (125%), at his Hourly Pay Rate per Event required of an APD.

b. A Proficiency Check Airman shall receive a Pay rate Override of one hundred fifteen percent (115%), at his Hourly Pay Rate per month if on a full time training line or if part time, per Event.

c. A Line Check Airman shall receive a Pay rate Override of one hundred fifteen percent (115%), at his Hourly Pay Rate for all OE, Line Checks, and supervised line flying.

d. A Ground or Flight Instructor shall receive one hundred ten percent (110%), at his Hourly Pay Rate per month if on a full time training line or if part time, per Event.

S. Taxi Pay

A Pilot shall be paid the greater of five tenths (0.5) PCH, or the actual taxi time for each Taxi Pay occurrence. Taxi Pay shall be earned when an aircraft is taxied for any reason other than for the purpose of the scheduled PCH in a published Trip Pairing (e.g., engine run-ups, assisting a tow team from the flight deck, relocating an aircraft to a site on an airport, such as a remote stand or hanger, or any other such Duty which is assigned by the Company). A Pilot shall receive Taxi Pay as follows:

1. Scheduled Taxi: The PCH for all Taxi times shall be included in the published Trip Pairing.

2. Unscheduled Taxi: The PCH for all Taxi times shall be in addition to the PCH of the Trip Pairing in which the Unscheduled Taxi took place.

T. Bereavement Leave Pay

A Pilot shall notify the Company immediately upon knowing the need to request Bereavement Leave. A Pilot on Bereavement Leave shall be paid:

1. Two and a half (2.5) PCH per Day prior to the posting of the Initial Bid Lines in the applicable Bid Award Process; or,

2. After the Initial Bid Line posting in the applicable Monthly Bid Process, the scheduled PCH of all Dropped Duty.

U. Captain Pay

A Pilot who Upgrades, as provided in subsection 3.CC., shall be paid the higher Hourly Pay Rate beginning upon completion of his Operating Experience (“OE”) or 45 days after simulation completion, whichever comes first.

V. Military Leave Pay

1. A Pilot who is not available for all or part of a Monthly Bid Period(s), or drops PCH due to his Military obligations, shall be paid the greater of:

    a. His pro-rated Minimum Guarantee; or,

    b. All earned PCH during the Monthly Bid Period, as provided in subsections 3.D.1. through 3.D.2.

2. A Pilot shall not earn PCH for any Duty that is subsequently dropped due to his Military obligation after the publishing of the Bid Lines**.**

W. Junior Assignment Pay

A Pilot who is Junior Assigned to Duty that he did not bid or volunteer for, as provided in Section 15, Scheduling, shall be paid two times (2x) the Pilot's Hourly Pay Rate.

X. Sick Leave Pay

As provided for in Section 10, Sick, a Pilot shall be paid for 100% for all PCH dropped due to illness, except when the Pilot's Sick Bank has an insufficient amount of accrued Sick Leave in it to cover the dropped Duty. In such case, his Minimum Guarantee, or 100% of all dropped PCH due to the illness shall not be protected.

Y. Removed for FAR Limitations

1. If a Pilot is removed from a Trip Pairing(s) due to FAR limitations during a Bid Period, he shall be paid for all PCH which is removed.

2. A Pilot removed from Duty as a result of exceeding or expected to exceed the Annual Limitations set forth in FAR Part 117, shall be paid for all PCH which has been removed.

Z. Per Diem

For all time away from Permanent Domicile, per diem shall be $2.00 per hour.

AA. Paychecks

1. Paychecks shall be issued on the fifteenth (15th) Day of the Month (the "First Paycheck") and the last Day of the Bid Period (the "Second Paycheck"). When a payday falls on a Saturday or Sunday, payment shall be made on the previous Friday. If a payday falls on a weekday Company Holiday, payment shall be made on the last Business Day preceding such Holiday.

2. The First Paycheck shall include one-half (1/2) of a Pilot's adjusted Minimum Guarantee, pay for all PCH in excess of his Minimum Guarantees from the previous Bid Period, and per diem for the previous Bid Period**.**

3. The Second Paycheck shall include the remaining one-half (1/2) of the Pilot's adjusted Minimum Guarantee from the current Monthly Bid Period.

4. The Company shall direct deposit paychecks into a Pilot's designated bank account(s), and shall provide him with access to his pay statement on the Company website.

5. The Company shall not make payroll deductions without written authorization from the Pilot, or a Court order requiring the Company to do so.

6. Pay Errors

   a. If the Company denies any item of pay or expenses, the Pilot shall be notified in writing electronically.

   b. If a Company pay error exceeds the equivalent of two (2) hours of pay, the Company shall rectify the error within two (2) working Days after the verification of the error. Pay errors of two (2) hours or less shall be rectified no later than the next paycheck.

   c. Pilots shall not be required to repay the Company for any overpayment received over a timeframe less than that at which it was paid.

BB. Rates of Pay for New Equipment

1. In those instances where the Company is committed to introducing a non-narrowbody aircraft type, the Company will provide prompt written notice to the Union. The parties may meet at any time prior to, but no less than 120 days before the introduction of the new type of equipment, to negotiate the applicable rates of pay and rules.

2. If the parties are unable to reach agreement on the issues bargained by the sixtieth (60th) day prior to the date of the introduction of the non-narrowbody aircraft type of equipment, they will submit their respective last offers on disputed matters to expedited interest arbitration. The arbitrator's resolution of the disputed issues will be on an issue-by-issue basis, rather than a "total package" basis, and will be binding on the parties with respect to the particular dispute.

3. The Company may operate the new type of equipment prior to reaching an agreement with the Union on all disputed issues, or the issuance of an arbitrator's final decision, whichever is applicable. The parties agree that the agreement or the arbitrator's decision will be retroactive to the commencement of operations of the new equipment.

CC. HOURLY PAY RATES

1. A Pilot will receive hourly flight pay based on his Longevity and Position (Captain or First Officer).

2. When a Pilot is advanced from one Longevity pay step to the next, he shall be paid at his new rate for all Trip Pairings and assignments on and after his anniversary date.

3. If the new Agreement is ratified on or before August 31, 2026, new “DOS” rates will take effect on July 1, 2026. If ratified after August 31, 2026, then new rates shall take effect on the first day of the first full pay period following ratification.

4. The following hourly pay scales shall apply for the duration of the Agreement:

CAPTAINS			
Longevity	**DOS**	**1/1/2027**	**1/1/2028**
1	$225.23	$253.78	$261.14
2	$236.44	$259.19	$266.70
3	$245.89	$267.79	$275.55
4	$255.67	$284.92	$293.17
5	$265.88	$304.22	$313.04
6	$273.85	$306.25	$315.13
7	$282.05	$308.28	$317.22
8	$290.48	$312.68	$321.74
9	$297.73	$318.76	$327.99
10	$305.15	$324.82	$334.23
11	$311.24	$327.71	$337.21
12	$320.00	$345.00	$355.00

FIRST OFFICERS			
Longevity	**DOS**	**1/1/2027**	**1/1/2028**
1	$107.28	$115.20	$118.54
2	$142.16	$156.49	$161.02
3	$152.74	$171.99	$176.98

4	$161.37	$188.40	$193.86
5	$170.43	$199.61	$205.40
6	$178.26	$208.13	$214.16
7	$186.39	$211.13	$217.26
8	$191.99	$213.01	$219.18
9	$199.72	$214.30	$220.50
10	$204.68	$215.67	$221.93
11	$208.76	$216.68	$222.96
12	$214.63	$218.14	$224.46

DD. PROFIT SHARING

Pilots shall participate in the Company Profit Sharing program on the same terms as all other employees participating in the Company Profit Sharing program.

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SECTION 4

RETIREMENT

A. Subject to the requirement of applicable laws, the Company shall maintain a 401(k) plan for Pilots.

B. Pilots shall be eligible to participate in the Company's 401(k) Plan subject to this Section 4 and in compliance with ERISA and the relevant tax code provisions.

C. During each payroll period, or according to time periods as otherwise required by the plan, each Pilot covered by this Agreement may:

1. Elect to make employee elective deferral contributions to the plan up to the maximum amount permitted by law.

2. Elect to make after-tax employee contributions to the plan, in accordance with the plan's rules and regulations.

D. Upon ratification of this agreement, the current terms of Section 4 of the August 1, 2016 Agreement shall continue to apply.

E. Effective January 1, 2027, and in lieu of any other Company matching, the Company shall make non-elective contributions into each eligible Pilot's 401(k) account equal to fifteen percent (15%) of that Pilot's Compensation (as that term is defined in the 401(k) Plan). No Pilot contributions shall be required.

1. Company non-elective contributions under Paragraph 4.E., above, that cannot be contributed to a Pilot's 401(k) account due to limitations under Sections 415(c) and 401(a)(17) of the Internal Revenue Code ("Excess Payments") shall be paid directly to the Pilot as additional taxable compensation until such time as this Agreement is amended. Excess Payments under this provision will be paid to affected Pilots before March 31 of the year following the year in which the contributions would otherwise have been made to the 401(k) Plan.

F. Change in Law or Regulation

If there is a change in law or regulation causing a reduction in benefits or contributions to the Retirement Plan or creating a reduction in the limits contained in Internal Revenue Code Sections 415(b), 415(c) and/or 401(a)(17), the Company and Union shall meet to discuss and establish a procedure through qualified or non-qualified means to continue providing the benefit or contribution at the level in effect prior to the change in law or regulation.

G. Change in Plan Documents

As soon as practicable upon finalizing or learning of material changes to 401k Plan documents, the Company will notify the Union and will, upon request, meet and confer with the Union about such changes.

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SECTION 5

INSURANCE

A. Health Care Coverage

The Company shall provide each eligible Pilot and his or her eligible dependents with health care coverage that includes medical, dental, vision and prescription drug benefits as set forth in this subsection A.

1. Pilots and their eligible dependents will be eligible for all medical, dental, and vision coverage through TeamCare, a Central States, Southeast and Southwest Areas Health and Welfare Fund plan ("TeamCare"). Such coverage will be provided through TeamCare's MM200 Plan of benefits. The Company shall pay seventy-five percent (75%) of the total monthly contribution rate for all applicable coverage options. Eligible Pilots shall pay twenty-five percent (25%) of the total monthly contribution cost to maintain the coverage tier that they select, which payment shall be made by payroll deduction by the Company and remitted by the Company on their behalf to TeamCare. Accordingly, the respective monthly contribution obligations of the Company and Pilots are as follows:

TEAMCARE MONTHLY CONTRIBUTION RATES (2026)				
	Employee	EE + Child(ren)	EE + Spouse	EE + Family
Employee Contribution	$194.65	$255.68	$406.47	$569.44
Employer Contribution	$583.94	$767.03	$1,219.41	$1,708.31

Annual increases to employee contribution rates shall be limited to zero percent (0%) in the first full Plan Year following ratification of the new Agreement, and five percent (5%) every year thereafter.

2. The Company will enter into and abide by the terms of TeamCare's trust agreement and all other governing documents, including any participation agreement required by the TeamCare. If TeamCare requires such participation agreement to be signed by the Company, that agreement and all of its terms shall be incorporated herein by reference. The Company shall receive at least ninety (90) days' advance notice of any plan amendments.

3. The rights and obligations of a Pilot regarding continuation of their current TeamCare coverage and Benefit Election(s), including any ancillary benefits, while on a Leave of Absence shall be in accordance with Section 8, Leaves of Absence, except that if a Pilot is receiving benefits under the LTD plan pursuant to Section 5.D., below, at the

same time the Pilot is on a Leave of Absence (other than a Leave of Absence pursuant to Section 8.I.2.), the provisions of subsection 5.D.2.e regarding the continuation of such benefits shall apply.

B. Life Insurance and AD & D Insurance

The Company shall provide a Basic Life Insurance Benefit and a Basic Accidental Death and Dismemberment (AD&D) Benefit for Pilots in accordance with the following schedule:

1. Benefit Levels & Coverage:

   a. Life Insurance: $250,000.

   b. AD&D: $250,000. The AD&D Benefit shall be on a twenty- four (24) hour basis including coverage while acting as a Pilot.

   c. Premiums: The cost of the Basic Life Insurance and the Basic AD&D premium shall be fully paid by the Company.

2. Optional Life and AD&D: All Pilots shall be eligible to purchase optional life coverage up to five times (5X) their yearly income up to $750,000 or the maximum allowed amount in the insurance carrier's policy, whichever is greater. For the purposes of this subsection, a Pilot's yearly income shall be calculated pursuant to the formula in the insurance carrier's policy.

C. Short-Term Disability

The Company shall offer the Pilots an opportunity to participate in a voluntary Short-Term Disability (STD) insurance plan on terms no less favorable than it offers to other non-management employees of the Company. The Pilot shall be responsible for the entire cost of participation in the STD insurance plan.

D. Long-Term Disability

1. The Company shall provide a Long-term Disability (LTD) Plan for Pilots on the following terms.

2. All Pilots covered by this Agreement are eligible for LTD Benefits described in this Section 5.D. in accordance with, and subject to, the terms of the LTD Plan documents.

   a. The LTD Plan shall provide eligible Pilots with LTD Benefits equaling sixty percent (60%) of the Pilot's Monthly Earnings (calculated by multiplying the Pilot's hourly rate of pay times Monthly Minimum Guarantee), up to a maximum of twelve thousand dollars ($12,000) per month.

b. Pilots shall be subject to the provisions in the LTD Plan, as established by the LTD carrier, with respect to proof of insurability, income offset, return-to-work, and benefits limits for mental health and substance abuse issues.

c. Disability

i. A Pilot shall be considered disabled under the LTD Plan if the Pilot is ineligible to exercise the privileges of their FAA First Class Medical Certificate resulting from:

1) A disability specified in FAR Part 67,

2) any other disabling injury or medical condition, including any natural physical and/or mental deterioration.

ii. When a Pilot has been considered disabled under the LTD Plan for ninety (90) Days, and has met all other eligibility criteria as set forth in the LTD Plan, the Pilot shall be eligible to receive LTD Benefits.

d. A Pilot shall continue to receive benefits under the LTD Plan until the earliest of the following:

i. The Pilot reaches FAA mandatory retirement age;

ii. The Pilot resigns or is discharged for cause;

iii. The Pilot regains the ability to exercise the privileges of his or her FAA First Class Medical Certificate;

iv. The Pilot's death;

v. The Pilot is no longer eligible to receive LTD benefits under the terms of the LTD Plan (e.g., the Pilot has reached the lifetime maximum for mental health and addiction coverage or the LTD Plan provider determines that the Pilot is no longer cooperating with it).

e. To the extent permitted by the providers of TeamCare coverage and other ancillary benefits, a Pilot receiving benefits under the LTD Plan shall be eligible to receive TeamCare coverage and Benefit Election(s), inclusive of any currently selected ancillary benefits, on the same terms as Active Pilots for a period of twelve (12) months after the Pilot becomes eligible to receive LTD Benefits. Thereafter, the Pilot may continue to receive TeamCare coverage and Benefit Election(s), provided they maintain eligibility under the terms of the applicable plans and pay the full amount for the TeamCare

coverage and any ancillary benefits, or at the Pilot's discretion, group insurance coverage to the extent provided by COBRA, provided the Pilot complies with all COBRA requirements.

f. Premiums

i. The cost of the LTD Plan premium shall be fully paid by the Company.

ii. The cost of the premium paid by the Company for the core LTD Plan will be imputed as income to the Pilot and be subject to any applicable income tax, and therefore the amount of any benefit under the policy received by a Pilot will not be taxable to the respective Pilot upon receipt. However, during the annual open enrollment period, a Pilot will have the option to opt out of having the premium payments being imputed to his earnings, and if the Pilot so elects and becomes eligible for the LTD benefit in that year, the LTD benefit would be taxed.

iii. To the extent offered by the LTD carrier, the Pilots shall be provided a "buy-up" option under which Pilots may purchase additional LTD coverage to increase their total monthly benefit. The buy-up option shall be paid entirely by the Pilot.

3. While a Pilot is receiving LTD Benefits, the Pilot shall remain on the Allegiant Air Pilots System Seniority List.

E. CRAF Mission/War Zone/Combat Zone Death Benefits

In the event of the death of any Pilot from injury or disease while flying a CRAF mission or while assigned to a war zone or combat zone operation, the Company shall pay, in addition to the other benefits prescribed in this Agreement, an additional two hundred fifty thousand dollars ($250,000) to the Pilot's beneficiaries in the order and manner named in his last Beneficiary Designation Form and which is on file in the Employee Benefits Department.

F. Contribution Obligation and Maintenance of Benefits

In the event that changes in federal or state law or regulation (including the interpretation thereof) diminish the quality of the benefits provided by TeamCare, or increase the benefit cost incurred by the Pilots, the parties shall meet and confer to discuss the restoration of the quality of benefits and Pilot costs as they existed immediately prior to those changes.

G. Aeromedical Services

The Company will provide an aeromedical service to pilots on the Allegiant Air

seniority list. This service is available to address matters relating to an airman's medical certificate. All medical consultation will be confidential and known only to the pilot and the aeromedical service unless expressly permitted otherwise by the Pilot. The Company will not be privy to consultations.

H. Change in Plan Documents

As soon as practicable upon finalizing or learning of material changes to LTD Plan documents, the Company will notify the Union and will, upon request, meet and confer with the Union about such changes.

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SECTION 6

EXPENSES

A. Lodging & Transportation

1. R.O.N. Lodging

   The Company shall provide each Pilot, while on Company business away from his Domicile, with single occupancy hotel accommodations that are rated not less than 3 stars per the booking tool used by the Company, or have been approved by the Union Hotel Committee.

   a. Location: The Company shall provide suitable lodging, as defined in subsection 6.A.1., at or near the arrival airport and shall strive to locate such hotel with a driving time from the arrival airport to the hotel being no greater than thirty (30) minutes in length.

   b. Room Placement and Food Discount: The Company shall request the hotel to avoid first floor accommodations, rooms near elevators or ice machines, outside entry doors, and to consider providing food discounts in the hotel restaurant.

   c. Selection:

      i. An IBT Hotel Committee representative may visit new hotels under consideration by the Company for scheduled overnights. Such visits will be arranged by the Union and will be conducted on the Union Hotel Committee Representatives' off time. Such visits will not be considered Short Term Union business or work on behalf of the Company.

      ii. The Union Hotel Committee member shall have the opportunity to provide the Company orally or in written form, his observations, opinions and suggested selections. The Company shall take into consideration the documentation provided by the Hotel committee.

      iii. The Company shall have the sole responsibility to make hotel selections, per the Company's Travel Policy, inclusive of the standards in this section.

      iv. Section 6.A.1.c. does not apply to hotels booked by the Company on an ad hoc basis due to operational necessity (e.g., irregular operations, diversions, ad hoc charters, etc.).

d. If the Union has a disagreement with the Company with regard to their Hotel selection, they shall have the ability to provide a written explanation to the Vice President of Flight Operations or his designee detailing such disagreements.

2. Duty Period Lodging

a. Scheduled Breaks: For each scheduled break in excess of five (5) hours between segments in a Trip Pairing, or between Trip Pairings in a single Duty Period, the Company shall provide single occupancy hotel accommodations, as provided for in subsection 6.A.1., above. This provision is not applicable to breaks created by a Pilot through Open Time Trades or pick-ups, or through Trip Trades between Pilots.

b. Additional Flying due to Irregularities: Should a Pilot be assigned to an Extension, or a Reassignment to his original Trip Pairing, where, as a consequence, it creates a scheduled break of greater than five (5) hours, the Pilot shall be provided hotel accommodation, with a hotel rating as provided for in subsection 6.A.1., above.

3. Transportation

The Company shall provide transportation to and from the hotel when a Pilot is required to overnight away from his Domicile, or when hotel accommodations are required under subsection 6.A.2.b., above. If transportation is not available within forty-five (45) minutes after his release from Duty, the use of a cab is authorized, subject to timely submission with receipts per subsection 6.C.

B. Pilot in Command Expense Authority

The Pilot in command, while on official Company business, shall be reimbursed for justifiable expenses when unusual or an emergency condition(s) exist(s).

C. Reimbursable Expenses

Pursuant to this Section 6, The Company shall reimburse to the Pilot all costs incurred from allowable, reimbursable expenses. To receive reimbursement for such expenses, an expense report shall be filled out and submitted with receipts within thirty (30) Days after obtaining the receipt of the expense.

D. Submission & Reimbursement

Submitted expenses shall be paid within thirty (30) Days upon receipt of the Pilot’s expense form.

E. Moving Expenses

1. Moves at Pilot Expense

   When a Pilot transfers Domiciles due to being Awarded a voluntary Vacancy Bid, they shall bear their own moving expenses.

2. Moving Days Allowance

   a. When calculating a Pilot's allowable, uninterruptable Days for such Company Paid Move, five hundred (500) statute miles, or any portions thereof, measured Domicile to Domicile, shall equal one (1) allowable Day for the move. The minimum allowable Moving Days shall be three (3) Days and the maximum allowable Moving Days shall not exceed seven (7) Days. The Pilot will be required to show proof of an actual Move to the Domicile.

   b. A Pilot newly hired by the Company shall be allowed three (3) uninterruptible consecutive Days free of all Duty, for purposes of making his move to his Domicile. These three (3) Days shall

commence the first Day after the New Hire Pilot's release by Training and prior to the Pilot's first Duty assignment.

c. A Pilot entering a newly opened base shall be allowed three (3) uninterruptible consecutive Days free of all Duty, for purposes of making his move to his Domicile.

d. The Pilot shall coordinate with Crew Services for scheduling his allowable Moving Days and the Company shall approve his allowable Moving Days within thirty (30) Days after the submission of his request to Crew Services.

e. The Company shall bear no responsibility for additional expenses, or Moving Days back to the Pilot's previous Position and Domicile, if a Pilot elects to take Moving Days prior to extended Training and subsequently does not complete such Training (e.g., Training failure). This provision shall not be applicable if the Company cancels the Pilot's Training.

3. Company-Paid Moves

a. When a Pilot who meets the requirements of Section 6.E.6., below, relocates their actual primary residence as a result of being Displaced from the Pilot's previous Domicile to a different Domicile, the Company shall pay for the Pilot's move to the new Domicile as set forth in this Section 6.E.3. (a "Company-Paid Move"). No other Pilots shall be entitled to a Company-Paid Move.

b. A Pilot will be required to show proof of an actual move from their previous Domicile to the new Domicile in order to be entitled to a Company-Paid Move.

c. The Company shall directly pay a licensed and bonded moving company of the Company's choice to move the Pilot's household, up to a maximum gross weight of twenty thousand pounds (20,000 lbs.) of goods. The maximum amount which the Company shall be obligated to pay to move the Pilot's household goods shall be twelve thousand five hundred ($12,500) for moves within the contiguous forty-eight (48) United States and sixteen thousand five hundred dollars ($16,500) for moves to or from a Domicile located outside the contiguous forty-eight (48) United States.

d. The Pilot shall be responsible for any moving costs that exceed the amounts listed above.

e. In addition to the amount paid to the moving company, the Company shall also reimburse the Pilot for actual and reasonable expenses

incurred to transport one (1) vehicle to the Pilot's new Domicile, and actual and reasonable mileage, hotel and meal costs associated with the relocation of the Pilot's family to the new Domicile. The reimbursements for these costs will be limited to the standard government Meals and Incidental Expenses (M&IE), and standard CONUS lodging rates.

f. A Pilot who terminates their employment within ninety (90) days of receiving moving costs and/or reimbursements for a Company-Paid Move shall be responsible for repayment of the moving costs and/or reimbursements received and shall not be entitled to payment of any moving costs and/or reimbursements not yet received.

4. If Requested by the Pilot who has an authorized Company Move to accomplish a transfer to another domicile, the Pilot will be provided with one set of on-line, positive space transportation on a Company flight, without displacing a revenue passenger, for himself and his Eligible Dependents, as defined in Section 2, Definitions, to the location of his new Permanent Domicile.

5. A Pilot who has an authorized Company Move, shall be paid in accordance with subsection 3.G., Removal Pay, for all PCH dropped due to accommodating his move, but shall be paid no less than the greater of his accumulated PCH for the Bid Period, or his Minimum Monthly Guarantee, as provided for in Section 3, Compensation.

6. A Pilot eligible for the benefits in subsection 6.E., Moving Expenses, is only in connection with a move of his actual principal residence to a location that is no more than one hundred twenty (120) Google Map miles from the new Domicile. A move by a Pilot already residing within the one hundred twenty (120) Google Map mile designation shall not be eligible for the benefits in subsection E., Moving Expenses. The location to which the Pilot moves must be closer to the new Domicile. A Pilot shall have up to nine (9) months following the effective date of the transfer to the new Domicile to complete the move and submit documentation for any stipend payment and/or benefit listed in this subsection 6.E., Moving Expenses.

F. Uniforms

1. The Company shall provide all new hire Pilots with the following uniform items: four (4) shirts, two (2) pairs of pants, two (2) ties, one (1) jacket with stripes, and one (1) raincoat/overcoat. In lieu of a raincoat/overcoat, the Pilot may select a one-time allotment of one hundred and fifteen dollars ($115) towards an approved leather jacket. Additionally, each new hire Pilot shall receive two (2) pairs of First Officer uniform wings and one (1) set of First Officer epaulettes.

2. Upon successful completion of Upgrade Training, the Company shall provide a Pilot two (2) pairs of Captain uniform wings and one (1) set of Captain epaulettes.

3. The Company shall provide annually an allotment for the replacement of two (2) shirts and one (1) pair of pants. Ties shall be replaced as necessary.

4. The Company shall provide a Pilot six dollars ($6) per month for uniform cleaning.

5. In the event the Company decides to change uniform standards, the Company shall provide each Pilot with the required replacement items on a one-for-one bases as detailed in F.1., above, not to exceed the initial new hire uniform allotment.

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SECTION 7

MEDICAL STANDARDS

A. FAA Medical Certification

1. The medical standards required of a Pilot shall be those established by the FAA, including its waiver policy. Each pilot must maintain a first class FAA Medical Certificate. However, First Officers may obtain such Medical Certificate every twelve (12) months unless covered by a more restrictive FAR.

2. A Pilot must electronically submit a copy of his FAA medical Certificate to the Company by the twenty-fifth (25th) Day of the Month in which his Medical Certificate expires. A Pilot who will obtain his Medical Certificate after this deadline, and before the end of the Month, shall notify the System Chief Pilot or designee of such circumstances before the twenty-fifth (25th) Day of the Month. Such Pilot shall be eligible for a Duty assignment that ends prior to the expiration of his current Medical Certificate. If a Pilot fails to notify the System Chief Pilot or his designee of his inability to obtain his medical Certificate by the twenty-fifth (25th) day of the Month, as provided herein, he may be removed from service without pay until he provides the System Chief Pilot with a copy of his Medical Certificate.

3. Any Pilot who fails to pass an examination by an Aviation Medical Examiner ("AME") shall promptly notify the System Chief Pilot and Crew Scheduling. Such Pilot shall be removed from Duty without pay. However, such Pilot may utilize any accrued sick time, as provided in Section 10, Sick, and receive, if eligible, short-term disability benefits, long-term disability benefits, and/or workers' compensation benefits, or be placed on a Medical Leave of Absence, as provided in Section 8, Leaves of Absence. Such Pilot may have a review of his case in accordance with the FARs and shall be responsible for all costs associated with such review and the costs of any subsequent reinstatement of his Medical Certificate, except as provided elsewhere in this Agreement.

B. Confidentiality

1. Any medical information obtained by the Company, as a result of an FAA-required physical examination or a fitness for Duty examination, as provided in this Section 7, shall be kept confidential by the Company as required by applicable law. This does not prohibit the Company from providing relevant medical information to appropriate management personnel who require such information to determine a Pilot's satisfaction of requirements contained in this Section 7, or to an insurance carrier in

connection with a benefits claim or dispute.

2. When required by a court order or other legal requirement to release information, the Pilot shall be notified of such action. If the Pilot invokes the medical dispute resolution provisions, as provided in subsection 7.F., as part of that process he shall authorize that all medical records pertinent to the case be made available to the medical doctors involved.

C. Fitness for Duty Examinations

1. When the Company has reliable information that leads it to reasonably question if a Pilot is fit for Duty, the Company may require such Pilot to submit to a medical examination by a qualified medical examiner selected by the Company ("CME"). When an examination is required, the Company shall notify the Pilot in writing, as provided in Section 25, General, of the reason for the requirement and provide the contact information for the CME. The Company shall pay the costs of such examination.

2. A Pilot who is removed from Duty and required to undergo an examination by a CME shall not lose pay as a result of being removed from Duty until the CME determines that such Pilot is not fit for Duty, as provided in subsection 7.D.3.a.

3. The Pilot shall communicate with the CME's office within five (5) business day of receipt of the notice, as provided in subsection 7.C.1., for the purpose of setting a date for the examination, which shall be scheduled within fifteen (15) days of such communication by the Pilot.

4. If an examination date is not available within fifteen (15) days of the Pilot's communication with the CME's office, as provided in subsection 7.C.3., then the Pilot shall schedule the examination for the next available date after the expiration of the fifteen (15) day period. The Pilot shall notify the Vice President of Flight Operations, or designee, of the earliest possible date for the examination. The Vice President of Flight Operations, or designee, shall determine whether to accept the date scheduled or to identify a substitute CME to obtain an earlier examination.

5. The procedures, as provided in subsections 7.C.3 and 7.C.4., shall be repeated until the Company is satisfied with the scheduled date of the examination.

6. The Pilot shall report for the examination as scheduled. Failure to do so may result in the Pilot being removed from pay status and may be subject to disciplinary action.

D. Results of a Fitness for Duty Examination

1. Within five (5) business days of receipt of the CME's written determination, the Company shall provide a copy to the Pilot.

2. Pilot is Found Fit for Duty

   If the CME determines that the Pilot is fit for duty, then the Pilot shall be returned to his former Position without delay. The Company shall schedule any necessary training as soon as practicable.

3. Pilot is Found to be Unfit for Duty

   a. If the CME determines that the Pilot is unfit for duty, such Pilot shall be removed from Duty, if the Company has not already done so, as provided in subsection 7.C.2., and, effective upon the date the Company receives a copy of the CME's determination, such Pilot shall be placed on an unpaid status. However, the Pilot may utilize any accrued sick time, and receive, if eligible, short-term disability benefits, long-term disability benefits, and/or workers' compensation benefits, or be placed on a Medical Leave, as provided in Section 8, Leaves of Absence.

   b. If the Pilot disagrees with the CME's determination, he may invoke the medical dispute resolution provisions of subsection 7.E. If such Pilot fails to invoke such medical dispute resolution provisions, the CME's determination shall be final and binding and not subject to the Grievance and System Board provisions, as provided in Sections 18 and 19, respectively. A Pilot who does not invoke the medical dispute resolution provisions shall be eligible for Medical Leave, as provided in Section 8, Leaves of Absence. In such cases, upon request of the Pilot, the CME shall be responsible for completing required forms to qualify such Pilot for Medical Leave.

   c. A Pilot who has been deemed unfit for Duty, as provided in this Section 7, shall be returned to Duty if a CME subsequently deems him fit for Duty. The Pilot shall be responsible for all costs and expenses associated with subsequent examinations by a CME including, but not limited to, travel related expenses and any expenses associated with his examination that are not paid by medical insurance.

E. Medical Dispute Resolution

A Pilot who fails to pass a medical examination by the CME, as provided in subsection 7.D.3.a., may have a review in the following manner:

1. The Pilot shall notify the Vice President of Flight Operations, or his designee, within seven (7) business days of the date he is furnished a copy of the CME's determination, that he disagrees with said determination and is selecting a qualified personal medical examiner ("PME") of his own choosing to conduct a medical examination for the same purpose as the examination conducted by the CME. He shall also inform the Company of the scheduled date of such examination. The Pilot shall be responsible for all costs and expenses associated with examination by the PME including, but not limited to, travel related expenses and any expenses associated with his examination that are not paid by medical insurance.

2. The Pilot shall furnish the Company with a copy of the PME's determination within five (5) business days after he receives such report. If such findings are consistent with the findings of the CME, or if the Pilot fails to furnish such report within the five (5) business day period, no further review of the case shall be afforded. Such Pilot may utilize any accrued sick time and receive, if eligible, short-term disability benefits, long-term disability benefits, and/or workers' compensation benefits or be placed on a Medical Leave, as provided in Section 8, Leaves of Absence, if he hasn't already done so, as provided in subsection 7.D.3.a.

3. If the Pilot furnishes the PME's determination to the Company in a timely manner and such determination disagrees with the CME's determination, the Company shall, at the written request of the Pilot made at the time of filing the PME's determination with the Company, ask that the CME and PME recommend a third, qualified and impartial medical examiner ("QME") who is available for the purpose of making a further examination. Such recommendation shall be made within fifteen (15) days of the Pilot's request.

4. Within five (5) business days of the selection of the QME, as provided in subsection 7.E.3., the Company and Pilot shall request their respective medical examiners to submit their findings to the QME within five (5) business days.

5. The expenses of engaging the QME and any other medical specialist he deems necessary, not paid by medical insurance, shall be shared equally by the Pilot and the Company.

6. All written communications by either the CME or PME made to the QME shall be copied to the other party's medical examiner. No verbal or written communication regarding the merits of the Company's, Pilot's, or

Union's relative positions in the dispute shall be made to the QME by either the Company or the Union.

7. Within ten (10) business days following the QME's review of the records provided to him and any examination(s) of the Pilot he deems necessary, he shall render a final and binding determination regarding the dispute. Copies of the QME's report shall promptly be furnished to the Company and the Pilot.

8. If the QME finds the Pilot is unfit for Duty, no further review of the medical dispute shall be afforded.

9. If the QME finds the Pilot is fit for Duty, the Company shall schedule any necessary training and shall return such Pilot to Duty in his former Position as soon as practicable. If such Pilot was a Captain at the time the CME found him unfit for duty, but he no longer has sufficient seniority to hold Captain, he shall be returned to Duty as a First Officer. If his former Fleet is no longer part of the Company's operation, he shall have the right to Bump to any Position in any Domicile he has sufficient Seniority to hold. If the Company has furloughed Pilots with seniority greater than said Pilot, he shall not be returned to active service until he would be recalled.

10. A Pilot who is found by the QME to be fit for Duty shall be made whole by the Company as follows:

    a. Reimbursement for all lost pay, adjusted for payments such Pilot may have received (e.g., sick time usage, disability payments or workers' compensation) from the time he was placed on an unpaid status, as provided in this Section 7, until he is reinstated to flying status following the determination of the QME, or until the date such Pilot may have been furloughed, whichever is earlier; provided,

        i. if a Pilot requests an extension(s) of any of the time limits in this Section 7, the Company's payment obligation shall be reduced by the time of such extension(s). Any sick time shall be restored to the Pilot's sick bank, and the Pilot shall be made whole for any forfeited sick accruals.

    NOTE: Lost pay, for the purposes of this provision, shall mean trips missed as a result of withholding or minimum guarantee, whichever is applicable.

F. General

1. The Company shall communicate with the FAA regarding a Pilot's medical fitness for Duty only to the extent required by the FARs or other applicable law.

2. Nothing in this Section 7 precludes a medical examiner from referring a Pilot to another medical examiner who has the appropriate specialty needed to evaluate the Pilot's physical or mental condition. The costs and expenses associated with such examinations shall be considered as an integral part of the costs and expenses of the referring medical examiner for the purposes of determining allocation to either the Company, the Pilot, or both, as provided in this Section 7.

3. If the location of an examination by the CME or the QME, or another medical examiner to whom the Pilot has been referred by the CME or QME, is to be conducted at a location more than sixty (60) miles from the Pilot's residence or base, the Company shall reimburse him for reasonable transportation costs. Should overnight accommodation be required, such accommodation will be arranged and paid for by the Company. When overnight accommodations are required, the Company will also reimburse the pilot for other reasonable travel-related expenses.

4. All communications between the Company and a Pilot required by this Section 7 shall be as provided in Section 25, General.

5. The same procedures set forth in this Section 7 may be used should there be disagreement between a Pilot and the Company wherein the Pilot believes he is unfit for flight Duty and the Company disagrees.

SECTION 8

LEAVES OF ABSENCE

A. Personal Leave of Absence

1. A Personal Leave of Absence ("PLOA") may be granted to a Pilot who has successfully completed Initial Training as a Pilot at the discretion of the Company. Pilots on a Personal Leave of Absence shall be entitled to use all accrued Sick Bank, or accrued Vacation Block(s) if his Sick Bank is exhausted, during a PLOA. A Pilot shall submit his request for a PLOA to the Vice President of Flight Operations or his designee in the manner prescribed by the Company. The request must state;

    a. the reason for the leave: and

    b. the commencement and expected date of return, both of which must coincide with the beginning of a Schedule Bid Period, unless otherwise approved by the Company: and

    c. If the Pilot is requesting to use accrued Sick Bank, or accrued Vacation Block(s) if his Sick Bank is exhausted, during his PLOA.

2. The Company, following submission of any requested documentation, shall notify the Union the Pilot has made such request, unless the Pilot requests the Company not notify the Union, and respond to the Pilot's request for a PLOA within seven (7) Days. This notification shall inform the Pilot of the length of the PLOA and any benefits that the Company shall make available during the PLOA. The Union shall be provided with a copy of the Company response to the Pilot.

3. Requests for an emergency PLOA involving serious emergencies or Acts of God (i.e., fires, floods, tornadoes, hurricanes, etc., affecting a Pilot's household, or a serious accident or incident involving a Pilot's family member) shall be given additional, expedited consideration, and shall not be unreasonably denied.

4. A Pilot may not perform revenue flying or otherwise work for another air carrier while on a PLOA without the prior authorization of the Company.

5. A Pilot shall retain and continue to accrue Seniority while on a PLOA. Longevity shall accrue for the first one-hundred eighty (180) days of a PLOA.

6. A Pilot on a PLOA being paid Regular Lineholder Minimum Guarantee from accrued Sick Bank and/or Vacation Block(s) shall continue to be covered by their current Benefit Election(s), inclusive of any currently

selected ancillary benefits. A Pilot on a PLOA who is not being paid the equivalent of a Regular LineHolder Minimum Guarantee from accrued Sick Bank and/or Vacation Block(s) may continue to pay the full amount for their current TeamCare coverage and Benefit Election(s), inclusive of any currently selected ancillary benefits (e.g., buy up LTD, Legal, STD, identity theft, FSA, etc.) or, at the Pilot's discretion, group insurance coverage to the extent permitted by COBRA, provided he complies with all requirements of COBRA.

7. A Pilot shall have the option of pre-paying for their current TeamCare coverage and Benefit Election(s), inclusive of any currently selected ancillary benefits, for the entire period of their planned absence, or elect to provide payment on a pre-planned monthly basis. If a Pilot elects to provide monthly payments, the Pilot shall agree to provide ongoing payments through automated processing via credit card, debit card, or ACH for the entirety of their leave.

B. Medical Leave of Absence

1. A Pilot, at his discretion, may request, and the Company shall grant, a family leave of absence in accordance with the Family Medical Leave Act ("FMLA") of 1993. A Pilot shall not be required to utilize available FMLA.

2. A Pilot who has exhausted his time off under the Family and Medical Leave Act ("FMLA"), is otherwise ineligible for FMLA Leave, or has elected not to utilize available FMLA, shall be granted a Medical Leave of Absence ("Medical Leave") for his illness or injury if requested by the Pilot. Medical Leave must be requested in writing to the Vice President of Flight Operations or his designee in the manner prescribed by the Company as soon as possible after the reason for a Medical Leave is known.

3. A Medical Leave shall be granted to any Female Pilot who requires time off due to medical restrictions related to pregnancy and/or following the birth of a child under the same terms and conditions as set forth in this subsection 8.B., unless otherwise required by law to provide greater or additional leave benefits.

4. A Pilot requesting or on a Medical Leave must submit a certification from his doctor stating whether or not he is able to meet FAA physical requirements each year within thirty (30) days of the anniversary date of the Medical Leave.

5. If a Pilot on a Medical Leave is unable to return by the original anticipated return to work date as indicated by his treating physician, the Company may request medical documentation substantiating the

continued need for the leave in the form of a doctor's note stipulating the estimated time frame of the continued Medical Leave.

6. A Medical Leave shall be limited to a total period of seven (7) years. During a Medical Leave, the Pilot shall retain and continue to accrue Seniority. Longevity shall accrue for the first one hundred and eighty (180) days of a Medical Leave. With the exception of FMLA, a Medical Leave shall run concurrently with any other leave of absence for which the Crewmember may be eligible under this Agreement, or under any other federal or state laws applicable to the Crewmember.

7. Prior to or during a Medical Leave or FMLA Leave, a Pilot who is not receiving any Long Term Disability benefits in accordance with Section 5.D. may, at his option, elect to be paid his accrued Sick Bank PCH until such time his accrued Sick Bank is exhausted. Additionally, if a Pilot's Sick Bank PCH has been exhausted, a Pilot who is not receiving any Long Term Disability benefits in accordance with Section 5.D. may, at his discretion, elect to use his accrued Vacation Block(s) until such time as those benefits are exhausted. A Pilot shall notify the Company of such election, and such election shall be available to the Pilot whether or not the event giving rise to the leave is an FMLA qualifying event. A Pilot being paid the equivalent of a Regular LineHolder Minimum Guarantee from accrued Sick Bank and/or Vacation Block(s) shall continue to be covered by their current TeamCare coverage and Benefit Election(s), inclusive of any currently selected ancillary benefits . Should a Pilot elect not to use his Sick Bank and/or Vacation Block(s), during the first ninety (90) Days of a Medical Leave, he shall be eligible to continue to be covered by their current TeamCare coverage and Benefit Election(s), inclusive of any currently selected ancillary benefits, provided he pay his monthly co-payment. Thereafter, the Pilot shall be placed in an unpaid status and may continue to pay the full amount for their current TeamCare coverage and Benefit Election(s), inclusive of any currently selected ancillary benefits or, at the Pilot's discretion, group insurance coverage to the extent provided by COBRA, provided he complies with all COBRA requirements. Pilots who are receiving Long Term Disability benefits shall be handled in accordance with Section 5.D.

   a. A Pilot shall have the option of pre-paying for their current TeamCare coverage and Benefit Election(s), inclusive of any currently selected ancillary benefits, for the entire period of their planned absence, or elect to provide payment on a pre-planned monthly basis. If a Pilot elects to provide monthly payments, the Pilot shall agree to provide ongoing payments through automated processing via credit card, debit card, or ACH for the entirety of their leave.

C. Workers' Compensation Leave of Absence

1. A Workers' Compensation Leave of Absence shall be granted to a Pilot for the period of time he receives temporary total disability payments under a workers' compensation statute.

2. A Pilot may request to be paid his accrued sick and/or vacation time during the statutory waiting period to supplement his disability payments. This sick and/or vacation supplement shall be based on the difference of his workers' compensation payments and one hundred percent (100%) of his projected earnings, based from the Monthly Guarantee multiplied by his last Hourly Rate of Pay.

3. A Pilot shall retain and continue to accrue Seniority for the duration of his Workers' Compensation Leave of Absence. Longevity shall accrue for the first ninety (90) days of a Workers' Compensation Leave of Absence.

4. A Pilot on a Workers' Compensation Leave of Absence shall continue to be covered by the TeamCare's group insurance plan and may continue dependent coverage so long as he remains in a paid status, so long as timely co-payment are made. Thereafter, the Company shall process an administrative payroll separation and the Pilot may continue group insurance coverage to the extent provided by COBRA, provided he complies with all COBRA requirements.

D. Military Leave of Absence

1. A Pilot shall be granted Military Leave of Absence ("Military Leave") for military service or military reserve duty in accordance with applicable federal law. Military Leave shall be requested in writing to the Vice President of Flight Operations or designee and in the manner prescribed by the Company as soon as practicable after the Pilot becomes aware of the military duty for which the leave is requested and should be accompanied by a copy of any applicable orders.

2. A Pilot shall retain and continue to accrue Seniority and Longevity during his Military Leave, regardless of the duration of such leave.

3. A Pilot, while on Military Leave, and his dependents will be eligible for Company-provided travel privileges in accordance with Company policy and any interline agreements.

4. Health insurance may be continued if the Pilot opts to pay his portion of premiums. The Pilot may also elect coverage through the military in which case the Pilot must notify the Benefits Department to stop coverage under the TeamCare's plan.

5. The Company shall continue to pay all retirement contributions in

accordance with applicable laws and regulations.

E. Bereavement Leave of Absence

1. A Pilot requesting bereavement leave shall advise the Vice President of Flight Operations, the Chief Pilot, or his Regional Chief Pilot in the manner prescribed by the Company and such Pilot AAY shall be granted up to seven (7) days off to be used in up to two (2) blocks of consecutive dates, one of which must be the date of interment or memorial service, in connection with the death of his parent(s), spouse, registered domestic partner, child(ren), children of domestic partner, grandparent(s), sibling(s), sibling(s)-in-law, or the parent(s) or grandparents of his spouse or domestic partner.

2. Pilots needing additional time off may request a PLOA, as provided in this Section 8, or Section 10, Sick, as appropriate. The Company shall not unreasonably deny a Pilot's request for additional leave.

3. A Pilot taking bereavement leave will be paid Minimum Guarantee or for trips missed, whichever is greater.

F. Jury Duty Leave of Absence

1. A Pilot who is called to Jury Duty shall be provided the necessary time that is required for such Jury Duty. A Pilot who is called for Jury Duty must advise the Vice President of Flight Operations or his designee in the manner prescribed by the Company as soon as possible after being notified of his call to Jury Duty.

2. Until a Pilot has completed his Jury Duty obligation with the Court, the Company shall drop all Duty from his schedule and he shall be paid Jury Duty Pay, as provided in Section 3, for the entire period of his Jury Duty obligation. The Pilot shall report his availability to return to Flight Duty once he is released from Jury Duty. Should a Pilot be unable to report for assigned Duty immediately preceding or following his Jury Duty obligation due to no viable commuting options to or from his Domicile, the Pilot's removed Duty shall be paid in accordance with Section 3.G., Removal Pay (i.e., one hundred percent (100%) of all scheduled PCH lost due to such Removal).

G. Emergency Leave of Absence ("ELA")

1. An ELA for a serious illness or injury (life threatening or otherwise) of an immediate family member (as defined in Section 8.G.3) or ELAs for the life-threatening illness of relatives other than the Pilot's immediate family members shall be granted for up to seven (7) days without pay. A Pilot may elect to utilize any accrued Sick Bank, or accrued Vacation Block(s) if his Sick Bank is exhausted, to cover any lost PCH due to the ELA.

2. Should a Pilot wish to request additional time off beyond the seven (7) day ELA period, such Pilot shall request a PLOA in accordance with Section 8.A.1. ELAs may be counted for purposes of FMLA when applicable.

3. Immediate family members for purposes of an ELA include: spouse, child, mother, father, brother, sister, grandparent, grandchildren, parent-in-law, Domestic Partner and wholly dependent relatives residing in the employee's home (including stepchildren and stepparents).

H. Natural Disaster Absence Policy

1. In the event a Pilot is unable to report to work due to a natural disaster he shall call Crew Scheduling to notify the Company he is unable to report for Duty. The Pilot's Trip(s) or Reserve Day(s) shall be dropped without pay; for Reserves, a Chief Pilot or Regional Chief Pilot may, with Pilot concurrence, move his remaining days off to cover the absence.

2. The Pilot may request that the Company restore PCH up to the original value of his Bid Line using any accrued Sick Bank or accrued Vacation Block(s) if his Sick Bank is exhausted.

3. Notwithstanding Section 8.H.2, if the natural disaster prevents a significant number of Company employees from reporting to work and the Company determines that the time missed shall be treated as paid time off, all affected Pilots shall have their Bid Line PCH restored to its original value.

I. Parental Leave

1. The Company shall provide up to three (3) weeks of paid Parental Leave to Pilots following the birth of a Pilot's child or the placement of a child with a Pilot in connection with adoption, guardianship or foster care. A Pilot shall have any Duty removed for paid Parental Leave, which shall be paid in accordance with Section 3.G. A Pilot who is not on an awarded line (i.e., Regular Line or Reserve) during a paid Parental Leave shall receive twenty (20) PCH for each full week of paid Parental Leave.

2. Health Insurance during maternity leave / bonding leave shall continue for a Pilot on leave. The Pilot shall continue to pay the employee contribution for their current TeamCare coverage and Benefit Election(s), inclusive of any currently selected ancillary benefits on a monthly basis and the Company shall continue to pay the Company contributions for their current TeamCare coverage and Benefit Election(s), inclusive of any currently selected ancillary benefits, during such leave.

3. In addition to the Company paid Parental Leave above, Pilots who have completed twelve (12) months of service with the Company shall, at the Pilot's discretion, be awarded up to an additional twelve (12) months of unpaid leave for maternity or bonding which shall be administered in accordance with the terms of a PLOA, except that a Pilot on maternity leave / bonding leave shall continue to accrue Seniority and Longevity with the Company.

J. General

1. There shall be no pay for time off during a leave, except as specifically provided in this Section 8.

2. A Pilot will notify the Company with as much notice as possible of their realistic anticipated return to active service date. As provided in this Section 8, a Pilot shall return from a leave to the Position he held at his former Domicile at the beginning of his leave. If his former Position or Domicile is no longer available because the equipment is no longer assigned to that Domicile or the Domicile has been closed, or if he has insufficient Seniority to return to his former Position at his former Domicile, such returning Pilot shall be awarded to any Position and Domicile his Seniority can hold, in accordance with his Standing Bid.

   a. If the Pilot will require training prior to returning, the Company shall assign such returning Pilot to the first available requalification or aircraft transition training class, as appropriate.

   b. If the Pilot is held out of service in excess of sixty (60) days due to the lack of availability of a training class, he shall begin to receive his Minimum Guarantee pay at his pre-leave hourly rate, commencing on the thirty-first (31) day.

   c. If the Pilot will not require any training prior to returning, for monthly bid purposes the Pilot shall be eligible to bid in accordance with Section 15.D. In order to determine eligibility to bid after a Medical Leave of Absence, the Company may request a reasonably sufficient report from the Pilot's healthcare provider certifying the Pilot's probable return to work date.

3. If a Pilot is not able to return to active service on his scheduled return date, he shall have an obligation to notify the Company in a timely manner and request an alternate return date, which the Company shall not unreasonably deny. As provided in Section 15, if the Pilot's return is delayed into a Schedule Bid Period in which he has been assigned or has bid for and received a Schedule Bid award, the Company may reassign the remainder of his current Schedule Bid, or transfer the Trip Pairings to Open Time and require him to be available for a build up

line. If no Trip Pairings are available, such Pilot shall be assigned a Reserve Line.

4. No Pilot shall be required to perform non-flying work for the Company while waiting for a return from a leave.

5. Pilots on an approved Leave of Absence shall continue to retain employee pass travel benefits with Allegiant, and to the extent such benefits are available with other airline agreements.

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SECTION 9

VACATION

A. Vacation

1. Vacation Accrual

Longevity	Vacation Days
1st year	7 days
2nd thru 4th year	14 days
5th thru 8th year	21 days
9th year and thereafter	28 days

Note: Vacation days do not carryover or accrue from year to year.
Note: Longevity years are as of the start of the year, not years completed (same as pay longevity), with the exception of New Hire Pilot Vacation described below.

Pilots returning from leave after the grant period shall be granted Vacation Days in the amount of Longevity Vacation Days ÷ 12 × Full Calendar Months remaining in the year, rounded-up.

2. Annual Vacation Bid

a. Each week of Vacation shall consist of a block of seven (7) consecutive Days scheduled free from Duty.

b. A Pilot shall bid on a block(s) of Vacation. Each individual block of Vacation shall begin on a Sunday and end on the following Saturday.

c. At Domiciles, excluding VBDs, with twenty (20) or more Pilots, (or projected to have an annual average of twenty (20) or more Pilots) in a given seat Position by aircraft type, the Company will make available, a minimum of 1 vacation block per seat Position, in that aircraft type for each week of the year.

At all other Domiciles, excluding seasonal bases, the Company will make available a minimum of one (1) vacation block per Seat Position, per aircraft type for each month of the year.

d. The Vacation blocks will be awarded in Seniority order by seat Position, by aircraft, by Domicile.

e. Pilots will be allowed to bid the amount of Vacation blocks that total the number of Vacation days, commensurate to his longevity on December 31st in the same year of the October 31st Vacation bid award.

f. The annual Vacation bid period shall open October 1st and shall close on October 21st of each year. All final annual Vacation bids shall be awarded no later than October 31st of each year.

g. The Company shall make available, enough Vacation weeks for each pilot on the Seniority list, to utilize his full Vacation grant.

3. Failure to Bid or Not Enough Bid choices

a. A Pilot who fails to bid or has not provided enough bid choices, will be allowed to select Vacation from the remaining Vacation weeks on a first- come, first-served basis at any time from the final Vacation bid awards until November 30th of the calendar year in which the Vacation bid took place.

b. If the Pilot does not bid Vacation by November 30th, he will be assigned Vacation for the following year, no later than December 31st.

4. New Hire Pilot Vacation

a. A Pilot with a hire date after December 31st and before June 1st, upon the completion of OE, will be allowed to select on a first-come, first-served basis, a Vacation block from the remaining Vacation blocks, from the date of OE completion through the end of the Calendar Year.

b. Should no Vacation blocks remain, the Company shall assign a Vacation week during the remainder of that year or choose to payout any unused vacation days if one cannot be awarded using as 2.85 PCH × Days cancelled.

c. A Pilot hired after June 1st shall bid during the Annual Vacation Bid for the following year.

d. A Pilot hired after October 10th will be allowed to bid for Vacation for the following year, after the October 31st final Vacation bids are awarded.

e. A new hire Pilot bidding after October 31st, upon completion of OE, will be allowed to select on a first-come, first-served basis, Vacation

from the remaining Vacation blocks for the following year, or current year if OE is completed in the Calendar Year after his date of hire.

5. Vacation Trades/Slides

   a. A Pilot may trade a Vacation block(s) with posted open Vacation blocks.

   b. Up to a day prior to the Bid Period opening, a Pilot may slide a Vacation block(s) forward or backward two (2) days.

6. Open Time

   A Pilot is prohibited from picking up Open Time during his Vacation block.

7. Vacation Cancellation

   a. The Company may cancel Vacation in the event of a voluntary upgrade or transition Bid or there is an operational need. If a Vacation is cancelled, the Pilot shall be allowed to select from the remaining Vacation in the Calendar Year. Should the Pilot indicate there is no suitable Vacation remaining, the Company shall pay the Pilot in the amount of:

      i. 4 PCH × Days Cancelled for an involuntary Vacation cancellation due to operational need; or,

      ii. The value of a Vacation Week according to Section 3, Compensation, for voluntary Vacation cancellation due to bidding an Upgrade or transition.

   b. Should the Company cancel a Vacation due to operational need, the Company shall reimburse the Pilot for any deposits or advance payments made for the Vacation upon receipts being submitted to the Company (less any payments made to the pilot from any travel or related insurance purchased for the Vacation). Nothing shall preclude the Company from attempting to have deposits or advance payments refunded to the Company by directly contacting the Company with which the deposits or advance payments were made.

   c. Vacation cancellations shall be accomplished in inverse Seniority order, in the designated Domicile, Position and Equipment.

8. Separation of Employment

Should a Pilot upon his own choosing or the Company's choosing separate from the Company, and his Vacation for the current year has not been used, the Company shall pay the Pilot, on their final pay check, in the amount of 2.85 PCH x Days not used.

B. Voluntary Time Off Program (VTO)

The Company may make available to Pilots a Voluntary Time Off (VTO) program based on projected Pilot staffing need. If it is determined that there are Domicile(s) and Position(s) which are staffed in excess of projected need to adequately staff the operation, VTO opportunities may be offered in that particular Domicile(s) and Position(s).

1. VTO Program Eligibility

At the time the VTO opportunities become available, all current and qualified Pilots are eligible to participate in the bid, provided there are VTO opportunities in their respective Domicile and Position, except:

a. Pilots currently on a Leave of Absence or approved for a Leave of Absence that would cover the VTO period. A Leave requested/approved prior to the VTO opportunities being awarded would remove the Pilot from 'VTO' eligibility for that Bid Period.

b. The Company will not unreasonably deny requests from Offline Instructors with the Training Department for VTO opportunities.

c. Pilots that have the following scheduled or awarded Training during the VTO period will be treated as identified below:

i. Pilots with Long-Term Training scheduled during the VTO period will be considered ineligible to be awarded a VTO.

ii. Pilots with all other training types will be considered eligible and may have that training rescheduled for an alternate month upon their return in accordance with Section 11.B.4. or 11.F., provided sufficient time is available for the Pilot to bid.

d. Pilots that have not fully consolidated (i.e., new hire or transition) by the time the VTO bid closes.

e. Pilots with one week or less of Vacation scheduled during a single month VTO Bid Period, or one week or less in each month for a multi-month VTO, will be considered eligible to be awarded the

VTO. Any Vacation Days within an awarded VTO period shall be paid in addition to the VTO.

2. Compensation for Awarded VTO

Pilots who are awarded VTO will be compensated at 45 PCH at their applicable rate for each full Bid Period the awarded VTO encompasses.

3. Program Rules

a. Pilots who are awarded VTO shall retain and continue to accrue seniority and other benefits as an active employee during the VTO period including:

i. Sick and Vacation accrual.

ii. Medical, Dental, Vision (Crew Member still pays the employee portion)

iii. 401K Direct Contribution

iv. Flight benefits

b. Pilots who are awarded VTO shall be ineligible to pick up or be awarded any trips or RAPs, including VFN, Training or Checking events (Instructors and Check Pilots), or Junior Assignment, during the awarded VTO period, including on a scheduled Vacation that falls within a VTO.

4. VTO Duration

a. VTO bids may be structured and offered to encompass one (1), two (2), or three (3) entire monthly Bid Periods.

b. Posted VTO opportunities will identify if one, two, or three-month Bid Period VTOs are being offered in a particular Domicile and Position.

c. Multi-month VTOs must be taken consecutively.

d. If offered in their Domicile and Position, Pilots will have the ability to place a request and preference for;

i. VTO covering one-Bid Period; or

ii. VTO covering two-Bid Periods; or

iii. VTO covering three-Bid Periods; or

iv. any available VTO Bid Period length.

5. VTO Bidding and Awarding

a. If VTO opportunities are to be offered in a given Bid Period, said opportunities will be posted no later than five (5) calendar days prior to that monthly Bid Period opening.

b. Pilots will have no less than seventy-two (72) hours to place a bid requesting to be considered for a posted VTO opportunity. The actual window for Pilots to place a bid requesting to be considered for a posted VTO opportunity shall be indicated at the time of the initial posting of opportunities.

c. VTO opportunities will be identified for the specific Domicile(s) and Position(s), and will include the projected number of VTO opportunities in that Domicile(s) and Position(s).

d. The Company shall award no less than the number of posted VTO opportunities as referenced in B.5.c. above, provided that the number of eligible pilots in that particular Domicile(s) and Position(s) who bid for such posted VTO opportunities are equal to or greater than the number of posted opportunities.

e. The Company may award additional VTO in excess of the posted minimums based on projected Pilot staffing needs, provided that the number of eligible pilots in that particular Domicile(s) and Position(s) bid who bid for such posted VTO opportunities are greater than the posted number of VTO opportunities.

f. Requested VTO opportunities will be awarded to eligible pilots in a particular Domicile(s) and Position(s) in Seniority order.

g. Pilots who are awarded VTO will be notified no later than forty-eight (48) hours after the opening of the monthly Bid Period in which the VTO encompasses.

SECTION 10

SICK

A. Sick

1. Sick Bank PCH Accrual

   a. Beginning on the first day of the month following the Effective Date of this Agreement, a Pilot shall accrue four (4) PCH per Month, which shall be deposited in his Sick Bank, to be used for Sick Leave, as provided in this Section.

   b. A newly hired Pilot shall begin accruing PCH for deposit in his Sick Bank beginning on the Day he commences Initial Training.

   c. The maximum accrual in a Pilot's Sick Bank shall be six hundred (600) hours.

2. Sick Bank PCH Utilization

   a. A Pilot shall be paid PCH for the scheduled PCH of his missed Trip Pairing(s) due to being sick, to the extent he has sufficient Sick Hours to cover his PCH.

   b. A Pilot shall be paid the PCH at a rate of three and three quarters (3.75) PCH per RAP for missed RAPs due to being sick, to the extent there is sufficient sick time available in his bank.

   c. If a Pilot has insufficient sick time available to cover the PCH to restore all or a portion of the value of Trip Pairings or RAP missed, the amount which is insufficiently covered shall be deducted from his Awarded Bid Line PCH.

   d. Sick time shall be paid at the Pilot's current Hourly Pay Rate at the time of the event.

B. Discretionary Time Off

1. No later than twenty-four (24) hours prior to Report Time or start of a RAP, a Pilot may request a complete Trip Drop or RAP off, as applicable, by making his request to Crew Scheduling. His request shall be considered and approved based on current reserve availability, as provided in Section 15. Up to twenty-four (24) hours prior to the Trip Pairing or RAP, a Pilot may request Crew Scheduling drop a portion of a Trip Pairing if sufficient Reserve staffing exists on that Day.

2. At the time of making a request for a full or partial Trip Drop or RAP off, as provided in subsection 10.B.1., a Pilot shall indicate if he wants payment of credit hours from his Sick Bank:

   a. A Pilot shall receive the scheduled block hour value of his missed Trip Pairing(s), or portions thereof, to extent there is sufficient Sick Bank PCH available.

   b. A Pilot shall receive three and three quarters (3.75) PCH for each missed RAP to the extent there is sufficient sick time available.

   c. Discretionary Time Off shall be paid at the Pilot's current Hourly Pay Rate at the time the Trip Pairing or RAP was dropped.

SECTION 11

TRAINING

A. General

1. Pilot Training shall include all phases of a Training Event (Initial New Hire, Initial Equipment, Upgrade, Transition, PC/PT, or Recurrent Training Event). The Company shall provide at Company expense any Training or Checking required by the Company or FAA to qualify as a Pilot or to obtain or maintain qualifications as a Pilot. The Company shall not require payment for or reimbursement to the Company for any Training or Checking costs or expenses, or the execution of any Training or Checking bond, or other agreement with respect to the same.

2. The Company shall consult with the Union Training Committee ("UTC") regarding the establishment and any future revisions of written curricula for all courses of Pilot Ground and Flight Training and Home Study Courses.

3. The Company shall establish and publish the standards all Pilots are required to meet in order to successfully complete any Training curriculum, including any oral examination or Check. The Company shall apply such standards equally and uniformly per the FAA guidelines for each Training Event.

4. The Company shall make available all applicable Training materials, course syllabus, description and the appropriate completion standards for each Training course applicable to the Pilots. Except for Initial Training or any FAA mandated Training where the timeliness requirement cannot be met, all materials shall be made available to Pilots upon request at least fourteen (14) Days prior to the start of a scheduled Training Event.

5. Home Study Training Bulletins shall be distributed at least thirty (30) Days prior to the due date. If a Pilot fails to turn in a required test or exercise from a Training Bulletin by the due date and time, he shall be immediately removed from flight status. Any Trips missed shall be deducted from his Monthly Bid Line PCH. If this reduction takes the Monthly Bid Line PCH below Monthly Minimum Guarantee, the Monthly Minimum Guarantee shall be adjusted by the amount the Monthly Bid Line PCH falls below Monthly Minimum Guarantee.

6. The Director of Training, or his designee, shall maintain all applicable records and forms concerning Pilot Training. Upon written request, a

Pilot shall be provided with a copy of any report or form prepared concerning his Training.

7. All Training materials (e.g., manuals, publications, checklists) used in Training shall be made available to the UTC.

8. If a Pilot has a personal conflict with a Check Airman or Flight Instructor, he shall notify the UTC and the Fleet Manager in writing. If the UTC and Fleet Manager agree that a conflict exists and cannot be resolved, the Pilot shall, on a one-time basis, be reassigned to a new Check Airman or Flight Instructor. In the event a consensus cannot be reached between the Fleet Manager and the UTC Chairman, the Pilot and the Check Airman, or Flight Instructor shall meet with the UTC Chairman and Fleet Manager in an attempt to resolve the conflict. In the event the conflict cannot be resolved, the Pilot shall have a new Check Airman or Flight Instructor assigned to his Training.

9. A non-FAA approved Training device may not be used to evaluate a Pilot's proficiency.

10. A Pilot must report for Training (ground school or simulator) with his Company ID, airman's certificate, medical certificate and any other documents required by the federal government (e.g. passport, driver's license) for identification purposes.

11. The minimum passing score on Company-administered written exams shall be eighty percent (80%).

B. Scheduling

1. A Pilot shall be notified of his Training assignments prior to the commencement of bidding for monthly schedules for the Month in which a Training event occurs, except as otherwise provided in this Agreement.

2. Duty/Rest Periods

   a. A Pilot in Training shall be scheduled for a maximum of ten (10) hours per Training Duty Period, including any scheduled Deadhead transportation to the Training location. The Training Duty Period may be extended up to fourteen (14) hours for the sole purpose to accommodate post-Training Deadhead Transportation back to the Pilot's Domicile.

   b. A Pilot shall be scheduled for a minimum of ten (10) hours free of Duty prior to any Training Duty period. Following a Training Duty

period a Pilot shall be scheduled for a minimum period free from Duty, as provided in Section 14, Hours of Service, but not less than ten (10) hours, prior to performing any subsequent Duty.

c. Simulator, Fixed Based Training or Aircraft Training shall be scheduled for not more than four and a one-half (4.5) hours, exclusive of brief and de-brief, but may be extended with the consent of the Pilot.

3. Days Off

a. Classroom and Fixed Base Training shall be scheduled for up to a maximum of five (5) consecutive Days, not including travel to and from Training. Any five (5) consecutive Days of Training shall be followed by no less than two (2) consecutive Days Off, prior to the resumption of Training, except when additional time is needed to make-up missed Training time or when additional Training is required for a Pilot to make satisfactory progress. Travel Days for Training on either side of a Recurrent Training Event shall not be counted toward a Pilot's monthly minimum Days Off as defined in Section 14, Hours of Service. The monthly minimum Days Off requirement shall not apply to a Pilot in Long Term Training, but upon completion of the Long Term Training event (i.e., post OE) a Pilot shall receive a minimum of three (3) consecutive Days Off.

b. Full Flight Simulator Training shall not be scheduled for more than five (5) consecutive Days of Training without a Day Off. The five (5) consecutive Days may be extended to six (6) Days if additional Training is required for a Pilot to make satisfactory progress or the sixth (6th) Day is only a Travel Day back to Domicile.

4. A Pilot who has begun the Ground School portion of an Initial Equipment, Transition, or Upgrade Training Program shall not perform Duty in his previous Position.

5. A Pilot shall not be required to travel to or be assigned to Training on New Year's Day, Memorial Day, July 4th, Labor Day, Thanksgiving Day, or Christmas.

6. If there is a break of seven (7) or more Days between Training and a Type Rating or Proficiency associated Check, the Pilot shall be provided with one (1) additional two (2) hour FFS Training session prior to his Type Rating or Proficiency Check.

7. The Company shall not schedule a Pilot for any Checking event in the two (2) Days immediately prior to or following a scheduled Vacation.

8. A Pilot shall not be scheduled for an FAA Type Ride, PC, Oral Exam, or Line Check which is associated with any portion of his Training between the hours of 2:01 a.m. and 4:59 a.m. Local Time. Normally, Simulator Training shall not be conducted between the hours listed above.

C. Transportation and Lodging

1. The Company shall provide a Pilot with round-trip transportation between his Domicile and the Training location.

2. A Pilot shall be provided with suitable hotel accommodations and Per Diem, as provided in Section 3, Compensation, when Training is conducted at a location away from his Domicile.

3. A Pilot not utilizing air transportation to or from a Training event shall have his travel calculated by utilizing the Google Map driving distance from his Domicile to the Training facility and dividing it by 60 MPH.

D. Training and Proficiency Failures

1. The Company shall maintain a Flight Standards Program (FSP) in compliance with SAFO 06015, FAA Notice 8900.78, and 14 CFR §121.415 to ensure the highest level of Pilot proficiency. It establishes Special Tracking for Pilots who have experienced specific Qualification or Training Event failures. This includes, but is not limited to, tracking Pilots who have multiple Training failures or persistent performance deficiencies. The FSP provides the tools to help the Pilot be successful by addressing his deficiencies with oversight, analysis, Training and continued monitoring.

2. As part of the FSP, the Company shall convene as necessary a Flight Standards Review Board (FSRB). The FSRB shall review participants' reasons for FSP qualification, including Training and performance history. The FSRB is made up of the Director(s) of Pilot Training and Standards, Fleet Managers, the Manager of Flight Operations Safety, and an IBT Representative.

3. Entry Into the FSP

    a. Additional Training may be recommended for a Pilot during a Training Event due to lack of demonstrated proficiency in any phase or stage of a Training Event. When additional Training is

recommended, a Pilot is not recommended for, or fails, any phase of a Training Event or Qualification Event, he shall be given up to two (2) individualized Remedial Training sessions. Following Remedial Training, the Pilot shall be given an additional attempt to complete the relevant portion of his Training. Additional Training sessions may only occur twice during an entire Training Event.

b. If, despite having been given two Remedial Training sessions, a Pilot does not successfully complete the Training Event, he shall meet with the FSRB. The FSRB shall review the Pilot's performance history and make a recommendation for continued Training. In addition, the Pilot shall be placed into the FSP Special Tracking program.

c. A Pilot placed into Special Tracking for a Qualification or Training Event failure, shall not be eligible to enter Initial Equipment, Upgrade or Transition Training until he exits the FSP Special Tracking program.

d. A Pilot who enters the FSP Special Tracking program following the failure to complete Initial Equipment, Upgrade or Transition Training shall be returned to his prior Position upon successful completion of a Proficiency Check in that Position. In the event his prior Position is not available, the Pilot shall be given the opportunity to qualify for the next Position listed on his Standing Bid that is the same Status as his prior Position.

4. Repeated Placement into the FSP Special Tracking Program

a. A Pilot placed into Special Tracking for a third time requires additional oversight. The performance and history of the Pilot shall be reviewed by the FSRB for disposition.

b. The FSRB shall develop Training recommendations with the goal of returning a Pilot to proficiency. The Company retains the exclusive right and sole discretion, to terminate a Pilot after a New Hire Training Event failure, or three (3) cumulative Training/Qualification Event failures.

EXAMPLE:

A Pilot fails to complete one portion of his Upgrade training. He is given two sessions of Remedial Training, and passes the segment on his second attempt. Thereafter, he fails a second phase of the same Upgrade Training Event. He is again given two sessions of additional Training, but fails the phase a second time. He has now experienced three failures in a

single Upgrade Training Event. He has been accorded his two (2) Remedial Training opportunities. He has failed to complete the Upgrade Training Event, shall be placed into Special Tracking and shall be ineligible to attempt another Upgrade or Transition Training Event until he exits the FSP Special Tracking. (The failure to complete the Upgrade Training counts as one (1) Training Event failure, for the purposes of Paragraph 4.b. above).

If, thereafter, this Pilot fails the Proficiency Check, that shall be considered the Pilot's second failure to complete a Training Event. He shall be given up to two (2) Remedial Training sessions, and given another opportunity to complete his Proficiency Check. If he fails the PC for the second time, that failure shall represent his third cumulative Training Event failure, and his continued employment shall be at the discretion of the Company.

5. A non-probationary Pilot who is terminated for proficiency failure shall, notwithstanding any provision in this Section to the contrary, be afforded all rights under Section 18, Grievance Procedures, and Section 19, System Board of Adjustment, of this Agreement.

6. On critical check rides (i.e., recheck failure, certificate action, or termination), a Pilot may request that a neutral observer be present. The observer will be chosen from a list of Pilots mutually agreed upon by the Vice President of Flight Operations, or his designee, and the Union. The list will be reviewed and updated annually, and no observer on the list will be used prior to receiving, at a minimum, Training in check ride procedures and required standards.

E. Withdrawal and Cancellation of Training

1. A Pilot may not withdraw from Training except for extenuating circumstances (e.g., illness, death in the immediate family, Jury Duty) or at the discretion of the Fleet Manager.

2. The Company may remove a Pilot from Training if the Vacancy for which he is being trained no longer exists. If such Pilot does not complete Training due to such cancellation, he shall return to his former Position and any Equipment Lock to which he may have been subject shall be cancelled.

3. If the Pilot's former Position no longer exists, he shall return to his previous Status in any Domicile and Fleet his Seniority can hold based on his Standing Bid. If that Position is in a different fleet, the Pilot shall enter Transition Training for such Position.

F. Preference for Recurrent Training Events Bidding (PRTE Bid)

1. Subject to the completion of necessary automation, a Pilot shall be allowed to bid for preferences on specific dates for Training Events. Such awards shall be determined by Seniority, except as provided elsewhere in this Agreement (e.g., Vacations, Leaves of Absence).

2. During the Monthly Bid Period (e.g., in January's Monthly Bid Period for a February Training Event) prior to a Pilot's scheduled PC, PT or RGS, an eligible Pilot shall be allowed to submit a PRTE Bid electronically for the available dates for the specific Recurrent Training events for which he is being scheduled.

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SECTION 12

FILLING OF VACANCIES

A. Definition of Domiciles

The Company and the Union agree to a system that provides all Pilots to be assigned to a Domicile, while allowing a specified number of Pilots to maintain their residence, as their Domicile. There shall be three (3) types of Domiciles: Permanent Domiciles Training Center Domiciles, and Virtual Base Domiciles.

1. A Permanent Domicile is an airport or multiple airports where a Pilot has been awarded or assigned to a Vacancy for the purpose of performing Flying Duty for the Company. The Permanent Domicile will meet the following criteria:

    a. The airport(s) will all be within sixty (60) driving miles of each other; and,

    b. The average driving time between airport(s) covered by this subsection A.1 will be a maximum of seventy-five (75) minutes, as measured by Google Maps or its mutually agreeable equivalent.

2. If the Company desires to establish a multiple airport Permanent Domicile that does not meet the criteria set forth in A.1 above, the Company and Union will meet and agree upon: commute time, rest, Duty, the need for Deadhead and the need for hotel accommodations, prior to an establishment of said multiple airport Permanent Domicile.

3. A Pilot who has been awarded or assigned to a Permanent Domicile shall have their trips scheduled, rescheduled, awarded, assigned, or reassigned to begin and end at that Permanent Domicile, unless they receive an involuntarily Temporary Duty (“TDY”) assignment in accordance with this section.

4. A Virtual Base Domicile (“VBD”) is a Pilot’s designated residence.

5. Pilots who are Virtual Domiciled shall designate a Resident Airport for the purpose of Deadhead travel to and from their Virtual Domicile to their TDY Assignments.

6. A Pilot’s Virtual Domicile and Resident Airport must be located in the contiguous United States.

7. A qualifying Resident Airport is an airport hosting at least two non-code share airlines conducting full-service operations.

8. Pilots shall have the ability to change their Virtual Domicile at any time by notifying the Company of such change prior to the opening of monthly Bidding.

B. Vacancy and Domicile Responsibilities

The Company shall determine the number of Virtual Domiciled Pilots and the number of Permanent Domiciles. In addition, except where otherwise provided in this Agreement, the Company shall determine the number of Vacancies at each Permanent Domicile, and the assignment of Flying to such Domiciles.

C. Standing Bid

1. Each Pilot may complete a "Standing Bid" via a form on the Company intranet indicating his Position and Domicile preferences for the purposes of Vacancies and Displacements. All active Pilots shall be considered for Bids and Awards.

2. A Pilot may change his Standing Bid preferences at any time by submitting a new Standing Bid. To be considered for a particular Vacancy, a Pilot's Standing Bid must be on file prior to the closing date of the bidding for that Vacancy.

3. The Standing Bid form shall be designed to allow a Pilot to list in numerical order the Positions and Domicile he is bidding for and, if he elects, he shall designate a "Provisional Bid" for each possible Position. Provisional Bids shall be based upon the Seniority percentage of each Position and Domicile at the time of award. A Provisional Bid Option shall be implemented for Pilots upon completion of necessary automation.

4. If a Vacancy becomes available because a more senior Pilot who had been awarded that Vacancy cannot fulfill that award, the next most senior Pilot with a Standing Bid for such Vacancy shall be awarded the Vacancy. The Pilot shall report to Training on the originally assigned class date, if applicable.

5. If Vacancy Bids and Displacements are running concurrently, all Vacancy Bids shall be filled prior to any Displacements.

D. Vacancy Bids

1. The Company shall post Vacancies electronically on a Monthly basis for a period of at least fourteen (14) Days prior to awarding of such Vacancies. Vacancies shall be awarded by 1700 Pacific Time on the twentieth (20th) Day of the Month and posted electronically by the Company.

2. A Vacancy posting shall include, but not be limited to, the following information:

   a. Number of Vacancies

   b. Domicile(s)

   c. Fleet (*e.g.,* B757, A-320 or MD80)

   d. Status (Captain or First Officer)

   e. Effective Date(s) of each Vacancy(ies) with associated Training date(s)

   f. Closing date and time of the Vacancy Bid.

3. All Vacancies shall be awarded in Seniority order. If a Vacancy receives no bids and the Company still intends to staff such Vacancy, it shall be filled in order by:

   a. A Furloughed Pilot(s) in Seniority order, as provided in Section 13, Furlough and Recall; then,

   b. A New Hire Pilot(s).

4. If the Company acquires a new Fleet type, the following shall apply:

   a. If the Company transitions a Domicile entirely to the new Fleet type, which does not have a higher Hourly Pay Rate for Pilots on that new Fleet type, then on a one-time basis, existing Pilots at that Domicile will have the right to Bid for and be awarded Positions on the new Fleet type prior to Vacancies at that Domicile and Fleet type being posted for Bid by Pilots at other Domiciles, subject to the following conditions:

      i. A Pilot that Bids into the new Fleet type pursuant to this provision shall incur a new twenty-four (24) month Equipment Lock in the Pilot's new Position.

      ii. A Pilot that Bids into a new Fleet type pursuant to this provision may only be awarded to a like Status (*i.e.*, Captain to Captain) or downgrade Status (*i.e.*, Captain to First Officer) but shall not be allowed to Upgrade (*i.e.*, First Officer to Captain).

   b. If the Company adds new Fleet type to a current Domicile in

addition to that Domicile's current Fleet type (*i.e.*, is not transitioning the Domicile entirely to a new Fleet type), then Vacancy positions for the new Fleet type shall be proffered and awarded under the normal Vacancy Bid Process of this Section.

c. Pilots with unexpired Equipment Locks shall not be prevented from bidding and being awarded Positions on the new Fleet type for the first twelve (12) months that Vacancies are posted for the new Fleet type. However, such Pilots shall incur a new twenty-four (24) month Equipment Lock in their new Positions.

d. Should new Fleet type deliveries be delayed or cancelled due to circumstances that are outside of the control of the Company, the company shall have the right to cancel awarded positions as follows:

i. For those pilots who have not commenced training for the new Fleet type at the time the deliveries are delayed or canceled, they shall remain in their currently qualified Position and Domicile with no Equipment Lock.

ii. For those Pilots who have commenced and or completed training for the new Fleet type and have been prohibited from bidding for a Vacancy due to the new Fleet type Equipment lock, they shall have the right to either be trained and returned to their most recent previous Position with no Equipment Lock -or- exercise their seniority as if they had bid in the Vacancy Bid and shall be subject to all appropriate Equipment Locks.

5. The Company may waive Equipment Locks for a particular Vacancy Bid. If waived, all Equipment Locks associated with the same Equipment in the same Vacancy Bid shall be waived system-wide.

E. Temporary Duty Assignments (TDY)/TDY Pool Process

1. On or before the first of each Bid Period prior to the posting of bid packets, the Company shall post the number of TDY assignments and the corresponding number of pilots (by position) required to staff such TDY assignments ("TDY Pilots"). The Company will first factor in the number of Virtual Domicile ("VBD") pilots. If the TDY assignments exceed the number of available VBD pilots, the Company shall designate and identify additional Permanent Domiciles from which the TDY Pilots will be drawn.

2. Pilots from the selected permanent domicile(s) may volunteer, in seniority order, to be included in the TDY pool for the affected bid period. If an insufficient number of Pilots (by position) volunteer to be included in the TDY Pool, the Company shall temporarily assign, in inverse seniority order, the number of Pilots from each additional permanent domicile needed to fill the TDY pool vacancies. The TDY Pilots will be included with the Virtual Domicile Pilots and added to a TDY Pool.

3. All Pilots in the TDY Pool shall bid utilizing his system-wide Seniority order in to determine TDY location.

4. The TDY assignment process described in Section 12.E.1–3 above shall be completed no later than three (3) Days prior to the start of monthly Bid Process, pursuant to Section 15, Scheduling.

5. If the Company awards or assigns the same TDY position at the same location for a period of more than three (3) consecutive Bid Periods, the Company shall advertise and award a Vacancy for that specific posting at that location. This provision does not apply to a Domicile undergoing a fleet change, a non-Seasonal Base scheduled to close, a new base for the first 12 months, a designated Seasonal Base or a Domicile established for a fixed fee operation.

6. Partial-Month TDY

    a. The Company shall have the right, but not the obligation, to create TDY assignments on a partial-month basis (“Partial-Month TDY”), which may be Awarded through the Voluntary TDY process and/or Assigned through the Involuntary TDY process.

    b. Partial-Month TDY shall consist solely of Reserve Availability Periods (RAP) scheduled within a contiguous fifteen (15)-day period during a Bid Period with thirty (30) or fewer Days and a sixteen (16)-day period during a Bid Period with thirty-one (31) Days (“Partial-Month TDY Period”).

    c. Pilots Awarded or Assigned to a Partial-Month TDY shall receive at least one (1) block of Days Off consisting of two (2) or more contiguous days and at least one (1) additional Day Off within the Partial-Month TDY Period, which, shall constitute the entirety of the Days Off a Pilot is entitled to during the Partial-Month TDY Period.

    d. In Bid Periods where the Company elects to Award and/or Assign Partial-Month TDYs, it shall notify Pilots as part of the TDY process of the Permanent Domicile(s) where Partial-Month

TDYs will be used and the contiguous block(s) of Days for each Permanent Domicile.

e. Pilots are not eligible to be Awarded or Assigned a Partial-Month TDY if they have a pre-planned absence (*e.g.*, training, vacation, etc.) within the Partial-Month TDY Period.

f. Within forty-eight (48) hours of when monthly bid awards are due to be published, the Company shall Assign Pilots with a Partial-Month TDY their RAPs and Days Off during their Partial-Month TDY Period. Once published, the Company shall not move a Pilot's Days Off during their Partial-Month TDY Period unless the Pilot consents.

g. Pilots on a Partial-Month TDY shall be assigned the same RAP (*e.g.*, R330) for the duration of the Partial-Month TDY. The Company may not change that RAP except in the following circumstances:

i. The Company may change a Pilot's RAPs during a Partial-Month TDY due to an IROP.

ii. The Company may change a Pilot's RAPs during a Partial-Month TDY if, as the result of working a flight pairing, the Pilot would be illegal to work a subsequent RAP at its scheduled time. This change will then be made to all subsequent RAPs during that Partial-Month TDY Period.

h. Pilots may only be Awarded or Assigned Partial-Month TDYs in back-to-back Bid Periods if there is at least five (5) Days between the start and end of the Partial-Month TDY Periods.

i. Pilots Awarded or Assigned a Partial-Month TDY may only pick up open time, VFNs, and other assignments outside of the Partial-Month TDY Period if they remain Qualified, Legal, and Available to perform work assigned by the Company during the Partial-Month TDY Period.

F. Transportation For Virtual Base Domicile Pilot and Pilots On TDY

1. The Company shall provide a Virtual Base Domicile Pilot or Pilot who is awarded or assigned TDY with one positive space, round-trip air transportation per bid period between his Domicile and the awarded location. When scheduling such transportation, the Company shall make every reasonable effort to schedule his deadhead in an aisle or window seat in the passenger cabin.

2. If there is no FAA Part 121 scheduled passenger air service available between a Pilot's Domicile and the awarded location, the Company shall provide him with licensed, bonded or insured surface transportation (i.e., commercial service, limousine, shuttle, motor coach). The Company shall not require a Pilot to drive his personal vehicle or a rental automobile more than fifty (50) miles in order to travel to or from the awarded location.

3. A Pilot shall receive Deadhead Pay, as provided in Section 3, Compensation, for the greater of all time scheduled or actually time spent during air or surface transportation between the Pilot's Domicile and the awarded location.

G. Equipment Lock

1. A Pilot who Bids and is awarded a Position requiring a change in equipment or an Upgrade in Status, will be "locked-in" that equipment for a period of twenty-four (24) months. The twenty-four (24) month period will begin at the date on which the Pilot commences Training in his new equipment. Being "locked-in" to equipment does not preclude a Pilot's Upgrading or changing domiciles in that same equipment.

2. A Pilot who is Displaced and his new Position requires Transition or Initial Training, shall incur a twenty Four (24) Month Equipment Lock which begins on the date Training commences.

3. A Pilot who is Displaced into a new Position and does not require Transition or Initial Training, shall not incur an Equipment Lock.

4. Unless a First Officer with an unexpired Equipment Lock has voluntarily downgraded to his current position, he shall not be prevented from bidding and being awarded an upgrade to Captain in any Fleet.

5. If the Company acquires a new Fleet type, a Pilot with an unexpired Equipment Lock shall not be prevented from bidding and being awarded a Position on such new Fleet for the first nine (9) months that Vacancies are posted for the new Fleet type; *provided*, such new Position has a higher Hourly Pay Rate than his current Position, as provided in Section 3, Compensation. However, such Pilot shall incur a new twenty-four (24) Month Equipment Lock in his new Position.

6. The Company may waive Equipment Locks for a particular Vacancy Bid. If waived, all Equipment Locks associated with the same equipment in the same Vacancy Bid shall be waived system-wide.

H. New Hire Positions

Initial Positions for newly hired Pilots shall be assigned in accordance with the needs of the Company. If the Company has determined that more than one Position and/or Domicile is available to the members of a given class, the class members shall bid for the Positions and/or Domiciles in Seniority order.

I. Downgraded Captains

A Captain may voluntarily downgrade to First Officer; *provided,* such Pilot shall not incur a new twenty-four (24) month Equipment Lock unless his new Position requires a full Transition Training course.

J. Training Bypass

The Company may bypass training a Pilot awarded a new Position if he is within two years of mandatory retirement. Such Pilot shall be pay protected and be paid the Hourly Pay Rate for his bypassed Position commencing on the effective date posted for that Position Vacancy, as provided in subsection 12.D.2.e**.**

K. Delay in Training

1. Assignment of Training dates for any Vacancy Bid shall be accomplished in Seniority order among those Pilots awarded such Vacancies; *provided,* a Pilot who is senior enough may elect to delay his Training, on a "man- for-man" basis within the same Vacancy Bid award, to a later date, if there are different training start dates.

2. The Company may delay a Pilot's Training for a new Position for up to ninety (90) Days for operational reasons. Such Pilot shall be pay protected and be paid the Hourly Pay Rate for his new Position when a more junior Pilot who was trained at the same or later time for the same Position is receiving the Hourly Pay Rate for that Position.

L. Displacement and Exercise of Seniority

1. Involuntary Displacement Procedures

   a. A Pilot is considered "Displaced" when they are involuntarily removed from their Domicile and/or Position, including by a Pilot exercising their Seniority to move to a Domicile and Position their Seniority can hold.

   b. If the Company decides to involuntary Displace Pilots, it shall do

so exclusively as provided in subsection 12.L.1. The Company shall inform the Union in writing of the total number of Pilots to be involuntarily Displaced at least seven (7) Days prior to posting an involuntary Displacement notice, as provided in subsection 12.L.1.c.

c. The Company shall post an involuntary Displacement notice to the Company Intranet and disseminate such notice electronically to all Pilots as far in advance as possible, but not less than thirty (30) Days prior to the effective dates(s) of such involuntary Displacement(s). The involuntary Displacement notice shall state the projected number of Pilots to be involuntarily Displaced, the names of the Pilots projected to be involuntarily Displaced, the reason for such involuntary Displacements, and the effective date of such involuntary Displacements. The Company shall also send such notice by U.S. Mail with proof of delivery to a Pilot(s) on Leave of Absence.

d. Forty-eight (48) hours prior to the closing of the Involuntary Displacement award, the Company will notify the Pilots to update their preferential bid list.

e. A Pilot listed on the Displacement notice with a standing bid on file shall be awarded a displacement bid in order of preference, in accordance with subsections 12.L.1.f., below.

f. Involuntary Displacement shall be administered as follows:

Involuntary Displacements for Domiciles and/or Positions shall be administered in inverse system-seniority order. To be awarded a displacement bid, the Pilot must be more senior than the most junior Pilot in the Domicile and Position that the displaced Pilot has bid for pursuant to subsection 12.L.1.e., above. The rules set forth herein apply to any Pilot that is Involuntarily Displaced from their Domicile and/or Position.

g. A Pilot who has been Displaced, as provided on this Section 12.L.1., shall be allowed to exercise Seniority against a more junior Pilot to move to a Domicile and Position their Seniority can hold.

h. When Vacancies are posted during or within thirty (30) Days of a Displacement bid, an existing Equipment Lock shall not prevent a Pilot who is being displaced from bidding and being awarded a Vacancy.

i. An Involuntarily Displaced Pilot shall be allowed to exercise their

Seniority prior to the expiration of an Equipment Lock to move to a Domicile and Position their Seniority can hold.

2. Involuntary Displacement - General

   a. If a fleet is temporarily removed from operational service and subsequently returned to service within eighteen (18) months from the time of its removal, the Pilots originally displaced from that fleet shall have the right, but not the obligation, to resume operation of such fleet without the application of any bidding procedures or equipment locks.

   b. A Pilot who is Displaced from their Domicile and/or Position while on a Leave of Absence shall have the same rights as other Displaced Pilots.

   c. A Pilot who is Involuntarily Displaced shall retain their Awarded Vacation week(s), unless it conflicts with training. If a Pilot has his Vacation cancelled due to this provision, the Pilot will be subject to the process defined in subsection 9.A.8. of this Agreement.

3. Voluntary Displacement in-lieu of:

   a. In the event the Company intends to displace Pilots pursuant to Section 12.L.1., above, Pilots who have not received an Involuntary Displacement notice shall be permitted to volunteer to be displaced. Pilots who volunteer to be displaced shall have their Voluntary Displacement bids awarded in Seniority Order by Domicile and Position. Any Pilot awarded a Voluntary Displacement under this provision shall be entitled to the same rights as Involuntary Displaced Pilots, and any Pilot that has volunteered to be displaced shall be permitted to downgrade Positions in order to remain in their current Domicile or to be awarded a bid to a new Domicile, and will not incur an additional Equipment Lock as a result.

   b. Voluntary Displacements shall offset Involuntary Displacements on a one-for-one basis.

4. Exercise of Seniority Procedures

   The following procedures shall apply simultaneously to Pilots who are Displaced by the Company, as provided in subsection 12.L.1., and to Pilots displaced by other Pilots exercising their Seniority. The Company shall provide the Union with the name and seniority number of all Pilots who were Displaced and thereafter exercised Seniority.

a. The Company shall have discretion to absorb a Displaced Pilot into a Position and Domicile awarded through the Displacement Bid where that Pilot is more senior to the most junior Pilot in that Position and Domicile without causing the Displacement of a more junior Pilot.

b. If the Company elects not to absorb a Displaced Pilot pursuant to subsection 12.L.4.a, above, that Displaced Pilot shall be entitled to exercise their Seniority to Displace the most junior Pilot in Seniority order in a Position and Domicile awarded through the Displacement Bid, unless a more senior Pilot volunteers to be displaced pursuant to Section 12.L.3, above.

c. A Pilot who has been Displaced shall be entitled to Displace the most junior Pilot in any Domicile and Position for which he has sufficient Seniority.

d. A Pilot without sufficient Seniority to involuntarily Displace any other Pilot shall be subject to Furlough.

5. Pay for Involuntarily Displaced Pilots

a. Involuntarily Displaced Pilots who Bid for and are awarded Vacancies shall receive the Hourly Pay Rate applicable to the awarded Position, as provided in Section 3.

b. Involuntarily Displaced Pilots who exercise Seniority, as provided in Section 12.L.1., shall receive the Hourly Pay Rate applicable to their new Position, as provided in Section 3.

6. Cancellation of Involuntary Displacements

a. Should the Company determine that fewer than projected involuntary Displacements are required, the Company may cancel all or part of an involuntary Displacement.

b. Partial involuntary Displacement cancellations shall occur in Seniority Order.

7. Right of First Refusal for Involuntarily Displaced Pilots

a. If a Pilot is Involuntarily Displaced from a Permanent Domicile, the Pilot will be given priority in the awarding of Vacancies to their former Permanent Domicile that they were Involuntarily Displaced from above other Pilots who were not Involuntarily

Displaced from that Permanent Domicile (*i.e.*, they will have a "right of first refusal") notwithstanding Seniority for eighteen (18) months following the effective date from the Involuntary Displacement, subject to the following conditions:

i. If there is more than one Pilot with a right of first refusal to bid into a Vacancy at the same Permanent Domicile, the Vacancy will be awarded among those Pilots in system Seniority order.

ii. A First Officer may not exercise their right of first refusal to bid into a Captain Vacancy.

iii. If the Involuntarily Displaced Pilot's Position (i.e., seat and equipment type) continues to exist in the former Permanent Domicile, the Pilot may only exercise their right of first refusal to return to a Vacancy in their former Position.

iv. If the Involuntarily Displaced Pilot changed equipment type as a result of the Involuntary Displacement and the equipment type for which they received training after the Involuntary Displacement exists in the former Permanent Domicile, the Pilot may only exercise their right of first refusal to return to a Vacancy in that equipment type.

v. If the Involuntarily Displaced Pilot's former Equipment no longer exists at the former Permanent Domicile, the Pilot may use their right of first refusal to return to a Vacancy in their former seat in a different equipment type at that Permanent Domicile, subject to subsection a.ii, above.

b. A Pilot that would have been Involuntarily Displaced from their Permanent Domicile but that chooses to Downgrade in their Equipment in order to remain in the same Permanent Domicile will be given a right of first refusal in the awarding of Vacancies in their former Position at that Permanent Domicile, notwithstanding Seniority, for eighteen (18) months following the effective date of their Downgrade, subject to the following conditions:

i. If there is more than one Pilot with a right of first refusal to bid into a Vacancy at the same Permanent Domicile, the Vacancy will be awarded among those Pilots in system Seniority order.

ii. A Pilot that changes Equipment during the eighteen (18) month period shall not be entitled to exercise the right of first

refusal under this provision to return to their former Position in a different Equipment.

iii. If a Pilot voluntarily leaves their Permanent Domicile that they Downgraded to stay in, they shall not be able to exercise their right of first refusal under this subsection.

iv. When a Pilot is Involuntarily Displaced, the Company will provide them with written notice that they have at least two (2) weeks (the notice will specify the actual date) from the date they are awarded the Involuntary Displacement to update their Vacancy Standing Bid if they intend to use a right of first refusal as part of their Vacancy Standing Bid, if such a Vacancy becomes available. A Pilot will lose their right of first refusal if:

v. They de-select the right of first refusal as part of their Vacancy Standing Bid (the Pilot will not be permitted to re-select the right of first refusal once de-selected);

vi. They are awarded a Vacancy at their former Permanent Domicile; or

vii. The eighteen (18) month right-of-first-refusal period expires.

M. Training Center Domiciles

a. A Training Center Domicile is a Training Center location at which a Proficiency Check Pilot ("PCP"), Aircrew Program Designee "(APD") and/or Pilot Instructor ("PI") has been Awarded a Vacancy for the purpose of performing Pilot Training for the Company.

b. Because a Training Center Domicile is not a Permanent Domicile as defined in Section 12, and does not conduct Line Flying or Line Training, a PCP, APD or PI who has been Awarded a Vacancy to a Training Center Domicile shall have their training assignments Scheduled, Rescheduled, Assigned, or Reassigned to begin and end at their Awarded Training Center Domicile or at the airport nearest their Training Center Domicile.

i. In the event that the nearest airport to a Training Center Domicile is outside of a 60 miles radius from the Training Center Domicile, then the time required to travel between the Training Center Domicile and the nearest airport shall be considered as deadhead for pay purposes.

ii. Training Center Domicile Vacancies shall be governed by the provisions of Section 12.C and Section 20. Pursuant to Section

20.A.1, the Company retains sole discretion to remove Check Pilots and/or Pilot Instructors from that Training position and if exercised would necessitate a removal from a Training Center Domicile Vacancy Award.

iii. Pilots who hold positions in the Training Department as PCPs, APDs, or Instructors as of the effective date of the parties' successor Agreement will not be required to move to a Training Cener Domicile to retain their position in the Training Department or lose their associated travel benefits if they do not move to the Training Center Domicile, nor will the Company remove those Pilots from their Training Department position because other Pilots bid for and are awarded a Vacancy in a Training Center Domicile, provided however, that the Company retains sole discretion to assign Training Department work to Training Center Domiciles and Pilots are required to maintain all necessary currencies and qualifications in order to remain a member of the Training Department. This provision shall not impede, interfere with, or limit the Company's discretion regarding the selection and retention of Training Department employees set forth in Section 20.A.1 of this Agreement.

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SECTION 13

FURLOUGH and RECALL

A. Reduction in Personnel and Furloughs

1. When a reduction in personnel becomes necessary, Pilots shall be Furloughed in inverse Seniority order. A Pilot shall be notified of the date of his Furlough in writing, as provided in Section 25, General.

2. Pilots to be Furloughed shall be given thirty (30) days' notice or paid an amount equal to his Monthly Minimum Guarantee at his Hourly Pay Rate in lieu thereof, except as provided in subsection 13.A.4., below.

3. Prior to issuing a Furlough notice to any Pilot, the Company shall provide the Union with the prospective Furlough list.

4. No notice of Furlough or pay in lieu thereof shall be required if the need to furlough a Pilot is caused, in major part, by an event or circumstance beyond the control of the Company. Such an event or circumstance would include:

   a. A natural disaster, war emergency, act of terrorism, revocation of the Company's Operating Certificate or Certificates, grounding of a substantial number of the Company aircraft or delay in the delivery of aircraft.

   b. A strike or picketing of the Company's premises or any work stoppage or other action (including a rolling or intermittent strike) which would interrupt or interfere with any operations of the Company.

   c. Other similar in kind circumstances which are beyond the control of the Company, as provided in subsections 13.A.4.a. and 13.A.4.b.

5. At its discretion, the Company may approve the voluntary Furlough request of a Pilot who has not received a notice of Furlough. Such Pilot shall not be eligible to receive Furlough Pay in conjunction with his voluntary Furlough. The number of Pilots who are to be involuntarily Furloughed, as provided in subsection 13.A.1., shall be reduced on a one-for-one basis by the number of voluntary Furloughs granted by the Company.

6. A Management Pilot who would otherwise be Furloughed may continue to serve in management.

7. The Company may terminate a probationary Pilot in lieu of Furlough. If Furloughed and subsequently recalled, a probationary Pilot shall be required to complete any unexpired portion of his probationary period, as provided in Section 17, Seniority.

8. The Company may complete the Training of a Pilot who started such Training prior to his Furlough date as long as a more senior Pilot has not been involuntarily Furloughed.

9. A Furloughed Pilot shall be paid out for his accrued but unused Vacation time, as provided in Section 9, Vacation, as of his Furlough date in the pay cycle immediately following his Furlough. Payment shall be based upon the Pilot's Hourly Pay Rate, as provided in Section 3, Compensation. A Pilot(s) to be Furloughed shall not be involuntarily assigned a Vacation during the 30 day period, as provided in subsection 13.A.1. However, such Pilot shall take any Vacation that was previously scheduled during such 30 day period.

10. Insurance benefits shall be continued for a Furloughed Pilot until the end of the Month in which his Furlough occurs as though he remained in active status. Furloughed Pilots wishing to continue coverage beyond the period of time set forth in this subsection may do so in accordance with the Consolidated Omnibus Budget Reconciliation Act ("COBRA").

11. A Furloughed Pilot shall continue to accrue Seniority for the duration of the Furlough. A Furloughed Pilot shall maintain, but shall not accrue, Longevity for purposes of pay or other benefits that change with length of service for any period of Furlough beyond ninety (90) days.

B. Recall

1. A Pilot being recalled shall be notified in writing, by U.S. certified mail, return receipt requested, or commercial carrier(e.g., U.P.S.) with proof of delivery, sent to the Pilot's last filed address, as provided in subsection 13.D., of recall in Seniority order. The notification shall specify the date to return to active Duty, which date shall not be less than twenty-one (21) Days after the date the recall notice was sent, and the specific Vacancies to which Pilots are being recalled, as provided in Section 12, Filling of Vacancies. The Company may offer recalled Pilots a voluntary return to active Duty date that is less than twenty-one (21) Days after the date the recall notice is sent.

2. A Pilot must answer his recall notice within the time frame set forth in such notice, or fifteen (15) Days after the date such notice was received at the Pilot's last filed address, as provided in subsection 13.D., whichever is later. The Pilot must advise the Company in writing, using any of the

methods provided for in Section 25, General, whether he intends to accept, defer or reject recall. The Company shall explain these requirements in the recall notice, and shall instruct the Pilot as to the manner in which he must advise the Company of his preferences for Fleet(s) and Domicile(s) assignment. Recalled Pilots shall be assigned their respective Fleet and Domicile on the basis of Seniority. The Pilot may also inform the Company of his availability to return to active Duty sooner than the date specified in the recall notice.

3. If a Pilot fails to answer a recall notice within the time limits, as provided in subsection 13.B.2, he shall be terminated and removed from the Seniority List.

4. If there is a more junior Pilot on Furlough on the date the recall notice was sent by the Company, a Furloughed Pilot may defer recall. If a Furloughed Pilot is the most junior Pilot on Furlough on the date such notice was sent and he does not accept recall within the time limits, as provided in subsection 13.B.2., he shall be terminated and removed from the Seniority List. A Furloughed Pilot who is eligible and elects to defer recall must provide notice to the Company of his deferral within the time limits for answering a recall notice, as provided in subsection 13.B.2. Pilots who have deferred recall shall have recall rights to future Vacancies only.

5. At the time a Furloughed Pilot accepts recall, he shall mail or otherwise send to the Company a copy of his current Airman's Medical Certificate that is required for the Position to which he has been recalled. If the Pilot does not have a current required Airman's Medical Certificate, he shall not be eligible for recall and shall remain in furlough status until such time as he regains the required Airman's Medical Certificate and is again recalled or until his recall rights expire, whichever is sooner.

6. A Furloughed Pilot who wishes to accept recall but is prevented from returning to active service on the date specified in the notice of recall by reason of serious health condition, as defined in the Family and Medical Leave Act ("FMLA") (including spouse, child, or parent for whom the Pilot is the primary care giver or active military service), shall be allowed to accept recall and shall be placed on an appropriate leave status pursuant to Section 8, Leaves of Absence. In such case, the affected Pilot shall provide the Company with certification of such circumstances within the time limits for answering a recall notice, as provided in subsection 13.B.2. If an affected Pilot fails to give proper certification or notification, as applicable, he shall be terminated and removed from the Seniority List.

7. A Pilot may remain on Furlough for a maximum of ten (10) years.

C. Hiring of New Pilots Prohibited while Pilots on Furlough

As long as there are Pilots remaining on Furlough, except those that have been prevented from returning to active employment, as provided in subsection 13.B.7., the Company shall not hire any new Pilots.

D. Change of Address

Each Pilot shall keep his correct address on file with the Company. In the event of a change of address during active employment or during any Furlough period, each Pilot shall promptly advise the Company utilizing the system in place for all employees or, if that is not made available to Furloughed employees, by advising the Vice President of People Services, or designee, in writing of the change. The Company shall advise an affected Pilot of these requirements in his notice of Furlough.

SECTION 14

HOURS OF SERVICE

A. General

All scheduled or actual Company directed operations shall be performed pursuant to the FARs, and the additional provisions provided for in this Section.

B. Scheduled Rest, Delays

1. Rest Periods

    a. Any Scheduled Rest Period between Duty Periods at a Pilot's Home Base shall be the greater of the applicable provisions under FAR 117 or eleven (11) hours.

    b. When away from his assigned Domicile, a Pilot's Scheduled Rest Period between Duty Periods shall be the greater of the applicable provisions under FAR Part 117, or ten (10) hours.

2. Back Side of the Clock Flying

    a. Extended flight and/or duty times from irregular operations (mechanical, weather, re-routed, re-scheduled, etc.) which occur on the backside of the clock will provide for extended rest periods beyond the required FAR legal minimums. For the purpose of this provision, all times are local to Domicile.

        i. For Trip Pairings originally scheduled with a show time before 1200 and actual Duty off time after 0000, 12 hours of rest will be provided before the next scheduled Duty period.

        ii. For Trip Pairings originally scheduled with a Duty off time before 2300 but have an actual Duty off time after 0200, 12 hours of minimum rest will be provided before the next scheduled Duty period.

        iii. A Pilot may at his sole discretion waive any rest required by paragraph 1 and/or 2 that is in excess of any rest required by FAR's.

        iv. If the rest extension creates a conflict with a subsequent Trip Pairing, then that Pilot may be reassigned, in accordance with Section 15.

3. Trip/Weather/Mechanical Delay

   a. If a delay infringes upon a day previously scheduled free of Duty (Duty off after 0200 on a scheduled day off in Domicile), the Pilot will be credited with the time flown or Deadhead time after 0000 in Domicile, which will be paid above the Minimum Guarantee.

   b. Additionally, the affected Pilot will be given a replacement Day Off with pay protection. The Day Off may be for the following month if the final bids have already been posted.

      i. The Pilot shall provide Crew Scheduling three Day Off options. If Crew Scheduling is able to grant one of the three Day Off options, the Pilot shall be pay protected for the higher of the dropped trip or any subsequent trip that is picked up; however, if Crew Scheduling is unable to grant one of the three Day Off options, Crew Scheduling shall select the Day Off and the Pilot shall be pay protected for the dropped Trip and any subsequent trip picked up on that day shall be paid in addition to that pay protected amount.

C. Scheduled Days Off

1. All Regular and Composite Bid Lines shall be scheduled for a minimum of twelve (12) Days Off, excluding three (3) Bid Periods during the year during which all Regular and Composite Bid Lines shall be scheduled for a minimum of eleven (11) Days Off during a Bid Period.

2. All Reserve Bid Lines shall be scheduled for a minimum of twelve (12) Days Off, excluding three (3) Bid Periods during the year during which all Reserve Bid Lines shall be scheduled for a minimum of ten (10) Days Off during a Bid Period.

3. A Pilot shall not be scheduled to perform any Duty for more than six (6) consecutive Calendar Days without a Day Off.

D. Report Time

1. A Pilot is expected to report for Duty at the location and time assigned as described below.

2. A Pilot's Report Time for Flying Duty shall commence:

   a. One (1) hour prior to the Pilot's first scheduled Flying Duty at the gate at his Permanent Domicile, Resident Airport, or other location.

b. For charter, off-gate/remote, and international flights, a maximum of one and one-half (1½) hours at the assigned location prior to the Pilot's first scheduled Flying Duty.

3. Due to Flight Time/Duty time requirements, mechanical issues or other operational requirements, the Company may delay a Pilot's scheduled Report Time.

4. For pay purposes and adjustments when a Pilot receives a delayed Report Time, he shall be paid in accordance with Section 3.

E. Release Time

A Pilot's Duty Period shall terminate:

1. Fifteen (15) minutes after the block in time of his last Flight or Deadhead Segment in his Duty Period; or,

2. Thirty (30) minutes after the block in time of his last Flight Segment when clearing customs is required.

F. Minimum Days Off Table

1. Until the NavBlue PBS is implemented, the following Minimum Days Off for Regular and Composite Lines will apply during a Bid Period when Vacation or Leave is awarded:

DAYS AVAILABLE	MIN DAYS OFF (12 Day Off Month)	MIN DAYS OFF (11 Day Off Month)
1-3	0	0
4-5	1	1
6-7	2	2
8-9	3	3
10-11	4	4
12-13	5	5
14-16	6	6
17-19	7	7
20-22	8	8
23-25	9	9
26-27	10	10
28-29	11	11
30-31	12	11

2. Upon implementation of NavBlue PBS, the following Minimum Days

Off for Regular Lines and Reserve Lines shall apply during a Bid Period when Vacation or Leave is awarded:

DAYS AVAILABLE	MIN DAYS OFF (12 Day Off Month)
1-3	0
4-5	1
6-7	2
8-9	3
10-11	4
12-13	5
14-16	6
17-19	7
20-22	8
23-25	9
26-27	10
28-29	11
30-31	12

3. The following Minimum Days Off for Reserve Lines will apply during a Bid Period when Vacation or Leave is awarded:

DAYS AVAILABLE	MIN DAYS OFF (12 Day Off Month)	MIN DAYS OFF (10 Day Off Month)
1-3	0	0
4-6	1	1
7-9	2	2
10-11	4	3
12-14	5	4
15-17	6	5
18-20	7	6
21-23	8	7
24-25	9	8
26-27	10	9
28-29	11	10
30-31	12	10

G. Notifications Regarding Assignments

After Positive Contact, a Pilot is responsible for any assignment given by the Company, which will be posted within the scheduling system. This includes any Company assigned Duty including but not limited to, RAP, ADD, ROE,

etc.

1. The Company shall notify a Pilot:

    a. When prior to reporting for a Duty assignment, his scheduled Report Time is to be delayed, “Positive Contact” must be made between the Company and the Pilot. For the purpose of a delayed Report Time, Positive Contact shall be considered "made” if the Company notifies the Pilot of a delayed Report Time and the Pilot fails to respond back to the Company acknowledging his receipt of such notification.

    b. When his Duty assignment is cancelled, a Pilot shall be notified within two (2) hours of such cancellation with a Reassignment (in this case a new assignment), or he shall be released from all additional Duty for that Calendar Day and paid in accordance with Section 3.

2. Crew Scheduling will contact the Pilot for day of assignment changes and reserve call-outs.

H. Unable to Report for Duty

It shall be the responsibility of a Pilot, who is unable to report for Duty, to notify the Company, as soon as reasonably practical once he becomes aware of his inability to report for Duty.

1. When a Pilot is unable to report for Duty, as a consequence of failing to be able to commute into his Domicile or other location where his Duty Assignment is to commence, he must**:**

    a. Show proof that he attempted to travel on two (2) scheduled FAR Part 121 or 135 Commercial Airlines from an airport where he is located, to the location of his next Duty Assignment, whereby such scheduled travel would have gotten the Pilot to the origin of his Duty Assignment prior to his scheduled Report Time; and,

    b. Must have given the Company at least four (4) hours notification, or after the Pilot’s first failed attempt, of his inability to report for Duty at his most recent scheduled Report Time.

    c. Upon arrival at the Duty location, the late Pilot shall be placed in Reserve status paid in accordance with Section 3 and shall not be credited for the previously assigned trip. If the original Trip has not yet departed, at the Company’s discretion, the Pilot may be placed back on the original assignment or any

portion thereof and shall be credited for that Trip or portion flown.

2. A Pilot shall not be required to notify the Company of his whereabouts on his Day(s) Off, off Duty between Duty Periods, or when on Vacation.

I. Fatigue

1. Pilots may declare themselves fatigued at any time in the interest of safety. When a Pilot declares that they cannot affirmatively state that the Pilot is fit for Duty in accordance with the FARs due to fatigue, the Pilot will be treated as fatigued, the Company will immediately remove the Pilot from Duty, and the Pilot will not be required to contact the Chief Pilot or be questioned by the Company at the time of the fatigue call.

2. A Pilot who calls out fatigued must submit a Fatigue Event Report within twenty-four (24) hours of the end of the Duty Day in which the fatigue event occurred.

3. Fatigue calls shall be reviewed by the Fatigue Risk Review Committee (FRRC).

4. Operational and Non-Operational Fatigue Events

    a. If the Fatigue Risk Review Committee ("FRRC") unanimously determines that a fatigue event was (1) operationally induced or (2) non-operationally induced but not caused by events within the Pilot's control as described in subsection 14.I.4.d., below, the Pilot will receive Removal Pay under Section 3.G.

    b. If the FRRC unanimously determines that the fatigue event was not operationally induced and caused by events within the Pilot's control, the Pilot will not receive Removal Pay under Section 3.G . In such case, the Pilot may, at the Pilot's discretion, use any available Sick Leave in the Pilot's Sick Bank to offset the lost pay for the removed Duty.

    c. If the FRRC unanimously rejects the fatigue report as not a legitimate fatigue event, then the Pilot will not receive Removal Pay under Section 3.G and will not be permitted to use available Sick Leave in the Pilot's Sick Bank to offset the lost pay for the removed Duty.

    d. A non-operationally induced fatigue event will be considered to have been caused by events within the Pilot's control where the FRRC unanimously determines:

        i. The event occurs on the first day of duty following Vacation; or,

        ii. The event occurs on the first day of duty following three (3) or more consecutive Days Off; or

        iii. The event was due to:

1. Lifestyle factors interfering with the ability to report fit for duty; or

2. Commuting activity that interferes with the ability to report fit for duty; or

3. Personal bidding activity interfering with the ability to report fit for duty; or

4. Trip trading activity interfering with the ability to report fit for duty.

    a. If the FRRC does not reach unanimous agreement, the Director of Safety, or designee, shall make the final decision. The final decision by the Director of Safety, or designee, is subject to the grievance and arbitration procedure. If the Union prevails on the grievance, the Pilot shall have their Sick Leave pay restored if they used Sick Leave. If the Pilot did not use Sick Leave, the Pilot shall receive Removal Pay under Section 3.G.

    b. There shall be an equal number of Company and Union FRRC voting members who vote on whether a fatigue event is legitimate, operationally induced and/or within the Pilot's control as described in subsections 14.I.4.d., above. Union FRRC members shall be appointed by the Union. Release time for Union FRRC members are not subject to Section 24 numerical limits on releases. Union FRRC members shall receive Company travel for in-person FRRC meetings and shall receive 100% flight loss pay for time spent performing necessary FRRC duties, which the Union shall not be required to reimburse to the Company.

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SECTION 15

SCHEDULING

A. PBS Committee

1. The Union shall establish a Preferential Bidding System ("PBS') Committee that shall meet with the Company for the purpose of developing cooperative and efficient flight operations.

2. All scheduling meetings shall be coordinated through the Vice President of Flight Operations, or his designee. Two (2) Union representatives, a representative from Crew Scheduling, and a representative from the Chief Pilot's office shall attend the meeting.

3. The Company shall provide the Union's PBS Committee members the Trip Pairing information for the upcoming Bid Period for the purpose of preparing for the upcoming Bid Period. This information shall be provided no later than ten (10) days prior to the Bid Period opening. The information provided to the PBS Committee shall contain, but is not limited to, pairings, current aircraft flows, block time reports, Pilots assigned for scheduled training and check rides, Check Airmen and/or Instructors that shall be conducting Checking or Training, Vacations, and Leaves of Absence (less confidential personal information).

4. The Union's PBS Committee Members may provide input into the construction parameters of the Trip Pairings. Therefore, if requested by the Union PBS Committee, the Union PBS Committee shall meet with the Company prior to each Monthly Bid Period to discuss recommendations as to Trip Pairing construction and the PBS provisions applicable to this Bid Period's bid.

5. The Union's PBS Committee Members shall provide the Company with their proposed Trip Pairing solutions for the upcoming Bid Period no later than seven (7) days prior to the Bid Period opening.

6. All dates/Days specified in Subsection 15.A. as deadlines for events shall fall on the business Day preceding the specified Day, if the date/Day in question falls on a weekend or holiday. With the agreement of the Company and the Union (EXCO), these deadlines can be extended and shall not be unreasonably denied by either party.

7. No mutual agreements within the PBS Committee shall supersede or negate any provisions of this Agreement, except as provided for in this Section 15.

8. In the event the Company intends to change vendors for the purpose of new Crew Tracking and/ or Crew scheduling software, they shall meet and confer with the Union's PBS Committee regarding all vendor/software options.

9. The Union and the Company shall negotiate an automated PBS and Awarding System Implementation Side Letter of Agreement ("LOA") specifying the software requirements and timeframes for completion of all automation requirements and availability for use in the Bid Period process. Until such agreed upon automation timelines have been met, Crew Scheduling shall complete Schedule Adjustment Period ("SAP") manually. The Company and the Union shall negotiate a mutually agreed upon date for the SAP automated implementation. The first meeting to formulate this LOA shall be held within fourteen (14) working days after the date of signing of this Agreement, complete the LOA within sixty (60) working days, and implemented no later than one hundred eighty (180) working days after the signing of this agreement. The agreed upon timeline shall be extended if completion of automation is beyond the Company's control.

10. In the event the Union fails to provide representation for the activities of the PBS Committee in a timely fashion, the Company shall have the authority to proceed forward with the implementation of the issue(s) without the Union's participation or input in the decision making process.

B. Monthly Bid Period Timeline.

1. A Monthly Bid shall be conducted during each Month of a calendar year. Each Bid Month's duration shall be the number of Days in each respective Month, with the exception of January, February and March which each will be considered a 30 day month through adding Jan 31 and Mar 1 to February. Leap year will make February a 31 day month.

2. Bid Lines shall be awarded to current and qualified Pilots in order of Seniority.

3. Bid Period Timeline:

Time	Event	Sample dates (Jan 2016)
1st Tuesday, 1700 Pacific	Bids open	Tuesday, January 5
Following Sunday, 2359 Pacific	Bids close	Sunday, January 10
Following Wednesday, 1700 Pacific	Initial bids posted (Regular and Reserve Lines) Protest period opens	Wednesday, January 13
Following Thursday, 1700 Pacific	Protest period closes SAP opens	Thursday, January 14
Following Sunday, 2359 Pacific	SAP closes Composite Blackout begins	Sunday, January 17
Following Tuesday, 1700 Pacific	Composite Blackout ends Final awards published (including composite)	Tuesday, January 19

Note: bids will open on the first Tuesday of each month except where the Tuesday falls on any holidays or similar which will push bids to open on the nearest business day.

4. The dates for Bid Periods for the following year shall be published in October of the preceding year, adjusted for holidays. The Company shall meet and confer with the Scheduling Committee at least two weeks prior to publishing the schedule.

5. Protest Period

   The Protest Period following the posting of the Initial Bid Line Awards shall be used to identify Company errors in the PBS integration and construction parameters (e.g., missed Vacation slide request, missed Training Days, incorrect PCH for individual Trip Pairings, etc.).

6. Composite Blackout

   The Composite Blackout is the time period in which the PBS System shall construct Composite Bid Lines. During this time, no Trip Trades, Trip Drops, or Open Time awards for the new Bid Month shall be processed.

C. Regular, Reserve and Composite Bid Line Construction

All Initial Bid Lines shall be constructed in accordance with the following rules:

1. All available known Flying at the time of the start of the Monthly Bid Period shall be published and available to be utilized in construction of Regular and Reserve Bid Lines, available for SAP, and Composite Bid Line Construction. Any Duty remaining uncovered after the Monthly Bid Period shall be left in Open Time and awarded or assigned throughout the Bid Month, in accordance with this Section 15. Available known flying is defined as committed and known flight or reserve pairings at the time of publishing.

2. Unless otherwise specified by the Pilot in his Bid Preferences, as provided in Section 15 an involuntarily TDY'd Pilot's Bid Line shall contain a minimum of one (1) block of four (4) consecutive Days Off in any Bid Month.

3. Excluding the first and last days of the bid month and excluding Pilots that waive this provision, Pilots shall be awarded a minimum of six (6) non-isolated Days Off (i.e., one group of six (6) Days Off, a group of four (4) Days Off and two (2) Days Off, two groups of three (3) days off, three groups of two (2) days off).

4. All Trip Pairings and Bid Lines shall be constructed in accordance with the provisions set forth in Section 14, Hours of Service.

5. Regular Bid Lines shall be constructed in the Initial Bid Awards with only Trip Pairings, Training, Vacation and Days Off. There shall be no Reserve Days in the construction of Regular Bid Lines in the Initial Bid Awards.

6. The PBS System shall construct a number of Composite Lines for each Position. The number of Composite Lines constructed in any Bid Period shall contain no less than the weekly average number of Pilots scheduled for Vacation in each Position and Domicile.

7. Composite Lines shall be constructed after the completion of SAP, utilizing the Pilots Bid Preferences as input during the Bid Period.

8. Each Composite Bid Line shall be constructed using Trip Pairings, RAP and/or ADD Days to a value at or above the Minimum Guarantee.

9. The PBS System shall construct one Reserve Bid Line per seat Position for every nine (9) Regular Bid Lines, or portions thereof, in

each Domicile, with a minimum of one (1).

10. Reserve Bid Lines shall contain only RAPs.

11. Only one (1) RAP shall be scheduled to commence per Day on a Crewmember's Schedule**.**

12. In addition to subsection 15.C.10., Reserve Bid Lines shall be constructed in accordance with Section 16, Reserve.

D. Eligibility to Bid

1. All Pilots shall be eligible to bid for and be awarded or assigned a line except:

    a. Management Pilots.

    b. Check Airmen (not expected to perform line Flying), Flight Instructors and APDs for the Bid Period in which they are serving full time in Flight Standards and Training ("FS&T").

    c. Pilots scheduled for Long-Term Training during the Bid Period.

    d. Pilots scheduled for Leaves of Absence greater than fifteen (15) Days within the Bid Month, except where otherwise prohibited by law.

    e. A Pilot returning to service who was otherwise ineligible to Bid shall have his line built using Open Time, including Reserve Days and ADD Day(s) up to his prorated Minimum Guarantee.

E. Scheduling Systems

1. In accordance with this Section 15, the approved PBS and Open Time Bidding and Awarding Software Systems, along with other complimentary software systems as required, shall be the means for Pilots to conduct the following functions:

    a. Trip Pairing construction.

    b. Regular and Reserve Line construction.

    c. Initial Bidding and Bid Awards for Regular, Composite and Reserve Bid Lines, utilizing Pilot Bid Preferences.

    d. Composite Bid Line construction.

    e. Schedule Adjustment Period Bidding (SAP).

f. Trades with another Pilot.

g. Trades with Open Time.

h. Open Time pickups.

i. Vacation Bids, Awards, slides and trades.

j. Trip Drops.

k. Bidding for Training.

l. Voluntary Flying Notification requests and awards**.**

F. Published Information in the Monthly Bid Period

1. The Initial Monthly Bid Period information for a PBS Bid shall be made available through the Company's approved PBS software system, to all Pilots, in accordance with subsection 15.B., Monthly Bid Period Timeline. The following scheduling information shall be electronically available to all Pilots in PBS:

    a. Number of eligible bidding Pilots, per Position and Domicile.

    b. Bid Line PCH construction range.

    c. Projected number of Regular Lines.

    d. Projected number of Reserve Lines.

    e. Projected number of Composite Lines.

    f. All Trip Pairing information listed below:

        i. Report and release times;

        ii. Pairing number.

        iii. Flight number.

        iv. Block and Credit Time of each Segment.

        v. Block and Credit Time of the Pairing.

        vi. Duty Time.

        vii. Ground time at stations.

        viii. Deadhead time

        ix. Originating, intermediate and terminating stations

x. RON information, including hotel information as available, ground transportation as available, etc.

xi. Time Away from Base (TAFB).

xii. Fleet Type (e.g., MD80, B757, A320).

g. All incoming Transition Duty from the current Bid Month into the new Bid Month.

h. All known absences for the upcoming Bid Month.

i. The projected average Initial Bid Line PCH for the new Bid Month, based on known Trip Pairings, RAPs and all Pilots' scheduled absences at the time of the start of the Monthly Bid Period.

j. A list of Pilots eligible to Bid in each Domicile.

k. Names of the Instructors and Check Airmen to be utilized on a Full Time Training Line during the Bid Month.

2. Conflicts from Duty in the current Bid Month which transition into the new Bid Month and any FAR illegalities shall be avoided in PBS awards.

3. A Pilot requiring time off for Military Duty shall provide advance notice to Crew Planning Department of the days needed, if known, prior to the opening of the Monthly Bid Period. His applicable PCH for the Bid Month shall be in accordance with Section 3, Compensation.

G. PBS Bid Line Construction

1. The PBS initial construction run shall build Bid Lines utilizing Pilot Preferences and in accordance with subsection 15.C., Bid Line construction parameters and award Bid Lines to all eligible Pilots in accordance with subsection 15.I., PBS initial Awards. All Bid Lines shall be constructed to a maximum PCH of ninety-five (95) plus a single additional pairing, if requested.

2. After the PBS initial construction run, Trip Pairings shall be held back from SAP to supplement the construction of Composite Lines for consolidation of knowledge.

3. In accordance with section 15, by Domicile and Position, there shall be a trip pairing hold back of approximately thirty-five (35) hours per Composite Line offered for consolidation of knowledge. Individual Domiciles may have different Trip Pairing hold back hours in relation to

other Domiciles based on the number of Composite Lines available for consolidation of knowledge.

4. Upon completion of the Trip Pairing hold back SAP shall commence.

H. Pilot Bid Preferences

Bid Preferences in the Initial Bid shall include:

1. Bid Line with maximum or minimum Days Off.
2. Bid Line with maximum or minimum PCH value.
3. Specific Days Off.
4. Standing Bid.
5. Specific Trip Pairings.
6. Maximum or minimum Trip Pairing PCH. Pilot may specify different requests for individual Days.
7. AM or PM "Duty On" times for daily and/or weekly Duty sequences. A Pilot may request different "Duty On" times for specific Days in the Bid Month.
8. Bid Line preferences for blocks of Long Call Reserve (RLC), Short Call Reserve (RSC), or both in the Bid Month.

I. PBS Initial Awards.

1. All Initial Bid Awards shall be accomplished in Seniority order by awarding each eligible Pilot his Bid preferences in accordance with subsection 15.B., Bid Period Timeline.
2. A Pilot who fails to bid in a Monthly Bid Period shall be awarded a Bid Line based upon his Bid preferences (a Pilots Bid Line parameters preferences), which shall be kept on file in his Standing Bid. In the event a Pilot wishes to change his Bid Preferences in his Standing Bid, he shall be required to do so prior to 2359 Pacific Time on the date bidding closes for the Bid Month per the table in subsection 15.B. for his new preferences to apply in the event he fails to Bid.
3. Captains or First Officers with less than one hundred (100) hours in Equipment Type who do not have sufficient Seniority to hold a Regular Line shall be awarded the highest block time Composite Line.
    a. If the Pilot is projected to complete his One Hundred (100) hour requirement prior to the beginning of the 3rd Bid Month, he shall bid in accordance to his Seniority.

4. Reserve Bid Line Awards

   a. The number of RAPs in a Bid Month shall be based on, but not limited to, the daily operational requirements of each individual Domicile, scheduled Vacation and Training, historical Sick Leave, Military Leave, scheduled Jury Duty and additional scheduled Leaves of Absence.

   b. Reserve Bid Lines shall be awarded in accordance with a Pilots Bid Preferences, pursuant to subsection 14.H.

5. A Pilot (Regular, Composite or Reserve) unavailable for Duty as a result of scheduled Vacation, Military Duty, or scheduled Leaves of Absence, shall have his Minimum Days Off prorated during the PBS Initial Bid Award based on the table below provided in Section 14.

J. Schedule Monitoring Status

1. General

   a. Under FAR 117, the Company may not assign and the Pilot may not accept an illegal assignment, therefore a Pilot will not receive any assignments in the bid award process that puts him over 1,000 hours in a rolling 365-day period.

   b. Assuming the Pilot is available for the entire Bid Period, the Pilot will be paid Minimum Guarantee if awarded hours in the Bid Period do not exceed Minimum Guarantee.

   c. If the Pilot is anticipated to exceed 1,000 hours due to changes in schedule due to operations, Crew Scheduling shall repair the Pilot's schedule prior to exceeding 1,000 hours.

2. Application

   a. After bids are awarded, Pilot schedules will be reviewed for flight hours (actual plus projected through the 1st of the operational bid period). If a Pilot's flight hours meet or exceed those listed in the SMS matrix, trips may be removed from the Pilot's calendar.

   b. For Trips removed, the Pilot will be placed in off duty status for that day and will be pay protected. The Pilot may request which Trip(s) he/she wishes to drop. If reserve availability is sufficient, Crew Scheduling will grant the Pilot's request. If the reserve availability is insufficient to grant the request, another trip, or portion of a trip will be removed. Crew Scheduling may assign a Crewmember in SMS status trips of lesser value in an effort to reduce their scheduled block time. Should this occur,

the Crewmember shall be pay protected for the awarded trip of greater value.

c. A Crewmember in SMS status may Trip Trade as long as such changes do not increase the Crewmember's scheduled block time.

3. Matrix for SMS Status

	Monitoring Months		
	Level 1	Level 2	Level 3
Month of Ops	750 Hrs+ (9 Month Lookback)	833 Hrs+ (10 Month Lookback)	916 Hrs+ (11 Month Lookback)

January	Apr 1 - Jan 1	Mar 1 - Jan 1	Feb 1 - Jan 1
February	May 1 - Feb 1	Apr 1 - Feb 1	Mar 1 - Feb 1
March	Jun 1 - Mar 1	May 1 - Mar 1	Apr 1 - Mar 1
April	Jul 1 - Apr 1	Jun 1 - Apr 1	May 1 - Apr 1
May	Aug 1 - May 1	Jul 1 - May 1	Jun 1 - May 1
June	Sept 1 - Jun 1	Aug 1 - Jun 1	Jul 1 - Jun 1
July	Oct 1 - Jul 1	Sept 1 - Jul 1	Aug 1 - Jul 1
August	Nov 1 - Aug 1	Oct 1 - Aug 1	Sept 1 - Aug 1
September	Dec 1 - Sept 1	Nov 1 - Sept 1	Oct 1 - Sept 1
October	Jan 1 - Oct 1	Dec 1 - Oct 1	Nov 1 - Oct 1
November	Feb 1 - Nov 1	Jan 1 - Nov 1	Dec 1 - Nov 1
December	Mar 1 - Dec 1	Feb 1 - Dec 1	Jan 1 - Dec 1

4. Trip Removal and Pay Protection

   a. Crew Scheduling and Flight Ops Management will jointly determine if a Pilot under the SMS will have Trips removed and pay protected. This will be determined by time of year, projected flight hours in future periods, and projected individual activity (e.g. upcoming Training, Vacation).

   b. Once it is determined that a Pilot will need to have hours removed, Crew Scheduling will communicate to the Pilot that he is on SMS and is expected to have "X" number of hours removed from his schedule for the upcoming Bid Period. This will be done by seven (7) days prior to awarded Bid Period, as referred to above. The Pilot will then have until two (2) days prior to the Bid Period opening to email in preferences for Trip removals. On the final day of the prior Bid Period, Crew Scheduling will make the Trip removals.

K. Schedule Adjustment Period (SAP)

1. SAP – General

   a. The Scheduling System shall conduct the SAP bidding and awarding process. A Pilot's schedule may be modified in accordance to the procedures specified in this Section 15.

   b. The following restrictions apply to all modifications requested in the SAP process:

      i. Unless awarded otherwise by the Company, or in the event his Bid Line was constructed in the Initial Award with a PCH which is less than the Monthly Minimum Guarantee, a Pilot, through SAP transactions may not cause his Bid Line PCH value to drop below the Monthly Minimum Guarantee. If the Pilots Bid Line PCH was

awarded to him in the Initial Bid Period that is less than the Minimum Monthly Guarantee, his awarded Bid Line's PCH from the Initial Award shall be his "new floor" for any transactions made during the SAP process.

ii. Trip Trade parameters and limitations in this Section 15 shall apply.

iii. A Pilot may not pick-up or Trip Trade in SAP for a Trip Pairing(s) which is inside or overlaps a Vacation period.

iv. For SAP awarding purposes, the Reserve Availability, per Position and Domicile, for Day in the Bid Month shall be published prior to start of SAP. After SAP, a revised version shall be published in the same manner.

2. Participation in SAP

a. A Pilot awarded a Regular Bid Line may participate in SAP, except as provided for in this Section 15.

3. Schedule Adjustment Period (SAP)

a. Per his Position, an eligible Pilot shall have access to and be able to bid for all Open Time system-wide in SAP.

b. SAP awards shall be made using the following procedures:

i. All SAP transactions shall be accomplished in first-come, first-served basis, where such transactions have Trip Pairings which are still available in Open Time.

ii. All requests during SAP must be FAR, Company buffers, and CBA compliant in order to be awarded. The Pilot's Bid Line shall reflect such awards.

iii. The Company's approved automated Open Time Bidding and Awarding Software System shall award Open Time, Trip Drops and Trip Trade requests on a "real time" basis during SAP.

iv. At the end of SAP, remaining Pairings shall be used to construct Composite Lines.

L. Additional Duty Designated (ADD) Days

1. At the conclusion of SAP, if a Composite Bid Line PCH is below the Minimum Guarantee and no Trip Pairings, or RAPs are available in Open Time to sufficiently build such Bid Lines up to the Minimum Guarantee, ADD Days may be placed on a Pilots Bid Line, considering initial Day Off

bid preferences in that Monthly Bid Period, for the purpose to bring his Bid Line up to the Minimum Guarantee. All additions must be in compliance to the applicable FARs, the Bid Line Construction Parameters, Section 14, Hours of Service, and all additional provisions in this Section 15, Scheduling. The ADD Day(s) is a designation providing a Pilot's obligation for Duty on the Day specific. Such ADD Day(s) shall not exceed the Monthly Minimum Guarantee, plus three (3) PCH. The number of ADD Days to be placed on a line is determined by the difference between the line value and Monthly Minimum Guarantee divided by four (4) PCH, rounded up.

2. ADD obligations may be satisfied as follows:

   a. At any time during the Bid Month, a Pilot may trade an ADD Day(s) for a Trip Pairing(s) or Open Time Reserve Availability Period(s). An ADD Day(s) may be traded for Trip Pairing(s) and/or RAP(s) from Open Time, irrespective of the Day(s) of his ADD obligation.

   b. At any time prior to 1800 Pacific Time the Day prior to the ADD Day obligation the Company may assign a Trip Pairing or a RAP to a Composite Bid Line from Open Time, to a Pilot with designated ADD Day(s) on the same Day(s). When a RAP is assigned, it must first be placed in Open Time for a minimum of twenty-four (24) hours, unless the RAP was originally on an awarded Reserve Bid Line.

   c. One (1) ADD Day shall be dropped from the Pilot's schedule for every four (4) PCH awarded or assigned from Open Time. The Pilot and Crew Scheduling shall agree on the dropped ADD Day, if no agreement, it shall be at the Company's discretion.

   d. Once a Pilot's Bid Line PCH reaches the Minimum Guarantee, all future ADD assignments within the current Bid Period shall be converted into Days Off and no ADD Days shall remain on his Bid Line.

   e. If the Pilot is not assigned a Trip Pairing or a RAP by 1800 Pacific on the Day prior to the ADD assignment, he shall be released from all Duty, as it applies to his ADD Day obligation and placed on a Day Off. A Pilot who is released from his ADD Day obligation may pick up Open Time on that Day, in accordance with the provisions of this Section 15. The Pilot shall be paid for any Open Time pick-ups in accordance with Section 3, Compensation.

   f. A Pilot with an ADD Day obligation shall be paid in accordance with Section 3, Compensation.

   g. A Pilot is responsible for any Duty assignment appearing on his schedule as of 1800 Pacific Time the Day prior to an ADD Day obligation.

M. Removed for Initial Operating Experience (ROE) Days

1. The Company may place an ROE Day(s) on a Pilot's schedule to designate an obligation for a Day(s) of Duty when an awarded Trip Pairing in the Monthly Bid Period is subsequently removed for Training purposes. The ROE Day(s) must be placed on the exact Day(s) on a Pilots Bid Line as the removed Trip Pairings. A Pilot who is assigned an ROE Day(s) shall be paid in accordance to Section 3, Compensation.

2. ROE obligations may be satisfied as follows:

   a. If an ROE obligation is placed on a Pilot's Bid Line anytime during the Bid Month, a Pilot may trade an ROE Day for a Trip Pairing or RAP from Open Time. The Trip Pairing(s) or RAP picked-up in Open Time does not have to be on the same Day as the ROE obligation.

   b. In accordance with the limitations in this Section 15, after the SAP Period and throughout the remainder of the Bid Month, the Company may assign a Pilot a Trip Pairing from Open Time with the same Day ROE obligation.

   c. One (1) ROE Day shall be dropped from the Pilot's schedule for every one (1) day of an awarded or assigned Trip Pairing or RAP.

3. A Pilot with an ROE Day who is not assigned a Trip Pairing by 1800 Pacific Time the Day prior to the ROE Day, shall be released from all ROE obligation, converted to a Day Off and paid in accordance with Section 3, Compensation.

4. After released from his ROE obligation, a Pilot may subsequently be awarded Open Time, Junior Assigned, a Voluntary Flying Notification Trip Pairing or a RAP. A Pilot released from an ROE obligation and subsequently awarded or assigned through Junior Assignment, additional Duty on those same Day(s) shall be paid the applicable Pay overrides, as provided for in Section 3, Compensation, in addition to his ROE PCH.

5. Any Trip Pairing assigned to a Pilot with an ROE Day shall be accomplished prior to 1800 Pacific Time the Day prior to the ROE obligation. A Pilot assigned a Trip Pairing shall be responsible to report for Duty at the assigned time.

6. Pilot who is awarded or assigned a Trip Pairing(s) to satisfy an ROE obligation shall be paid in accordance with Section 3, Compensation.

N. Reassignment Rules

1. For purposes of this Agreement, Reassignment means a change in the

Pilot's Duty assignment as provided herein on the same Day(s) of work as originally scheduled (e.g., rest requirements that create a conflict with a subsequent Duty, operational needs, etc.).

2. In-Domicile Reassignments

   A Pilot may be Reassigned to alternate flights while he is in Domicile, provided:

   a. The new assignment is for the same Day(s) originally scheduled; and,

   b. He is not required to report more than two (2) hours earlier than the Scheduled Report Time of the original Trip Pairing; and,

   c. He is scheduled to be released from Duty at his Domicile no later than four (4) hours after the scheduled release time of the original Trip Pairing.

   d. For same Day Reassignments, the Pilot shall be Reassigned within two (2) hours of being informed of a change in his original Trip Pairing or he shall be released and paid in accordance with Section 3, Compensation.

3. Out-of-Domicile Reassignments

   A Pilot may be Reassigned to alternate Duty assignments while he is out of his Domicile, provided:

   a. The new Duty Assignment is for the same Day(s) he was originally scheduled; and,

   b. The Pilot is scheduled to return to his Domicile on or before the last Day of the originally scheduled Trip Pairing; except,

   c. When the circumstances are beyond the Company's control and the Company is unable to return a Pilot to his Domicile on his originally scheduled work Day, said Pilot may be assigned to additional Duty on the next Day (i.e., his 1st scheduled Day Off). Such Duty shall only be assigned if it terminates in his Domicile on the same Day.

4. A Pilot with a Regular Line may not be involuntarily Reassigned to a RAP.

5. No Pilot may be Reassigned to less than Minimum Days Off per Bid Period. If, however, due to circumstances beyond the Company's control, an Out-of-Domicile Reassignment takes a Pilot below the minimum number of Days Off he shall be restored in accordance with Section 14, Hours of Service.

6. A Pilot who has been Reassigned shall be paid in accordance with Section 3, Compensation.

7. The Company may reassign a Pilot's RAP in accordance with Section 16, Reserve Duty.

O. Extensions

1. The Company may assign additional Flight Segments to extend the Duty Period of a Pilot who is currently on a Trip Pairing provided:

   a. It is legal under the FARs and in compliance with the provisions set forth in Section 14, Hours of Service.

   b. The Extension originates at the Pilot's Domicile at the conclusion of his Trip Pairing; and,

   c. The Pilot's Duty Period is not scheduled to extend beyond four (4) hours from his originally scheduled release time; and,

   d. He is scheduled to return to his Domicile by 0200 the following Day.

2. A Pilot shall be extended in inverse Seniority order from all available Pilots currently on, or scheduled to be on, a Trip Pairing and whose schedule would make them available thirty (30) minutes prior to the scheduled departure of the Flight Segment(s) to be added. A Pilot who is scheduled to be Extended, per this subsection, shall be paid in accordance with Section 3, Compensation.

P. Junior Assignment (JA)

1. A Junior Assignment shall be defined as:

   a. Involuntary assigned Duty on a Pilot's Day Off.

2. When it becomes necessary to Junior Assign a Pilot, Crew Scheduling shall Junior Assign Pilots in the same Domicile, available and legal, in inverse Seniority order, on a Day Off at the time of the Duty Assignment to Trip Pairings within the Pilot's Position.

3. Crew Scheduling shall not Junior Assign any Pilot without first utilizing all Pilots assigned Reserve Duty legal to cover the trip. However, in situations in which Crew Scheduling would have to utilize the last Reserve Pilot to cover a Trip Pairing, Crew Scheduling shall offer the Junior Assigned Pilot the option of being assigned the Trip Pairing or filling the subsequent Reserve Day.

   a. No Pilot may be Junior Assigned to a Trip Pairing earlier than one (1)

calendar day prior to the Trip Pairing.

b. If a Pilot is Junior Assigned to less than the Minimum Days Off provisions, pursuant to Section 14, Hours of Service, replacement Day(s) Off shall be agreed upon by Crew Scheduling and the Pilot.

c. Pilots on Vacation (and on any portion of a group of Days Off which is either at the beginning and/or end of a block of Vacation) shall be unavailable for a Junior Assignment**.**

d. Unless otherwise provided in this Agreement, no Pilot may refuse a Junior Assignment.

e. Prior to Junior Assigning Open Time, the Company shall utilize the Voluntary Flying Notification System.

f. A Pilot who is Junior Assigned shall be paid in accordance with Section 3, Compensation.

Q. Open Time Award System

1. Except as otherwise provided for in this Agreement, the Open Time Award System shall be utilized through an automated Open Time Awarding Software System, for the purpose to award or assign all unscheduled or unassigned Trip Pairings or RAPs.

2. Open Time Awards shall be made on a first-come, first-served basis in accordance with the provisions of this Section to Pilots who are legal and available for Open Time.

3. Pilots assigned/awarded Open Time in accordance with this Agreement, are subject to the Extension provisions and/or the Reassignment provisions of this Section.

4. The Company may allow RAPs to be available in Open Time, as individual Reserve Availability Days, or combine Reserve Availability Days into a block. In the latter case, a Pilot would have to pick up all of the Reserve Availability Days in a block.

5. Once an assignment in Open Time is awarded and confirmed by a Pilot, it will become part of his schedule.

6. The Company will not provide transportation, per diem or lodging for a Pilot traveling to an assignment out of his domicile (permanent or temporary) that he voluntarily picked up.

R. Restrictions on Open Time and Trip Trades

1. The following restrictions apply to all requests for Open Time and/or Trip

Trades, including during the SAP process.

a. A Pilot is not eligible for a Trip Pairing if such Trip Pairing would project his scheduled block time over sixty (60) Duty hours in a consecutive one hundred sixty-eight (168) hour time period, or one hundred ninety (190) Duty hours in a consecutive six hundred seventy-two (672) hour time period.

b. A Pilot is not eligible to pick up or trade for a Trip Pairing that causes his schedule to exceed the provisions of the Duty limitations or rest requirements of Section 14, Hours of Service.

2. RAPs shall not be traded for Trips within Open Time.

3. Notwithstanding Training and checking requirements, and subject to future considerations by the Company and Union Safety Committees, Captains will not be permitted to request First Officer Open Time and Captains may not be assigned First Officer Trips.

S. Trip Drops

A Pilot may request to drop a Trip Pairing(s) through the approved Company's Bidding and Awarding Software System. The dropped Trip Pairing(s) shall be deducted from the Pilot's Bid Line PCH. Any cumulative Trip Drops shall not reduce a Pilot's Bid Line below forty (40) PCH. Reserve coverage for the day of the Trip dropped must be above the minimum net reserve complement as determined by Crew Scheduling. Minimum net reserves shall be published by Crew Scheduling. If the Trip Drop cannot be approved when submitted, the Pilot may "advertise" the Trip Pairing in Open Time. If the Trip Pairing is not picked up by 1000 Pacific Time on the Day prior to the Trip Pairing's report, the Trip Pairing shall be removed from Open Time and the Pilot requesting the drop shall be responsible for the Trip Pairing.

T. Trip Trades

1. A Pilot may trade a Trip Pairing with another Pilot or with Open Time, utilizing the Automated Scheduling System. Trip Trades shall be processed and approved as follows:

   a. During the SAP processes as defined in this Section 15.

   b. Throughout the Bid Period on a first-come, first-served basis, except the Company may assign an open Trip Pairing to a Pilot with an ROE or ADD obligation before awarding the Trip Pairing to another Pilot.

   c. Trip Trades shall be processed and posted utilizing the Company's automated Bidding and Awarding Software System. Prior to the agreed upon implementation date, pursuant to subsection 15.A. Until such

time, manually submitted Trip Trades which are submitted by 0900 shall be processed by 1400 on that Day. Trip Trades submitted after 0900 shall be processed within eight (8) hours of submission.

d. A Trip Traded with Open Time shall be paid in accordance with Section 3, Compensation (e.g., a Pilot with a seventy (70) PCH Bid Line drops a five (5) PCH Trip and picks-up a Trip with eight (8) PCH, the Pilot would be protected for seventy- three (73) PCH; conversely, if a Pilot with a seventy (70) PCH Bid Line drops an eight (8) PCH Trip and picks-up a Trip with five (5) PCH, the Pilot would be protected for sixty-seven (67)PCH).

2. Restrictions on Trip Trades

a. Trip Trades shall not be approved unless the transactions comply with the provisions of the Restrictions on Open Time and Trip Trades of this Section 15.

b. Pilots may trade Trip Pairings beyond the Bid Line construction parameters provided for in this Section 15.

c. Trip Trades with Open Time may be denied when the number of unassigned Trip Pairings on the same Day(s) of the requested Trip Pairing to be dropped, exceeds the parameters set forth in section 15.

d. An Open Time pairing that has been awarded may be traded.

e. Trip Trades between Pilots and trades with Open Time cannot bring a Pilot's line value below forty (40) PCH.

f. A trade shall be approved if it does not impose any conflicts with Section 14, Hours of Service, or is not denied under the SMS program.

g. Trip Trades involving RAPs:

i. RAP on a Composite Bid Line may be traded for Trip Pairings or for other RAPs with other Pilots.

ii. In accordance with the provisions set forth in subsection 15.S., Trip Drops, RAPs on a Reserve Bid Line may be traded for other RAPs.

iii. Awarded multiple day RAPs shall remain intact and may be traded in their entirety with other Pilots.

U. Open Time Assignments

1. Beginning at 1000 Pacific Time, two (2) Calendar Days prior to an open assignment Crew Scheduling shall utilize the following priority of assignment:

a. ROE or ADD Pilots

b. Open Time requests from non-line holders (i.e., Management Pilots and Full-Time Check Airmen) in lieu of Junior Assignment.

c. Pilots with a RAP per Section 16.

i. Open Time requests from Reserve line holders

d. Junior Assignment.

2. Open Trip Pairings shall not be assigned outside of the process in U.1.; except,

a. to Pilots with an ROE or ADD Day obligation; or,

b. Voluntary Flying Notification in accordance with subsection 15.V.

3. Duty assigned to Pilots with an ROE or ADD Day obligations may be accomplished as far in advance as possible, but no later than 1800 Pacific Time on the Day prior to such obligation.

V. Voluntary Flying Notification

1. General

a. A Voluntary Flying Notification ("VFN") System shall be an automated system employed by Crew Services to provide a timely notification for covering any type of flying or RAP to Pilots who voluntarily register into the Voluntary Flying Notification System.

b. If there are Trip Pairings or other Duty remaining unassigned in Open Time for up to two (2) Calendar Days prior to the trip or new Trip Pairings or other additional unassigned Duty becomes available, the Company may institute a VFN for the purpose of expediting coverage for such unassigned Duty.

c. The Company shall award VFN assignments to Pilots who respond to a particular VFN event, in Seniority order by Domicile and Position, except where legality or conflicts with this Agreement exist.

d. Trip Pairings and additional Duty requests that are more than two (2) days in advance shall be placed in Open time and Awarded in accordance with the provisions and limitations set forth in this Section 15.

e. A Pilot awarded Duty during a VFN shall be paid in accordance with Section 3, Compensation.

2. VFN Request Periods

   a. Requests made up to two (2) Calendar Days prior to the unassigned Duty assignment's scheduled Duty On Time:

      i. A Pilot shall have two (2) hours to respond to a VFN event in order to be eligible for the advertised Duty assignment.

      ii. After the two (2) hour limit, the Duty assignment shall be immediately awarded according to V.1.c.

      iii. The Pilot shall be notified of the award by telephone and the Trip shall be placed on his schedule via the Company's approved automated Open Time Bidding and Awarding Software System.

   b. Day of Requests:

      i. A pilot shall have thirty (30) minutes to respond to a VFN event in order to be eligible for the advertised assignment.

      ii. After the thirty (30) minute limit, the assignment shall be immediately awarded according to V.1.c.

      iii. The Pilot shall be notified of the award by telephone and placed on his schedule via the Company's approved automated Open Time Bidding and Awarding Software System.

3. Conflicts

   a. Pilots will be awarded assignments with regard to the most senior and legal pilot in the base, seat and equipment.

   b. However, if no other Pilot is legal, Crew Scheduling may award an assignment to a Pilot that will create a conflict with a subsequent trip or legality issue in seniority order.

W. Reduced and Blank Lines

1. Reduced Credit Lines

   a. The Company may, in its discretion, offer Regular Lines with reduced credit values, i.e., "Reduced Credit Lines" (RCL), which shall be awarded on a voluntary basis in Seniority order.

   b. Pilots who have seven (7) or more days of Known Absences in a Bid Period shall not be eligible to receive a RCL.

   c. When offered, RCLs will be built to a maximum of fifty (50) PCH over a

maximum of ten (10) Days during the Bid Month.

d. When offered, RCLs will be built to a maximum of 50 PCH over a maximum of ten (10) Days during the Bid Period.

e. RCLs will have a minimum monthly guarantee of 50 PCH.

f. Pilots awarded a RCL shall have their Trip Pairings assigned by the Company in its discretion, notwithstanding that Pilot's bid preferences.

g. Pilots awarded a RCL may participate in Regular Line Only Open Time Period and pick up Open Time.

h. The RCL shall contain at least one (1) block of at least five (5) Days Off.

2. Blank Lines

a. The Company may, in its discretion, offer "Blank Lines." A Blank Line may contain training and pre-planned absences (*e.g.*, vacation), but the Pilot shall not bid in the Monthly Bid Period. Bidding on Blank Lines shall be voluntary. To be eligible to be Awarded a Blank Line, a Pilot must be eligible to bid in the applicable Bid Period and must be projected to have completed COK prior to the start of the Bid Period.

b. During the Bid Period a Pilot is Awarded a Blank Line, the Pilot will be permitted to pick up Open Time, VFNs, and engage in Trip Trades; accrue sick leave, Seniority, and Longevity; and continue to exercise pass travel privileges.

c. During a Bid Period in which a Pilot is Awarded a Blank Line and the Pilot accumulates less than thirty-five (35) PCH, the Company shall pay the Company and employee portions of that Pilot's benefits (*e.g.*, medical, LTD, STD). If the Pilot accumulates thirty-five (35) or more PCH in the Bid Period, the Pilot shall be responsible for reimbursing the Company, through a deduction from the Pilot's paycheck, for the employee portion of all benefits paid by the Company during the applicable Bid Period. All pay, including pay for vacation, training, and sick leave, shall count toward the Pilot's accumulation.

d. Blank Lines shall be awarded prior to the opening of the Monthly Bid process.

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SECTION 16

RESERVE DUTY

A. Reserve Availability

In accordance with the provisions of Section 14, Hours of Service, and Section 15, Scheduling, a Pilot on Reserve may be scheduled, awarded or assigned Reserve Availability Periods (RAPs) in a Bid Period.

B. Reserve Call Out Order

1. Pilots on reserve status on any given day will be assigned by the following priority:

    a. Part 121 flights will be assigned first to a Pilot on a RAP subject to increased weather minimums per the FARs or under one hundred (100) hours for consolidation of knowledge and skills; otherwise,

    b. If there are two (2) or more Reserve Pilots legal and available to complete the assignment, then:

        i. The assignment will be given to the Pilot with the lowest Call Out Credit that is legal and available, taking into consideration the number of days in the assignment and the Pilot's remaining days of availability.

        ii. If the assignment is scheduled to be completed more than twelve (12) hours from the start of the Duty period of the Pilot with the lowest Call Out Credit, Crew Scheduling, at its discretion, may assign the assignment to a Pilot in another RAP (with equal or higher Call Out Credit) that will complete the scheduled assignment within twelve (12) hours from the start of his Duty Period.

        iii. If two (2) or more Pilots have the same Call Out Credit for the same RAP and the same number of days of availability remaining, the assignment will be given to the most junior Pilot.

        iv. Multiple day assignments will be assigned, in accordance with this section, first to Pilots who are legal and available for at least the number of days in the Trip, based on lowest Call Out Credit among such pilots.

    c. Legal and available reserves assigned to a Domicile will be used

prior to using reserves from a different domicile.

2. A Reserve Pilot called out to the airport for a Trip but does not fly will be released from Duty if not Reassigned a Trip within three (3) hours after designated show time.

   a. A Reserve Pilot must contact and receive verbal confirmation from Crew Scheduling prior to leaving the airport.

   b. Should Crew Scheduling not have a specific Trip Pairing assignment, the Crewmember shall be released from duty.

C. Call Out Credit Accumulation

1. The total of Duty Period accumulation in the preceding twenty-eight (28) days shall constitute a Pilot's Call Out Credit.

D. Reserve Pilot Duty Period

1. A Reserve Pilot will start his Duty Period either:

   a. When the RAP begins; or,

   b. If a Trip Pairing has been assigned and confirmed prior to the beginning of that day's RAP, at the report time of that Trip Pairing**.**

E. Reserve Pilots on Short Call (RSC)

1. A scheduled RAP shall be twelve (12) hours or less.

2. *[NOTE: The following shall apply **until** the implementation of NavBlue PBS]*For reserve call-outs, the pilot has ten (10) minutes to call Crew Scheduling back and has ninety (90) minutes from the first phone call from Crew Scheduling to get to the airport parking lot. This report time shall be one hundred fifty (150) minutes for the purpose of a Domicile with more than one airport.

   *[NOTE: The following shall apply **upon** the implementation of NavBlue PBS]* For RSC call-outs, the Pilot has twenty (20) minutes to confirm the assignment by either electronically acknowledging it or returning a call to Crew Scheduling, and has two (2) hours and thirty (30) minutes from the first phone call from Crew Scheduling to report to the departure gate for the assignment except that, for Multi-Airport Permanent Domiciles, the Pilot shall have three (3) hours to report to the departure gate for the assignment. A Pilot who is provided less than three (3) hours' notice prior to reporting at FLL, BNA, or other airports as agreed to by the Union and the Company, shall be eligible for reimbursement of the cost of short-term

parking at the departure airport. To receive reimbursement, the Pilot must submit an expense form with receipts.

3. The Company may shift an assigned RAP if:

   a. A Pilot receives at least eleven (11) hours notification of the shift; and,

   b. The Pilot's shifted RAP's Duty on time is no more than two (2) hours prior to the Pilot's initial scheduled start time; and,

   c. The reserve shift shall not cause the Pilot's new RAP Duty Off time to be greater than four (4) hours from his initially scheduled RAP.

4. After completing a Flying Duty assignment, the Pilot must contact Crew Scheduling prior to leaving the airport. If he has Duty Time remaining, the Company shall have one (1) hour to assign the Pilot an additional assignment(s). If no additional assignment is given during that time, the Pilot shall be released from Duty.

5. A Pilot assigned to a block of RAPs, on his last day of reserve before a block of scheduled days off shall automatically be released from Duty eight (8) hours after the start of the RAP provided the Pilot has not been assigned a Trip Pairing, excluding the last day of the month. Upon self-release, a Pilot must contact Crew Scheduling to have his release time for the day adjusted in the scheduling system to ensure accurate Duty and rest is reflected. Upon being notified by the Pilot of self-release the scheduler shall immediately update the scheduling system to reflect that the Pilot is released from Duty and shall not assign any Trip after self-release has been stated. Until the Pilot has informed scheduling of their self-release, the Pilot is considered on reserve for the remainder of their scheduled Duty period.

6. The Company shall not assign a Reserve Pilot, who has completed a Duty Period, to an additional Duty Period or Reserve Duty Period on the same Day, unless the first Duty Period began the day prior.

7. Pilots on reserve shall not be required to perform airport reserve Duty.

8. Reserve Pilots shall not be assigned uncovered Trip Pairings or other Duty Assignments until 1000 Pacific Time two (2) Calendar Days prior to the scheduled report date.

   a. A Trip(s) assigned prior to the start of a Pilot's RAP may fall outside of the scheduled RAP. Once confirmed the Trip shall become part of the Pilot's schedule and the Pilot shall be responsible for it.

9. If requested to do so by the Company and a Pilot voluntarily reports to the departure gate for an assignment at a time, determined by the Company, that is prior to the applicable Report Time under subsection 16.E.2 , above, the following shall apply:

   a. A Pilot's acceptance of a request for an earlier Report Time under this subsection 16.E.10 is voluntary. The Company must verbally inform the Pilot of the contractual Report Time and the requested earlier Report Time, and inform the Pilot that the earlier Report Time is voluntary. Unless the Pilot agrees to accept the earlier Report Time, the contractual Report Time applies.

   b. A Pilot who accepts an earlier Report Time and reports to the departure gate by the requested earlier Report Time shall receive an additional one (1) PCH paid ABG and shall be entitled to reimbursement for the cost of short-term parking at the departure airport.

   c. If a Pilot agrees to the earlier Report Time but is unable to report at or before the earlier Report Time, the Pilot shall not receive additional pay or be eligible for short-term parking reimbursement.

   d. A Pilot who, due to unforeseen circumstances outside of the Pilot's control, is unable to report by the earlier Report Time shall not be subject to discipline if they report at or before the applicable Report Time under subsection 16.E.2, above.

F. Reserve Pilots on Long Call (RLC)

1. The Company may publish reserve for bid that is designated as Reserve Long Call and it may be converted to Short Call Reserve or a Duty assignment.

2. Conversion of a Reserve Long Call (RLC):

   a. Conversions will occur no earlier than two (2) calendar days prior to the day designated as RLC.

   b. All open Trip Pairings must be assigned to available Pilots on Short Call Reserve prior to converting RLC Pilots to Short Call Reserve.

   c. For a Pilot to be converted into an AM reserve period, they must be contacted before 1200 Domicile time the day prior to the RLC day.

   d. For a Pilot to be converted into a PM reserve period, they must be contacted before 2359 Domicile time the day prior to the RLC day.

e. If a Pilot is not contacted before 2359 Domicile time the day prior to a RLC day the RLC day will automatically convert to a Day Off.

f. A Pilot must confirm a conversion from RLC to Short Call Reserve or a Duty assignment, no later than eleven (11) hours prior to the Short Call Reserve Period or Duty assignment.

g. A RLC Period will directly convert to part of a Duty assignment for multiple day assignments.

G. Pure Reserve Days Off

1. The scheduled Minimum Days Off requirement for all Reserve Line Pilots in a Bid Period shall be in accordance to Section 14, Hours of Service.

2. Four (4) Days Off on a Pure Reserve award shall be designated as immovable "Golden Days" at the request of the Pilot once schedules are final. Reserve Line Pilots shall be able to request a change in Golden Days provided they do so forty-eight (48) hours in advance and staffing levels permit a change.

3. Crew Scheduling may change a Reserve Line Pilot's Days Off, excluding Golden Days, on the calendar day prior to a Day Off.

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SECTION 17

SENIORITY

A. General

1. The Allegiant Air Pilots System Seniority List ("Seniority List") shall be the list dated and agreed to on the date of signing of this Agreement, as subsequently amended and brought up to date, as provided in subsection 17.A.2. The Seniority List shall contain the names of all Pilot employees entitled to Seniority ("Pilot(s)"), whether active or inactive, and the date of employment as a Pilot indicating the Seniority to which the Pilot is entitled.

2. The Seniority List shall be brought up to date as of January and July of each year, and posted on the Company's intranet.

3. A Pilot's Seniority shall be based on the individual's length of service with the Company as a Pilot, and shall begin to accrue on the date the individual commenced Initial Training as a Pilot with the Company. Seniority for purposes other than Longevity-based accruals shall continue to accrue during the Pilot's uninterrupted period of employment with the Company; *provided,* a Furlough or Leave of Absence shall not be considered an interruption of employment for the purposes of this subsection.

4. After the effective date of this Agreement, when two or more individuals begin Initial Training as a Pilot on the same date, placement on the Seniority List shall be determined using the last four digits of their Social Security numbers, with the individual having the lower number placed first on the Seniority List. If two or more such individuals have the same last four digits of their Social Security numbers, then the last six digits of their Social Security numbers shall be used to determine placement on the Seniority List, with the individual having the lower number placed first on the Seniority List.

5. Seniority shall govern with respect to Upgrade, filling of Vacancies, Displacements, reduction in force (Furlough), recall from Furlough, monthly schedules, Vacation bidding and when otherwise provided in the Agreement.

B. Probation

Pilots shall be on Probation for the first three hundred sixty-five (365) days of accumulated active service as a Pilot with the Company ("Probationary Period"). Termination of a Pilot's employment during such Probationary Period shall result in his removal from the Seniority List and such termination or disciplinary action

shall not be subject to the Grievance and System Board provisions of Sections 18 and 19, respectively.

C. Protests Regarding Seniority

1. A Pilot shall have a period of thirty (30) days after the posting of the Seniority List, as provided in subsection 17.A.2., to protest his relative Seniority position, alleged omission or other incorrect posting that affects his Seniority; *provided*, however, that a Pilot on Vacation, Leave of Absence, or Furlough shall be permitted fourteen (14) days after return to active Duty to submit a protest, as allowed herein. A Pilot failing to file a written protest within the time limits provided herein shall be bound by the Seniority List as posted and shall have no further recourse.

2. A Pilot protesting his position on the Seniority List shall submit his protest in writing to the Vice President of Flight Operations, or his designee, with a copy to the Union. Only protests relating to errors or changes occurring after the last required official posting of the Seniority List shall be subject to this or any other protest procedure, including the Grievance procedure, as provided in Section 18.

3. The Company shall present all properly submitted Seniority protests to the Union for its review and position regarding how the protest should be resolved.

    a. If the Company agrees with the resolution of the seniority protest, as proposed by the Union, then the Seniority List shall be amended accordingly and the protest resolution will become final and binding on all parties and for all purposes.

    b. If the Company does not agree with the resolution of the protest, as proposed by the Union, then the Union may submit the matter directly to the Allegiant Air Pilots System Board of Adjustment ("Board"), as provided in Section 19. Should the protest be submitted, the Board shall hear the matter and render a decision as expeditiously as possible. The Board's decision in the matter shall be final and binding on all parties and for all purposes.

D. Loss of Seniority

A Pilot shall forfeit all Seniority rights and his name shall be removed from the Seniority List, as may be specifically provided elsewhere is this Agreement, and when:

1. He is discharged and the discharge is upheld or unchallenged;

2. He retires or dies;

3. He resigns his employment with the Company;

4. He does not return to work upon the expiration of a Leave of Absence, as provided in Section 8;

5. He has been on Furlough for a period in excess of the time provided in Section 13; or,

6. He forfeits his Pilot seniority but remains a Company employee.

E. Transfer to Management or Other Jobs with the Company

1. A Pilot who transfers to a management position, or any other job with the Company not covered by this Agreement, shall retain and continue to accrue Seniority on the Seniority List. Such Pilot shall exercise his Seniority if and when he elects to return to a Position covered by this Agreement and subject to his meeting all qualifications for the Position to which he is attempting to return.

2. A Pilot who is removed from his management or other job not covered by the Agreement, but retained by the Company, shall have a right to return to a Position covered by this Agreement in accordance with this subsection 17.E.

F. Management Pilots

A Management Pilot may perform revenue and non-revenue flying for the Company only if his name appears on the Allegiant Air Pilot Seniority List. A Management Pilot shall be permitted to fly only the seat Position (i.e., Captain or First Officer) that his current Seniority will hold, except for flights covering Training, Checking, or technical needs (e.g., test, maintenance, ferry, positioning, etc.) – or to maintain currency for the same. The preceding sentence shall not apply to the positions of Chief Pilot, Director of Flight Safety and Director of Operations. Line Check Airman, Simulator Check Airman, Simulator Instructors, or the equivalent(s) are not Management Pilots.

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SECTION 18

GRIEVANCE PROCEDURES

A. Discipline and Discharge

1. A non-probationary Pilot shall not be disciplined or discharged without just cause.

2. Once the Company learns of an incident or conduct that may result in the discipline or discharge of a Pilot, it shall commence an investigation of the alleged incident or conduct within thirty (30) days. Such thirty (30) day period may be extended by mutual agreement between the Company and the Union. A Pilot shall not be disciplined or discharged prior to the Company conducting an investigation of an alleged incident or conduct, as provided in this subparagraph.

3. Nothing herein shall prohibit the Company from holding a Pilot out of service with pay pending an investigation and prior to rendering a decision, as provided in subsection 18.A.6.a.

4. If a Company representative contacts a Pilot to discuss an alleged incident of misconduct or requests that he provide a written statement regarding said matter prior to holding an investigatory meeting as provided in subsection 18.A.5., the Company representative shall first advise the Pilot that he may be subject to discipline or discharge as a result of the information he provides and that he has a right to Union Representation. If representation is requested, the Company shall delay the required conversation until a Union Representative can participate, provided the participation of the Union Representative does not unduly delay the required conversation. Any delay in securing representation shall not count toward the Company's time to commence an investigation as described in paragraph 2, above. Nothing in this paragraph shall be construed to excuse a Pilot from responding to routine Company contact regarding non-disciplinary or operational issues.

5. Investigatory Meetings

   a. If a Pilot is required to attend a meeting with the Company held for the purpose of investigation of a matter that may result in his discipline or discharge, he shall be notified of the nature of such meeting. He shall, if he requests, have a Union representative or another Pilot of his choosing present; *provided,* the attendance of the Union representative or other Pilot, as may be applicable, does not unduly delay the conduct of the meeting. A request to delay an Investigatory Meeting for the purpose of obtaining representation and/or for scheduling purposes shall not unreasonably denied by

the Company. It is the responsibility of the Pilot who is the subject of the investigation to arrange for Union representation or the presence of another Pilot.

b. The Investigatory Meeting notice shall provide a statement that includes the date and location of the alleged incident and the rule or policy or regulation allegedly violated. Such notice shall also advise him of his right to request Union representation. A copy of the notice shall also be sent to the Union at the time it is sent to the Pilot.

c. Notice of the Investigatory Meeting shall be in writing with proof of delivery (e.g., sent by U.S. Certified Mail, Return Receipt Requested, e-mail with delivery confirmation, UPS). The scheduled date of such meeting shall be no less than three (3) calendar days after the earlier of: (i) the date the Pilot acknowledges receipt of such written notice (ii) the date a representative of the Company communicates directly with the Pilot in-person or by telephone conversation advising him of such meeting. Failure of such Pilot to meet the obligation to attend the Investigatory Meeting after Positive Contact from the Company, may result in disciplinary action.

d. During the course of the Company's investigation, the Pilot under investigation shall have the opportunity to present information relevant to the subject under investigation, including the written statement of witnesses.

e. Pilots shall not lose pay for participating in or attending Investigatory Meetings pursuant to this Section 18. If a Pilot is required to attend an investigatory meeting on a scheduled Day Off, he shall be paid in accordance with Section 3, Compensation.

f. The Company shall be responsible for payment of per diem and any associated travel costs, including transportation and lodging, if any, as provided in Section 6, Expenses, for a Pilot to attend a required meeting out of Domicile under this Section 18.

g. Nothing contained herein prevents the Pilot under investigation, the Union and the Company from reaching agreement upon the appropriate level of discipline, if any, during the Investigatory meeting, at its conclusion or prior to the Company rendering a decision.

h. A drug or alcohol test required by the Federal Aviation Administration ("FAA") or this Agreement shall not be considered a meeting for purposes of this Section 18.

6. Decision of the Company

   a. The Company shall notify the Pilot and the Union of its decision within fifteen (15) calendar days after completion of its investigation. If the Company alleges just cause to discharge or otherwise discipline a Pilot, the Company's written decision shall specify the rule or policy or regulation allegedly violated, a description of the Pilot's alleged violation, including date and location of the incident, the level of discipline imposed by the Company, and the effective date thereof. If the Company concludes no disciplinary action is appropriate, the Company's written decision shall state that the matter was closed with no disciplinary action taken against the Pilot. However, a non-disciplinary cautionary letter may be issued. If so, the Pilot shall have the right to submit a response letter to the non-disciplinary cautionary letter and the response letter will be placed in his personnel file.

   b. Disciplinary letters shall become inactive and shall not be referred to in a subsequent discipline or discharge eighteen (18) months after the date of the disciplinary letter. This provision will not apply to disciplinary letters related to discrimination or harassment.

   c. If the Pilot or the Union disagrees with the Company's decision, as provided in subsection 18.A.6.a., the Pilot or the Union may appeal such decision by filing a Grievance, as provided in subsection 18.C.

B. Non-Disciplinary Dispute

1. Prior to filing a Grievance over a dispute regarding an interpretation of the Agreement, the affected Pilot and/or his Union Representative shall discuss (e.g., phone conversation, personal meeting, e-mail exchanges) and attempt to informally resolve such dispute with the System Chief Pilot, or his designee, within thirty (30) days after the Pilot or the Union became aware, or reasonably should have become aware, of the event from which the dispute arises.

2. The System Chief Pilot, or his designee, shall respond with a decision to the Pilot and the Union within fifteen (15) days after discussions of the dispute, as provided in subsection 18.B.1., have occurred.

3. If the Pilot or the Union disagrees with the decision rendered, as provided subsection 18.B.2., the Pilot or the Union may appeal such decision by filing a Grievance, as provided in subsection 18.C.

C. Grievances and Grievance Hearings

1. A Grievance is a dispute between the Company and a Pilot or group of Pilots ("Grievant(s)") or the Union on behalf of a Grievant(s) concerning the discipline or discharge of a non-probationary Pilot, or a dispute between a Grievant(s) and/or the parties arising out of the interpretation or application of any of the terms of this Agreement. It is the intent of the parties to resolve Grievances or potential Grievances informally and at the lowest level possible.

2. If the decision of the Company, as provided in subsections 18.A.6.a. or 18.B.2., is not satisfactory to the Pilot or the Union, the dispute shall be appealed to the Vice President of Flight Operations, or designee, submitted on a Grievance form provided by the Union, within fifteen (15) days after the Pilot or the Union, as applicable, receives notice of such decision. The Grievance shall contain a statement of the facts involved, the remedy sought and the specific provision of the Agreement alleged to have been violated.

3. A Union representative with written authorization from a Pilot shall have access to all relevant Grievance-related materials in the Pilot's permanent employee file, including training records, prior to the Union deciding whether to file a Grievance over a Company decision if the Company has taken disciplinary action, as provided in subsection 18.A.6.a., or at such time that there is an active Grievance filed concerning such disciplinary action. Upon request, the Union representative shall be given copies of such records.

4. The Vice President of Flight Operations, or designee, shall hold a Grievance Hearing at a mutually agreed date and time within fifteen (15) days following receipt of the Grievance. The Grievance Hearing shall be conducted in the city where the general offices of the Company are located, unless otherwise mutually agreed by the Company and the Union. A Grievance Hearing may be held telephonically by mutual agreement of the Company and the Pilot and/or the Union, as applicable.

5. Information Requests Preceding a Grievance Hearing

    a. Upon a specific, good faith, written request made at least forty-eight (48) hours preceding a Grievance Hearing, as provided in subsection 18.C.4., unless another time frame is mutually agreed upon, the Company and the Pilot or the Union, as applicable, shall provide the other party with copies of any documents they intend to present at the Grievance Hearing that were not previously provided.

    b. Requested information referenced in the subsection 18.C.5.a. above shall be exchanged as soon as practical, but in all cases

prior to the commencement of the Grievance Hearing, unless mutually agreed otherwise. If necessary the Grievance Hearing shall be delayed or continued in order to provide the parties with adequate time to prepare and/or respond. The failure to provide required information, unless such information is withheld deliberately, shall not have an exclusionary effect.

c. Nothing in subsection 18.C.5. shall be construed to waive any privilege provided by law that would protect the information from disclosure, including the attorney-client and attorney work product privileges.

6. The Company shall, subject to the needs of the service, release a Grievant from conflicting duty for the purpose of attending a Grievance Hearing. The Grievant shall be paid for actual hours flown during the month or his Monthly Minimum Guarantee, whichever is greater.

7. The Union may choose to have a Pilot witness(es) participate in a Grievance Hearing in person, telephonically or by written statement. The Company is not required to pay the travel costs or expenses of such Pilot witness(es); *provided*, Union witnesses and representatives who are Company employees shall receive free space available transportation on Company aircraft for the purposes of attending a Grievance Hearing.

8. Unless mutually agreed, no stenographic report or other recording may be taken during a Grievance Hearing (excluding contemporaneous notes). However, when the parties mutually agree that a stenographic report shall be taken of a Grievance Hearing, the costs shall be borne by both the parties to the dispute.

9. The Vice President of Flight Operations, or his designee, shall render his decision to the Grievant(s) and Union within fifteen (15) days after completion of the Grievance Hearing.

10. If the decision of the Vice President of Flight Operations, or his designee, is not satisfactory to the Grievant(s) or the Union, it may be appealed by the Union to the Allegiant Air Pilots System Board of Adjustment (“the Board”), as provided in Section 19, within fifteen (15) days following receipt of such decision.

11. As an alternative to the Board, by mutual agreement the Company and Union may utilize alternative dispute resolution procedures, including, but not limited to, grievance mediation procedures developed jointly by the parties and the National Mediation Board (“NMB”), to attempt to resolve any or all Grievances arising under this Agreement.

D. Grievance Review Panel

1. The fifteen (15) day time period for the submission of an appeal of the decision of the Vice President of Flight Operations, or designee, to the Board, as provided in subsection 18.C.10., shall be extended for any such Grievance under review by the Union's Grievance Review Panel ("GRP"). The Union shall provide the Company written notice within said fifteen (15) day time period if it intends to utilize the review procedure by the GRP. The GRP shall review the Grievance and render a determination within thirty (30) days of having received such Grievance for review. The extension shall be until fifteen (15) days after a determination by the GRP whether to appeal such Grievance to the Board or until thirty (30) days after entry of a final judgment (including appeals) in any legal proceedings resulting from a GRP determination not to submit such Grievance to the Board, whichever occurs later.

2. Should the disposition of the Grievance before the Board result in a judgment that includes recognition of an accrued liability by the Company, such liability shall not continue to accrue during the period from the date the notice of review by the GRP was filed until the date the appeal was filed with the Board.

3. The members of the Board (including the neutral member) that may have knowledge that any such Grievance was considered by the GRP or of any determination by the GRP or of subsequent legal proceedings shall not consider any such matters in hearing and deciding any such Grievance.

E. General

1. The filing of all Grievances and appeals thereof, and all notifications, including meeting notifications, and all decisions of the Company, and all confirmations of mutual extensions of time limits shall be in writing and accomplished as provided in this Section 18 or Section 25, General, as applicable.

2. If a Pilot or the Union fails to comply with the time limits prescribed in this Section 18, the decision of the Company shall be final and binding. If the Company fails to comply with the time limits prescribed in this Section 18, the dispute shall be deemed denied by the Company and the Pilot or the Union, as appropriate, may appeal the Grievance to the next step. If the last day for rendering a decision or for filing a Grievance or appeal falls on a weekend or observed holiday, the next business day shall be the deadline. The time limits contained in this Section 18 may be extended by written agreement between the parties.

SECTION 19

SYSTEM BOARD OF ADJUSTMENT

A. Establishment and Jurisdiction of a System Board of Adjustment

1. In compliance with Section 204, Title II, of the Railway Labor Act ("RLA"), as amended, a System Board of Adjustment is hereby established for the purpose of deciding disputes that may arise under the terms of this Agreement that are properly submitted to it, and shall be known as the "Allegiant Air Pilots System Board of Adjustment" (hereinafter referred to as "the Board").

2. The Board shall have jurisdiction to adjust and decide disputes arising under the terms of this Agreement. The jurisdiction of the Board shall not extend to proposed changes in rates of pay, hours or working conditions and shall have no authority to modify, amend, revise, add to or subtract from any of the terms or conditions of this Agreement.

3. The Board shall consider the appeal of any Grievance properly submitted to it by the Union, when such matter has not been previously settled in accordance with the provisions of Section 18, and any issues arising from the subsequent processing of the Grievance. The Board shall not have jurisdiction to consider any dispute in which the applicable provisions of Section 18 have not been complied with, except as provided elsewhere in this Agreement, or which has not been submitted to the Board in a timely manner; *provided,* all procedural disputes shall be resolved by the Board.

B. Composition of the Board

1. The Board shall consist of three (3) members ("Board Members"), one (1) of whom shall be selected and appointed by the Company, one (1) of whom shall be selected and appointed by the Union, and an Arbitrator, selected as provided in subsection 19.H., serving as the Neutral Board Member. Each party shall advise the other in writing of the name of the person who has been appointed as its respective Board Member.

2. Once selected, the parties' respective Board Members shall serve until the Board issues a final and binding decision on a dispute they were selected to hear and decide, including any subsequent period wherein the Board retains jurisdiction. Should it become necessary for a party to replace a Board Member before a matter can be closed, such party shall immediately advise the remaining members of the Board of his/her removal and replacement.

3. Each Board Member shall be free to discharge his duty in an independent manner without fear that his individual relations with the Union, the

Company or with the Pilots may be affected in any manner by any action taken by him in good faith in his capacity as a Board Member.

C. Meetings of the Board

1. The parties may mutually agree to convene the Board with only the selected Arbitrator, or with the Arbitrator plus both of the parties' respective Board Members. Absent agreement to the contrary, all three (3) Board Members shall convene.

2. The Board shall meet, with all required Board Members present, as provided in subsection 19.C.1., at the principal offices of the Company, unless the Board Members mutually agree upon a different place of meeting. Such regular meetings shall be convened as necessary, provided there are cases filed with the Board for consideration. In the event the Board is unable to consider and hear all matters before it during a session, it shall schedule another meeting to be held at the first date the selected Arbitrator is available, unless the parties agree to carry the matter(s) over to another mutually agreed upon time.

D. Submissions to the Board

1. Grievances submitted to the Board shall be addressed to the Vice President of Flight Operations, or designee. Each party shall be responsible for providing a copy of the submission to its respective Board Member.

2. Each submission shall include: Question or questions at issue; statement of facts; position of the Union; position of the Company; and remedy requested. When possible, joint submissions should be made, but if the parties are unable to agree upon a joint submission, then either party may submit its position to the Board.

3. If the Union has appealed more than one (1) Grievance to the Board, the Union shall choose the order of Grievances to be heard and decided on by the Board. Unless the Company and the Union agree upon a combination of Grievances to be presented to the Board, each Grievance presented shall be treated as a separate case.

E. Proceedings Before the Board

1. The Company and Union shall be the only parties to a Board proceeding. The Company may be represented at Board hearings by such person or persons as it may designate, and the Union may be represented by such person or persons as it may designate. The Union shall designate who may present any arguments and evidence on behalf of a Grievant(s).

2. Evidence may be presented orally, in writing or both.

3. Witnesses providing testimony shall do so under oath.

   a. The number of witnesses summoned at any one time, who are Company employees, shall be subject to the needs of the service. Additional hearing dates shall be scheduled as necessary to allow for Company employee witnesses to appear.

   b. Each witness summoned by the Board or called by either party shall be free from retaliation or adverse action by either the Company or the Union because of giving testimony in good faith.

4. A majority vote of the Board Members sitting at a hearing shall be competent to reach a decision. Decisions of the Board in matters properly referable to it shall be final and binding on the parties.

5. The Board shall issue its decision in writing as expeditiously as possible after the hearing(s) is concluded. By mutual agreement, the parties may request the Board to issue its decision orally or with a brief written decision after the taking of evidence and the conclusion of oral arguments, with a written decision to follow.

G. Information Sharing

No later than three (3) Business Days prior to the hearing, the Company and the Union shall exchange all evidentiary exhibits, including the names of the witnesses they intend to introduce at the System Board of Adjustment Hearing. Any additional evidentiary exhibits or witnesses which are identified and intended to be introduced in the Hearing after the above mentioned three (3) Day requirement in this subsection, shall be exchanged as soon as practicable, but prior to their introduction in the Hearing. Unless the names of witnesses or evidentiary exhibits are deliberately withheld, this provision shall not preclude either party from introducing any additional evidence or witnesses during the course of the Hearing.

H. Panel of Neutral Board Members

1. Within thirty (30) days after the Union notifies the Company it has appealed a Grievance decision to the Board, as provided in subsection 18.C.10., the parties shall attempt to promptly agree on a neutral member to sit as the third (3rd) member on the Board. If the parties are unable to agree on such Neutral Board Member within fourteen (14) calendar days, either party may promptly request the National Mediation Board ("NMB") to provide a list of seven (7) neutrals, all of whom have experience as neutrals in the airline industry, are members of the National Academy of Arbitrators and are willing to serve on the panel. The parties shall select

one (1) neutral to serve as the Neutral Board Member from the list submitted by the NMB within fourteen (14) calendar days by alternately striking names from the list until one (1) name remains. The party to strike first shall be determined by a coin toss. The Arbitrator remaining on the list shall be designated as the Neutral Board Member.

2. Within fourteen (14) days from selecting the Arbitrator, the parties shall ask for his available dates for hearings during the next one hundred twenty (120) days. Upon receipt of the Arbitrator's dates of availability, the parties shall confer regarding a mutually agreeable date(s) for the hearing.

3. If the selected Arbitrator does not offer available dates for hearings within the one hundred twenty (120) day period, as provided in subsection 19.H.5. and the parties do not mutually agree to extend the date(s) for the hearing beyond one hundred twenty (120) days, or the parties are unable to agree upon an offered date, then within fourteen (14) days from the date the Arbitrator's response was received, the parties shall select another Arbitrator by mutual agreement or by alternately striking names from the panel of remaining neutrals provided by the NMB, as provided in subsection 19.H.1. The procedures set forth in subsections 19.H.1. through this subsection 19.H.3. shall be repeated until the hearing is scheduled. The above listed provisions providing for notifications and communications with the selected Arbitrator shall not be construed to permit any unauthorized *ex parte* communication with him regarding the nature or merits of the Grievance to be heard.

4. The selected Arbitrator shall preside at meetings and hearings of the Board at which he serves as the Neutral Board Member. It shall be his responsibility to guide the parties in the presentation of testimony, exhibits and arguments at hearings to the end so that a fair, prompt and orderly hearing of the dispute is afforded.

5. The expenses and reasonable compensation of the Arbitrator shall be borne equally by the parties.

I. General

1. All notifications, including meeting notifications, and all decisions of the Board, and all mutual extensions of time limits shall be accomplished as provided in this Section 19 or Section 25, General.

2. The time limits contained in this Section 19 may be extended by written agreement between the parties. If a time limit or any mutually agreed extension thereof expires on a weekend or observed holiday, the time limit shall be extended to the next business day.

3. Except as expressly provided otherwise, each of the parties shall assume the compensation, travel expenses and other expenses of its respective Board Member and witnesses. Upon receipt of at least fourteen (14) days advance notice, the Company shall release the Union's Board Member to the extent necessary to allow him to attend meetings or hearings of the Board. The Company shall provide free positive space transportation on Company aircraft to employees serving as witnesses or Board Members so long as such travel does not result in the displacement of revenue passengers.

4. When it is mutually agreed that a stenographic report is to be taken of a Board hearing in whole or in part, the cost shall be borne equally by both parties to the dispute. If it is not mutually agreed that a stenographic report be taken, any stenographic report taken of such hearing made by either of the parties shall be furnished to the other party, upon request; *provided,* that the cost of such stenographic report so requested shall be borne equally by both parties. Nothing shall preclude the Arbitrator from making or requesting a recording of the hearing for his exclusive use.

5. The costs of the meeting rooms and requisite hearing facilities for Board meetings shall be borne equally by the parties. Upon mutual advance agreement of the parties in each particular instance, the Board may incur expenses necessary for its decision of a case and such expenses shall be borne equally by the parties.

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SECTION 20

CHECK AIRMEN & INSTRUCTORS

A. General

1. This Section 20 is applicable to Pilots whose Duty is to train and/or evaluate Pilots as Check Airmen and/or Instructors. Training Department Vacancies shall be published electronically. The selection and retention of Check Airmen and Instructors shall be at the discretion of the Company. The Company will give appropriate consideration to the recommendations of the Union regarding selection of Check Airmen and Instructors.

2. All practices, policies, procedures and regulations which apply exclusively to such Pilots that are not modified by this Section 20 shall continue to be determined by Training Department policy; provided, when a Pilot serving as a Check Airman or Instructor performs line Pilot Duties, he shall be governed by Section 14, Hours of Service, and Section 15, Scheduling.

B. Check Airmen Duties

Check Airmen and/or Instructors may conduct ground Training, flight Training, or Simulator Training. Qualified Check Airmen may conduct checkrides and orals for First Officers and Proficiency Checks ("PCs") of Pilots in simulators or aircraft, and other Duties as prescribed by the Training Department. In addition to the above Duties, Check Airmen who are FAA-approved Aircrew Program Designees may conduct type rating checkrides and orals.

C. Seniority

1. Check Airmen shall be Pilots on the Seniority List, employees of the Company, or Part 142 Training Center Examiners. The Company will only utilize Part 142 Training Center Employees to perform Checking events when it does not have sufficient qualified personnel to meet its Training needs.

2. Other than Check Airmen, Instructors are not required to be Pilots on the Seniority List or employees of the Company.

3. A Pilot who is on the Seniority List and who is serving in the Training Department shall retain and continue to accrue Seniority and Longevity for all purposes, except as provided in subsection D.3, below.

4. In the event of a Furlough and regardless of Seniority, the Company may elect to retain a Pilot(s) serving in the Training Department, as provided in this Section 20, to perform training functions during such Furlough. Such

Pilot(s) shall accrue Longevity for no more than ninety (90) days from the date he would have been Furloughed. Such Pilot shall not act in any capacity as a required Crewmember on any Flight operated by the Company independent of his Training Duties as a Check Airman. Upon completion of his Training assignment, such Pilot shall be Furloughed.

5. Check Airmen and Instructors who are on the Pilots' System Seniority List shall bid for and be awarded a permanent vacancy as provided in Section 12, Filling of Vacancies; provided when such Check Airman or Instructor performs Line Flying, he shall only operate the Fleet in which he is a Check Airman or Instructor (i.e., no dual qualification). Check Airmen may operate the Company's aircraft from either the left (Captain's) or right (First Officer's) cockpit seat.

D. Scheduling

1. A Pilot who accepts a Check Airman or Instructor assignment does so voluntarily. A Check Airman or Instructor who wishes to relinquish his assignment shall give at least thirty (30) days notice of his desire to vacate the assignment. By mutual agreement between the Pilot and the Company, the effective date of the return to the line may be advanced or delayed.

2. A Check Airman or Instructor assigned to the Training Department for an entire Bid Period shall not bid, be awarded, or be assigned to a Bid Line. Such Check Airman or Instructor shall be assigned a Training Line by the Training Department. A Training Line shall not contain any Line Flying.

3. A Pilot who is performing both Training and Line Flying responsibilities within a single Bid Period shall Bid for and be awarded a Line of Flying in accordance with Section 15, Scheduling.

4. A Line Check Airman ("LCA") shall perform line flying Duties full time and may also perform Operating Experience ("OE") and line check Duties during such line flying Duties.

E. Compensation

Check Airmen and Instructor Pilots shall be paid as provided in Section 3, Compensation.

F. Vacation

Check Airmen and Instructor Pilots shall bid for Vacation in the same manner as all other Pilots as provided in Section 9, Vacation.

G. Travel

1. Pilots assigned to serve at a Training Center or to serve as a Line Check Pilot at a location other than their Domicile or Resident Airport for a Bid Period shall receive Deadhead pay for travel before and after the first and last day of their Training assignment for that Bid Period. A Deadhead Day or Deadhead pay shall not be considered as a Training Center Event.

2. The Company agrees to provide Pilots assigned to a Training Center or to serve as a Line Check Pilot at a location other than their Domicile or Resident Airport for the Bid Period with Positive Space travel to and from the location of their Training assignment.

3. Pilots will be provided Deadhead pay only for travel before and after the first and last day of their Training assignment for that Bid Period, i.e. positioning flights designated as Deadhead Days. Pilots will not receive Deadhead pay for flights to or from their Domicile or Resident Airport and the location of their Training assignment during the Bid Month on their Days Off not designated as Deadhead Days.

4. Positive Space travel requests for deadheads during a Bid Month where a Pilot is assigned to a Training Center must be submitted by the close of business on the fifth (5th) day after the assignment has been awarded.

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SECTION 21

CAPTAIN'S AUTHORITY

The Captain is the Pilot-In-Command of the aircraft, directly responsible for, and the final authority regarding the safe operation of the aircraft and its crew. The Captain directs the activities of all Crewmembers in a manner that promotes maximum safety, responsibility, operational effectiveness and legality, including compliance with Company policies and the Federal Aviation Regulations ("FARs").

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SECTION 22

INTERNMENT, MISSING, HOSTAGE or PRISONER of WAR

A. Continuation of Pay and Benefits

1. Any Pilot who, through no fault of his own, becomes interned, missing, or held as a hostage or prisoner of war while in the course of performing his Duties for the Company, shall be entitled to his Monthly Minimum Guarantee based upon his existing rate, and any scheduled increases thereto, continuation of 401(k) deductions from the Pilot's compensation and the Company's matching contributions on behalf of the Pilot, continued Sick Leave and Vacation, continued Seniority and Longevity accrual and insurance benefits (including dependent coverage) provided for under this Agreement, until released from internment, hostage or prisoner status or is no longer missing, or until proof of death is established in-fact, or there is a reasonable presumption of death, up to a maximum of forty-eight (48) months.

2. The Monthly Minimum Guarantee and other benefits, as provided in subsection 22.A.1. shall not be deducted from the Pilot's Sick bank.

3. Any insurance premiums or contributions in effect for all Pilots covered by this Agreement shall be deducted from the pilot's compensation referenced above in subsection 22.A.1.

4. The compensation referenced in subsection 22.A.1. shall be paid to the beneficiary or beneficiaries designated in writing by the Pilot on the form set forth in subsection 22.B. The Company shall make the form available to all Pilots within thirty (30) calendar days from the effective date of this Agreement. Newly hired Pilots shall be provided with a copy of the form at time of hire. It shall be the Pilot's responsibility to complete the form and file it with the Vice President of People Services, or designee.

5. Any other forms of compensation and benefits provided by this Agreement applicable to a Pilot's family shall also continue for the period during which the Pilot is receiving payment under this Section 22.

6. If it cannot be determined whether a Pilot has been detained in a manner that would trigger the compensation and benefits provided for in subsection 22.A.1., such compensation and benefits shall be paid retroactively if eligibility is later confirmed. At the discretion of the Union, any dispute(s) regarding the application of this Section shall bypass the grievance procedures set forth in Section 18 and be submitted directly to the System Board of Adjustment provided for in Section 18. Such dispute(s) shall be heard and resolved as expeditiously as possible.

B. Beneficiary Form

Internment, Missing, Hostage or Prisoner of War Benefits Assignment Form

Date _____

To Allegiant Air, LLC:

You are hereby directed to pay the monthly guarantee owed to me pursuant to subsection 22.A.1. of the Agreement between Allegiant Air, LLC ("Company") and the International Brotherhood of Teamsters, Airline Division ("Union") in accordance with the following:

$_____per month to
Name(s)_____Address(es) __
_____ So
long as living, and thereafter to
Name(s)_____Address(es) _
_____, As
long as living.

The payments will be subject to all benefit elections deductions on file, legally required deductions and garnishments, including, but not limited to federal, state, FICA, Medicare and applicable tax withholdings that are required to be withheld on behalf of the employee. The balance, if any, and any amount accruing after the death of all persons named in the above designation shall be deposited in the direct deposit account on file for me or, in the event of my death, paid to the legal representative of my estate.

The foregoing direction may be modified in writing by the undersigned from time to time. Any such modification shall become effective upon receipt by the Company of such writing. Payments made by the Company pursuant to this direction shall fully release the Company from the obligation of making any further payments with respect thereto.

_____(Pilot's signature) Date _____

C. Payments to Beneficiary or Estate

1. The compensation as referenced above in subsection 22.A.1. shall be deposited to the direct deposit account on record on behalf of the Pilot unless he has completed and filed with the Company the Beneficiary Form, as provided in Section 22.B. If the Pilot has neither a direct deposit account or Beneficiary Form on file with the Company, such compensation will be held in an account at a federally-insured financial institution until the Pilot is found or released and is able to claim the compensation. In the event of the pilot's death, the proceeds of such account shall be paid to the legal representative of the Pilot's estate.

2. Any amounts paid to the direct deposit account of a Pilot or paid to a beneficiary in accordance with Section 22 shall not be required to be returned or refunded by such beneficiary or the estate of the Pilot even though it shall be established that such payments were made after the death of the Pilot, provided such beneficiary shall have notified the Company promptly upon receipt of information that the Pilot is deceased, and furnished the Company with any evidence indicating the death of such Pilot promptly after its receipt.

D. Pay and Benefits Upon Release

When a Pilot is released from internment, hostage or prisoner status or is no longer missing, within the meaning of subsection 22.A.1., the Company, Union and Pilot shall meet as soon as possible to ensure the Pilot is returned to active service as soon as practicably possible without interruption of compensation or benefits, consistent with his Seniority and other applicable rights under this Agreement. Should the Pilot be unable to return to active service within sixty (60) days following such release, the pay and benefits provided under this Section 22 shall cease and the Pilot shall thereafter be entitled only to such pay and benefits as may be provided by other provisions of this Agreement, and/or by applicable law.

E. Cooperation with Governmental Authorities and Family

In the event a Pilot is kidnapped, held hostage or imprisoned while engaged in the service of the Company, the Company and Union shall diligently work to enlist the active assistance of governments and governmental agencies in an effort to gain release of the Pilot(s) and shall cooperate with such governmental authorities and family members in an effort to locate and/or secure the release of the Pilot(s).

F. Review of Benefits

If a Pilot is not returned home within one year, both the Company and Union

agree to meet and review the individual circumstances of the case and review applicable benefits to the Pilot's family.

G. Ineligibility for Benefits

The pay and benefits provided for in this Section shall not apply to any Pilot:

1. Whose gross misconduct causes him to be missing, detained or interned and results in his unavailability for duty;

2. Who engaged in activities that he knew or should have known were illegal under the laws of the country in which such activities took place;

3. Who voluntarily entered an area that he was directed to avoid by the Company, the U.S. Government, or the foreign government with jurisdiction over the area entered by the Pilot if the Pilot had prior notice of the directive;

4. Who is held by law enforcement or governmental officials in the United States, its possessions, or territories, except as provided in 22.H. below.

H. Action Taken Pursuant to Company Instruction/Policy/Procedure

Notwithstanding anything to the contrary contained in this Section 22, the pay and benefits specified above in subsection 22.A.1., shall continue for any Pilot who as a result of any action taken pursuant to and in accordance with Company instructions, policy and procedures becomes missing, interned or held as a prisoner by law enforcement or governmental officials of any foreign country of the United States, its possessions, or territories.

SECTION 23

UNION SECURITY & CHECK-OFF

A. Requirement for Membership

By the end of second (2nd) complete calendar month after the effective date of this Agreement, or by the end of the second (2nd) complete calendar month of employment, whichever is later, each Pilot shall become a member in good standing of the Union as a condition of employment or pay a service charge pursuant to subsection 23.B. All Pilots who are members in good standing of the Union on the effective date of this Agreement or who become members in good standing shall remain members in good standing, or pay the required service charge under subsection 23.B. as a condition of continued employment; *provided,* that Pilots to whom membership is not available upon the same terms and conditions as are generally applicable to any other member or with respect to Pilots to whom membership was denied or terminated for any reason other than the failure of the Pilot to tender the monthly dues, and/or initiation fees, and/or assessments (not including fines and penalties) uniformly required as a condition of acquiring or retaining membership, shall be excluded from the requirements of this Section 23.

To become and remain a member in good standing a Pilot must pay and remain current on his payment to the Union of all required dues, and/or initiation/reinitiation fees, and/or assessments as required by the Union's Constitution and Bylaws

Management Pilots, Pilots working outside the bargaining unit or the Craft or Class of "Pilot," Pilots on personal, military, or medical leaves of absence, and Pilots otherwise on a no-pay status will not be required to pay dues or Service Charges while on such leave in accordance with law, and the Union's constitution and bylaws.

B. Service Charge

Each Pilot who fails to voluntarily acquire or maintain membership in the Union shall be required, as a condition of employment, beginning after the second (2nd) complete calendar month of his month of his employment, or the second (2nd) complete calendar month after effective date of this Agreement, whichever is later, to pay the Union each month a contribution for the administration of the Agreement and the representation of such Pilot ("Service Charge"). The Service Charge shall be in an amount equal to the Union's regular and usual monthly dues and uniformly applied assessments, as specified by the Union, and for each month thereafter in an amount equal to the regular and usual monthly dues and uniformly applied assessments (not including fines and penalties), as specified by the Union, uniformly required as a condition of acquiring or retaining membership.

C. Check-Off Form

The Company agrees to deduct from the wages of each Union member and remit to the Union, the monthly dues, initiation fees and uniformly applied assessments, as specified by the Union, provided such member voluntarily executes and does not revoke an authorization form ("Check-Off Form"). Revocation will only be authorized in accordance with the law, the Union's Bylaws and Constitution. Such Check-Off Form shall be prepared and furnished by the Union to the member or Service Charge payer. The Company agrees to deduct from the wages of each Service Charge payer and remit to the Union, the Service Charge, as provided in subsection 23.B., provided such Service Charge payer voluntarily executes and does not revoke a Check-Off Form. Revocation will only be authorized in accordance with the law, the Unions Bylaws and Constitution.

The Union will notify the Company in writing of any changes of general application (i.e., across the pilot group) regarding the amount of dues, initiation fees, assessments or other deductions that are subject to the Check-Off Form (e.g., a change in the percentage of pilot income upon which monthly dues are based, or implementation of a new assessment). Such written notice shall be provided at least two (2) complete pay periods prior to the Company's obligation to implement the change, and shall specify the payroll date on which the change should first occur.

D. Pilot's Monthly Wages

For the purposes of this Section 23, a Pilot's monthly wages shall be his monthly base rate of pay, and any additional compensation earned during that month, (e.g., overtime, Instructor or Check Airman overrides, bonuses) if any, as provided in Section 3, Compensation.

E. Monthly Payments to Union

The Company shall remit one (1) check to the Union by the tenth (10th) day of each month covering the monthly dues, initiation fees and uniform assessments, or Service Charges, as applicable, deducted from the wages of all Pilots in the pay periods of the preceding month, including amounts to be deducted from a Pilot's pay when a Pilot(s) is receiving any form of wages from the Company while not covered by a Union-issued withdrawal card. The Pilot's full name employee number, gross wages, monthly base pay, additional compensation, if any, longevity, the amount the Pilot paid in monthly dues, initiation fees and uniform assessments or Service Charges, as applicable, and the Pilot's employment status (e.g., active, LOA, new hire, furloughed, recalled, terminated), and the date of any employment status change (e.g., hire date, termination date, furlough date, recall date) shall be transmitted electronically (i.e., Microsoft Excel or compatible) to the Union concurrently with the remittance of the monthly

monies. If the tenth (10th) day falls on a weekend or holiday, the payment and information shall be remitted on the subsequent business day.

1. If a payroll deduction is missed, or if the Company deducts an incorrect amount from a Pilot's wages, the proper adjustment shall be made the following month.

2. If a Pilot is terminated from employment, there shall be no obligation upon the Company to collect his dues or Service Charges until all other deductions have been made.

3. It shall be the responsibility of any Pilot who is not on the payroll deduction program as provided in subsection 23.C., to keep his dues or Service Charges obligation current by payments of monthly dues or Service Charges directly to the Union.

F. Payment Delinquencies

1. If a Pilot becomes delinquent in the payment of his monthly dues, and/or initiation fees and/or uniformly applied assessments, as provided in subsection 23.A., or his Service Charges, as provided in subsection 23.B., as applicable, the Union shall notify such Pilot by United States Postal Service (U.S.P.S.) certified mail, return receipt requested, copy to the Vice President of Flight Operations, or designee, that the Pilot is delinquent in the payment of such monthly dues, and/or initiation fees, and/or uniformly applied assessments, or Service Charges, as specified in this Section 23, and is subject to discharge as a Pilot. Such letter shall also notify the Pilot that he must remit the required payment within a period of fifteen (15) days from notice of receipt or be discharged.

2. Upon the expiration of the fifteen (15) day period, if the Pilot still remains delinquent, the Union shall certify in writing to the Vice President of Flight Operations, or designee, with a copy to the Pilot, that the Pilot has failed to remit payment within the grace period allowed and is therefore to be discharged. The Vice President of Flight Operations, or designee, shall notify the Pilot by U.S.P.S. certified mail, return receipt requested, that he is to be discharged.

3. A protest by a Pilot who is to be discharged as the result of an interpretation or application of the provisions of this Section 23 shall be subject to the following procedures:

    a. A Pilot who believes that the provisions of this Section 23 have not been properly interpreted or applied, as it pertains to him, may submit a protest and request a review in writing within five (5) days from the date of his notification by the Vice President of Flight Operations, or designee, as provided in subsection 23.F.1. The

protest must be submitted to the Vice President of Flight Operations, or designee, who shall review the protest and render his decision in writing no later than five (5) days following receipt of the protest.

b. The Vice President of Flight Operations, or designee, shall forward his decision to the Pilot, with a copy to the Union. Said decision shall be final and binding on all interested parties unless appealed, as hereinafter provided. If the decision is not satisfactory to either the Pilot or the Union, then either may appeal the decision within ten (10) days from the date of receipt of the decision directly to a neutral referee who may be agreed upon by the Pilot and the Union within ten (10) days thereafter. The appeal must be sent by certified return receipt mail, postmarked with the ten (10) day limit. If the Pilot and the Union fail to agree upon a neutral referee within the specified period, either the Pilot or the Union may request the National Mediation Board to name such neutral referee. The decision of the neutral referee shall be final and binding on all parties to the dispute. The fees of such neutral referee and all related costs (e.g., court reporter, conference rooms, etc.) shall be borne by the Union.

c. During the period a protest is being handled under the provisions of this Section 23, and until final award by the Vice President of Flight Operations, or designee, or the neutral referee, the Pilot shall not be discharged from the Company nor lose any Seniority rights because of noncompliance with the terms and provisions of this Section 23.

d. A Pilot discharged by the Company under the provisions of this Section 23 shall be deemed to have been "discharged for just cause" within the meaning of the terms and provisions of this Agreement. Such discharge is not subject to review under the Grievance or System Board of Adjustment provisions, as provided in Sections 18 and 19.

4. The Company shall not be liable for any time or wage claim of any Pilot or Pilots, and Union agrees that it shall indemnify and hold the Company harmless from any and all claims which may be made by any Pilot or Pilots, discharged by the Company pursuant to a written order by any authorized Union representative under the terms of this Section 23.

G. New Hire Information

The Company shall provide the Union with each New Hire’s name, date of hire, date of birth, employee number, Seniority number, and Position for which hired.

The information shall be provided within seven (7) days of hire.

H. D.R.I.V.E.

Upon presentation of a Pilot's signed authorization/payroll deduction form, the Company agrees to deduct from the wages of each member of the International Brotherhood of Teamsters, and remit to the designated Local Union, such amounts as members may choose to contribute to the D.R.I.V.E. fund. The Union shall make available to the Company its standard D.R.I.V.E. authorization/payroll deduction form.

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SECTION 24

UNION BUSINESS

A. Union Business For Pilots in a Bid Status

1. All known requests for time off for Pilots to conduct Union Business will be provided to the Company prior to the bidding process, if possible, and shall only be requested by the President of the Union or their designee.

2. Upon written notification by the Union, the Company shall release from Duty on any given Day, for any requested time, Pilots for the purpose of performing Union Business in accordance with the following:

    a. The Company shall release four (4) pilots that have submitted pre-planned Union Business prior to monthly Bids opening.

    b. In addition to the four (4) pre-planned Union Business drops in Section A.2.a. above, four (4) additional pilots shall be released upon request for Union Business.

    c. The notification must include the names of the Pilots and the duration of the time away from duty.

    d. The release of these Pilots in A.2.b of this section shall be limited to fifteen percent (15%) (rounded up to the nearest whole number) of the total number of Pilots in each Position and Domicile.

    e. Union Executive Board Meetings

        i. The Union shall provide the Company with the dates of its monthly Executive Board meetings at least three (3) month in advance.

        ii. Pilots who are members of the Union Executive Board who are attending an Executive Board meeting shall count against the four (4) Pilots entitled to be released pursuant to subsection 24.A.2.a., above.

        iii. In addition to the four (4) members of the Union Executive Board that will be released pursuant to Section 24.A.2.e.ii,

above, the Company will release up to three (3) additional members of the Union Executive Board to attend an Executive Board meeting.

iv. Subsection 24.A.2.d., above, does not apply to the release of members of the Union Executive Board who are attending an Executive Board meeting, provided that if more than two (2) members of the Union Executive Board are released from the same Domicile, then every Pilot released in excess of two (2) from the same Domicile shall count against the four (4) releases in subsection 24.A.2.b, above.

3. The Union may request that additional Pilots be granted a release for Union Business, and the duration thereof shall be granted by the Company subject to the needs of the operation. Such approval shall not be unreasonably withheld.

a. If the Company invokes this provision, it must provide the Union with written notice of such decision. The notice shall include an explanation of why the request is contrary to the needs of the operation. If the Union disputes the explanation, the Union President may escalate the matter to the Vice President of Labor. The President of the Union and Vice President of Labor or their designee shall confer in an attempt to resolve the dispute as soon as practicable, but no later than twenty-four (24) hours prior to the date and time Union Business would commence, if possible.

4. The Union shall provide as much advance notification as possible for all Union Business requests.

5. Upon written notice by the Union, the Company shall release from Duty, Pilots for the purpose of performing Union Business in accordance with the reasons, below. The Union Business releases below are not subject to the Pilot release number restrictions in subsection 24.A.2:

a. Three (3) Pilots who are participating in collective bargaining negotiations with the Company (including preparation time).

b. A Pilot who is serving as a Board member on the System Board of Adjustment.

c. One additional (1) Pilot serving as possible witnesses to testify in an arbitration before the System Board of Adjustment.

d. Pilot(s) who are performing duties on the Aviation Safety Action Program ("ASAP") Event Review Committee ("ERC"), LOSA/CLOSA Steering Committee, FOQA Gatekeeper duties, and Fatigue Risk Review Committee ("FRRC").

e. Pilot(s), including Pilot representatives, who attend joint Union-Company management meetings requested by the Company.

6. Union Business for Pilots in a Bid Status shall be divided into two categories:

a. Pre-Award/Pre-Planned Union Business (Submitted prior to the closing of the Monthly Bid, Minimum Day Credit)

b. Post-Award Union Business (Submitted after Bids have been published, Removed Trip, if applicable)

i. On a Duty Day, Pilots shall receive flight pay loss, subject to any applicable reimbursement provision in this Section 24.

ii. On a non-Duty Day (e.g., Day Off), Pilots shall not receive flight pay loss, and no reimbursement provision in this Section 24 is applicable.

B. Union Business for Pilots in a Non-Bid Status

1. The Union shall notify the Company at least forty-five (45) days before the commencement and conclusion of Union Business that will place a Pilot in a non-bid status, which is defined as planned Union Business of six (6) or more consecutive Bid Periods. When providing such notice, the Union will provide the Company with an estimate of the duration of the Union Business that will require the Pilot to be placed into a non-bid status.

a. If a Pilot in a non-bid status is no longer serving as a Union representative or the purpose of the leave no longer exists (e.g., the project has been completed), the Union shall notify the Company as soon as practicable of the Pilot's need to return to a bidding status, and the Company shall return the Pilot to a bidding status, consistent with the provision below but

no more than forty five (45) days after receiving such notice.

b. If the Union fails to provide at least forty-five (45) days' notice pursuant to Section 24.B.1., above, the Union may request that the Company release or return the Pilot notwithstanding the notice requirement, which the Company will consider in good faith, and may grant in its discretion.

2. Upon written notification to the Company by the Union, up to three (3) elected or appointed Pilots serving on the Union's Executive Board shall be released from Duty for the purpose of performing Union Business. These Pilots will not be in a monthly bidding status and instead shall be placed in a non-bid status during the term of their elected or appointed Union office or for the duration of the requested period on Union Business in a Non-Bid Status. Pilots performing Union Business in a Non-Bid Status shall not count against the limitations in subsection 24.A.2.

   a. In addition to the three (3) Pilots listed in subsection 24.B.2. above, Union Business in a Non-Bid Status shall be granted for up to three (3) members of the Union Negotiating Committee.

3. Pilots designated by the Union to perform Union Business in a Non-Bid Status in accordance with Section 24.B, above, shall at all times remain current and qualified in their respective positions.

   a. Pilots performing Union Business in a Non-Bid Status may exercise their seniority to pick up Open Time flying during a bid period and all such Duty shall be paid by the Company and not subject to reimbursement by the Union (e.g., If a Pilot on Union Business in a Non-Bid Status is credited with 100 PCH in accordance with subsection 24.B.4.b. below and that Pilot picks up flying that credits six and one half (6.5) hours of PCH, the Union shall reimburse the Company for 93.5 PCH for the Bid Period).

   b. It is anticipated that there will be sufficient Open Time flying available to reasonably enable the Pilot to maintain currency and qualification in the Pilot's Position.

   c. To the extent a Pilot on Union Business in a Non-Bid Status is unable to reasonably secure Open Time flying sufficient to maintain currency and qualification in the Pilot's Position, the Pilot shall have the ability to "Union Swap" with a Pilot(s) three (3) times in a ninety (90) day rolling period for each Pilot.

      i. A Pilot requesting a Union Swap shall call or email Crew Services directly to inform them which Trip Pairing they will

be operating. The requested Trip Pairing will be removed from the original Pilot's schedule and placed on the requesting Pilot's schedule. The Pilot removed from his Trip Pairing shall be paid one hundred percent (100%) of all scheduled PCH lost from the removed Trip Pairing, subject to reimbursement to the Company by the Union. Once the Union Swap is completed at the request of the Pilot, the Pilot will be responsible for the Trip Pairing. The Company will pay the requesting Pilot on Union Business in a Non-Bid Status one hundred percent (100%) of all PCH associated with the Trip Pairing and offset the amount credited in accordance with subsection 24.B.4.a., below by an equal amount.

ii. A Pilot on Union Business in a Non-Bid Status who exercises the ability to Union Swap shall submit the Union Swap request as provided for in Section 24.B.3.c., above, no less than 48 hours prior to the report time for the Trip Pairing. Crew Services shall process the Union Swap no more than two (2) business days after the Union has submitted the request, or no less than twenty-four (24) hours prior to the report time of the Trip Pairing, whichever occurs first. It shall be the responsibility of the Pilot on Union Business in a Non-Bid Status requesting the Union Swap to notify the original Pilot being removed. The Pilot that had the Trip Pairing removed for the Union Swap shall be considered released from Duty and be entitled to participate in Open Time, VFN, or Trip Trade.

d. In the event that a Pilot on Union Business in a Non-Bid Status does not maintain currency through the Open Time system, the Pilot may request and shall be granted a simulator currency event once every ninety (90) Days to maintain currency in the Pilot's Position. The scheduling of simulator training will be based on open slot availability.

4. The Company shall pay each Pilot designated by the Union to perform Union Business in a Non-Bid Status, in accordance with Section 24.B., above, as follows based on the Pilot's elected or appointed position while on Union Business in a Non-Bid Status:

a. The Executive Board President shall be credited with one hundred ten (110) hours of PCH.

b. All other members of the Executive Board shall be credited with one hundred (100) hours of PCH.

c. All other Union personnel shall be credited with ninety (90)

hours of PCH.

d. All PCH credited in accordance with subsection 24.B.4.a.-c. above shall be subject to all pay rules in this agreement.

e. In addition to the Bid Period credit set forth in subsection 24.B.4.a.-c., Pilots on Union Business in a Non-Bid Status shall also receive all income earned other than PCH (e.g. distance learning, per diem, moving expenses, travel reimbursement, Hotel Option, etc.). All other pay amounts shall be paid in addition to the Bid Period credit set forth in 24.B.4.a.-c. above.

f. All pay shall be calculated at the Pilot's pay rate while on Union Business in a Non-Bid Status.

5. A current and qualified Pilot who returns from Union Business in a Non-Bid Status after bids have closed shall be assigned a Line in accordance with subsection 15.D.5.

6. If Training or requalification is necessary, a Pilot's return date shall be determined by the first available class date to re-qualify him for the Position to which he is returning.

7. A Pilot returning from Union Business in a Non-Bid Status shall return to the Pilot's former Position and Domicile; provided that it/they still exist. If the Pilot's former Position and/or Domicile does not exist, a pilot returning from Union Business in a Non-Bid Status shall return to the first available preference on the Pilot's Standing Vacancy Bid that the Pilot's seniority can hold.

8. The Company agrees to allow a Pilot on Union Business in a Non-Bid Status the ability to reschedule training events when necessary to accommodate Union work, so long as such rescheduling does not result in the disruption of a planned training event of another Company employee. The Union will notify the Company as soon as possible and the Company and Union will work together mutually to reschedule the event.

9. A Pilot on Union Business in a Non-Bid Status upon the commencement of the Vacation Bid may bid for and receive a Vacation award.

a. Vacation Pay for Pilot's on Union Business in a Non-Bid Status shall offset the credit due to the Pilot in accordance with subsection 24.B.4.a.

b. If the value of a Pilot's Vacation during a Bid Period is greater than the value of their Union Business pay, they will get the greater of the two.

C. Administration of Benefits

1. A Pilot on Union Business in a Bid or Non-Bid Status shall:

   a. Accrue and maintain Seniority and Longevity for all purposes under the Agreement;

   b. Accrue Sick and Vacation; and

   c. Continue to receive all other benefits covered by this Agreement, on the same basis as other active Pilots, including, but not limited to, continued participation in the Company's travel pass policy, retirement plan, Company group insurance and other health and welfare plans provided he continues to pay his portion of the premiums, unless the Union instructs the Company otherwise.

D. Pay for Union Business

1. The Union shall reimburse the Company for such Union Business attributed to Pilots performing Union Business in a Non-Bid Status as provided for in subsection 24.B.4.a.-c. above. Union Business reimbursement to the Company for Pilots in a Bid Status is limited to the credit of the scheduled trip(s) dropped, and/or the pre-planned PCH value, as applicable, at that Pilot's then current hourly pay rate plus 23%.

   a. For all Union Business Days that have been blocked prior to Bids Closing as a known absence (i.e., no trip/duty dropped), the value of the known absence shall be five (5) PCH.

   b. For all Post-Award Union Business Day(s) that have been blocked post Bid Award, the value of the Union Business Day shall be the PCH for the Duty dropped.

2. In the event that a Union Business Day has been blocked as a known absence for a Company requested meeting, and such meeting is subsequently canceled by the Company, the Union Business Day may be dropped and marked as a Day Off at the discretion of the Union, and that dropped Union Business Day will not be charged to the Union.

3. The Company shall pay a Pilot on Union Business in a Bid or Non-Bid Status as described in Section 24.A.6. and Section 24.B.4. the full credit value of the scheduled trip dropped during such Union Business or pre-planned value at the Pilot's then current Hourly Pay Rate subject to all compensation benefits and Pay rules in this Agreement.

4. When reimbursement is required under this Section 24, The Company shall send an Excel and PDF format invoice to the Union no later than sixty (60) Days following the Bid Period in which the leave for Union Business was taken, which shall include the following information: the employee's Company identification number, full name, the dates of Union Business, applicable bid period, PCH hours while on such Union Business, regular or premium pay designation, the Pilot's then current hourly pay rate, flight pay loss amount, applicable override amount in subsection 24.D.1, and the individualized and aggregate dollar amount to be reimbursed to the Company. When a fifty percent (50%) reimbursement obligation applies under subsection 24.D.5.a, the invoice shall note the reduced reimbursement obligation in a separate column and the individual and aggregate dollar amounts to be reimbursed to the Company adjusted accordingly. The Company shall separately list the same information as above for time spent by Pilots participating in FOQA and FRRC; provided, no reimbursement is required for FOQA or FRRC per subsection 24.D.5.b.

    a. The Union shall reimburse the Company within forty-five (45) Days after receipt of the Company's invoice.

5. Company Paid PCH

    a. The Company shall pay fifty (50%) of the PCH for all Union Committee Members who participate in joint Company/Union meetings cited in subsection 24.A.5.d., with the exception of the FRRC and FOQA, unless otherwise stated in this Agreement.

    b. The Union shall not be required to reimburse the Company for Union Business associated with FRRC and FOQA meetings and Duty in accordance with subsection 14.I.4.f. of this Agreement.

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SECTION 25

GENERAL

A. Company Equipment

A Pilot shall not be required to pay for the use of any Company equipment (e.g., headsets, Jeppesen/NOS Approach Charts) which is required during any portion of Duty with the Company.

B. Damage to Aircraft or Equipment

A Pilot shall not be required to pay for damage to airplanes or equipment when such damage occurs during the Pilot's service to the Company unless caused by the Pilot's intentional or willful misconduct or gross negligence.

C. Flying other than for Allegiant Air

This Agreement contemplates that Pilots shall devote their entire professional flying services to the Company, except that nothing in this Agreement shall be construed to prevent any Pilot from affiliating with the military services of the United States. This provision shall not apply to any Pilot who is on Furlough Status.

D. Legal Indemnity

Indemnity and Counsel: The Company shall hold harmless, indemnify and provide legal counsel for any Pilot in the employ of the Company if he is named as a defendant, or subpoenaed as a witness, by a claimant in legal proceedings arising out any act or omission of such Pilot occurring during the performance of any required or requested duties in the service of the Company, provided the Pilot is acting within the course and scope of such Duties. This provision shall not apply to proceedings initiated by the Company directly against the Pilot or to acts or omissions that are the result of willful misconduct or gross negligence.

E. Masculine Pronoun

Any masculine pronoun used in this Agreement shall be deemed and understood to designate any employee, whether male or female.

F. Parking & Transportation

1. The Company shall provide each Pilot free, lighted (where available) parking facilities at the Pilot's Permanent Domicile or Resident Airport.

2. When required, the Company shall furnish suitable, free transportation between the designated parking facility and the terminal.

G. Personnel File

A Pilot may request access to his electronic personnel file regarding his employment with the Company. Such file(s) shall be made available in his Chief Pilot, or Domicile Chief Pilot's, office during normal business hours, provided the Pilot has notified his Chief Pilot at least forty-eight (48) hours in advance of the date he wished to review his file.

H. Record of Payments

The Company agrees that its record of payments on such items as Group Insurance premiums, funding of Pilot Retirement Plans, and Union dues, shall be provided, on request but not more frequently than quarterly, to the Union for the purpose of reviewing these Benefits and their Status.

I. Unable to Report for Duty

It shall be the responsibility of a Pilot, who is unable to report for Duty, to notify the Company, as soon as reasonably practical once he becomes aware of his inability to report for Duty.

J. Uniform Changes

The Company will meet and confer with the Union on any change in the style, color, and material of the Pilots uniform prior to any change being instituted.

K. Incident Notification

1. When traumatic incidents occur to Pilots while they are at work including but not limited to, aircraft accidents, NTSB aircraft incidents, hijacking, bomb threats, and aircraft evacuations, the Chief Pilot (or his designee) shall notify the Union's CIRP Chairman. The Chief Pilot (or his designee), in consultation with the CIRP Chairman, shall determine if the Pilot(s) involved in the traumatic incident require time away from work, if any, and for how long of a period.

2. When the Company engages in an accident drill they shall notify the Union's Accident Investigation Chairman, or his designee.

L. Company-Initiated Meetings

Unless otherwise provided in this Agreement, if a Pilot is required to attend any company-initiated meeting, he shall be removed from all conflicting Duty and paid

in accordance with Section 3, Compensation. A Pilot will not be required to attend a company-initiated meeting on his scheduled day off.

M. Recorded Data

1. Cockpit

   a. The Company will not regularly or randomly review information from a Cockpit Voice Recorder (CVR), Flight Data Recorder (FDR), or other electronic monitoring device for the purpose of establishing a basis for disciplinary action or discharge of a Pilot. Information obtained from Flight monitoring devices should be used to enhance Pilot Proficiency and Training and shall not be used by the Company to monitor judgment, proficiency, or adherence to Company Policies or Federal Aviation Regulations of a Flight Crewmember(s). In order to review any such data as part of an investigation that could lead to discipline or discharge, the Company must either (1) be engaged in the investigation of an accident or incident; or (2) have an independent reasonable justification for believing that misconduct has occurred that would be confirmed or refuted by review of the data. The Pilot(s) will be notified and have the right to review the recorded data.

   b. The Company shall not install Cockpit Video/Imaging Recording Devices in aircraft operated by Pilots unless required by applicable law.

   c. Notwithstanding the above, the parties shall establish a Flight Operations Quality Assurance Program (FOQA) by mutual agreement. The use of data obtained from aircraft monitoring and recording devices pursuant to FOQA shall be set forth in mutually agreeable and negotiated Letter of Agreement (LOA).

2. Recorded Phones

   a. All phones in Crew Scheduling and Maintenance Control will be recorded. Pursuant to this Agreement, the Company and the Pilots consent to the recording of phone lines.

   b. Upon reasonable request to the Company, and during normal business hours, the Union shall be entitled to listen to any recorded phone line conversation in connection with a Pilot disciplinary matter or a pending grievance.

N. Accident Investigation

A Pilot participating in an aircraft accident Investigation involving a Company aircraft, as a member of the NTSB Go-Team, shall do so without loss of Pay or accrued Benefits pursuant to this Agreement. Pilots shall continue to retain and accrue Seniority and Longevity while participating in a Company aircraft accident investigation.

O. Notices to Pilots

All notices to Pilots involving Domicile assignments, Pilot Status, Furloughs and recalls, shall be published or sent electronically.

P. Pilot Change of Address

A Pilot shall immediately notify the Company via its intranet website of any change of address or telephone contact number.

Q. ID Cards

The Company shall furnish an identification card to each Pilot. Pilots shall bear the cost of replacement if lost, but shall not be subject to discipline or discharge unless caused by the Pilot’s willful misconduct.

R. Pass Policies/Interline Agreements

Consistent with the Company's pass policy and interline agreements with other airlines, if any, a Pilot and his immediate family shall be entitled to the same pass, or reduced fair privileges, afforded other employee groups of the Company. The Company shall publish electronically a list of its interline agreements with other airlines.

S. Aircraft Galley Equipment

Water shall be provided for Pilots for each flight.

T. Death Benefits

Upon the death of a Pilot, any Pay and Benefits due and owing, including unused earned Vacation, shall be paid to the Pilot's designated beneficiary, or estate, at the Pilot’s applicable accrued Benefit and Rate of Pay. The Pay and Benefits referred to herein shall be in addition to any other Pay and Benefits owed to Pilot from this Agreement.

U. Resignations

1. A Pilot resigning his employment with the Company shall provide written notice to the Chief Pilot specifying the last date that he shall be available for Duty (his resignation date).

2. The Company shall deem his resignation effective on the date that the Pilot specifies in his resignation notice (i.e., the "Effective Date of Resignation") unless, the Company chooses to accelerate the Pilot's stated resignation date and the Pilot has given a minimum of two (2) weeks' notice, the Pilot shall be paid in accordance with Section 3, Compensation, for the difference between his stated resignation date and his actual resignation date.

3. A Pilot resigning his employment with the Company shall receive his accrued Vacation pursuant to this Agreement. Unless provided for otherwise in this Agreement, all Company-provided medical benefits shall continue through the last date of the Month in which the Pilot's resignation occurs.

V. Visas and Inoculations

The Company shall reimburse Pilots for visas, visa photographs, and inoculations required of Pilots. The Company shall pay for all mandatory and discretionary vaccinations received by Pilots.

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SECTION 26

DURATION

This Agreement shall become effective on August 1, 2026, and shall continue in full force and effect until August 1, 2028, and shall renew itself without change until each succeeding year thereafter unless written notice of an intended change is served in accordance with Section 6, Title 1, of the Railway Labor Act, as amended, by either party hereto not more than one hundred eighty (180) Days prior to the said amendable date or anytime thereafter.

FOR ALLEGIANT AIR, LLC

Greg Anderson – Chief Executive Officer

Tyler Hollingsworth – Chief Operating Officer

Bill Fishburn – Vice President of Labor

FOR INTERNATIONAL BROTHERHOOD OF TEAMSTERS, AIRLINE DIVISION AND ITS LOCAL NO. 2118

Gregory Unterseher – Director, Above the Wing, IBT Airline Division

Captain Ryan P. Joseph – President, APA IBT Local 2118

Captain John McDonald – Negotiations Chairman, APA IBT Local 2118

LETTER OF AGREEMENT

between

ALLEGIANT AIR, LLC

and

THE

PILOTS

in the service of

ALLEGIANT AIR,

LLC

as represented by

THE INTERNATIONAL BROTHERHOOD OF
TEAMSTERS, AIRLINE DIVISION

Regarding:

AVIATION SAFETY ACTION PROGRAM (ASAP) POLICIES AND PROCEDURES

This LETTER OF AGREEMENT ("LOA") is made and entered into in accordance with the provisions of the Railway Labor Act, as amended ("RLA"), by and between ALLEGIANT AIR, LLC ("the Company"), its successors and assigns, and the PILOTS in the service of ALLEGIANT AIR, LLC, as represented by the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, AIRLINE DIVISION ("the Union").

WHEREAS, the Aviation Safety Action Program ("ASAP") is the result of an agreement between the Company, the Union and the Federal Aviation Administration ("FAA") based on FAA Advisory Circular ("AC") 120-66, as revised, and which was codified in a ASAP Memorandum of Understanding dated 5/13/2013 ("ASAP MOU"); and,

WHEREAS, the Company and the Union desire to adopt certain policies and procedures related to the operation of the ASAP.

NOW, THEREFORE, THE PARTIES HAVE AGREED AS FOLLOWS:

A. Confidentiality and Protections Against Discipline

1. An ASAP report and information obtained through an ASAP report shall not be used for purposes of initiating or supporting disciplinary action against a Pilot, unless that report is excluded from ASAP for one or more of the reasons specified in Paragraph 11.a.iii. of the ASAP MOU (*i.e.,* reports that involve criminal activity, substance abuse, controlled substances, alcohol, or intentional falsification).

2. The Company shall not assign discipline or an evaluation (*e.g.,* oral check, line check, proficiency check) to a Pilot in response to the event(s) referenced in an ASAP report if the following conditions are satisfied:

   a. The Pilot at issue is the Pilot who submitted the ASAP report; and,

   b. The ASAP report is submitted within the time for filing non-sole source reports, as specified in Paragraph 6.b. or 6.c. of the ASAP MOU, as applicable, regardless of whether the report is ultimately determined to be sole source or non-sole source; and,

   c. The ASAP report is accepted by the Event Review Committee ("ERC"); and,

   d. The ASAP report is not subsequently excluded by the ERC.

3. Nothing in this LOA shall relieve a Pilot of his or her obligation to respond to requests from the Vice President of Flight Operations, or his designee, for information relating to an event that is otherwise known to the Company, regardless of whether the event is the subject of an accepted ASAP report.

B. Individual Corrective Actions

1. The ERC shall have exclusive authority to determine the appropriate individual corrective action, if any, for all events where an ASAP report is accepted and not later excluded by the ERC.

2. The ERC shall direct all individual corrective action in accordance with the provisions of the ASAP MOU.

3. The Company and the Union shall abide by the individual corrective action assigned by the ERC.

4 . The ASAP Manager shall coordinate and track individual corrective action in accordance with the provisions of the ASAP MOU. The ASAP Manager shall provide a copy of any written outline generated by the ERC to the person or persons assigned to administer an individual corrective action. The individual assigned to administer the corrective action shall be provided with a reasonable

period to review the outline and, if necessary, query the ERC (via the ASAP manager).

C. Corrective Actions Not Involving an Aircraft or Simulator

1. Corrective actions not involving the use of an aircraft or simulator shall be conducted in the manner directed by the ERC.

D. Corrective Actions Involving an Aircraft or Simulator

1. Unless the ERC directs otherwise, individual corrective action involving the use of an aircraft or a simulator shall be administered by an active Pilot on the Allegiant Air, Inc. Pilots Seniority List who is type-rated and holds an FAA designated Check Airman or Instructor position in that fleet.

2. A Check Airman or Instructor who is assigned to administer a corrective action in an aircraft or simulator may be required to complete a pre-activity briefing with the ASAP Manager to review confidentiality and/or any other subjects that are germane to the ERC-directed corrective action.

3. The ASAP Manager shall inform ERC members of the date and time of a corrective action involving the use of an aircraft or simulator (other than mentored line flying). Such corrective action shall be accomplished on a duty day. If the ERC determines that the requirement set forth in this subparagraph would result in undue delay (considering the Pilot's schedule, aircraft or simulator availability, Check Airmen or Instructor availability, and other relevant factors), the Company may modify the Pilot's schedule to accomplish the corrective action within a reasonable time frame determined by the ERC; *provided,* the Company shall not modify a Pilot's schedule in a manner that interferes with a scheduled vacation period (including the associated duty-free period) without the Pilot's consent. Unless otherwise agreed to by the Pilot, any Pilot who is subject to a mandatory schedule modification shall receive no less than seven (7) days' notice of the change. Nothing in this paragraph shall prohibit a Pilot from accepting a voluntary schedule modification for purposes of completing an ASAP corrective action in the aircraft or simulator.

E. Systemic Issues

1. The parties recognize the importance of taking systemic corrective actions to address systemic safety issues, as well as the ERC's authority to recommend systemic corrective actions in accordance with the provisions of Paragraph 10.e. of the ASAP MOU. For purposes of this LOA only, a systemic safety issue is a safety-related issue designated as a systemic issue by the ERC.

2. Company and Union personnel shall cooperate with the ASAP Manager to provide information requested by the ERC and/or to facilitate implementation of

systemic corrective actions.

F. Data Analysis

1. The Company and Union commit to using their best efforts to complete at least one (1) joint data analysis project each year. The scope and content shall be determined by mutual agreement of the Company and the Union.

2. Union ERC members will, upon request, be given electronic access to view and "query" closed and de-identified ASAP reports during normal business hours at a mutually agreed upon time and location.

3. Except as provided in this LOA, all ASAP data, including, but not limited to, aggregate and de-identified data, shall remain confidential at all times.

G. Program Administration

1. Nothing in this LOA shall limit the authority of the ERC or the FAA under applicable laws, regulations, agency guidance materials and circulars, or the ASAP MOU.

2. Each ERC member shall be free to exercise his independent judgment in order to discharge his duty in an autonomous manner, without fear of coercion or undue influence by the Company or Union.

3. Neither party shall dispute or place into the Grievance process any corrective action assigned by the ERC.

4. The acceptability of non-FAA observers at ERC meetings shall be determined through consensus of the ERC prior to the commencement of the meeting. At any time during a meeting where one (1) or more non-FAA observers have been approved, any ERC member may elect to exclude one (1) or more non-FAA observers to protect the confidentiality of ongoing discussions.

5. Before assuming any ASAP-related duties or responsibilities or attending any ASAP meetings or having access to the ASAP database, the following individuals shall be required to execute a reasonable confidentiality agreement approved by the Company and the Union: (1) the ASAP Manager; (2) the Company and Union members of the ERC; (3) any individual who is assigned to administer a corrective action, as provided in Paragraph C. of this LOA; (4) any Check Airmen or Instructor who is assigned to administer a corrective action, as provided in Paragraph D. of this LOA; (5) any non-FAA observer who is approved to observe a corrective action, as provided in Paragraphs C. or D. of this LOA, or who is approved to attend ERC meetings, as provided in this LOA; and, (6) any person having access to the ASAP database.

6. The ASAP Manager shall be responsible for issuing ASAP closure letters to Pilots. The ASAP manager shall use his best efforts to send such letters within sixty (60) days after a case is closed. In order to mitigate backlogs, the Company may, with the Union's concurrence, release a Union ERC member from conflicting Duty to assist in the production of closure.

H. <u>Duration</u>

1. This LOA shall be effective immediately upon execution and shall run concurrently with the term of the ASAP MOU.

2. If the ASAP MOU is terminated, this LOA shall become null and void; provided, Paragraphs A. and B. of this LOA shall continue to apply in connection with all reports and investigations that are in progress at the time such termination takes place.

3. If the ASAP MOU is superseded by a revised ASAP MOU, the parties shall meet and confer in good faith to determine whether modifications to this LOA are necessary and appropriate.

4. This LOA shall not be considered a collective bargaining agreement for purposes of the RLA.

IN WITNESS WHEREOF, the parties have signed this Letter of Agreement this _____ day of
_____, 2015.

For the Company:

_____
Greg Baden
Vice President-Flight Operations

For the Union:

_____
Cameron Graff
Chairman, Allegiant Air Pilots EXCO

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LETTER OF AGREEMENT

between

ALLEGIANT AIR, LLC

and

THE PILOTS

in the service of

ALLEGIANT AIR, LLC

as represented by

THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS,
AIRLINE DIVISION

Regarding:

HUMAN INTERVENTION MOTIVATION STUDY COMMITTEE ("HIMS")

This LETTER OF AGREEMENT ("LOA") is made and entered into in accordance with the provisions of the Railway Labor Act, as amended ("RLA"), by and between ALLEGIANT AIR, LLC ("the Company") and the Pilots in the service of ALLEGIANT AIR, LLC, as represented by the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, AIRLINE DIVISION ("the Union").

WHEREAS the parties recognize the mutual benefits associated with a Human Intervention Motivation Study ("HIMS") Program; and,

WHEREAS the Union has established a Human Intervention Motivational Study Committee ("HIMS Committee"); and,

WHEREAS the parties wish to confirm the intent to establish a HIMS Program and a working relationship between the Company and the HIMS Committee;

NOW, THEREFORE, it is mutually agreed that:

A. In furtherance of the goals cited above, the Company and the HIMS Committee have agreed to meet regularly to develop a HIMS Program that will coordinate the assistance provided to pilots who seek help with chemical dependency, abuse, or other related challenges. Any standards designed through this effort will reflect the special medical certification requirements of Pilots, and will be based on generally

accepted standards developed by the Federal Aviation Administration ("FAA"), the Company, and the Union.

B. The Union shall advise the Company of the names of all HIMS Committee members. The Company shall advise the Union of the names of the management personnel who are responsible for working with the HIMS Committee.

C. The efforts put forth by the parties, as provided in paragraph A, shall result in providing the framework for the memorialization of their stated goals and intentions in a HIMS Letter of Agreement ("HIMS LOA"). It is the intent of the parties to complete the negotiations of a HIMS LOA prior to the implementation of this Agreement.

D. A Pilot who has not violated a Company rule of conduct or FAR regarding use of alcohol or prohibited substances and has not been identified for drug and alcohol testing (random or reasonable cause), or who voluntarily comes forward seeking assistance from the Company for a chemical dependency problem shall not be subject to discipline or discharge due to such action, and will be allowed to return to active service as a Pilot following appropriate rehabilitation and FAA recertification.

THIS LETTER OF AGREEMENT shall be effective on its date of signing and shall remain in full force and effect concurrent with the CBA.

IN WITNESS WHEREOF, the parties have signed this Letter of Agreement this 20th day of August, 2015.

For the Company:	For the Union:
_____	_____
Greg Baden	Cameron Graff
Vice President-Flight Operations	Chairman, Allegiant Air Pilots EXCO

LETTER OF AGREEMENT

between

ALLEGIANT AIR, LLC

and

THE PILOTS

in the service of

ALLEGIANT AIR, LLC

as represented by

THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS,
AIRLINE DIVISION

Regarding:

FLIGHT OPERATIONAL QUALITY ASSURANCE PROGRAM

This LETTER OF AGREEMENT ("LOA") is made and entered into in accordance with the provisions of the Railway Labor Act, as amended ("RLA"), by and between ALLEGIANT AIR, LLC ("the Company"), its successors and assigns, and the Pilots in the service of ALLEGIANT AIR, INC., as represented by the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, AIRLINE DIVISION ("the Union").

WHEREAS the prevention of incidents and accidents is a primary objective in the course of operating an airline, and;

WHEREAS the parties intend that the main purpose of the Flight Operational Quality Assurance ("FOQA") Program will be to enhance the safety of flight operations at the Company; and,

WHEREAS the Company and the Union understand that the implementation of an operational data collection and analysis system that is developed in a non-punitive, problem solving approach to flight operations is of significant benefit and that the analysis and subsequent investigation of operational data is an effective method of achieving the objective of a safe flight operation; and,

WHEREAS the Company and the Union intend that no Pilot be identified, disciplined, discharged or subjected to any additional training/checking as a result of the use of any FOQA Program information; and,

WHEREAS the Federal Aviation Administration ("FAA") has stated in Advisory Circular ("AC") 120-82 that it will review only de-identified data derived from voluntary FOQA Programs and will not use this information for enforcement purposes;

NOW THEREFORE the Company and the Union agree as follows:

A. DEFINITIONS

1. The term "FOQA Program" means a program designed to enhance flight safety through controlled analysis of recorded de-identified flight data information.

2. The term "FOQA Data" means information collected by any means for use in the FOQA Program. FOQA Data shall be used for the purpose of FOQA analysis by the FOQA Monitoring Team ("FMT").

3. The term "Identifying Data" includes any FOQA Data that allows recorded or collected flight data to be associated with a specific Pilot.

4. The term "Identified Data" includes any recorded or collected FOQA Data prior to removal of all identifying data.

5. The term "De-Identified Data" includes any recorded or collected flight data after removal of all identifying data that could in any way be used to identify a specific Pilot.

6. The term "Recording Device" shall include any device, equipment or system that transmits and/or records and/or collects FOQA Data.

7. The term "Data Acquisition Date" is the date on which the Company receives the recorded flight data from the FOQA Vendor.

8. The term "FOQA Program Information" means any and all data collected for the FOQA Program, any and all FOQA data and the analysis or compilation of such data. This includes tapes, transcripts, reports, papers, memos, statements, studies, charts, graphs, notes, or any other description, analysis or compilation of information collected by any such equipment or by FMT members.

9. The term "FOQA Monitoring Team" ("FMT") means a committee composed of Pilot members appointed by the Company and Pilot members appointed by the Allegiant Air Pilots Executive Council ("EXCO"). This group is responsible for reviewing and analyzing FOQA data and identifying, recommending, and monitoring corrective actions.

10. The term "Gatekeeper" means all EXCO-appointed members of the FMT. The Gatekeepers are primarily responsible for the security of Identified Data. The

Gatekeepers, and only the Gatekeepers, have the authority and ability to link FOQA Data to individual flights or Pilots.

11. The term “Operational Exceedance Event” means an event in which an aircraft is operated, as determined by FOQA Data, outside of mutually agreed upon tolerances defined by the FMT.

12. The term “FOQA Analysis” means the process of analyzing FOQA Data by the FMT. Aggregate operational norms and exceedances will be analyzed for trends to develop recommendations to the Company to eliminate future exceedances.

13. The term “Aircraft Maintenance Engineer Handler” (“Handler”) means a designated maintenance engineer. If the electronic data movement process is not available, at the Company’s discretion, the Handlers will manage the manual process of recovery of FOQA Data from aircraft, transmittal to the FOQA Vendor, as well as the secure storage and destruction of the Raw Data.

14. The term “Raw Data” means FOQA Data from the time it is collected by any method from any aircraft through its transmittal to a FOQA Vendor until it is completely erased or destroyed. Raw Data shall be considered Identified Data and will be treated and protected as such by the Company.

15. The term “FOQA Vendor” means a company contracted by the Company to provide FOQA Data collection, security and analysis.

B. FOQA PROGRAM

1. The design, implementation and operations of the FOQA program shall be by written agreement of the Company and the IBT. Any variation from the agreed upon FOQA program shall require the mutual agreement of the parties prior to implementation. The parties shall mutually agree in writing prior to the implementation date.

2. The FMT shall oversee the day-to-day operations of the FOQA Program. The list of flight parameters that will be monitored, and the regulatory and procedural limits defining exceedances of any level with the exception of Aircraft Flight Manual (“AFM”) limits will be determined by the FMT and unanimously agreed upon, in writing. The list shall be subject to review and all changes, deletions, or additions shall be unanimously agreed upon, in writing by the FMT.)

3. At a minimum, the FOQA Program will be used for evaluating the following areas:

   a. Aircraft performance

   b. Aircraft systems performance

   c. Crew performance in general (but not specific Pilots)

d. Company procedures

e. Training programs

f. Training effectiveness

g. Aircraft design

h. Air Traffic Control ("ATC") system operation

i. Airport operational issues

j. Meteorological issues

4. FOQA Monitoring Team ("FMT")

   a. The FMT shall be composed of the FOQA program manager, FOQA Analyst, and a minimum of one (1) and up to a maximum of three (3) pilots (Gatekeepers) appointed by the EXCO. No pilot members of the FMT may have any current authority in the discipline, demotion or dismissal of Pilots, whether on behalf of the Company or the Union. Each member of the FMT must have appropriate Company aircraft training, but does not require currency.

   b. Either the Company or Union may select fewer than two (2) members due to contingencies. If it is determined to increase the size of the FMT at any time, mutual agreement of the Company and Union is necessary, in writing.

   c. The FMT shall meet on a regular monthly basis in order to oversee the day-to-day operations of the FOQA Program and establish necessary policies and procedures to ensure compliance with the provisions of this LOA. This does not prevent the FMT from meeting on an ad hoc basis when required. Required meeting schedules and notification procedures will be determined by the FMT. Nothing in this LOA precludes any individual member(s) of the FMT from working with any De-Identified FOQA Data at any time for analysis or review. Each FMT member shall have unlimited access to De-Identified FOQA Data.

   d. Gatekeepers

      i. Removal from duty and flight pay loss will be conducted in accordance with Section 23 Union Business A.3.c (NOTE: parties to include reference to "FOQA Gatekeepers" in Sec. 23.A.3.

      ii. There will be a maximum of three (3) Gatekeepers or a minimum of one Gatekeeper per equipment type.

iii. Gatekeepers will be selected from a base with a minimum of fifteen (15) crews (per aircraft type), e.g. LAS, IWA, SFB.

iv. All short-term transactions requested will be forwarded to the Director, Flight Safety for processing.

5. Handlers

a. Up to two (2) Handlers will be appointed by the FOQA Program Manager to manage the handling and protection of FOQA data devices for maintenance and engineering.

b. In the event the electronic data collection system is inoperative and the Company elects to manually obtain FOQA data, the Handlers will be responsible for the process involving transfer of all Raw Data from the recording devices to the FOQA software. Further, they shall be responsible for protecting all Raw Data and hardware in their possession in a secure process until such data is erased or otherwise destroyed

C. DATA USE, RETENTION AND SECURITY

1. The design of the FOQA Program shall ensure the confidentiality and ultimate anonymity of individual Pilots.

2. No person, other than a Gatekeeper, shall be authorized to identify the individual Pilot(s) associated with FOQA Data.

3. The Company will provide the Gatekeepers with a private process for determining Pilot names based on date and flight number.

4. If any concerns associated with an Operational Exceedance Event are raised by any member of the FMT, a Gatekeeper shall make contact and request the Pilot(s) provide information to him/her to answer any concerns raised by the FMT.

5. No person, other than an FMT Member or maintenance and engineering handler (designated by the FOQA program manager), shall be authorized access to De-Identified FOQA Data except in the form of FMT Analysis Reports.

6. No person, except as expressly permitted by the Company FOQA manual, may have access to Raw Data.

7. Sufficient De-Identified Data shall be maintained on the Vendor's server to fulfill the requirements of the FOQA Program.

8. The FOQA stakeholders mentioned in the FOQA manual shall be the recipients

of any FOQA analysis reports created by the FMT. A copy of each report shall be made available to the stakeholders. Password-protected software will allow access to Identifying and Identified Data to the Gatekeepers alone. In the event that the circumstances of exceedances so warrant, the Gatekeepers shall be permitted to contact and interview the associated Pilot(s). For this purpose, the Company will provide the Gatekeepers with contact numbers of all Company Pilots.

9. FOQA Program Information (Identified or De-Identified) shall not be released to any third-party, whether it is a person, an entity or a government institution unless compelled to do so by operation of law. In instances where the Company intends to release information when it believes that it is required to do so by operation of law, it shall immediately notify the Safety Committee Chairman of all of the relevant circumstances of the request for release of information in order to permit the Union to contest the disclosure, should it so choose.

10. Identifying Data shall be removed from Identified Data as soon as possible, but no later than fourteen (14) days from the Data Acquisition Date by the Company and/or a FOQA Vendor.

11. Any notes, memoranda or other documents used by an FMT member that may be used to identify an individual Pilot with a specific flight shall be de-identified in accordance with this LOA. If it is impossible to de-identify such materials, then such information shall be destroyed no later than fourteen (14) days after having been obtained.

12. Raw Data collected or received in the course of the FOQA Program, in any form, shall be completely erased or destroyed no later than fourteen (14) days after date of acquisition, unless otherwise agreed by both parties.

13. Any person who has contact with any has identified data used in a FOQA Program shall be prohibited from divulging any identifying data to any individual other than the Gatekeepers. In the event any person divulges any identifying data to any individual other than the Gatekeepers, such person shall immediately be removed from any further participation in the FOQA Program.

14. Secure facilities shall be provided for FMT members. The secure facility will have a computer terminal with printer access. Secure file storage for each FMT member will be provided. The FMT facilities will be large enough to comfortably hold an FMT meeting. Only FMT members will have access to this room and will be responsible for keeping it tidy. The FMT computer will be dedicated to FOQA usage. Use of the facility by members outside of the FOQA program must receive expressed consent by the FMT members.

15. Any Identifying Data recorded or collected by the Company prior to the implementation date of the FOQA Program shall not be used for the program and will be de-identified or destroyed.

16. If, in the view of any member of the FMT, there is a violation of the requirements of the FOQA Program, as set forth in this LOA, any member of the FMT shall have the option of immediately suspending the FOQA Program by notifying the Company FOQA Program Manager or Director of Safety. Following the suspension, the FOQA Steering Committee ("FSC"), as defined in the FOQA manual will conduct a review of the alleged violation. The FSC must unanimously agree to resume the program.

17. Upon receipt of a suspension notice, the Company will notify the FOQA Vendor to immediately cease data collection and transmittal. The Company will also notify the Safety Committee Chairman.

18. In the event of termination of the FOQA Program or cancellation of this LOA, all Identifying Data and Identified Data will be destroyed within seven (7) days.

D. CONTRACTS WITH FOQA VENDORS

1. The Company will contract with a service provider, known as the FOQA Vendor, to process and analyze the information arising out of the FOQA Program. The Union shall be fully appraised of all contractual relationships and the substance of all arrangements with the Company and the FOQA Vendor.

2. The FOQA Vendor with whom the Company has contracted shall be bound by all of the obligations placed upon the Company by this LOA with respect to maintaining the security and confidentiality of information. The Company shall make such contractual arrangements as are necessary to ensure that its obligations to maintain the security and confidentiality of information are satisfied. The Company shall take all reasonable steps to ensure that the obligations concerning security and confidentiality of the information are respected by the service provider, and shall immediately notify the Safety Committee Chairman of any non-compliance by the service provider. The Company shall provide to the Union for its review any contractual arrangements it has made with respect to its obligations not to disclose information as set out in this LOA and elsewhere. The Company shall arrange with the FOQA Vendor for an inspection of the premises in which the service provider maintains the information. The Union may decline to permit the information to be analyzed or processed by a FOQA Vendor in the event the Union is not satisfied with such arrangements that have been made to secure the confidentiality of the information arising out of the FOQA Program.

E. IMMUNITY

1. The collection of FOQA data completely and solely within the parameters of this FOQA Program does not require notification.

2 . The Company may not use information collected in the FOQA Program to

corroborate information received from another source to justify or initiate an investigation of a Pilot for the application of disciplinary measures, suspension or dismissal.

3. FOQA Program Information shall not be used as a basis, in whole or in part, to justify or require a Pilot's submission to a non-recurrent proficiency, training event, or line check.

4. FOQA Program Information shall be considered inadmissible in any grievance or System Board of Adjustment, or in any administrative or legal proceeding.

F. GENERAL PROVISIONS

1. The parties have reviewed FAA AC 120-82 concerning the FOQA Program and agree that they shall not provide the Administrator with information arising out of the FOQA Program, except in a De-Identified form, and shall do so only if strictly required by law. However, the parties may agree in writing to provide the Administrator with aggregate De-Identified Data. Further, the consent of the Union to a FOQA Program operated by the Company is conditional upon the FAA maintaining a policy that is substantially similar to that expressed in AC 120-82. In the event AC 120-82 is retracted and is not replaced with another substantially similar policy or regulatory provision, the FOQA Program shall cease. All collected Identified Data to date will be immediately and permanently destroyed.

2. Any violation of the requirement of the agreed-upon FOQA Program, or the terms herein, shall immediately cause the FOQA Program to be held in abeyance until the infraction is resolved to the mutual satisfaction of both the Company and the Union. Should the parties be unable to come to an agreement as to the resolution of the violation, the FOQA Program shall be terminated immediately and any FOQA Data to date will be permanently destroyed by the Company and the FOQA Vendor upon receipt of a suspension notice.

3. This LOA shall become effective upon the date of signing and will be considered a continuing program. Notwithstanding any of the foregoing, either party, upon thirty (30) days written notice to the other party, may terminate this LOA. Upon service of such written notice, and after the permanent destruction of all Identified Data, this LOA shall be null and void and this FOQA Program shall cease.

IN WITNESS WHEREOF, the parties have signed this Letter of Agreement this____day of
_____, 2016.

For the Company:

_____
Eric Gust
Vice President- Operations

For the Union:

_____
Cameron Graff
Chairman, Allegiant Air Pilots EXCO

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LETTER OF AGREEMENT

between

ALLEGIANT AIR, LLC

and

THE PILOTS

in the service of

ALLEGIANT AIR, LLC

as represented by

THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS,
AIRLINE DIVISION

Regarding:

PROFESSIONAL STANDARDS COMMITTEE

This LETTER OF AGREEMENT ("LOA") is made and entered into in accordance with the provisions of the Railway Labor Act, as amended ("RLA"), by and between ALLEGIANT AIR, LLC ("the Company"), its successors and assigns, and the Pilots in the service of ALLEGIANT AIR, LLC, as represented by the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, AIRLINE DIVISION ("the Union").

WHEREAS the parties recognize the mutual benefits associated with a Union Professional Standards Committee ("the Committee"); and,

WHEREAS the parties wish to confirm the working relationship between the Company and the Committee;

NOW, THEREFORE, it is mutually agreed that:

A. In order to promote and ensure the highest standards of safety and professionalism among the Pilots on the Allegiant Air Pilots Seniority List, the Union has established a Professional Standards Committee. The purpose of the Committee is to facilitate resolution of disputes arising out of conflicts between Pilots, conflicts between a Pilot and a member of another employee group and conduct of a Pilot that reflects unfavorably upon the piloting profession. The Company and the Union recognize, however that the Company's traditional authority and responsibility regarding proficiency and air safety shall not in any way be altered by the terms of this LOA.

B. Individuals assuming the position of Vice President, Operations or System Chief Pilot shall, within a reasonable time, attend training at a recognized Professional Standards Seminar mutually agreed upon by the Company and the Union. The Company may send additional Flight Operations managerial personnel to such Seminars, as appropriate. No individual shall be required to attend such Seminar more than once during his supervisory tenure.

C. In off-peak months, the Company agrees to release from duty up to three members of the Committee for three (3) days of training at a recognized Professional Standards Seminar, in addition to the requisite number of travel days to attend such training, once each calendar year. Management, at its sole discretion, may authorize additional Committee members to be released from conflicting duty to attend such Seminars. The Union shall reimburse the Company for any Flight Pay Loss incurred by the Committee members and shall also be responsible for the travel expenses of such Pilots.

D. Pilots are encouraged to promptly report any concerns regarding another Pilot's adherence to professional standards to the Committee. The parties agree that such reports are completely voluntary.

E. Should a professional standards problem come to the attention of the Company, it may, within its discretion, refer such dispute to the Committee Chairman. Whenever the Company makes such referral of a dispute, the Committee shall have a period of thirty (30) days, or longer as may be mutually agreed upon, during which to attempt to resolve the problem. During this period, the Company agrees not to take or continue any disciplinary action against the Pilot(s) based on the event(s) that gave rise to the referral to the Committee.

F. At or before the end of the 30-day period, as provided in Paragraph E., the Committee Chairman, or his designee, shall make an oral report to appropriate Company management stating either that "the problem has been resolved" or that "the Committee is unable to be of any further assistance in this matter."

G. In the event the Committee reports that "the problem has been resolved", the matter shall be considered closed and all documentation maintained by the company regarding such matter shall be purged from its respective file in accordance with the basic agreement and applicable laws.

H. In the event the Committee reports that "the Committee is unable to be of further assistance in this matter", the Company is free to take whatever disciplinary action it deems appropriate and necessary to resolve the problem in accordance with applicable provisions of the CBA.

I. The parties agree that confidentiality is necessary for the proper and efficient functioning of the Committee. The Company and the Union agree that a Pilot's involvement with the Committee shall not be introduced into evidence or referred

to in any manner in any subsequent disciplinary proceeding. The Company and the Union agree not to call as witnesses in any disciplinary proceedings any member of the Committee where the purpose of calling that individual is to obtain information the individual would not have learned but for his position on the Committee. The Company and the Union agree not to request the System Board of Adjustment ("SBA"), or its equivalent, to serve upon the Committee or its members a subpoena to obtain testimony or any documents, records or papers, including all electronic communications, created by or in the possession of the Committee or its members where the documents, records or papers are related to the matter referred to the Committee in any future SBA proceedings.

J. Either party to this LOA reserves the right to cancel it upon thirty (30) days written notice.

THIS LETTER OF AGREEMENT shall be effective on its date of signing and shall remain in full force and effect concurrent with the CBA.

IN WITNESS WHEREOF, the parties have signed this Letter of Agreement this____day of
_____, 2016.

For the Company:

_____
Eric Gust
Vice President, Operations

For the Union:

_____
Cameron Graff
Chairman, Allegiant Air Pilots EXCO

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LETTER OF AGREEMENT

between

ALLEGIANT AIR, LLC

and

THE PILOTS

in the service of

ALLEGIANT AIR, LLC

as represented by

THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS,
AIRLINE DIVISION

Regarding:

SCHEDULING AUTOMATION

This LETTER OF AGREEMENT ("LOA") is made and entered into in accordance with the provisions of the Railway Labor Act, as amended ("RLA"), by and between ALLEGIANT AIR, LLC ("the Company"), its successors and assigns, and the Pilots in the service of ALLEGIANT AIR, LLC, as represented by the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, AIRLINE DIVISION ("the Union").

WHEREAS the parties recognize the mutual benefits associated with using scheduling products that provide for efficient flight operations; and,

WHEREAS the parties wish to work cooperatively in choosing certain scheduling products;

WHEREAS, the Company wishes to have a positive and constructive relationship with the Union's PBS Committee ("the PBS Committee" or "the Committee");

NOW, THEREFORE, it is mutually agreed that:

A. Should the Company decide to change vendors for Crew Tracking and/ or Crew scheduling software, the PBS Committee will be promptly notified and the Company will meet and confer with the Committee for the purpose of reviewing vendor/software options.

    1. Selection of a Crew Tracking and/or Crew Scheduling software will be mutually agreed to by the parties. Such agreement will not be unreasonably withheld.

THIS LETTER OF AGREEMENT shall be effective on its date of signing and shall remain in full force and effect concurrent with the collective bargaining agreement.

IN WITNESS WHEREOF, the parties have signed this Letter of Agreement this____day of
_____, 2016.

For the Company:

_____
Eric Gust
Vice President, Operations

For the Union:

_____
Cameron Graff
Chairman, Allegiant Air Pilots EXCO

The following is intended to be an addendum to the parties' PBS LOA and will replace Section 15 after NavBlue has been implemented.

SECTION 15

SCHEDULING

A. General

1. The Company and the Union ("Parties") agree to work collaboratively to jointly design, test, train, implement, and administer a Preferential Bidding System ("PBS").

2. "Preferential Bidding System" or "PBS" means the bidding system utilized by the Company that enables a Pilot to bid for and be awarded an initial line, based upon the agreed provisions for Pilot bid preferences, seniority, buffers, Planned Activities and Known Absences, programmed award logic, Federal Aviation Regulations and this Agreement.

3. Bid Lines shall be awarded to current and qualified Pilots in accordance with this Agreement and in order of Seniority.

4. The Parties have established a Joint PBS Committee ("JPC"). The JPC is comprised of three (3) Company members and three (3) Union members. The Company has selected representatives from its employee group at its discretion. The Union has selected three (3) Union members to represent the Union on the JPC.

5. From the beginning of parallel testing until the fourth (4th) Bid Month of PBS production of Final Schedule Awards, the Union members of the JPC shall be placed on a non-bid status and be paid by the Company (with no reimbursement by the Union) eighty (80) PCH per Month or the ALV in the Domicile and Position, whichever is greater. If needed, the Union members of the JPC will receive positive space travel to and from all meetings, Company-paid hotel, and per diem for reasonable and necessary in-person meetings associated with their JPC responsibilities. During that period, the Union members of the JPC shall not count against the number of Pilots that may be out on Non-Bid Status Union Business set forth in Section 24.B.2. Union members of the JPC must remain currently qualified and attend all required training.

6. All known monthly Vacation and Training, including Recurrent Training, that a Pilot bids for and is awarded prior to the opening of PBS monthly bidding, shall be assigned before the start of the monthly bid process.

7. No Pilots will be furloughed as a direct result of any savings or efficiencies generated by the implementation of NavBlue. However, the Company reserves the right to furlough pursuant to the Agreement, if necessary, due to reasons outside of any savings or efficiencies generated by the implementation of PBS.

8. Both while the PBS is being created for implementation and on an ongoing basis after implementation, the Company and/or NavBlue shall make available four (4) access credentials for use by the Union members of the JPC and/or Union Scheduling Committee, for the fully functional, current version of the PBS with sufficient licenses to allow remote access and use of the system, including the ability to engage with a vendor's technical support. Such access shall be at Company expense and include all necessary databases and components to allow comparison runs using actual Pilot data and preferences. The Company will load all data reasonably required for testing, implementation, and administration of the PBS.

9. The Parties agree that the Company will be responsible for creating a successful monthly bid run solution for each Position and Domicile, within the parameters and requirements as set forth herein. The members of the JPC will, at all times, have credentials and access to NavBlue to view solves and offer alternative solutions on the same basis as the Company.

10. The Parties will determine the necessary training of the pilot group on the use of PBS software. Such training will be executed at no expense to the Union. The Parties will set forth a timeline to ensure all Pilots receive training in the use of PBS software in a timely manner as set forth in this Agreement.

11. The Company shall bear all expenses related to the initial software design, testing, training, administration and operation of PBS, as well as the ongoing administration, and operation of PBS and necessary hardware to operate the system. Ongoing testing and/or training of PBS in the event of a significant software modification (e.g., change in award algorithm logic, etc.) will be determined by the Parties.

12. The Union members of the JPC shall be included in written communications or meetings with NavBlue regarding issues concerning system configuration, provided that the Company will not be required to include the Union members of the JPC on communications with NavBlue regarding routine administrative matters.

13. The JPC shall have the same access to the vendor customer, IT, and technical support personnel as the Company. The Union JPC members shall provide notice to Company JPC members before contacting vendor personnel. The Union JPC members shall not have authorization to incur expenses or to ask the vendor to make changes to the PBS System without express written agreement of the Company.

14. The Union members of the JPC will include the Company JPC members on all communications and meetings with the vendor.

15. PBS access will be available, at no cost to the Pilot and the Union, via the internet using conventional HTML browsers on personal computers (PC, Mac), as well as on mobile and tablet devices, if available. PBS shall be available to Pilots via an Internet connection worldwide without any requirement for a VPN connection or special access software.

16. The selected PBS vendor is NavBlue (a/k/a Skywise), and this selection shall not be changed except by written mutual agreement of the Parties. Acquisition, merger, or other combination of vendors shall not be deemed a "change" for purposes of this paragraph. Should a new PBS vendor be mutually selected by the Parties, this Agreement will be modified by mutual agreement as necessary to incorporate all aspects of the new system.

17. All PBS bidding parameters and Pilot-facing Bid Preferences shall be through mutual agreement. No changes will be made to the programming awarding logic, bidding preferences, system administrator interface settings, installed modules, or any other user defined entries, without the written mutual agreement of the Parties.

    a. However, NavBlue updates and enhancements not initiated by the Parties, which do not affect the PBS bidding parameters and preferences, including programming awarding logic, system administrator interface settings, installed modules, or other user defined entries, will be deployed as they become available. Both Parties will be advised of software updates, and enhancements from NavBlue as they become available.

18. The Parties will have unrestricted access to all reports generated by the PBS.

19. The PBS vendor shall provide the "Reasons Report," which identifies why a particular result occurred within a bid line. The Reasons Report for all Pilots shall be available to the members of the JPC. Individual Pilots shall have access to the Reasons Report for their Bid Line.

20. Except as provided in this Agreement, neither party may alter a PBS solution or an individually awarded line. The Company cannot input or modify a Pilot's bid. The Union Scheduling Committee may modify a Pilot's bid with the Pilot's consent, but may not do so after the Monthly Bid Period closes.

21. For purposes of determining unstacking percentages in subsection 15.H, below, the parties agree to use the "Pairing Lines Unstacked" and "% Pairing Lines Unstacked" as set forth in NavBlue's Dynamic Stats Report (or an equivalent successor report). If NavBlue changes the methodology used to calculate the "Pairing Lines Unstacked" and/or "% Pairing Lines Unstacked" metrics, and such

changes result in NavBlue providing “Pairing Lines Unstacked” and/or “% Pairing Lines Unstacked” outputs that are different from the negotiated intent of this provision, the parties will mutually develop a new process or reporting tools to calculate the equivalent of “Pairing Lines Unstacked” and/or “% Pairing Lines Unstacked.” If the parties are unable to reach agreement on whether there is a difference and/or on a new process and/or reporting tool, either party may submit the issue to the expedited arbitration process set forth in Section N.3.e of the PBS Letter of Agreement.

22. Union Support for PBS

a. PBS classroom training will be provided by the Union Scheduling Committee to each new hire/recall class during initial training, and will be scheduled on a mutually agreeable day.

b. At least four (4) members of the Union Scheduling Committee at all times shall have completed training on the NavBlue product. Such Union Scheduling Committee members shall be permitted to attend training or user conferences conducted by NavBlue.

i. Training of new Union Scheduling Committee members will be completed by the JPC.

ii. Should the number of Union Scheduling Committee members who have received training from NavBlue be reduced below three (3), upon request from the Union, the Company shall coordinate with NavBlue and the Union to ensure additional Union Scheduling Committee members receive such training to return the number of NavBlue-trained Union Scheduling Committee members to no less than three (3).

iii. The Union trainers may create training materials and conduct training for the Pilot group on bidding under the PBS, including responding to Pilot inquiries regarding their Bid Line awards, training Pilots regarding best practices for bidding, and developing and distributing informational publications to the Pilots regarding the bidding and award process.

c. No later than the 1st of the month prior to the opening of the Monthly Bid, the Union will provide the Company the names of the JPC and Scheduling Committee representatives, as well as the dates on which the Committee members will be performing such duties. For example: The Union must provide the names of the Scheduling Committee representatives by January 1 for processing of the March Bid Month.

d. Beginning the fifth (5th) month after implementation of NavBlue, upon request of the Union, Union members of the JPC shall be released from conflicting Company duty to perform duties under this Section and the PBS Letter of

Agreement in accordance with Section 24 of the Agreement. Unless otherwise agreed by the parties, two (2) members of the USC shall be released from conflicting Company duty to perform PBS new hire/recall class training during initial training. The aforementioned JPC and USC releases shall not count against the numerical limits on releases under Section 24. Upon request, the Union members of the JPC performing duties under this Section and the PBS Letter of Agreement, will receive positive space travel, Company-paid hotel, and per diem when required by the Company to attend in-person meetings and perform in-person duties pursuant to this Section and the PBS Letter of Agreement or when otherwise agreed to by the parties; USC members will receive these same benefits when conducting PBS training during initial training. The Union is not responsible for reimbursement associated with duties performed by Union members of the JPC or USC members when conducting PBS training during initial training pursuant to this Section. Other releases are subject to Section 24 of the Agreement, including numerical limits and reimbursement requirements.

B. Monthly Bid Period Timeline

1. A Monthly Bid shall be conducted during each Month of a calendar year. Each Bid Month's duration shall be the number of Days in each respective Month, with the exception of January, February and March which each will be considered a 30 day month through adding Jan 31 and Mar 1 to February. Leap year will make February a 31 day month.

2. All Trip Pairings and Bid Lines shall be constructed in accordance with the provision**s** set forth in Section 14, Hours of Service.

3. Bidding for both Regular Line Pilots and Reserve Line Pilots shall be performed consecutively. The Company will load into the PBS all the information including, but not limited to, eligible bidders by Position, all known Trips and all revenue and non-revenue flying, all pre-assigned Credit, and any Planned Activities and Known Absences, that is necessary to create a line solution. This information must be loaded no later than the opening of the Monthly Bid and must be visible to Pilots when the Monthly Bid opens. Planned Activities and Known Absences will be updated or corrected as necessary up until the close of the Monthly Bid. In addition, at the opening of the Monthly Bid, the "Bidding Information" section of the NavBlue PBS "Info Tab" shall display the following information, at a minimum:

   a. Average Line Value

   b. Minimum, Normal, and Maximum Credit Windows

   c. Number of Anticipated Regular Lines

d. Number of Anticipated Reserve Lines

e. Anticipated Reserve Lines awarded per Reserve Time period

f. Minimum consecutive reserve days on and minimum consecutive days off between blocks of reserve duty periods

g. Maximum “Followed By” Time

h. A statement that the RLL Lines may be available but are not guaranteed. Bid accordingly.

4. Trips and/or any additional revenue and non-revenue flying that becomes known after the opening of the Monthly Bid will not be considered during the solving process and will be placed into Open Time after Final Publish.

5. Minimum Days Off

   a. The Minimum Days Off for Regular Line Holders, Reserve Line Holders, and Reserve Lines where a Pilot has pre-planned absences will be in accordance with the terms of the parties’ Agreement.

   b. A Pilot on an unpaid Leave of Absence (e.g., Military, Personal, FMLA, etc.) and who is eligible to bid for a partial Month will have a Virtual Credit of three (3) hours applied to each Day of the leave. Virtual Credit has no pay value.

6. The bidding timeline shall be as follows:

   a. The dates for Bid Periods for the following year shall be published in October of the preceding year, adjusted for holidays. The Company shall meet and confer with the Scheduling Committee at least two weeks prior to publishing the schedule.

   b. Protest Period: The Protest Period following the posting of the Bid Line Awards shall be used to identify mis-awards due to Company Error(s) or System Error(s).

   c. The bidding timeline shall be as follows:

Time	Event
By 1st Tuesday, 1700 Pacific	Bids Open
Following Sunday, 2359 Pacific	Bids Close; Start of Company Regular Line Solving Period
Following Thursday, 1700 Pacific	Close of Company Regular Line Solve Period; Deadline to Provide Initial Solves of Regular Lines Provided to Union; Start of Union Regular Line Validation Period
Following Sunday, 2359 Pacific	Union Regular Line Validation Period Ends; Deadline to Start Company Reserve Line Solving Period
Following Tuesday, 1700 Pacific	Company Reserve Line Solving Period Closes; Initial Bids Posted (Regular and Reserve Lines); Protest Period Opens
Following Thursday, 1700 Pacific	Protest Period Closes
Following Friday, 1700 Pacific	Final Publish; Regular Line Only Open Time Period Opens
Following Sunday, 1700 Pacific	Regular Line Only Open Time Period Closes

7. Following Final Publish, Pilots who have been awarded a Regular Line will be permitted to trade, drop, pick up, and/or swap Trip Pairings during the Regular Line Only Open Time Period. Such transactions shall be subject to the rules and restrictions regarding Open Time in Section 15. During the Regular Line Only Open Time Period, the Open Time system for the succeeding Bid Period shall be closed to all other Pilots that have not been assigned a Regular Line for that upcoming Bid Period.

8. Upon closing of the PBS bids, Pilots shall not engage in Open Time pick-ups and/or drops, swaps, and Trip Trades touching the last seven Days of the current Bid Month until Final Publish for the upcoming Bid Period.

9. The Open Time for the new Bid Period will become available for all Pilots at the conclusion of the Regular Line Only Open Time Process.

C. Regular and Reserve Bid Line Construction

All Bid Lines shall be constructed in accordance with the following rules:

1. All available known Flying at the time of the start of the Monthly Bid Period shall be published and available to be utilized in construction of Regular Lines during

2. the solving process. Any Trip Pairings remaining uncovered after the Monthly Bid Period shall be left in Open Time and awarded or assigned throughout the Bid Month, in accordance with this Section 15. Available known flying is defined as committed and known flight pairings at the time of publishing.

3. Unless otherwise specified by the Pilot in his Bid Preferences, as provided in Section 15 an involuntarily TDY'd Pilot's Bid Line shall contain a minimum of one (1) block of four (4) consecutive Days Off in any Bid Month.

4. Excluding the first and last days of the bid month and excluding Pilots that waive this provision, Pilots shall be awarded a minimum of six (6) non-isolated Days Off (i.e., one group of six (6) Days Off, a group of four (4) Days Off and two (2) Days Off, two groups of three (3) days off, three groups of two (2) days off).

5. Regular Bid Lines shall be constructed in the Bid Awards with only Trip Pairings, Training, Vacation, other Known Absences, and Days Off. There shall be no Reserve Days in the construction of Regular Bid Lines in the Bid Awards.

6. The PBS System shall construct one Reserve Bid Line per seat Position for every nine (9) Regular Bid Lines, or portions thereof, in each Domicile, with a minimum of one (1).

7. Reserve Bid Lines shall contain only RAPs, pre-assigned Duty, Known Absences, and Days Off.

8. Only one (1) RAP shall be scheduled to commence per Day on a Crewmember's Schedule**.**

9. In addition to subsection 15.C.6., Reserve Bid Lines shall be constructed in accordance with Section 16, Reserve.

D. Eligibility to Bid

1. All Pilots shall be eligible to bid for and be awarded or assigned a line except:

   a. Management Pilots.

   b. Check Airmen (not expected to perform line Flying), Flight Instructors and APDs for the Bid Period in which they are serving full time in Flight Standards and Training ("FS&T").

   c. Pilots scheduled for Long-Term Training during the Bid Period.

   d. Pilots scheduled for Leaves of Absence greater than fifteen (15) Days within the Bid Month, except where otherwise prohibited by law.

.

e. A Pilot returning to service who was otherwise ineligible to Bid shall have his line built using Open Time, including Reserve Days up to his prorated Minimum Guarantee.

E. Scheduling Systems

1. In accordance with this Section 15, the approved PBS and Open Time Bidding and Awarding Software Systems, along with other complimentary software systems as required, shall be the means for Pilots to conduct the following functions:

   a. Trip Pairing construction.

   b. Regular and Reserve Line construction.

   c. Bidding and Bid Awards for Regular and Reserve Bid Lines, utilizing Pilot Bid Preferences.

   d. Regular Line Open Time Period.

   e. Trades with another Pilot.

   f. Trades with Open Time.

   g. Open Time pickups.

   h. Vacation Bids, Awards, slides and trades.

   i. Trip Drops.

   j. Bidding for Training.

   k. Voluntary Flying Notification requests and awards**.**

F. Published Information in the Monthly Bid Period

1. The Monthly Bid Period information for a PBS Bid shall be made available through the Company's approved PBS software system, to all Pilots, in accordance with subsection 15.B., Monthly Bid Period Timeline. The following scheduling information shall be electronically available to all Pilots in PBS:

   a. Number of eligible bidding Pilots, per Position and Domicile.

   b. Published Average Line Value

   c. Projected number of Regular Lines

d. Projected number of Reserve Lines.

e. All Trip Pairing information listed below:

i. Report and release times;

ii. Pairing number.

iii. Flight number.

iv. Block and Credit Time of each Segment.

v. Block and Credit Time of the Pairing.

vi. Duty Time.

vii. Ground time at stations.

viii. Deadhead time

ix. Originating, intermediate and terminating stations

x. RON information, including hotel information as available, ground transportation as available, etc.

xi. Time Away from Base (TAFB).

xii. Fleet Type (e.g., B737, A320).

f. All incoming Transition Duty from the current Bid Month into the new Bid Month.

g. All known absences for the upcoming Bid Month.

h. A list of Pilots eligible to Bid in each Domicile.

i. Names of the Instructors and Check Airmen to be utilized on a Full Time Training Line during the Bid Month.

2. Conflicts from Duty in the current Bid Month which transition into the new Bid Month and any FAR illegalities shall be avoided in PBS awards.
3. A Pilot requiring time off for Military Duty shall provide advance notice to Crew Planning Department of the days needed, if known, prior to the opening of the Monthly Bid Period. His applicable PCH for the Bid Month

shall be in accordance with Section 3, Compensation.

G. PBS Bid Line Construction

1. Average Line Value

   a. The ALV published when bids open ("Published ALV") shall be a maximum of eighty-nine (89:00) hours and must be expressed in hours and minutes. ALV will include all known Credit Time (both Pay Credit Hours and Virtual Credit).

   b. The ALV of the awarded bid ("Awarded ALV") run for each Position and Domicile must not exceed plus or minus six (6) hours of the published ALV for the applicable Position and Domicile.

2. Credit Windows

   a. The "Normal Credit Window" means the range of hours based on Published ALV plus or minus ten (10) hours. The Company shall have discretion to set the upper and lower ranges of the Normal Credit Window, provided that they are within the outer limits established by this paragraph. The Normal Credit Window values will be provided when bids open.

   b. The initial Threshold value of the Normal Credit Window shall be equal to the Published ALV for each Position and can be adjusted, as necessary, within the defined range, while exploring bid run solutions.

   c. The "Minimum Credit Window" means the range of hours based on Published ALV minus twenty (20) hours. The Company shall have discretion to determine whether to award "Minimum Credit Window" lines and if so, how many to award in each Position and Domicile. The Company shall also have discretion to set the lower range of the Minimum Credit Window, provided that they are within the outer limits established by this paragraph. If offered, the Minimum Credit Window values will be provided when bids open. If awarded, "Minimum Credit Window" lines will be awarded in Seniority order in each Position and Domicile.

   d. The "Maximum Credit Window" means the range of hours based on ALV plus fourteen (14) hours. The Company shall have discretion to determine whether to award "Maximum Credit Window" lines and if so, how many to award in each Position and Domicile. The Company shall also have discretion to set the upper range of the Maximum Credit Window, provided that they are within the outer limits established by this paragraph. If offered, the Maximum Credit Window values will be provided when bids open. If awarded, "Maximum Credit Window" lines will be awarded in Seniority order in each Position and Domicile.

3. Successful Bid Run Solution

a. The Company will be responsible for creating a “Successful Bid Run Solution” for each Position and Domicile utilizing the PBS software in accordance with this Section, including, but not limited to: Maximum Iterations, Maximum Reserves, Maximum Swap Depth, and Maximum Passes. The Parties agree that a Successful Bid Run Solution is the goal each Month, and shall be met, unless otherwise agreed to by the Parties. A Successful Bid Run Solution means that all of the following requirements have been met:

i. Open Time on a Bid Period basis for each Position and Domicile is no greater than five percent (5%) of the total PCH available to be bid on, provided that the Company may, in its discretion, accept a solution in which the Open Time exceeds this parameter.

ii. Stack Height Limitations will conform with Section H.1. below unless otherwise agreed to by the Parties;

iii. The solution conforms with Section H.1-2., below, unless otherwise agreed to by the Parties;

iv. RLL lines, if awarded, will conform with Section W, below;

v. Secondary Line Generation (“SLG”) limits will conform with Section H.2.b., below;

vi. The ALV will conform with Section G.1., above;

vii. The Normal Credit Window will conform with Section G.2.a., above;

viii. The Minimum Credit Window will conform with Section G.2.c., above;

ix. The Maximum Credit Window will conform with Section G.2.d., above;

x. Fill to threshold may be used;

xi. The Company shall determine the minimum number of Reserve Lines in each Position and Domicile;

xii. Complies with all other requirements of the Agreement and the FARs;

xiii. If Coverage Awards are needed, the Priority Stack Date function may be used;

xiv. Force Priority Stack Date on SLG will always be used;

xv. Line Credit Reduction will not be used when programming absence codes

4. The initial Threshold value of the Normal Credit Window shall be equal to the Published ALV for each Position and Domicile and can be adjusted by the Company as necessary while exploring bid run solutions. The Company will determine the Threshold value to be set within the Minimum Credit Window and the Maximum Credit Window.

H. PBS Solution Process

1. On a daily basis, the maximum Stack Height parameter for each Position and Domicile shall be one (1) Trip Pairing or five percent (5%) of the total Trip Pairings for that Day, whichever is greater, provided that the Company may, in its discretion, accept a solution in which the Stack Height exceeds this parameter.

2. The Company may publish a monthly bid run solution that uses the Unstack/Coverage Award tool in PBS, utilizing a maximum Stack Height of no less than five percent (5%) or one (1) Trip Pairing, whichever is greater, of the actual number of Regular Lineholders in each Position and Domicile, provided that:

    a. The monthly bid run solution does not result in more than 50% of Pairing Lines Unstacked on the basis of Seniority by Position and Domicile; and

    b. The most senior ninety percent (90%) of Regular Lineholders in each Position and Domicile are not awarded a line through Secondary Line Generation (SLG).

3. In the event the Company cannot identify a Successful Bid Run Solution with unstacking at or below 50% of pairing lines by Position and Domicile as referenced in subsection H.2.a, above, the Company will do the following in an effort to obtain a Successful Bid Run:

    a. Notify the Union members of the JPC in writing that it could not produce a Successful Bid Run Solution with 50% or less unstacking in a Position and Domicile;

    b. Increase the maximum Stack Height limitation, referenced in subsection H.1. above, to up to ten percent (10%) or two (2) Trip Pairings, whichever is greater, on the Day(s) where more than 50% of pairing lines by Position and Domicile are unstacked, provided that the Company may, in its discretion, accept a solution in which the Stack Height exceeds this parameter. If the Company is able to identify a Successful Bid Run Solution with less than 50% pairing lines unstacked using a Stack Height parameter of less than 10% of pairing lines, it may select that solution;

c. Consider a decrease in Reserve Lines for the Position and Domicile in question in an effort to obtain five percent (5%) Open Time or less;

4. If the JPC and/or Union members of the JPC produce a Successful Bid Run Solution after making the adjustments in subsection H.3.b., above, i.e., up to five percent (5%) Open Time, unstacking is 50% or less, and the solution complies with all other contractual and FAR requirements, the Company will accept the Successful Bid Run for the Position and Domicile.

   a. The JPC and/or Union members of the JPC must provide its proposed alternative solution by no later than the end of the Union Regular Line Validation Period.

5. In the event the Company, JPC and the Union members of the JPC cannot identify a Successful Bid Run Solution with 50% or less of Pairing Lines unstacked in a Position and Domicile, as referenced above, the Company may continue to unstack Lineholders beyond the limitations in subsection H.2, H.3, and H.4 of this Agreement.

6. If the Company's chosen solution exceeds 70% of Pairing Lines unstacked in a particular Position and Domicile, it will notify the Union Scheduling Committee of that solution in writing. If the Union provides an alternative solution that satisfies the requirements to be a Successful Bid Run Solution, complies with all other contractual and FAR requirements, and that utilizes 70% or less of pairing lines unstacked, the Company will accept the Union's solution.

   a. The JPC and/or Union members of the JPC must provide its proposed alternative solution by no later than the end of the Union Regular Line Validation Period.

7. If the Company's chosen solution exceeds 70% of Pairing Lines unstacked in a particular Position and Domicile (i.e., more than 70% of Pairing Lines contain a Coverage Award), the Pilot(s) whose Pairing Line caused the solution to exceed 70% of Pairing Lines Unstacked shall have the right to remove the Trip Pairing(s) that are identified as Coverage Awards without pay by notifying the Company no later than the Close of the Protest Period, provided that the Pilot's election to remove the Trip Pairing(s) will not affect their monthly minimum guarantee pay.

   Example 1: If there are 9 pairing lines that receive a coverage award (i.e., 9 pairing lines unstacked) out of 10 total pairing lines in a Position and Domicile, then 2 pairing line(s) caused the % of pairing lines unstacked to exceed 70% of pairing lines unstacked. In this case, the most senior 2 pilots whose lines contain a coverage award(s) will have the right to remove any coverage

award(s) without pay.

Example 1A: The most senior of the two pilots in the example above was awarded a line with 84 PCH. There are 2 trips identified as coverage awards where trip 1 has a value of 7.2 PCH and trip 2 has a value of 5 PCH. The pilot may elect to drop both trips resulting in a Line worth 71.8 PCH. Note the pilot may also elect to drop one rather than both trips.

Example 1B: The second most senior of the two pilots in the example above was awarded a line with 76 PCH. There is 1 trip identified as coverage award with a value of 7.8 PCH. The pilot may elect to drop the trip. The result is 68.2 PCH, however, since the Pilot's Monthly Minimum Guarantee (MMG) is 70 PCH for line holders, his MMG is 70 despite the drop.

Example 1C: The second most senior of the two pilots in the example above was awarded a line with 67 PCH. There is 1 trip identified as coverage award with a value of 7.8 PCH. The pilot may elect to drop the trip. The result is 59.2 PCH, however, since the Pilot's Monthly Minimum Guarantee (MMG) is 70 PCH for line holders, his MMG is 70 despite the drop.

Example 1D: The second most senior of the two pilots in the example above was awarded a Reduced Lower Limit Line with 62 PCH and therefore has a reduced Adjusted Monthly Minimum Guarantee (AMMG) of 62 PCH. There is 1 trip identified as coverage award with a value of 7.8 PCH. The pilot may elect to drop the trip. The result is 59.2 PCH, however, since the AMMG is 62 PCH, his AMMG remains 62 despite the drop. The same process will be applied to Pilots with reduced MMGs due to Reduced Credit Lines or because the Pilot's MMG has been prorated to account for Known Absences.

8. The Parties understand and acknowledge that NavBlue PBS does not currently have the programmatic ability to limit unstacking to a particular percentage. If NavBlue provides for the programmatic ability to limit unstacking to a particular percentage, the Company and Union will meet and confer regarding the potential adoption of that functionality.

9. For the purpose of calculating the percent of pairing lines unstacked as used in this Agreement, if one or more Pilots eligible to bid in a Position and Base become no longer eligible to bid after the close of the TDY process ("Lost Bidders"), the Pairing Lines Unstacked output in NavBlue will be adjusted to account for the Lost Bidders by reducing the NavBlue Pairing Lines Unstacked output on a one-for-one basis by the number of Lost Bidders.

I. PBS Awards.

1. All Bid Awards shall be accomplished in Seniority order by awarding each eligible Pilot his Bid preferences in accordance with subsection 15.B., Bid Period Timeline.

2. A Pilot who fails to bid in a Monthly Bid Period shall be awarded a Bid Line based upon his Bid preferences (a Pilots Bid Line parameters preferences), which shall be kept on file in his Standing Bid. In the event a Pilot wishes to change his Bid Preferences in his Standing Bid, he shall be required to do so prior to 2359 Pacific Time on the date bidding closes for the Bid Month per the table in subsection 15.B. for his new preferences to apply in the event he fails to Bid.

3. Pilots with less than one hundred (100) hours in Equipment Type (i.e., a Consolidation of Knowledge (COK) bidder) who do not have sufficient Seniority to hold a Regular Line may be awarded one (1) full Bid Period of a Regular Line, if available. Such Regular Line shall be awarded within the first two (2) full Bid Periods of the Pilot being released to the line from training.

   a. In the application of this provision, the following shall apply:

      i. A Pilot who has the seniority to be awarded a Regular Line shall have the opportunity to inform the Company of their willingness to give their Regular Line to a COK bidder in their Domicile and Position. Should a Pilot elect this option the Company may provide the Regular Line to a COK bidder prior to the Regular Lineholder Trip Trade Period. The Pilot giving up their Regular Line shall be pay protected for the awarded Regular Line value or MMG, whichever is greater, plus receive an additional ten (10) PCH ABG, and shall be built a Reserve Line with the same Days Off as their originally awarded Regular Line.

      ii. If multiple Pilots are willing to give their Regular Line to a COK bidder in their Domicile and Position, and the Company decides to provide a Regular Line to the COK bidder, the Regular Line with the highest block hour total shall be provided to the COK bidder. If there are multiple Regular Lines with the same block hour total, the Regular Line of the most senior Pilot shall be provided to the COK bidder.

      iii. Should no Pilot identify their willingness to give their Regular Line to a COK bidder in their Domicile and Position, and the COK bidder is awarded a Reserve Line, the Company may assign Open Time to the COK bidder's Reserve periods after the conclusion of the Regular Line Only Open Time

iv. Period.

b. The Company may remove all or any portion of an awarded Trip Pairing from a Pilot's Bid Line when necessary for Operating Experience, Consolidation of Knowledge (COK), High Minimums, other Training, or currency purposes.

c. When a Pilot is removed from an awarded assigned duty (or portion thereof) after Final Publish for another Pilot's COK, the Company will update the Pilot's schedule within two (2) hours to reflect that the Pilot is either being Reassigned pursuant to Section 15.N. or released from the Trip Pairing (or portions thereof that were removed).

d. A COK Pilot may not drop trips into Open Time.

e. The Company may assign Trip Pairings in Open Time to a Pilot for OE, COK, other Training, High Mins, and to Pilots requesting flying currency as far in advance as possible.

i. When assigning Trip Pairings in Open Time to a Pilot for COK or High Minimums pursuant to subsection 15.I.1., above, the Company may not assign more than sixty (60) total block hours per Pilot in a Bid Period, provided however that if a Pilot is not projected to consolidate by their COK expiration date, the Company may continue to assign that Pilot beyond sixty (60) block hours.

4. Reserve Bid Line Awards

a. The number of RAPs in a Bid Period shall be based on, but not limited to, the daily operational requirements of each individual Domicile and Position, scheduled Vacation and Training, historical Sick Leave, Military Leave, scheduled Jury Duty and additional scheduled Leaves of Absence.

b. Reserve Bid Lines shall be awarded in accordance with a Pilot's Bid Preferences pursuant to subsection 15.H. as follows:

i. Reserve Bid Lines shall be assigned using NavBlue's Reserve Module.

ii. Prior to final publish, the Company may adjust the start time and/or end time of up to four (4) RAPs during the Bid Period for each Pilot awarded a Reserve Bid Line, provided that if the modified start time and end time remain within the original RAP time, it shall not count as an adjustment for the purpose of this subsection.

EXAMPLE 1: A Pilot is initially awarded a RAP period of 1000 to 2200 by the NavBlue Reserve Module. On one day of assigned duty, prior to final publish, the Company adjusts the start time to 0400 and the end time to 1600. This constitutes an "adjustment" that counts against the four (4)

pre-publish adjustments granted to the Company.

EXAMPLE 2: A Pilot is initially awarded a RAP period of 1000 to 2200 by the NavBlue Reserve Module. On one day of assigned duty, prior to final publish, the Company adjusts the start time to 1200 and the end time to 2000. This does not constitute an "adjustment" that counts against the four (4) pre-publish adjustments granted to the Company.

iii. The terms provided in subsection 15.I.4.b.ii, above, shall not limit the Company's rights to shift a Pilot's RAP times provided in Section 16.

iv. Limitations on unstacking provided in subsection 15.H, above, shall not apply to the construction of Reserve Bid Lines.

5. A Pilot (Regular or Reserve) unavailable for Duty as a result of scheduled Vacation, Military Duty, or scheduled Leaves of Absence, shall have his Minimum Days Off prorated during the PBS Bid Award based on the table provided in Section 14.

J. Schedule Monitoring Status

1. General

   a. Under FAR 117, the Company may not assign and the Pilot may not accept an illegal assignment, therefore a Pilot will not receive any assignments in the bid award process that puts him over 1,000 hours in a rolling 365-day period.

   b. Assuming the Pilot is available for the entire Bid Period, the Pilot will be paid Minimum Guarantee if awarded hours in the Bid Period do not exceed Minimum Guarantee.

   c. If the Pilot is anticipated to exceed 1,000 hours due to changes in schedule due to operations, Crew Scheduling shall repair the Pilot's schedule prior to exceeding 1,000 hours.

2. Application

   a. After bids are awarded, Pilot schedules will be reviewed for flight hours (actual plus projected through the 1st of the operational bid period). If a Pilot's flight hours meet or exceed those listed in the SMS matrix, trips may be removed from the Pilot's calendar.

   b. For Trips removed, the Pilot will be placed in off duty status for that day and will be pay protected. The Pilot may request which Trip(s) he/she wishes to

c. drop. If reserve availability is sufficient, Crew Scheduling will grant the Pilot's request. If the reserve availability is insufficient to grant the request, another trip, or portion of a trip will be removed. Crew Scheduling may assign a Crewmember in SMS status trips of lesser value in an effort to reduce their scheduled block time. Should this occur, the Crewmember shall be pay protected for the awarded trip of greater value.

d. A Crewmember in SMS status may Trip Trade as long as such changes do not increase the Crewmember's scheduled block time.

3. Matrix for SMS Status

Month of Ops	Level 1 750 Hrs+ (9 Month Lookback)	Level 2 833 Hrs+ (10 Month Lookback)	Level 3 916 Hrs+ (11 Month Lookback)
January	Apr 1 - Jan 1	Mar 1 - Jan 1	Feb 1 - Jan 1
February	May 1 - Feb 1	Apr 1 - Feb 1	Mar 1 - Feb 1
March	Jun 1 - Mar 1	May 1 - Mar 1	Apr 1 - Mar 1
April	Jul 1 - Apr 1	Jun 1 - Apr 1	May 1 - Apr 1
May	Aug 1 - May 1	Jul 1 - May 1	Jun 1 - May 1
June	Sept 1 - Jun 1	Aug 1 - Jun 1	Jul 1 - Jun 1
July	Oct 1 - Jul 1	Sept 1 - Jul 1	Aug 1 - Jul 1
August	Nov 1 - Aug 1	Oct 1 - Aug 1	Sept 1 - Aug 1
September	Dec 1 - Sept 1	Nov 1 - Sept 1	Oct 1 - Sept 1
October	Jan 1 - Oct 1	Dec 1 - Oct 1	Nov 1 - Oct 1
November	Feb 1 - Nov 1	Jan 1 - Nov 1	Dec 1 - Nov 1
December	Mar 1 - Dec 1	Feb 1 - Dec 1	Jan 1 - Dec 1

4. Trip Removal and Pay Protection

   a. Crew Scheduling and Flight Ops Management will jointly determine if a Pilot under the SMS will have Trips removed and pay protected. This will be determined by time of year, projected flight hours in future periods, and projected individual activity (e.g. upcoming Training, Vacation).

   b. Once it is determined that a Pilot will need to have hours removed, Crew Scheduling will communicate to the Pilot that he is on SMS and is expected to have "X" number of hours removed from his schedule for the upcoming Bid Period. This will be done by seven (7) days prior to awarded Bid Period, as referred to above. The Pilot will then have until two (2) days prior to the Bid Period opening to email in preferences for Trip removals. On the final day of the prior Bid Period, Crew Scheduling will make the Trip removals.

K. Pre-Bid Premium Pay

1. The following provisions apply to Pre-Bid Premium Pay:

   a. Pre-Bid Premium Pay under this subsection for each Position and Domicile will be determined on a daily basis based on the total number of Trip Pairings each Day as of Bids Open divided by the total number of Expected Pilots for the Bid Period (i.e., all expected Regular and Reserve Lineholders, plus any Pilots who do not participate in the monthly bid process, but who are expected to return from leave or complete training during the Bid Period) as of the close of the TDY Process. (Trip Pairings / Expected Pilots = Ratio of Trip Pairings to Pilots). Where the Ratio of Trip Pairings to Pilots is:

      i. Less than or equal to 50%: there shall be no Pre-Bid Premium Pay Trip Pairings pursuant to this subsection.

      ii. Between 51% and 60%: the top ten percent (10%) of actual Lineholders or one (1) actual LineHolder in the Position and Domicile (whichever is greater) awarded a Trip Pairing on that Day will be eligible, in Seniority order, to receive Pre-Bid Premium Pay for the Trip Pairing on that Day.

      iii. Between 61% and 70%: the top twenty percent (20%) of actual Lineholders or two (2) actual Lineholders in the Position and Domicile (whichever is greater) awarded a Trip Pairing on that Day will be eligible, in Seniority order, to receive Pre-Bid Premium Pay for the Trip Pairing on that Day.

      iv. Greater than or equal to 71%: the top thirty percent (30%) of actual Lineholders or three (3) actual Lineholders in the Position and Domicile (whichever is greater) awarded a Trip Pairing on that Day will be eligible, in Seniority order, to receive Pre-Bid Premium Pay for the Trip Pairing on that

Day.

b. Pre-Bid Premium Pay awarded pursuant to this subsection shall be paid at one hundred and thirty percent (130%) of the scheduled or actual value of the Trip Pairing, whichever is greater. Where one or more day(s) of a multi-day Trip Pairing has been designated for Pre-Bid Premium Pay, that premium will be applied to all segments of the Trip Pairing.

> Example/Administration Discussion: Where a Pilot is awarded a Pre-Bid Premium Pay Trip, the hours associated with that Trip Pairing (actual or scheduled) will be paid at 130% of the Pilot's hourly pay rate, i.e., a Pilot with a rate of $320.00 under Section 3.CC who works a Trip Pairing worth 5 PCH, will receive a total of $2,080 for that assignment under this provision ($1,600 x 1.30 = $2,080).

c. The Percent and Number of Lineholders that will be eligible to receive Pre-Bid Premium Pay for Trip Pairings on each Day(s) pursuant to this subsection will be indicated as part of the Monthly Bid Packet. Flying added after Bid Period Open shall not be included in the calculation of Pre-Bid Premium Pay under this subsection. Pilots expected to be eligible at the close of the TDY process who become ineligible after the TDY process is complete shall not be removed from the total number of Expected Pilots.

d. For the purpose of this subsection, the Ratio of Trip Pairings to Pilots and the calculation of number of Lineholders eligible to receive Pre-Bid Premium Pay shall be rounded to the nearest whole number, i.e., a Ratio of Trip Pairings to Pilots that equals 48.32% will be rounded to 48%, 56.57% will be rounded to 57%, and 58.50% would round up to 59%.

e. Additional compensation under this provision may not be combined with or added to other additional unstacking payments or any other forms of premium payments (i.e., Holiday Pay, etc.). Where a premium applies to a Trip Pairing, the Pilot will receive the greater of the applicable premium or additional compensation for unstacking.

f. Additional compensation under this provision will not be paid if the Trip Pairing is traded or picked up by another Pilot in Open Time.

g. Additional compensation under this provision will not be paid if a Pilot does not operate the flight due to a Pilot-initiated removal, such as a sick call, non-company induced fatigue as referenced in subsection 14.K no-show, leave of absence, or other approved leave.

h. Examples:

i. Example 1: In a Position and Domicile, there are a total of 38 Expected Pilots (26 expected Lineholders, 10 expected Reserves, and 2 Pilots expected to complete training) at the time the TDY process is completed. At Bid Open, on the 6th day of the Bid Period, there are 18 Trip Pairings. On that day, there would be no Pre-Bid Premium Pay Trip Pairings under this subsection because the Ratio of Trip Pairings to Pilots is less than 50% (18 Trip Pairings / 38 Expected Eligible Pilots = 47% (47.36% rounds to 47%)).

ii. Example 2: In a Position and Domicile, there are a total of 38 Expected Pilots (26 expected Lineholders, 10 expected Reserves, and 2 Pilots expected to complete training) at the time the TDY process is completed. At Bid Open, on the 6th day of the Bid Period, there are 22 Trip Pairings. The 3 most senior Lineholders awarded a Trip Pairing on that Day would be eligible to receive Pre-Bid Premium Pay of one hundred and thirty percent (130%) of the scheduled or actual value (whichever is greater) of the Trip Pairing awarded on that Day because the Ratio of Trip Pairings to Pilots is between 51% and 60%.

(1) 22 Trip Pairings / 38 Expected Pilots = 58% (57.89% rounds to 58%)

(2) 10% of 26 Lineholders = 3 Lineholders (2.6 rounds to 3)

iii. Example 3: In a Position and Domicile, there are a total of 12 Expected Eligible Pilots (7 expected Lineholders, 4 expected Reserves, and 1 Pilot expected to return from FMLA) at the time the TDY process is completed. At Bid Open, on the 6th day of the Bid Period, there are 9 Trip Pairings. The 3 most senior Lineholders awarded a Trip Pairing on that Day would be eligible to receive Pre-Bid Premium Pay of one hundred and thirty percent (130%) of the scheduled or actual value (whichever is greater) of the Trip Pairing awarded on that Day because the Ratio of Trip Pairings to Pilots is greater than or equal to 71%.

(1) 9 Trip Pairings / 12 Expected Eligible Pilots = 75%

(2) 30% of 7 Lineholders = 2 Lineholders (2.1 rounds to 2); however since 3 is greater than 2, 3 Lineholders in that Position and Domicile would be eligible for Premium Pay for awarded Trip Pairings on that day.

iv. Example 4: In a Position and Domicile, there are 21 Lineholders, of which 4 are eligible for Pre-Bid Premium Pay on a particular day because the Ratio of Trip Pairings to Expected Pilots on that Day is between 61% and 70%. On that Day, the 1st, 3rd, 7th, 10th, 11th, 16th through 21st Lineholders, in

v. Seniority order, are awarded Trip Pairings while the 2nd, 4th, 5th, 6th, 8th, 9th, 12th through 15th Lineholders are awarded the Day Off. Under this subsection, the 1st, 3rd, 7th, and 10th Lineholders awarded a Trip Pairing on that Day would be eligible for Pre-Bid Premium Pay, while the 11th and 16th through 21st would not be eligible for Pre-Bid Premium Pay.

Seniority in Position and Domicile	Awarded Trip Pairing on Day	Eligible for Pre-Bid Premium Pay?
1	Yes	Yes, within top 4 Lineholders Awarded Trip Pairing on Day
2	No	No, not awarded Trip Pairing on Day
3	Yes	Yes, within top 4 Lineholders Awarded Trip Pairing on Day
4	No	No, not awarded Trip Pairing on Day
5	No	No, not awarded Trip Pairing on Day
6	No	No, not awarded Trip Pairing on Day
7	Yes	Yes, within top 4 Lineholders Awarded Trip Pairing on Day
8	No	No, not awarded Trip Pairing on Day
9	No	No, not awarded Trip Pairing on Day
10	Yes	Yes, within top 4 Lineholders Awarded Trip Pairing on Day
11	Yes	No, not within top 4 Lineholders Awarded Trip Pairing on Day
12	No	No, not awarded Trip Pairing on Day
13	No	No, not awarded Trip Pairing on Day
14	No	No, not awarded Trip Pairing on Day
15	No	No, not awarded Trip Pairing on Day
16	Yes	No, not within top 4 Lineholders Awarded Trip Pairing on Day
17	Yes	No, not within top 4 Lineholders Awarded Trip Pairing on Day
18	Yes	No, not within top 4 Lineholders Awarded Trip Pairing on Day
19	Yes	No, not within top 4 Lineholders Awarded Trip Pairing on Day
20	Yes	No, not within top 4 Lineholders Awarded Trip Pairing on Day
21	Yes	No, not within top 4 Lineholders Awarded Trip Pairing on Day

L. PBS Mis-Awards

1. Any Pilot who believes he or she may have received a PBS Mis-award shall notify the JPC no later than the close of the Protest Period.

2. A “PBS Mis-award” means any of the following:

    a. System Error, defined as a mis-award resulting from system malfunctions due to a “bug”, “programming error”, or other error on the part of the PBS vendor and not the Company. Examples of System Errors include:

        i. The PBS fails to provide a Pilot who properly submitted a valid bid with any award.

        ii. The PBS produces an award that violates either the Federal Aviation Regulations or this Agreement.

        iii. The PBS generates an award that is inconsistent with the Pilot’s bid and established PBS system settings (e.g., failure to honor seniority and preferences). This type of “bug” or “programming error” must be confirmed with the PBS vendor.

    b. Company Error, defined as a mis-award resulting from an error committed by the Company. Examples of Company Errors include:

        i. The Pilot’s eligible bid status (e.g., Position on the bid list, active or inactive, etc.) and known fixed activities including Known Absences (e.g., vacation, training, or other known leave) were not properly set for the PBS run, and negatively impacted the Pilot’s award.

    c. Any other scenario where a majority of the members of the JPC agree that a Mis-award has occurred and agree on the appropriate resolution.

3. Notwithstanding any other provision of this Agreement, where a PBS Mis-award is identified prior to Final Publish, the Company may, in its discretion, re-solve the Position(s) and Domicile(s) affected by the PBS Mis-award to correct the error.

4. In the event a PBS Mis-award is the result of a Company Error that has been timely raised with the Company by no later than the end of the Protest Period but that is not corrected prior to Final Publish, the following procedures will apply:

    a. If a Pilot was awarded a Reserve Line and would have been awarded a Regular Line absent the Mis-award, the Pilot will be awarded, at his or her option, either:

        i. The awarded Reserve Line as created in the published PBS bid run solution.

ii. A Reserve Line which assumes the seniority of any junior Pilot with an identical number of available Days of Work as the mis-awarded Pilot, such that the number of awarded Days Off are identical to the junior Pilot's Line. The awarded Days of Work of the junior Pilot shall become Reserve Days of Work for the Mis-awarded Pilot and the awarded Days Off of the junior Pilot shall become Days Off for the Mis-awarded Pilot. The Mis-awarded Pilot RAP for the Month will be selected at the Mis-awarded Pilot's discretion.

iii. A Reserve Line constructed, commensurate with the Mis-awarded Pilot's seniority, and agreed to by the Mis-awarded Pilot and the Company.

iv. A Line constructed as set forth in subsection L.4.d., below.

b. For a Pilot who chooses, pursuant to subsection L.4.a.i., above, to retain his awarded Reserve Line, the Company will re-run the PBS award for the Pilot's Position for the sole purpose of determining the correct awarded Pay and Credit for the mis-awarded Pilot. The Pilot shall be paid the greater PCH value of the mis-awarded line, his or her actual awarded line, or what the Pilot actually flies.

i. A Pilot that retains his or her awarded Reserve Line under Section K.4.b., above, that picks up a Premium Open Time Trip shall receive the premium pay for that Trip above the greater of the mis-awarded line, his or her actual awarded line, or what the Pilot actually flies.

c. A Pilot who chooses, pursuant to subsection L.4.a.ii., above, to be awarded a Reserve Line, will receive the applicable monthly guarantee pursuant to the Agreement.

d. A Pilot who chooses, pursuant to subsection L.4.a.iv., above, to have a line constructed will have his line constructed as follows:

i. The Company will re-run the PBS for the Pilot's Position for the sole purpose of determining a "Correct Line" for the Mis-awarded Pilot.

ii. Once his Correct Line is determined, the Pilot will have any Trip(s) that is incorrect removed from his awarded line. The Pilot will not be paid or credited for any such removal.

iii. If a Trip(s) that is on the Pilot's Correct Line but not his awarded line remains in Open Time, the Pilot will be awarded that Trip(s).

iv. If a Trip(s) is on the Pilot's Correct Line, but not his awarded line, and is not in Open Time, the Pilot will receive pay and credit for the Trip(s) and be

v. subject to reassignment in accordance with Section 15.

e. If a Pilot would have been awarded a Reserve Line had the Company Error Mis-award not occurred, a Reserve Line shall be created whereby the Pilot will assume the seniority of any junior Pilot. The minimum days off shall conform to the Agreement, or in the event of Known Absences, the Day Off proration table in Section 14.F. The Days Off shall be identical, or commensurate, to the junior Pilot's line. The Mis-awarded Pilot RAP for the Month will be selected at the Mis-awarded Pilot's discretion.

f. If a Pilot is awarded a Regular Line and would have been awarded a Reserve Line had the Company Error Mis-award not occurred, the Pilot will be awarded, at his or her option, either:

i. The awarded Regular Line as created in the published PBS bid run solution.

ii. A Reserve Line which assumes the seniority of any junior Pilot with an identical number of available Days of Work as the mis-awarded Pilot, such that the number of awarded Days Off are identical to the junior Pilot's Line. The awarded Days of Work of the junior Pilot shall become Reserve Days of Work for the Mis-awarded Pilot and the awarded Days Off of the junior Pilot shall become Days Off for the Mis-awarded Pilot. The Mis-awarded Pilot RAP for the Month will be selected at the Mis-awarded Pilot's discretion.

iii. A Reserve Line constructed, commensurate with the Mis-awarded Pilot's seniority, and agreed to by the Mis-awarded Pilot and the Company.

g. If a Pilot is awarded a Regular Line that is different from the Regular Line he or she should have been awarded had the Company Error Mis-award not occurred, the Pilot will be awarded, at his or her option, either:

i. The awarded Regular Line as created in the published PBS bid run solution.

ii. A Line constructed as set forth in subsection L.4.d., above.

5. In the event of Mis-award(s) resulting from a System Error, the Company will promptly notify the Union members of the JPC of the issue, and the JPC will work with the vendor to identify a solution.

a. If a solution is identified, the Company may re-run the affected bid. The Pilots in the re-run bid will be notified as soon as possible. The revised Final Line Awards will be re-awarded as quickly as possible but shall not be delayed after 1700 on the day the Regular Line Holder Only Open Time Closes or a mutually

b. agreed timeline.

c. If the Company elects not to re-run the affected bid, then the Pilot(s) shall be entitled to choose from the options provided in subsection L.4, above.

6. In the event there is a Mis-award that cannot be resolved prior to the start of the Bid Month, the Parties shall attempt to reach agreement on an acceptable solution.

M. Removed for Initial Operating Experience (ROE) Days

1. The Company may place an ROE Day(s) on a Pilot's schedule to designate an obligation for a Day(s) of Duty when an awarded Trip Pairing in the Monthly Bid Period is subsequently removed for Training purposes. The ROE Day(s) must be placed on the exact Day(s) on a Pilots Bid Line as the removed Trip Pairings. A Pilot who is assigned an ROE Day(s) shall be paid in accordance to Section 3, Compensation.

2. ROE obligations may be satisfied as follows:

   a. If an ROE obligation is placed on a Pilot's Bid Line anytime during the Bid Month, a Pilot may trade an ROE Day for a Trip Pairing or RAP from Open Time. The Trip Pairing(s) or RAP picked-up in Open Time does not have to be on the same Day as the ROE obligation.

   b. In accordance with the limitations in this Section 15, after the SAP Period and throughout the remainder of the Bid Month, the Company may assign a Pilot a Trip Pairing from Open Time with the same Day ROE obligation.

   c. One (1) ROE Day shall be dropped from the Pilot's schedule for every one (1) day of an awarded or assigned Trip Pairing or RAP.

3. A Pilot with an ROE Day who is not assigned a Trip Pairing by 1800 Pacific Time the Day prior to the ROE Day, shall be released from all ROE obligation, converted to a Day Off and paid in accordance with Section 3, Compensation.

4. After released from his ROE obligation, a Pilot may subsequently be awarded Open Time, Junior Assigned, a Voluntary Flying Notification Trip Pairing or a RAP. A Pilot released from an ROE obligation and subsequently awarded or assigned through Junior Assignment, additional Duty on those same Day(s) shall be paid the applicable Pay overrides, as provided for in Section 3, Compensation, in addition to his ROE PCH.

5. Any Trip Pairing assigned to a Pilot with an ROE Day shall be accomplished prior to 1800 Pacific Time the Day prior to the ROE obligation. A Pilot

6. assigned a Trip Pairing shall be responsible to report for Duty at the assigned time.

7. Pilot who is awarded or assigned a Trip Pairing(s) to satisfy an ROE obligation shall be paid in accordance with Section 3, Compensation.

N. Reassignment Rules

1. For purposes of this Agreement, Reassignment means a change in the Pilot's Duty assignment as provided herein on the same Day(s) of work as originally scheduled (e.g., rest requirements that create a conflict with a subsequent Duty, operational needs, etc.).

2. In-Domicile Reassignments

   A Pilot may be Reassigned to alternate flights while he is in Domicile, provided:

   a. The new assignment is for the same Day(s) originally scheduled; and,

   b. He is not required to report more than two (2) hours earlier than the Scheduled Report Time of the original Trip Pairing; and,

   c. He is scheduled to be released from Duty at his Domicile no later than four (4) hours after the scheduled release time of the original Trip Pairing.

   d. For same Day Reassignments, the Pilot shall be Reassigned within two (2) hours of being informed of a change in his original Trip Pairing or he shall be released and paid in accordance with Section 3, Compensation.

3. Out-of-Domicile Reassignments

   A Pilot may be Reassigned to alternate Duty assignments while he is out of his Domicile, provided:

   a. The new Duty Assignment is for the same Day(s) he was originally scheduled; and,

   b. The Pilot is scheduled to return to his Domicile on or before the last Day of the originally scheduled Trip Pairing; except,

   c. When the circumstances are beyond the Company's control and the Company is unable to return a Pilot to his Domicile on his originally scheduled work Day, said Pilot may be assigned to additional Duty on the next Day (i.e., his 1st scheduled Day Off). Such Duty shall only be assigned if it terminates in his Domicile on the same Day

4. A Pilot with a Regular Line may not be involuntarily Reassigned to a RAP.

5. No Pilot may be Reassigned to less than Minimum Days Off per Bid Period. If, however, due to circumstances beyond the Company's control, an Out-of-Domicile Reassignment takes a Pilot below the minimum number of Days Off he shall be restored in accordance with Section 14, Hours of Service.

6. A Pilot who has been Reassigned shall be paid in accordance with Section 3, Compensation.

7. The Company may reassign a Pilot's RAP in accordance with Section 16, Reserve Duty.

O. Extensions

1. The Company may assign additional Flight Segments to extend the Duty Period of a Pilot who is currently on a Trip Pairing provided:

   a. It is legal under the FARs and in compliance with the provisions set forth in Section 14, Hours of Service.

   b. The Extension originates at the Pilot's Domicile at the conclusion of his Trip Pairing; and,

   c. The Pilot's Duty Period is not scheduled to extend beyond four (4) hours from his originally scheduled release time; and,

   d. He is scheduled to return to his Domicile by 0200 the following Day.

2. A Pilot shall be extended in inverse Seniority order from all available Pilots currently on, or scheduled to be on, a Trip Pairing and whose schedule would make them available thirty (30) minutes prior to the scheduled departure of the Flight Segment(s) to be added. A Pilot who is scheduled to be Extended, per this subsection, shall be paid in accordance with Section 3, Compensation.

P. Junior Assignment (JA)

1. A Junior Assignment shall be defined as:

   a. Involuntarily assigned Duty on a Pilot's Day Off.

2. When it becomes necessary to Junior Assign a Pilot, Crew Scheduling shall Junior Assign Pilots in the same Domicile, available and legal, in inverse Seniority order, on a Day Off at the time of the Duty Assignment to Trip Pairings within the Pilot's Position

3. Crew Scheduling shall not Junior Assign any Pilot without first utilizing all Pilots assigned Reserve Duty legal to cover the trip. However, in situations in which Crew Scheduling would have to utilize the last Reserve Pilot to cover a Trip Pairing, Crew Scheduling shall offer the Junior Assigned Pilot the option of being assigned the Trip Pairing or filling the subsequent Reserve Day.

    a. No Pilot may be Junior Assigned to a Trip Pairing earlier than one (1) calendar day prior to the Trip Pairing.

    b. If a Pilot is Junior Assigned to less than the Minimum Days Off provisions, pursuant to Section 14, Hours of Service, replacement Day(s) Off shall be agreed upon by Crew Scheduling and the Pilot.

    c. Pilots on Vacation (and on any portion of a group of Days Off which is either at the beginning and/or end of a block of Vacation) shall be unavailable for a Junior Assignment**.**

    d. Unless otherwise provided in this Agreement, no Pilot may refuse a Junior Assignment.

    e. Prior to Junior Assigning Open Time, the Company shall utilize the Voluntary Flying Notification System.

    f. A Pilot who is Junior Assigned shall be paid in accordance with Section 3, Compensation.

Q. Open Time Award System

1. Except as otherwise provided for in this Agreement, the Open Time Award System shall be utilized through an automated Open Time Awarding Software System, for the purpose to award or assign all unscheduled or unassigned Trip Pairings or RAPs.

2. Open Time Awards shall be made on a first-come, first-served basis in accordance with the provisions of this Section to Pilots who are legal and available for Open Time.

3. Pilots assigned/awarded Open Time in accordance with this Agreement, are subject to the Extension provisions and/or the Reassignment provisions of this Section.

4. The Company may allow RAPs to be available in Open Time, as individual Reserve Availability Days, or combine Reserve Availability Days into a block. In the latter case, a Pilot would have to pick up all of the Reserve Availability Days in a block.

5. Once an assignment in Open Time is awarded and confirmed by a Pilot, it will become part of his schedule.

6. The Company will not provide transportation, per diem or lodging for a Pilot traveling to an assignment out of his domicile (permanent or temporary) that he voluntarily picked up.

R. Restrictions on Open Time and Trip Trades

1. Except as otherwise provided for in this Agreement, the following restrictions apply to all requests for Open Time and/or Trip Trades.

   a. A Pilot is not eligible for a Trip Pairing if such Trip Pairing would project his scheduled block time over sixty (60) Duty hours in a consecutive one hundred sixty-eight (168) hour time period, or one hundred ninety (190) Duty hours in a consecutive six hundred seventy-two (672) hour time period.

   b. A Pilot is not eligible to pick up or trade for a Trip Pairing that causes his schedule to exceed the provisions of the Duty limitations or rest requirements of Section 14, Hours of Service.

2. RAPs shall not be traded for Trips within Open Time.

3. Notwithstanding Training and checking requirements, and subject to future considerations by the Company and Union Safety Committees, Captains will not be permitted to request First Officer Open Time and Captains may not be assigned First Officer Trips.

S. Trip Drops

Except as otherwise provided for in this Agreement, a Pilot may request to drop a Trip Pairing(s) through the approved Company's Bidding and Awarding Software System. The dropped Trip Pairing(s) shall be deducted from the Pilot's Bid Line PCH. Any cumulative Trip Drops shall not reduce a Pilot's Bid Line below forty (40) PCH. Reserve coverage for the day of the Trip dropped must be above the minimum net reserve complement as determined by Crew Scheduling. Minimum net reserves shall be published by Crew Scheduling. If the Trip Drop cannot be approved when submitted, the Pilot may "advertise" the Trip Pairing in Open Time. If the Trip Pairing is not picked up by 1000 Pacific Time on the Day prior to the Trip Pairing's report, the Trip Pairing shall be removed from Open Time and the Pilot requesting the drop shall be responsible for the Trip Pairing.

T. Trip Trades

1. A Pilot may trade a Trip Pairing with another Pilot or with Open Time, utilizing the Automated Scheduling System. Trip Trades shall be processed and approved as follows:

    a. During the Regular Line Open Time Period as defined in this Section 15.

    b. Throughout the Bid Period on a first-come, first-served basis, except the Company may assign an open Trip Pairing to a Pilot with an ROE or COK obligation before awarding the Trip Pairing to another Pilot.

    c. Trip Trades shall be processed and posted utilizing the Company's automated Bidding and Awarding Software System. Manually submitted Trip Trades which are submitted by 0900 shall be processed by 1400 on that Day. Trip Trades submitted after 0900 shall be processed within eight (8) hours of submission.

    d. A Trip Traded with Open Time shall be paid in accordance with Section 3, Compensation (e.g., a Pilot with a seventy (70) PCH Bid Line drops a five (5) PCH Trip and picks-up a Trip with eight (8) PCH, the Pilot would be protected for seventy- three (73) PCH; conversely, if a Pilot with a seventy (70) PCH Bid Line drops an eight (8) PCH Trip and picks-up a Trip with five (5) PCH, the Pilot would be protected for sixty-seven (67) PCH).

2. Restrictions on Trip Trades

    a. Trip Trades shall not be approved unless the transactions comply with the provisions of the Restrictions on Open Time and Trip Trades of this Section 15.

    b. Pilots may trade Trip Pairings beyond the Bid Line construction parameters provided for in this Section 15.

    c. Trip Trades with Open Time may be denied when the number of unassigned Trip Pairings on the same Day(s) of the requested Trip Pairing to be dropped, exceeds the parameters set forth in section 15.

    d. An Open Time pairing that has been awarded may be traded.

    e. Trip Trades between Pilots and trades with Open Time cannot bring a Pilot's line value below forty (40) PCH.

    f. A trade shall be approved if it does not impose any conflicts with Section 14, Hours of Service, or is not denied under the SMS program.

g. Trip Trades involving RAPs:

i. In accordance with the provisions set forth in subsection 15.S., Trip Drops, RAPs on a Reserve Bid Line may be traded for other RAPs.

ii. Awarded multiple day RAPs shall remain intact and may be traded in their entirety with other Pilots.

U. Open Time Assignments

1. Except as otherwise provided for in this Agreement, beginning at 1000 Pacific Time, two (2) Calendar Days prior to an open assignment Crew Scheduling shall utilize the following priority of assignment:

   a. ROE Pilots

   b. Open Time requests from non-line holders (i.e., Management Pilots and Full-Time Check Airmen) in lieu of Junior Assignment.

   c. Pilots with a RAP per Section 16.

      i. Open Time requests from Reserve line holders

   d. Junior Assignment.

2. Open Trip Pairings shall not be assigned outside of the process in U.1.; except,

   a. to Pilots with an ROE obligation; or,

   b. Voluntary Flying Notification in accordance with subsection 15.V.

   c. COK under Section 15.I.3.

3. Duty assigned to Pilots with an ROE obligations may be accomplished as far in advance as possible, but no later than 1800 Pacific Time on the Day prior to such obligation.

V. Voluntary Flying Notification

1. General

   a. A Voluntary Flying Notification ("VFN") shall be an automated system employed by Crew Services to provide a timely notification for covering any

b. type of flying or RAP to Pilots who voluntarily register into the Voluntary Flying Notification System.

c. If there are Trip Pairings or other Duty remaining unassigned in Open Time for up to two (2) Calendar Days prior to the trip or new Trip Pairings or other additional unassigned Duty becomes available, the Company may institute a VFN for the purpose of expediting coverage for such unassigned Duty.

d. The Company shall award VFN assignments to Pilots who respond to a particular VFN event, in Seniority order by Domicile and Position, except where legality or conflicts with this Agreement exist.

e. Trip Pairings and additional Duty requests that are more than two (2) days in advance shall be placed in Open time and Awarded in accordance with the provisions and limitations set forth in this Section 15.

f. A Pilot awarded Duty during a VFN shall be paid in accordance with Section 3, Compensation.

2. VFN Request Periods

a. Requests made up to two (2) Calendar Days prior to the unassigned Duty assignment's scheduled Duty On Time:

i. A Pilot shall have two (2) hours to respond to a VFN event in order to be eligible for the advertised Duty assignment.

ii. After the two (2) hour limit, the Duty assignment shall be immediately awarded according to V.1.d.

iii. The Pilot shall be notified of the award by telephone and the Trip shall be placed on his schedule via the Company's approved automated Open Time Bidding and Awarding Software System.

b. Day of Requests:

i. A pilot shall have thirty (30) minutes to respond to a VFN event in order to be eligible for the advertised assignment.

ii. After the thirty (30) minute limit, the assignment shall be immediately awarded according to V.1.c.

iii. The Pilot shall be notified of the award by telephone and placed on his schedule via the Company's approved automated Open Time Bidding and Awarding Software System.

3. Conflicts

   a. Pilots will be awarded assignments with regard to the most senior and legal pilot in the base, seat and equipment.

   b. However, if no other Pilot is legal, Crew Scheduling may award an assignment to a Pilot that will create a conflict with a subsequent trip or legality issue in seniority order.

W. Reduced and Blank Lines

1. Reduced Credit Lines

   a. The Company may, in its discretion, offer Regular Lines with reduced credit values, i.e., “Reduced Credit Lines” (RCL), which shall be awarded on a voluntary basis in Seniority order.

      i. Pilots who have seven (7) or more days of Known Absences in a Bid Period shall not be eligible to receive a RCL.

      ii. When offered, RCLs will be built to a maximum of fifty (50) PCH over a maximum of ten (10) Days during the Bid Period.

      iii. RCLs will have a minimum monthly guarantee of 50 PCH.

      iv. Pilots awarded a RCL shall have their Trip Pairings assigned by the Company in its discretion, notwithstanding that Pilot’s bid preferences.

      v. Pilots awarded a RCL may participate in Regular Line Only Open Time Period and pick up Open Time.

      vi. The RCL shall contain at least one (1) block of at least five (5) Days Off.

2. Reduced Lower Limit Lines

   a. The Company may, in its discretion, award Reduced Lower Limit (“RLL”) lines. RLL lines will not be awarded below sixty (60:00) hours of Credit Time (including Pay Credit Hours and Virtual Credit). RLL lines shall be awarded to Pilots who voluntarily bid for them and who could not be legally awarded a line within the Normal Credit Window. All RLL lines will have an Adjusted Monthly Minimum Guarantee (AMMG) equal to the actual awarded line credit value (PCH).

3. Blank Lines

    a. The Company may, in its discretion, offer “Blank Lines.” A Blank Line may contain training and pre-planned absences (*e.g.*, vacation), but the Pilot shall not bid in the Monthly Bid Period. Bidding on Blank Lines shall be voluntary. To be eligible to be Awarded a Blank Line, a Pilot must be eligible to bid in the applicable Bid Period and must be projected to have completed COK prior to the start of the Bid Period.

    b. During the Bid Period a Pilot is Awarded a Blank Line, the Pilot will be permitted to pick up Open Time, VFNs, and engage in Trip Trades; accrue sick leave, Seniority, and Longevity; and continue to exercise pass travel privileges.

    c. During a Bid Period in which a Pilot is Awarded a Blank Line and the Pilot accumulates less than thirty-five (35) PCH, the Company shall pay the Company and employee portions of that Pilot’s benefits (*e.g.*, medical, LTD, STD). If the Pilot accumulates thirty-five (35) or more PCH in the Bid Period, the Pilot shall be responsible for reimbursing the Company, through a deduction from the Pilot’s paycheck, for the employee portion of all benefits paid by the Company during the applicable Bid Period. All pay, including pay for vacation, training, and sick leave, shall count toward the Pilot’s accumulation.

    d. Blank Lines shall be awarded prior to the opening of the Monthly Bid process.

X. Miscellaneous

1. Rounding

    a. No rounding will be applied to ALV, bid windows, Open Time and Unstacking. Stack Heights will be measured using standard rounding rules, to the nearest whole number.

    b. Example: 5.5 will be rounded to 6 and 5.4 will be rounded to 5.

2. “Vacation Any” Preference

    a. A Pilot who selects the “Vacation Any” preference may have his or her vacation moved to another time in the Monthly Bid Period, and may have the vacation split.

LETTER OF AGREEMENT

between

ALLEGIANT AIR, LLC

and the

PILOTS

in the service of Allegiant Air, LLC

represented by the

INTERNATIONAL BROTHERHOOD OF TEAMSTERS, AIRLINE DIVISION

Preferential Bidding System ("PBS") Letter of Agreement

This LETTER OF AGREEMENT made and entered into in accordance with the provisions of the Railway Labor Act ("RLA"), 45 U.S.C. § 151 et seq., as amended, is by and between ALLEGIANT AIR, LLC (hereinafter referred to as the "Company") and the Pilots in the service of the Company as represented by the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, AIRLINE DIVISION (hereinafter referred to as the "Union") (collectively with the Company, the "Parties"). The Company and the Union are parties to a collectively bargained labor agreement (hereinafter referred to as the "Agreement").

WHEREAS, as part of collective bargaining negotiations conducted pursuant to Section 6 of the RLA, the Parties wish to enter into an agreement providing for the adoption, implementation, and administration of a commercial Preferential Bidding System ("PBS") provided by NavBlue (a/k/a Skywise); and

WHEREAS, the Parties wish to work collaboratively to implement and administer the PBS to provide the Pilots with increased bidding and scheduling satisfaction and the Company with greater operational predictability and increased productivity.

NOW, THEREFORE, the Company and the Union agree as follows:

A. General

1. The Company and the Union ("Parties") agree to work collaboratively to jointly design, test, train, implement, and administer a Preferential Bidding System

("PBS").

2. "Preferential Bidding System" or "PBS" means the bidding system utilized by the Company that enables a Pilot to bid for and be awarded an initial line, based upon the agreed provisions for Pilot bid preferences, seniority, buffers, Planned Activities and Known Absences, programmed award logic, Federal Aviation Regulations, the Agreement, and this PBS LOA.

3. Bid Lines shall be awarded to current and qualified Pilots in accordance with the CBA and LOA and in order of Seniority.

4. The Parties have established a Joint PBS Committee ("JPC"). The JPC is comprised of three (3) Company members and three (3) Union members. The Company has selected representatives from its employee group at its discretion. The Union has selected three (3) Union members to represent the Union on the JPC.

5. From the beginning of parallel testing until the fourth (4th) Bid Month of PBS production of Final Schedule Awards, the Union members of the JPC shall be placed on a non-bid status and be paid by the Company (with no reimbursement by the Union) eighty (80) PCH per Month or the ALV in the Domicile and Position, whichever is greater. If needed, the Union members of the JPC will receive positive space travel to and from all meetings, Company-paid hotel, and per diem for reasonable and necessary in-person meetings associated with their JPC responsibilities. During that period, the Union members of the JPC shall not count against the number of Pilots that may be out on Non-Bid Status Union Business set forth in Section 24.B.2. Union members of the JPC must remain currently qualified and attend all required training.

6. All known monthly Vacation and Training, including Recurrent Training, that a Pilot bids for and is awarded prior to the opening of PBS monthly bidding, shall be assigned before the start of the monthly bid process.

7. No Pilots will be furloughed as a direct result of any savings or efficiencies generated by the implementation of NavBlue. However, the Company reserves the right to furlough pursuant to the Agreement, if necessary, due to reasons outside of any savings or efficiencies generated by the implementation of PBS.

8. Both while the PBS is being created for implementation and on an ongoing basis after implementation, the Company and/or NavBlue shall make available four (4) access credentials for use by the Union members of the JPC and/or Union Scheduling Committee, for the fully functional, current version of the PBS with sufficient licenses to allow remote access and use of the system, including the ability to engage with a vendor's technical support. Such access shall be at Company expense and include all necessary databases and components to allow comparison runs using actual Pilot data and preferences. The Company

will load all data reasonably required for testing, implementation, and administration of the PBS.

9. The Parties agree that the Company will be responsible for creating a successful monthly bid run solution for each Position and Domicile, within the parameters and requirements as set forth herein. The members of the JPC will, at all times, have credentials and access to NavBlue to view solves and offer alternative solutions on the same basis as the Company.

10. The Parties will determine the necessary training of the pilot group on the use of PBS software. Such training will be executed at no expense to the Union. The Parties will set forth a timeline to ensure all Pilots receive training in the use of PBS software in a timely manner as set forth in this LOA.

11. The Company shall bear all expenses related to the initial software design, testing, training, administration and operation of PBS, as well as the ongoing administration, and operation of PBS and necessary hardware to operate the system. Ongoing testing and/or training of PBS in the event of a significant software modification (e.g., change in award algorithm logic, etc.) will be determined by the Parties.

12. The Union members of the JPC shall be included in written communications or meetings with NavBlue regarding issues concerning system configuration, provided that the Company will not be required to include the Union members of the JPC on communications with NavBlue regarding routine administrative matters.

13. The JPC shall have the same access to the vendor customer, IT, and technical support personnel as the Company. The Union JPC members shall provide notice to Company JPC members before contacting vendor personnel. The Union JPC members shall not have authorization to incur expenses or to ask the vendor make changes to the PBS System without express written agreement of the Company. The Union members of the JPC will include the Company JPC members on all communications and meetings with the vendor.

14. PBS access will be available, at no cost to the Pilot and the Union, via the internet using conventional HTML browsers on personal computers (PC, Mac), as well as on mobile and tablet devices, if available. PBS shall be available to Pilots via an Internet connection worldwide without any requirement for a VPN connection or special access software.

15. The selected PBS vendor is NavBlue (a/k/a Skywise), and this selection shall not be changed except by written mutual agreement of the Parties. Acquisition, merger, or other combination of vendors shall not be deemed a “change” for purposes of this paragraph. Should a new PBS vendor be mutually selected by the Parties, this PBS LOA will be modified by mutual agreement as necessary to incorporate all aspects of the new system.

16. All PBS bidding parameters and Pilot-facing Bid Preferences shall be through mutual agreement. No changes will be made to the programming awarding logic, bidding preferences, system administrator interface settings, installed modules, or any other user defined entries, without the written mutual agreement of the Parties.

    a. However, NavBlue updates and enhancements not initiated by the Parties, which do not affect the PBS bidding parameters and preferences, including programming awarding logic, system administrator interface settings, installed modules, or other user defined entries, will be deployed as they become available. Both Parties will be advised of software updates, and enhancements from NavBlue as they become available.

17. The Parties will have unrestricted access to all reports generated by the PBS.

18. The PBS vendor shall provide the "Reasons Report," which identifies why a particular result occurred within a bid line. The Reasons Report for all Pilots shall be available to the members of the JPC. Individual Pilots shall have access to the Reasons Report for their Bid Line.

19. Except as provided in this LOA or the Agreement, neither party may alter a PBS solution or an individually awarded line. The Company cannot input or modify a Pilot's bid. The Union Scheduling Committee may modify a Pilot's bid with the Pilot's consent, but may not do so after the Monthly Bid Period closes.

20. For purposes of determining unstacking percentages in subsection F, below, the parties agree to use the "Pairing Lines Unstacked" and "% Pairing Lines Unstacked" as set forth in NavBlue's Dynamic Stats Report (or an equivalent successor report). If NavBlue changes the methodology used to calculate the "Pairing Lines Unstacked" and/or "% Pairing Lines Unstacked" metrics, and such changes result in NavBlue providing "Pairing Lines Unstacked" and/or "% Pairing Lines Unstacked" outputs that are different from the negotiated intent of this provision, the parties will mutually develop a new process or reporting tools to calculate the equivalent of "Pairing Lines Unstacked" and/or "% Pairing Lines Unstacked." If the parties are unable to reach agreement on whether there is a difference and/or on a new process and/or reporting tool, either party may submit the issue to the expedited arbitration process set forth in Section N.3.e of this LOA.

B. Union Support of PBS

1. PBS classroom training will be provided by the Union Scheduling Committee to each new hire/recall class during initial training, and will be scheduled on a mutually agreeable day.

2. At least four (4) members of the Union Scheduling Committee at all times shall have completed training on the NavBlue product. Such Union Scheduling Committee members shall be permitted to attend training or user conferences conducted by NavBlue.

    a. Training of new Union Scheduling Committee members will be completed by the JPC.

    b. Should the number of Union Scheduling Committee members who have received training from NavBlue be reduced below three (3), upon request from the Union, the Company shall coordinate with NavBlue and the Union to ensure additional Union Scheduling Committee members receive such training to return the number of NavBlue-trained Union Scheduling Committee members to no less than three (3).

    c. The Union trainers may create training materials and conduct training for the Pilot group on bidding under the PBS, including responding to Pilot inquiries regarding their Bid Line awards, training Pilots regarding best practices for bidding, and developing and distributing informational publications to the Pilots regarding the bidding and award process.

3. No later than the 1st of the month prior to the opening of the Monthly Bid, the Union will provide the Company the names of the JPC and Scheduling Committee representatives, as well as the dates on which the Committee members will be performing such duties. For example: The Union must provide the names of the Scheduling Committee representatives by January 1 for processing of the March Bid Month.

4. Beginning the fifth (5th) month after implementation of NavBlue, upon request of the Union, Union members of the JPC shall be released from conflicting Company duty to perform duties under this LOA in accordance with Section 24 of the Agreement. Unless otherwise agreed by the parties, two (2) members of the USC shall be released from conflicting Company duty to perform PBS new hire/recall class training during initial training. The aforementioned JPC and USC releases shall not count against the numerical limits on releases under Section 24. Upon request, the Union members of the JPC performing duties under this LOA, will receive positive space travel, Company-paid hotel, and per diem when required by the Company to attend in-person meetings and perform in-person duties pursuant to this LOA or when otherwise agreed to by the parties; USC members will receive these same benefits when conducting PBS training during initial training. The Union is not responsible for reimbursement associated with duties performed by Union members of the JPC or USC members when conducting PBS training during initial training pursuant to this LOA. Other releases are subject to Section 24 of the Agreement, including numerical limits and reimbursement requirements.

C. Definitions –

Adjusted Monthly Minimum Guarantee – A pilot's Monthly Minimum Guarantee that is less than 70 PCH for Regular Line holders and 72 PCH for Reserve Line holders. A Pilot may have an Adjusted Monthly Minimum Guarantee as provided for in the Agreement (e.g., Blank Line, RLL Line, Reduced Credit Line, unpaid absences, or any actions by a Pilot after Final Publish that results in a reduction of the Pilot's Monthly Minimum Guarantee, such as Trip Drops that result in the Pilot's Line PCH falling below Monthly Minimum Guarantee).

Agreement – The Collective Bargaining Agreement between Allegiant Air, LLC and the International Brotherhood of Teamsters, Airline Division and its Local 2118.

Average Line Value or **ALV** – The average credit value for Regular Line PBS Awards for a Position and Domicile for a Bid Period. ALV will include all known Credit Time (including both Pay Credit Hours and Virtual Credit). The projected ALV published by the Company when bids open is the "Published ALV," and the ALV of the awarded bid run is the "Awarded ALV."

Awarded ALV – The actual ALV of the schedule awarded at the conclusion of the scheduling process for each Position and Domicile for a Bid Period.

Bid Line shall have the meaning set forth in Section 2 of the Agreement.

Bid Period shall have the meaning set forth in Section 2 of the Agreement.

Bid Preferences – The preferences submitted by a Pilot through the PBS software for use by the system in constructing and awarding that Pilot's Bid Line for a Bid Period.

Calendar Day or **Day** shall have the meaning and shall have the same definition as "Day" in Section 2 of the Agreement.

Company Error – A PBS Mis-award resulting from an error committed by the Company, including a failure to properly set a Pilot's eligible bid status (e.g., Position on the bid list, active or inactive, etc.) and known fixed activities including Known Absences (e.g., vacation, training, or other known leave), for the PBS run, which negatively impacted the Pilot's award.

Control Document – The NavBlue System Control Document jointly created by the Company and the Union specifying the modules, parameters, and specific work rules that the vendor will program into the NavBlue System.

Correct Line - The Bid Line the Pilot should have been awarded had a PBS Mis-award not occurred for purposes of remedying a Mis-award in Section K.4 of this PBS LOA.

Coverage Award – A duty assignment awarded to a Pilot as a way to prevent a Stack that is greater than the Maximum Stack Height and designated as a "Coverage Award" by NavBlue.

Credit Time – All of the time credited to a Pilot for scheduling purposes, including Pay Credit Hours and Virtual Hours.

Credit Window or **Line Credit Window** – The range of line credit values within which a Pilot with a Regular Line may be awarded during the scheduling process as set forth in Section E.2 of this PBS LOA.

Day Off shall have the meaning set forth in Section 2 of the Agreement.

Denial Mode – A process in NavBlue PBS that is performed after PBS is unable to award a Pilot a line consistent with the Pilot's Bid Preferences, seniority, planned work activities, Known Absences, the FARs, and the Agreement, and within his Credit Window and ignores, one at a time, a Pilot's preference(s) to avoid flying a specified Trip or a Trip with specified criteria, or his preference to avoid flying on a specified Day, in an effort to award him a line within his Credit Window.

Domicile shall have the meaning set forth in Section 2 of the Agreement.

Dynamic Stats Report – The standardized report generated by NavBlue PBS that provides statistics regarding completed bid runs for a particular Position and Domicile.

Expected Pilots – All Regular and Reserve Lineholders, plus any Pilots who do not participate in the monthly bid process but who are anticipated to return from leave or complete training during the Bid Period, that the Company anticipates having available to work as determined at the close of the TDY Process for each Position and Domicile for a Bid Period.

Final Publish – The publication of the final Bid awards, including both Regular Lines and Reserve Lines, for each Position and Domicile for a Bid Period.

Joint PBS Committee or **JPC** – The joint committee established by the Parties pursuant to Section A.4 of this PBS LOA, comprised of three (3) Company members and three (3) Union members.

Known Absence – An event or other period(s) of unavailability (e.g., vacation, leaves of absence, training) placed on a Pilot's Line, which may result in a proration of required minimum Days Off pursuant to the Agreement

Lost Bidders – One or more Pilots who were eligible to bid in a Position and Domicile for a Bid Period but who become no longer eligible to bid after the

close of the TDY Process.

Maximum Credit Window – The upper limit of the Credit Window as set forth in Section E.2.d. of this PBS LOA.

Maximum Stack Height – A parameter in PBS that limits a Stack after all Pilots in a Position and Domicile are awarded a line.

Minimum Credit Window – The lower limit of the Credit Window as set forth in Section E.2.c. of this PBS LOA.

Minimum Days Off shall have the meaning set forth in Section 2 and Section 14.F of the Agreement.

Monthly Bid Period shall have the meaning set forth in Section 2 of the Agreement.

NavBlue – The PBS software system provided by NavBlue (a/k/a Skywise) selected by the Parties as the PBS vendor pursuant to Section A.15 of this LOA.

Normal Credit Window – The range of hours within which Bid Lines will be awarded as set forth in Section E.2.a of this PBS LOA.

Open Time shall have the meaning set forth in Section 2 of the Agreement.

Pairing Line shall have the same meaning as “Regular Line.”

Pairing Lines Unstacked – A Pairing Line that has been assigned a Coverage Award during a Bid Period, as reflected in the Dynamic Stats Report.

Pay Credit Hour or **PCH** shall have the meaning set forth in Section 2 of the Agreement.

Position shall have the meaning set forth in Section 2 of the Agreement.

Pre-Bid Premium Pay – Means the additional compensation payable pursuant to Section G of this PBS LOA.

Published ALV – The ALV published by the Company at bids open for each Position and Domicile for a Bid Period.

Priority Stack Date – A designated date that is unstacked before PBS unstacks any other date.

Protest Period shall have the meaning set forth in Section 2 of the Agreement.

Reserve Availability Period or **RAP** shall have the meaning set forth in Section 2 of the Agreement.

Reasons Report – The report generated by the NavBlue PBS that identifies why a particular result occurred within a Bid Line.

Reduced Lower Limit Line or **RLL Line** – A type of Bid Line that may be offered by the Company as set forth in Section H of this PBS LOA.

Regular Line shall have the meaning given to “Regular Bid Line/Regular Lines” in Section 2 of the Agreement.

Reserve Line shall have the meaning given to “Reserve Bid Lines” in Section 2 of the Agreement.

Secondary Line Generation or **SLG** – The PBS process that ignores a Pilot’s Bid Preferences in an attempt to construct a Regular Line for the Pilot.

Seniority shall have the meaning set forth in Section 2 of the Agreement.

Stack– The number of pairings operating on the same Day(s) that remain unassigned at the end of a bid run.

Status shall have the meaning set forth in Section 2 of the Agreement.

Successful Bid Run Solution – A monthly bid run solution for a Position and Domicile that meets the requirements set forth in Section E.3 of this PBS LOA.

System Error – A PBS Mis-award resulting from system malfunctions due to a “bug,” “programming error,” or other error on the part of the PBS vendor and not the Company.

Temporary Duty Assignment (“TDY”) Process – The process for assigning Temporary Duty Assignments as set forth in Section 12 of the Agreement.

Threshold – The target Credit Time for each line in each Position and Domicile in a Bid Period and inputted into the PBS during the solving process.

Trip Pairing shall have the meaning set forth in Section 2 of the Agreement.

User Acceptance Testing or **UAT** – The testing period during which the Company and/or the Union determines whether new rules or logic programmed into the NavBlue System comply with the Control Document, as set forth in Section N.2.d of this PBS LOA.

Union Scheduling Committee or **USC** – The committee designated by the Union responsible for performing duties described in this PBS LOA.

Unstack or **Unstacking** – the process whereby the PBS assigns a Pilot a

duty assignment on a particular day as a way to prevent a Stack that is greater than the Maximum Stack Height, which is designated as a "Coverage Award" by NavBlue.

Virtual Credit – A credit value applied to Pilots on an unpaid Leave of Absence only during schedule construction in PBS. Virtual Credit has no pay value once the schedule is awarded.

D. Bidding and Bidding Timeline

1. All Trip Pairings and Bid Lines shall be constructed in accordance with the provision**s** set forth in Section 14, Hours of Service.

2. Bidding for both Regular Line Pilots and Reserve Line Pilots shall be performed consecutively. The Company will load into the PBS all the information including, but not limited to, eligible bidders by Position, all known Trips and all revenue and non-revenue flying, all pre-assigned Credit, and any Planned Activities and Known Absences, that is necessary to create a line solution. This information must be loaded no later than the opening of the Monthly Bid and must be visible to Pilots when the Monthly Bid opens. Planned Activities and Known Absences will be updated or corrected as necessary up until the close of the Monthly Bid. In addition, at the opening of the Monthly Bid, the "Bidding Information" section of the NavBlue PBS "Info Tab" shall display the following information, at a minimum:

    a. Average Line Value

    b. Minimum, Normal, and Maximum Credit Windows

    c. Number of Anticipated Regular Lines

    d. Number of Anticipated Reserve Lines

    e. Anticipated Reserve Lines awarded per Reserve Time period

    f. Minimum consecutive reserve days on and minimum consecutive days off between blocks of reserve duty periods

    g. Maximum "Followed By" Time

    h. A statement that the RLL Lines may be available but are not guaranteed. Bid Accordingly

3. Trips and/or any additional revenue and non-revenue flying that becomes known after the opening of the Monthly Bid will not be considered during the solving process and will be placed into Open Time after Final Publish.

4. Minimum Days Off

   a. The Minimum Days Off for Regular Line Holders, Reserve Line Holders, and Reserve Lines where a Pilot has pre-planned absences will be in accordance with the terms of the parties' Agreement.

   b. A Pilot on an unpaid Leave of Absence (e.g., Military, Personal, FMLA, etc.) and who is eligible to bid for a partial Month will have a Virtual Credit of three (3) hours applied to each Day of the leave. Virtual Credit has no pay value.

5. The bidding timeline shall be as follows:

   a. The dates for Bid Periods for the following year shall be published in October of the preceding year, adjusted for holidays. The Company shall meet and confer with the Scheduling Committee at least two weeks prior to publishing the schedule.

   b. Protest Period: The Protest Period following the posting of the Bid Line Awards shall be used to identify mis-awards due to Company Error(s) or System Error(s).

c. The bidding timeline shall be as follows:

Time	Event	Sample Dates (March 2026)
By 1st Tuesday, 1700 Pacific	Bids Open	Tuesday, March 3
Following Sunday, 2359 Pacific	Bids Close; Start of Company Regular Line Solving Period	Sunday, March 8
Following Thursday, 1700 Pacific	Close of Company Regular Line Solve Period; Deadline to Provide Initial Solves of Regular Lines Provided to Union; Start of Union Regular Line Validation Period	Thursday, March 12
Following Sunday, 2359 Pacific	Union Regular Line Validation Period Ends; Deadline to Start Company Reserve Line Solving Period	Sunday, March 15
Following Tuesday, 1700 Pacific	Company Reserve Line Solving Period Closes; Initial Bids Posted (Regular and Reserve Lines); Protest Period Opens	Tuesday, March 17
Following Thursday, 1700 Pacific	Protest Period Closes	Thursday, March 19
Following Friday, 1700 Pacific	Final Publish; Regular Line Only Open Time Period Opens	Friday, March 20
Following Sunday, 1700 Pacific	Regular Line Only Open Time Period Closes	Sunday, March 22

6. Following Final Publish, Pilots who have been awarded a Regular Line will be permitted to trade, drop, pick up, and/or swap Trip Pairings during the Regular Line Only Open Time Period. Such transactions shall be subject to the rules and restrictions regarding Open Time in Section 15. During the Regular Line Only Open Time Period, the Open Time system for the succeeding Bid Period shall be closed to all other Pilots that have not been assigned a Regular Line for that upcoming Bid Period.

7. Upon closing of the PBS bids, Pilots shall not engage in Open Time pick-ups and/or drops, swaps, and Trip Trades touching the last seven Days of the

current Bid Month until Final Publish for the upcoming Bid Period.

8. The Open Time for the new Bid Period will become available for all Pilots at the conclusion of the Regular Line Only Open Time Process.

E. Line Construction

1. Average Line Value

   a. The ALV published when bids open ("Published ALV") shall be a maximum of eighty-nine (89:00) hours and must be expressed in hours and minutes. ALV will include all known Credit Time (both Pay Credit Hours and Virtual Credit).

   b. The ALV of the awarded bid ("Awarded ALV") run for each Position and Domicile must not exceed plus or minus six (6) hours of the published ALV for the applicable Position and Domicile.

2. Credit Windows

   a. The "Normal Credit Window" means the range of hours based on Published ALV plus or minus ten (10) hours. The Company shall have discretion to set the upper and lower ranges of the Normal Credit Window, provided that they are within the outer limits established by this paragraph. The Normal Credit Window values will be provided when bids open.

   b. The initial Threshold value of the Normal Credit Window shall be equal to the Published ALV for each Position and can be adjusted, as necessary, within the defined range, while exploring bid run solutions.

   c. The "Minimum Credit Window" means the range of hours based on Published ALV minus twenty (20) hours. The Company shall have discretion to determine whether to award "Minimum Credit Window" lines and if so, how many to award in each Position and Domicile. The Company shall also have discretion to set the lower range of the Minimum Credit Window, provided that they are within the outer limits established by this paragraph. If offered, the Minimum Credit Window values will be provided when bids open. If awarded, "Minimum Credit Window" lines will be awarded in Seniority order in each Position and Domicile.

   d. The "Maximum Credit Window" means the range of hours based on ALV plus fourteen (14) hours. The Company shall have discretion to determine whether to award "Maximum Credit Window" lines and if so, how many to award in each Position and Domicile. The Company shall also have discretion to set the upper range of the Maximum Credit Window, provided that they are within the outer limits established by this

e. paragraph. If offered, the Maximum Credit Window values will be provided when bids open. If awarded, “Maximum Credit Window” lines will be awarded in Seniority order in each Position and Domicile.

3. Successful Bid Run Solution

a. The Company will be responsible for creating a “Successful Bid Run Solution” for each Position and Domicile utilizing the PBS software in accordance with this Section, including, but not limited to: Maximum Iterations, Maximum Reserves, Maximum Swap Depth, and Maximum Passes. The Parties agree that a Successful Bid Run Solution is the goal each Month, and shall be met, unless otherwise agreed to by the Parties. A Successful Bid Run Solution means that all of the following requirements have been met:

i. Open Time on a Bid Period basis for each Position and Domicile is no greater than five percent (5%) of the total PCH available to be bid on, provided that the Company may, in its discretion, accept a solution in which the Open Time exceeds this parameter.

ii. Stack Height Limitations will conform with Section F.1. below unless otherwise agreed to by the Parties;

iii. The solution conforms with Section F.1-2., below, unless otherwise agreed to by the Parties;

iv. RLL lines, if awarded, will conform with Section H., below;

v. Secondary Line Generation (“SLG”) limits will conform with Section F.1.b., below;

vi. The ALV will conform with Section E.1., above;

vii. The Normal Credit Window will conform with E.2.a., above;

viii. The Minimum Credit Window will conform with E.2.c., above;

ix. The Maximum Credit Window will conform with E.2.d., above;

x. Fill to threshold may be used;

xi. The Company shall determine the minimum number of Reserve Lines in each Position and Domicile;

xii. Complies with all other requirements of the Agreement, this LOA, and the FARs;

xiii. If Coverage Awards are needed, the Priority Stack Date function may be used;

xiv. Force Priority Stack Date on SLG will always be used.

xv. Line Credit Reduction will not be used when programming absence codes.

4. The initial Threshold value of the Normal Credit Window shall be equal to the Published ALV for each Position and Domicile and can be adjusted by the Company as necessary while exploring bid run solutions. The Company will determine the Threshold value to be set within the Minimum Credit Window and the Maximum Credit Window.

F. PBS Solution Process

1. On a daily basis, the maximum Stack Height parameter for each Position and Domicile shall be one (1) Trip Pairing or five percent (5%) of the total Trip Pairings for that Day, whichever is greater, provided that the Company may, in its discretion, accept a solution in which the Stack Height exceeds this parameter.

2. The Company may publish a monthly bid run solution that uses the Unstack/Coverage Award tool in PBS, utilizing a maximum Stack Height of no less than five percent (5%) or one (1) Trip Pairing, whichever is greater, of the actual number of Regular Lineholders in each Position and Domicile, provided that:

   a. The monthly bid run solution does not result in more than 50% of Pairing Lines Unstacked on the basis of Seniority by Position and Domicile; and

   b. The most senior ninety percent (90%) of Regular Lineholders in each Position and Domicile are not awarded a line through Secondary Line Generation (SLG).

3. In the event the Company cannot identify a Successful Bid Run Solution with unstacking at or below 50% of pairing lines by Position and Domicile as referenced in subsection F.2.a, above, the Company will do the following in an effort to obtain a Successful Bid Run:

   a. Notify the Union members of the JPC in writing that it could not produce a Successful Bid Run Solution with 50% or less unstacking in a Position and Domicile;

b. Increase the maximum Stack Height limitation, referenced in subsection F.1. above, to up to ten percent (10%) or two (2) Trip Pairings, whichever is greater, on the Day(s) where more than 50% of pairing lines by Position and Domicile are unstacked, provided that the Company may, in its discretion, accept a solution in which the Stack Height exceeds this parameter. If the Company is able to identify a Successful Bid Run Solution with less than 50% pairing lines unstacked using a Stack Height parameter of less than 10% of pairing lines, it may select that solution;

c. Consider a decrease in Reserve Lines for the Position and Domicile in question in an effort to obtain five percent (5%) Open Time or less;

4. If the JPC and/or Union members of the JPC produce a Successful Bid Run Solution after making the adjustments in subsection F.3.b., above, i.e., up to five percent (5%) Open Time, unstacking is 50% or less, and the solution complies with all other contractual and FAR requirements, the Company will accept the Successful Bid Run for the Position and Domicile.

   a. The JPC and/or Union members of the JPC must provide its proposed alternative solution by no later than the end of the Union Regular Line Validation Period.

5. In the event the Company, JPC and the Union members of the JPC cannot identify a Successful Bid Run Solution with 50% or less of Pairing Lines unstacked in a Position and Domicile, as referenced above, the Company may continue to unstack Lineholders beyond the limitations in subsection F.2, 3, and 4 of this LOA.

6. If the Company's chosen solution exceeds 70% of Pairing Lines unstacked in a particular Position and Domicile, it will notify the Union Scheduling Committee of that solution in writing. If the Union provides an alternative solution that satisfies the requirements to be a Successful Bid Run Solution, complies with all other contractual and FAR requirements, and that utilizes 70% or less of pairing lines unstacked, the Company will accept the Union's solution.

   a. The JPC and/or Union members of the JPC must provide its proposed alternative solution by no later than the end of the Union Regular Line Validation Period.

7. If the Company's chosen solution exceeds 70% of Pairing Lines unstacked in a particular Position and Domicile (i.e., more than 70% of Pairing Lines contain a Coverage Award), the Pilot(s) whose Pairing Line caused the solution to exceed 70% of Pairing Lines Unstacked shall have the right to remove the Trip Pairing(s) that are identified as Coverage Awards without pay by notifying the Company no later than the Close of the Protest Period, provided that the Pilot's

election to remove the Trip Pairing(s) will not affect their monthly minimum guarantee pay.

Example 1: If there are 9 pairing lines that receive a coverage award (i.e., 9 pairing lines unstacked) out of 10 total pairing lines in a Position and Domicile, then 2 pairing line(s) caused the % of pairing lines unstacked to exceed 70% of pairing lines unstacked. In this case, the most senior 2 pilots whose lines contain a coverage award(s) will have the right to remove any coverage award(s) without pay.

Example 1A: The most senior of the two pilots in the example above was awarded a line with 84 PCH. There are 2 trips identified as coverage awards where trip 1 has a value of 7.2 PCH and trip 2 has a value of 5 PCH. The pilot may elect to drop both trips resulting in a Line worth 71.8 PCH. Note the pilot may also elect to drop one rather than both trips.

Example 1B: The second most senior of the two pilots in the example above was awarded a line with 76 PCH. There is 1 trip identified as coverage award with a value of 7.8 PCH. The pilot may elect to drop the trip. The result is 68.2 PCH, however, since the Pilot's Monthly Minimum Guarantee (MMG) is 70 PCH for line holders, his MMG is 70 despite the drop.

Example 1C: The second most senior of the two pilots in the example above was awarded a line with 67 PCH. There is 1 trip identified as coverage award with a value of 7.8 PCH. The pilot may elect to drop the trip. The result is 59.2 PCH, however, since the Pilot's Monthly Minimum Guarantee (MMG) is 70 PCH for line holders, his MMG is 70 despite the drop.

Example 1D: The second most senior of the two pilots in the example above was awarded a Reduced Lower Limit Line with 62 PCH and therefore has a reduced Monthly Minimum Guarantee of 62 PCH. There is 1 trip identified as coverage award with a value of 7.8 PCH. The pilot may elect to drop the trip. The result is 59.2 PCH, however, since the reduced Monthly Minimum Guarantee is 62 PCH, his Monthly Minimum Guarantee remains 62 despite the drop. The same process will be applied to Pilots with reduced MMGs due to Reduced Credit Lines or because the Pilot's MMG has been prorated to account for Known Absences.

8. The Parties understand and acknowledge that NavBlue PBS does not currently have the programmatic ability to limit unstacking to a particular percentage. If NavBlue provides for the programmatic ability to limit unstacking to a particular percentage, the Company and Union will meet and confer regarding the potential adoption of that functionality.

9. For the purpose of calculating the percent of pairing lines unstacked as used in this PBS LOA, if one or more Pilots eligible to bid in a Position and Base become no longer eligible to bid after the close of the TDY process ("Lost Bidders"), the Pairing Lines Unstacked output in NavBlue will be adjusted to account for the Lost Bidders by reducing the NavBlue Pairing Lines Unstacked output on a one-for-one basis by the number of Lost Bidders.

G. Pre-Bid Premium Pay

1. The following provisions apply to Pre-Bid Premium Pay:

   a. Pre-Bid Premium Pay under this subsection for each Position and Domicile will be determined on a daily basis based on the total number of Trip Pairings each Day as of Bids Open divided by the total number of Expected Pilots for the Bid Period (i.e., all expected Regular and Reserve Lineholders, plus any Pilots who do not participate in the monthly bid process, but who are expected to return from leave or complete training during the Bid Period) as of the close of the TDY Process. (Trip Pairings / Expected Pilots = Ratio of Trip Pairings to Pilots). Where the Ratio of Trip Pairings to Pilots is:

      i. Less than or equal to 50%: there shall be no Pre-Bid Premium Trip Pairings pursuant to this subsection.

      ii. Between 51% and 60%: the top ten percent (10%) of actual Lineholders or one (1) actual LineHolder in the Position and Domicile (whichever is greater) awarded a Trip Pairing on that Day will be eligible, in Seniority order, to receive Pre-Bid Premium Pay for the Trip Pairing on that Day.

      iii. Between 61% and 70%: the top twenty percent (20%) of actual Lineholders or two (2) actual Lineholders in the Position and Domicile (whichever is greater) awarded a Trip Pairing on that Day will be eligible, in Seniority order, to receive Pre-Bid Premium Pay for the Trip Pairing on that Day.

      iv. Greater than or equal to 71%: the top thirty percent (30%) of actual Lineholders or three (3) actual Lineholders in the Position and Domicile (whichever is greater) awarded a Trip Pairing on that Day will be eligible, in Seniority order, to receive Pre-Bid Premium Pay for the Trip Pairing on that Day.

   b. Pre-Bid Premium Pay awarded pursuant to this subsection shall be paid at one hundred and thirty percent (130%) of the scheduled or actual value of the Trip Pairing, whichever is greater. Where one or more day(s) of a multi-day Trip Pairing has been designated for Pre-Bid

c. Premium Pay, that premium will be applied to all segments of the Trip Pairing.

Example/Administration Discussion: Where a Pilot is awarded a Pre-Bid Premium Pay Trip, the hours associated with that Trip Pairing (actual or scheduled) will be paid at 130% of the Pilot's hourly pay rate, i.e., a Pilot with a rate of $320.00 under Section 3.CC who works a Trip Pairing worth 5 PCH, will receive a total of $2,080 for that assignment under this provision ($1,600 x 1.30 = $2,080).

d. The Percent and Number of Lineholders that will be eligible to receive Pre-Bid Premium Pay for Trip Pairings on each Day(s) pursuant to this subsection will be indicated as part of the Monthly Bid Packet. Flying added after Bid Period Open shall not be included in the calculation of Pre-Bid Premium Pay under this subsection. Pilots expected to be eligible at the close of the TDY process who become ineligible after the TDY process is complete shall not be removed from the total number of Expected Pilots.

e. For the purpose of this subsection, the Ratio of Trip Pairings to Pilots and the calculation of number of Lineholders eligible to receive Pre-Bid Premium Pay shall be rounded to the nearest whole number, i.e., a Ratio of Trip Pairings to Pilots that equals 48.32% will be rounded to 48%, 56.57% will be rounded to 57%, and 58.50% would round up to 59%.

f. Additional compensation under this provision may not be combined with or added to other additional unstacking payments or any other forms of premium payments (i.e., Holiday Pay, etc.). Where a premium applies to a Trip Pairing, the Pilot will receive the greater of the applicable premium or additional compensation for unstacking.

g. Additional compensation under this provision will not be paid if the Trip Pairing is traded or picked up by another Pilot in Open Time.

h. Additional compensation under this provision will not be paid if a Pilot does not operate the flight due to a Pilot-initiated removal, such as a sick call, non-company induced fatigue as referenced in subsection 14.K no-show, leave of absence, or other approved leave.

i. Examples:

i. Example 1: In a Position and Domicile, there are a total of 38 Expected Pilots (26 expected Lineholders, 10 expected Reserves, and 2 Pilots expected to complete training) at the time the TDY process is completed. At Bid Open, on the 6th day of the Bid Period, there are 18 Trip Pairings. On that day, there would be no Pre-Bid Premium Pay Trip Pairings under this subsection because the Ratio of Trip Pairings to Pilots is less than 50% (18 Trip Pairings / 38

ii. Expected Eligible Pilots = 47% (47.36% rounds to 47%).

iii. Example 2: In a Position and Domicile, there are a total of 38 Expected Pilots (26 expected Lineholders, 10 expected Reserves, and 2 Pilots expected to complete training) at the time the TDY process is completed. At Bid Open, on the 6th day of the Bid Period, there are 22 Trip Pairings. The 3 most senior Lineholders awarded a Trip Pairing on that Day would be eligible to receive Pre-Bid Premium Pay of one hundred and thirty percent (130%) of the scheduled or actual value (whichever is greater) of the Trip Pairing awarded on that Day because the Ratio of Trip Pairings to Pilots is between 51% and 60%.

(1) 22 Trip Pairings / 38 Expected Pilots = 58% (57.89% rounds to 58%)

(2) 10% of 26 Lineholders = 3 Lineholders (2.6 rounds to 3)

iv. Example 3: In a Position and Domicile, there are a total of 12 Expected Eligible Pilots (7 expected Lineholders, 4 expected Reserves, and 1 Pilot expected to return from FMLA) at the time the TDY process is completed. At Bid Open, on the 6th day of the Bid Period, there are 9 Trip Pairings. The 3 most senior Lineholders awarded a Trip Pairing on that Day would be eligible to receive Pre-Bid Premium Pay of one hundred and thirty percent (130%) of the scheduled or actual value (whichever is greater) of the Trip Pairing awarded on that Day because the Ratio of Trip Pairings to Pilots is greater than or equal to 71%.

(1) 9 Trip Pairings / 12 Expected Eligible Pilots = 75%

(2) 30% of 7 Lineholders = 2 Lineholders (2.1 rounds to 2); however since 3 is greater than 2, 3 Lineholders in that Position and Domicile would be eligible for Pre-Bid Premium Pay for awarded Trip Pairings on that day.

v. Example 4: In a Position and Domicile, there are 21 Lineholders, of which 4 are eligible for Pre-Bid Premium Pay on a particular day because the Ratio of Trip Pairings to Lineholders on that Day is between 61% and 70%. On that Day, the 1st, 3rd, 7th, 10th, 11th, 16th through 21st Lineholders, in Seniority order, are awarded Trip Pairings while the 2nd, 4th, 5th, 6th, 8th, 9th, 12th through 15th Lineholders are awarded the Day Off. Under this subsection, the 1st, 3rd, 7th, and 10th Lineholders awarded a Trip Pairing on that Day would be eligible for Pre-Bid Premium Pay, while the 11th and 16th through 21st would not be eligible for Pre-Bid Premium Pay.

Seniority in Position and Domicile	Awarded Trip Pairing on Day	Eligible for Pre-Bid Premium Pay?
1	Yes	Yes, within top 4 Lineholders Awarded Trip Pairing on Day
2	No	No, not awarded Trip Pairing on Day
3	Yes	Yes, within top 4 Lineholders Awarded Trip Pairing on Day
4	No	No, not awarded Trip Pairing on Day
5	No	No, not awarded Trip Pairing on Day
6	No	No, not awarded Trip Pairing on Day
7	Yes	Yes, within top 4 Lineholders Awarded Trip Pairing on Day
8	No	No, not awarded Trip Pairing on Day
9	No	No, not awarded Trip Pairing on Day
10	Yes	Yes, within top 4 Lineholders Awarded Trip Pairing on Day
11	Yes	No, not within top 4 Lineholders Awarded Trip Pairing on Day
12	No	No, not awarded Trip Pairing on Day
13	No	No, not awarded Trip Pairing on Day
14	No	No, not awarded Trip Pairing on Day
15	No	No, not awarded Trip Pairing on Day
16	Yes	No, not within top 4 Lineholders Awarded Trip Pairing on Day
17	Yes	No, not within top 4 Lineholders Awarded Trip Pairing on Day
18	Yes	No, not within top 4 Lineholders Awarded Trip Pairing on Day
19	Yes	No, not within top 4 Lineholders Awarded Trip Pairing on Day
20	Yes	No, not within top 4 Lineholders Awarded Trip Pairing on Day
21	Yes	No, not within top 4 Lineholders Awarded Trip Pairing on Day

H. Reduced Lower Limit (RLL) Lines

1. The Company may, in its discretion, award Reduced Lower Limit (“RLL”) lines. RLL lines will not be awarded below sixty (60:00) hours of Credit Time (including Pay Credit Hours and Virtual Credit). RLL lines shall be awarded to Pilots who voluntarily bid for them and who could not be legally awarded a line within the Normal Credit Window. All RLL lines will have a Adjusted Monthly

Minimum Guarantee (AMMG) equal to the actual awarded line credit value (PCH).

I. Reserve Lines

1. [REFER TO SECTION 16]

J. FAR Rest, Block and FDP Buffers

1. FAR rest, block, and FDP buffers shall be in accordance with the Agreement.

K. Mis-Award

1. Any Pilot who believes he or she may have received a PBS Mis-award shall notify the JPC no later than the close of the Protest Period.

2. A “PBS Mis-award” means any of the following:

   a. System Error, defined as a mis-award resulting from system malfunctions due to a “bug”, “programming error”, or other error on the part of the PBS vendor and not the Company. Examples of System Errors include:

      i. The PBS fails to provide a Pilot who properly submitted a valid bid with any award.

      ii. The PBS produces an award that violates either the Federal Aviation Regulations, the Agreement, or this PBS LOA.

      iii. The PBS generates an award that is inconsistent with the Pilot’s bid and established PBS system settings (e.g., failure to honor seniority and preferences). This type of “bug” or “programming error” must be confirmed with the PBS vendor.

   b. Company Error, defined as a mis-award resulting from an error committed by the Company. Examples of Company Errors include:

      i. The Pilot’s eligible bid status (e.g., Position on the bid list, active or inactive, etc.) and known fixed activities including Known Absences (e.g., vacation, training, or other known leave) were not properly set for the PBS run, and negatively impacted the Pilot’s award.

   c. Any other scenario where a majority of the members of the JPC agree that a Mis-award has occurred and agree on the appropriate resolution.

3. Notwithstanding any other provision of this PBS LOA, where a PBS Mis-award is identified prior to Final Publish, the Company may, in its discretion, re-solve the Position(s) and Domicile(s) affected by the PBS Mis-award to correct the

error.

4. In the event a PBS Mis-award is the result of a Company Error that has been timely raised with the Company by no later than the end of the Protest Period but that is not corrected prior to Final Publish, the following procedures will apply:

    a. If a Pilot was awarded a Reserve Line and would have been awarded a Regular Line absent the Mis-award, the Pilot will be awarded, at his or her option, either:

        i. The awarded Reserve Line as created in the published PBS bid run solution.

        ii. A Reserve Line which assumes the seniority of any junior Pilot with an identical number of available Days of Work as the mis-awarded Pilot, such that the number of awarded Days Off are identical to the junior Pilot's Line. The awarded Days of Work of the junior Pilot shall become Reserve Days of Work for the Mis-awarded Pilot and the awarded Days Off of the junior Pilot shall become Days Off for the Mis-awarded Pilot. The Mis-awarded Pilot RAP for the Month will be selected at the Mis-awarded Pilot's discretion.

        iii. A Reserve Line constructed, commensurate with the Mis-awarded Pilot's seniority, and agreed to by the Mis-awarded Pilot and the Company.

        iv. A Line constructed as set forth in subparagraph d., below.

    b. For a Pilot who chooses, pursuant to Paragraph K.4.a.i., above, to retain his awarded Reserve Line, the Company will re-run the PBS award for the Pilot's Position for the sole purpose of determining the correct awarded Pay and Credit for the mis-awarded Pilot. The Pilot shall be paid the greater PCH value of the mis-awarded line, his or her actual awarded line, or what the Pilot actually flies.

        i. A Pilot that retains his or her awarded Reserve Line under Section K.4.b., above, that picks up a Premium Open Time Trip shall receive the premium pay for that Trip above the greater of the mis-awarded line, his or her actual awarded line, or what the Pilot actually flies.

    c. A Pilot who chooses, pursuant to Paragraph K.4.a.ii., above, to be awarded a Reserve Line, will receive the applicable monthly guarantee pursuant to the Agreement.

    d. A Pilot who chooses, pursuant to Paragraph K.4.a.iv., above, to have a line constructed will have his line constructed as follows:

i. The Company will re-run the PBS for the Pilot's Position for the sole purpose of determining a "Correct Line" for the Mis-awarded Pilot.

ii. Once his Correct Line is determined, the Pilot will have any Trip(s) that is incorrect removed from his awarded line. The Pilot will not be paid or credited for any such removal.

iii. If a Trip(s) that is on the Pilot's Correct Line but not his awarded line remains in Open Time, the Pilot will be awarded that Trip(s).

iv. If a Trip(s) is on the Pilot's Correct Line, but not his awarded line, and is not in Open Time, the Pilot will receive pay and credit for the Trip(s) and be subject to reassignment in accordance with Section 15.

e. If a Pilot would have been awarded a Reserve Line had the Company Error Mis-award not occurred, a Reserve Line shall be created whereby the Pilot will assume the seniority of any junior Pilot. The minimum days off shall conform to the Agreement, or in the event of Known Absences, the Day Off proration table in Section 14.F . The Days Off shall be identical, or commensurate, to the junior Pilot's line. The Mis-awarded Pilot RAP for the Month will be selected at the Mis-awarded Pilot's discretion.

f. If a Pilot is awarded a Regular Line and would have been awarded a Reserve Line had the Company Error Mis-award not occurred, the Pilot will be awarded, at his or her option, either:

i. The awarded Regular Line as created in the published PBS bid run solution.

ii. A Reserve Line which assumes the seniority of any junior Pilot with an identical number of available Days of Work as the mis-awarded Pilot, such that the number of awarded Days Off are identical to the junior Pilot's Line. The awarded Days of Work of the junior Pilot shall become Reserve Days of Work for the Mis-awarded Pilot and the awarded Days Off of the junior Pilot shall become Days Off for the Mis-awarded Pilot. The Mis-awarded Pilot RAP for the Month will be selected at the Mis-awarded Pilot's discretion.

iii. A Reserve Line constructed, commensurate with the Mis-awarded Pilot's seniority, and agreed to by the Mis-awarded Pilot and the Company.

g. If a Pilot is awarded a Regular Line that is different from the Regular Line he or she should have been awarded had the Company Error Mis-award

h. not occurred, the Pilot will be awarded, at his or her option, either:

i. The awarded Regular Line as created in the published PBS bid run solution.

ii. A Line constructed as set forth in subsection K.4.d., above.

5. In the event of Mis-award(s) resulting from a System Error, the Company will promptly notify the Union members of the JPC of the issue, and the JPC will work with the vendor to identify a solution.

a. If a solution is identified, the Company may re-run the affected bid. The Pilots in the re-run bid will be notified as soon as possible. The revised Final Line Awards will be re-awarded as quickly as possible but shall not be delayed after 1700 on the day the Regular Line Holder Only Open Time Closes or a mutually agreed timeline.

b. If the Company elects not to re-run the affected bid, then the Pilot(s) shall be entitled to choose from the options provided in subsection K.4, above.

c. In the event there is a Mis-award that cannot be resolved prior to the start of the Bid Month, the Parties shall attempt to reach agreement on an acceptable solution.

L. Rounding

1. No rounding will be applied to ALV, bid windows, Open Time and Unstacking. Stack Heights will be measured using standard rounding rules, to the nearest whole number.

a. Example: 5.5 will be rounded to 6 and 5.4 will be rounded to 5.

M. “Vacation Any” Preference

1. A Pilot who selects the “Vacation Any” preference may have his or her vacation moved to another time in the Monthly Bid Period, and may have the vacation split.

N. PBS Implementation

1. The Company and the Union shall work cooperatively at all stages of PBS implementation.

2. Implementation of the NavBlue System

a. Subject to the Union’s execution of appropriate confidentiality and non-disclosure agreements, the Company shall provide the Union with a copy of all proposed agreements between the Company and the vendor

b. relating to a PBS for the Company's Pilots for review and approval with respect to the provisions of this LOA.

c. The Company and the Union shall jointly create the NavBlue System Control Document ("Control Document") specifying the modules, parameters, and specific work rules that the vendor will program into the NavBlue System. The parties will work to finalize and submit the mutually-agreed Control Document to the vendor within two (2) months of the Tentative Agreement of the parties' Agreement.

d. All rules and logic within the Company's current version of the NavBlue System shall be made available for mock bidding and implementation.

e. For any rules or logic that have not been programmed into NavBlue at the beginning of mock bidding, the vendor shall program the NavBlue System to comply with the Control Document, after which it shall deliver those to the Company for User Acceptance Testing ("UAT"). The vendor shall provide regular updates on progress and timelines for the completion of such programming starting within two (2) months from delivery of the Control Document by the parties to the vendor.

    i. The UAT period is intended to permit the Company to determine whether the new rules or logic complies with the Control Document.

    ii. During UAT, the Company may request that the vendor make appropriate corrections to ensure that the NavBlue System complies with the Control Document.

    iii. The Company shall strive to complete UAT of any new rules or logic as expeditiously as possible.

    iv. Following the Company's completion of UAT for any new rules or logic, the Union JPC members, USC or designees will have a UAT period concerning any new rules or logic. The Union shall strive to complete its UAT period as expeditiously as possible.

    v. If a majority of the JPC does not agree that newly programmed rules or logic produces results that comply with the Control Document, the Company and the Union will work cooperatively together to remedy the deficiencies and identify solutions. As a result of its UAT, the JPC may, through majority agreement of the JPC members, identify additional corrections for the vendor to make to the PBS to comply with the Control Document. If additional programming is required, upon completion of such additional programming, the JPC will retest the NavBlue System to confirm that it produces results that comply with the Control Document. The JPC shall strive to complete its

vi. UAT as expeditiously as possible.

vii. Upon completion of the JPC UAT, and a majority vote of the JPC to implement any newly programmed rules or logic, the Company will implement new rules or logic, effective the next full Bid Period. New rules and logic may be implemented on a rolling basis.

3. Mock Bidding

a. Following ratification of this Agreement, the Company will continue to use the current CBI Solver during mock bidding for the NavBlue System and until the NavBlue system is implemented in accordance with this LOA (e.g., after mock bidding, majority vote of the JPC).

b. Mock bidding of the NavBlue System will begin by no later than the second (2nd) complete Bid Period following ratification of this Agreement using the rules and logic that is programmed in NavBlue at the time.

c. Pilots shall be able to participate in a NavBlue mock bid for a minimum of four (4) mock bids prior to implementation of PBS, which shall occur over two (2) Bid Periods. If the JPC agrees, during mock bidding, that the PBS solver has software and/or compliance issues with the FARs or the Agreement, then the Parties agree to remedy the problems/fix any errors and perform additional mock bids in a timeframe agreed upon by the JPC prior to the implementation of PBS.

d. Following the second (2nd) Bid Period of mock bidding, the current version of the NavBlue System, including any additional rules or logic that have been added in accordance with subsection N.2.c, above, shall be implemented for the subsequent Bid Period if a majority of the JPC votes for implementation.

i. If a majority of the JPC does not vote for implementation, either party may elect to refer the matter to expedited arbitration. The members of the JPC voting against implementation shall, upon casting their vote, state in writing the reason(s) for voting against implementation, which shall constitute the issue(s) that will be presented to the System Board.

ii. The Parties acknowledge and agree that the “sandbox” version of NavBlue that the Parties have used for testing during negotiations of this PBS LOA is a functional PBS system that is sufficient for purposes of conducting mock bidding under this PBS LOA. The parties further agree that absent the identification of issues that are not currently known to the parties related to integration with other necessary systems or that cause the PBS to fail to provide schedules that comply with the 2026 CBA (including this PBS LOA)

or FARs on a systemic level, the “sandbox” version of NavBlue shall be presumptively sufficient to be implemented following the second (2nd) Bid Period of mock bidding.

iii. If either party invokes expedited arbitration under this subsection, implementation shall not occur until the System Board has issued its decision. If the System Board rules that NavBlue may be implemented, NavBlue may be implemented in accordance with the System Board’s ruling notwithstanding any challenge to the System Board’s award and any subsequent appeals.

iv. If the System Board’s order is subsequently vacated by a federal court in a proceeding under Section 3 First (q) of the Railway Labor Act (45 U.S.C. § 153 First (q)), the party that prevailed in vacating the award may elect to submit the matter back to the arbitrator that served as the neutral of the original arbitration under this provision, who shall retain jurisdiction for the limited purpose of determining whether a remedy, if any, is appropriate; provided, however, the parties agree that the neutral/System Board is prohibited from issuing a remedy that imposes any financial liability or obligation on the Union or Pilots. The party seeking such a remedy shall bear the applicable burden of proof.

e. Participation in mock bidding shall be voluntary. A Pilot that participates in one (1) or more mock bids shall be paid a total of one-half (0.50) PCH.

f. The Company will arrange with the PBS vendor for training on Pilot bidding under the NavBlue System.

g. The Union may designate up to twelve (12) Union members to attend this training in Pilot bidding, three (3) of whom shall be Alternate Trainers. The Union’s selection of Trainer and Alternate Trainer Pilots are subject to the needs of service. Those individuals will be treated as if they were on Short Term Union Business pursuant to section 24 on those Days on which they are released to attend the training by the vendor; provided, the Union is not required to reimburse the Company. If the vendor does not offer training virtually, upon request, those Pilots will receive Company-provided positive space travel consistent with Section 25.T.3., as well as Company-paid hotels, necessary to attend in-person bidding training provided by the vendor. If there is capacity for additional members of the Union to attend the bidding training put on by NavBlue, the Union may request to send additional Union members to that training at the Union’s expense. Additional Union members will be released subject to the needs of service.

h. Union members who receive training on Pilot bidding will become trainers for the Pilot group and will assist Pilots during mock bidding for the

i. transition from the CBI Solver to the NavBlue System.

j. The Union trainers may create training materials and conduct training for the Pilot group on bidding under the PBS, including responding to Pilot inquiries regarding their Bid Line awards, training Pilots regarding best practices for bidding, and developing and distributing informational publications to the Pilots regarding the bidding and award process.

k. The Union's training of Pilots on the PBS shall not delay the beginning of mock bidding or the implementation of the NavBlue System provided in Section N.3, above.

l. Nothing in this LOA shall prevent the Company from providing training to the Pilots on the NavBlue system.

4. If any of the mock bidding or implementation timelines set forth above are not satisfied due to circumstances outside of the control of the Company and/or the Union (as may be applicable), the timeline (and all subsequent timelines) will be extended by an amount of time equal to the delay.

a. If the parties disagree about whether there has been a delay outside of the control of the Company and/or the Union (as may be applicable), the issue will be raised with the JPC. If the issue cannot be resolved by majority agreement of the JPC, the matter may be referred by either party to expedited arbitration.

b. If the timeline for one of the implementation steps has expired and the parties disagree about whether the completion criteria for that step has been satisfied, the issue will be raised with the JPC. If the issue cannot be resolved through a majority vote of the JPC, the matter may be referred by either party to expedited arbitration.

c. If, at the conclusion of the JPC UAT period for newly programmed rules or logic, a majority of JPC is not in agreement that the new rule or logic should be implemented, either party may refer the matter to expedited arbitration.

d. If either party invokes expedited arbitration pursuant to this agreement, the arbitrator shall apply a presumption that the NavBlue System or the newly programmed rules or logic should be implemented as quickly as practicable so long as: (1) the PBS produces results that comply with the relevant Control Document and (2) all necessary implementation steps have been completed. The party opposing implementation shall bear the burden of proof.

e. Expedited arbitration pursuant to this provision shall be conducted as follows:

i. The System Board shall be Chaired by Arbitrator Joyce Klein. If Arbitrator Klein is not available, or declines the matter, the parties will promptly meet in an effort to agree on a Neutral. If the parties are not able to reach agreement on a Neutral, they will, within five (5) business days, exchange six (6) names per side to be used for a strike list. If there is one (1) name that matches between the parties' proposed lists, that shall be the Neutral. If there are more than one matches and the parties are not in agreement on which to select, then the parties shall strike alternating names from those matches until there is a single match left, which shall be the Neutral. If there are no matches, within three (3) business days of exchanging proposed names, the parties shall strike alternating names from the combined list until a single name is left, which shall be the Neutral. For purposes of this provision, the party striking first shall be determined by random draw.

ii. Unless the Parties agree or the Neutral of the System Board orders otherwise, the petitioning party shall submit a pre-hearing brief and all evidence in support of its position (including witness affidavits) to the other party and System Board members fourteen (14) days prior to the scheduled hearing.

iii. Unless the Parties agree or the Neutral of the System Board orders otherwise, the responding party shall submit its reply brief and all evidence in support of its position (including witness affidavits) to the other party and System Board members seven (7) days prior to the scheduled hearing**.**

iv. Each party is charged with the duty and responsibility of including in its written submission and supporting exhibits and affidavits all known arguments and evidence upon which it intends to rely. Each party's pre-hearing brief shall be limited to thirty (30) pages double spaced. All proposed exhibits shall be properly identified and authenticated by a witness affidavit. All witnesses for whom an affidavit has been submitted by a party shall appear in person before the System Board on the arbitration hearing date and be subject to cross examination by the opposing party and examination by the members of the System Board.

v. Cross examination by the opposing party and examination by the member of the System Board shall be limited to the topics addressed in that witness's affidavit, unless otherwise permitted in the sole discretion of the System Board.

vi. The party offering the witness shall also have the right to question the witness at the arbitration hearing, which shall be limited to the

vii. topics addressed in the affidavit or in rebuttal to the opposing party's evidence and argument.

viii. If a witness does not appear at the arbitration hearing, the witness's affidavit and accompanying exhibits shall not be admitted in evidence nor considered by the System Board, provided that the System Board may allow any witness to testify at the arbitration hearing by videoconference or other acceptable means. Only individuals that have submitted an affidavit will be permitted to testify at the hearing unless otherwise permitted in the sole discretion of the System Board upon a showing of good cause.

ix. The System Board shall strive to complete the hearing in a single day, and each party shall be permitted three (3) hours to present their case (including opening and closing statements, direct testimony, cross examination, and rebuttal).

x. There shall be no post-hearing briefs unless otherwise permitted in the sole discretion of the System Board.

xi. The System Board shall render a written decision within seventy-two (72) hours of the completion of the hearing, unless the parties mutually agree to a longer period.

xii. Unless expressly agreed by the parties in writing, the System Board shall not have the power to modify the terms of the CBA, this LOA, or Control Document, or to act as an interest arbitrator.

O. NavBlue Evaluation

1. Six (6) Months after PBS implementation, the Union and the Company will meet and confer regarding changes to the Bidding Timeline. The bidding timeline shall not be changed without mutual agreement between the Company and the Union.

2. During the twelve (12) months after NavBlue implementation, the JPC may authorize temporary variances from PBS LOA provisions by mutual agreement. Twelve (12) months after NavBlue has been implemented, the Company and the Union will meet and confer regarding the operation of NavBlue and discuss whether there are mutually beneficial modifications that should be made, provided that neither party will be required to reopen or make changes to the terms of this PBS LOA or the Agreement as part of this process. Nothing in this Section shall prohibit the Parties from meeting and conferring regarding the implementation and operation of NavBlue earlier or at other intervals, or the JPC from evaluating the implementation and operation of NavBlue, and recommending modifications to the Parties.

LETTER OF AGREEMENT

between

ALLEGIANT AIR, LLC

and the

PILOTS

in the service of Allegiant Air, LLC

represented by the

INTERNATIONAL BROTHERHOOD OF TEAMSTERS, AIRLINE DIVISION

Sun Country Airlines Me-Too Letter of Agreement

This LETTER OF AGREEMENT made and entered into in accordance with the provisions of the Railway Labor Act ("RLA"), 45 U.S.C. § 151 et seq., as amended, is by and between ALLEGIANT AIR, LLC (hereinafter referred to as "Allegiant" or the "Company") and the Pilots in the service of the Company as represented by the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, AIRLINE DIVISION (hereinafter referred to as the "Union") (collectively with the Company, the "Parties"). The Company and the Union are parties to a collectively bargained labor agreement (hereinafter referred to as the "Agreement").

WHEREAS, during the pendency of the parties' Section 6 negotiations, Allegiant acquired Sun Country Airlines ("Sun Country");

WHEREAS, the Parties wish to enter into an agreement providing a "me-too" for the Pilots in the service of Allegiant in the event the Company agrees to wage increases (as provided below) or to increase the percent of direct company 401(k) contributions for the pilots in the service of Sun County beyond what is provided in the new Agreement between Allegiant and the Union;

NOW, THEREFORE, the Company and the Union agree as follows:

1. If, prior to the ratification of a joint collective bargaining agreement ("JCBA"), the Pilots in the service of Sun Country Airlines receive an increase in base hourly pay rates at any step that is higher than the corresponding base hourly rates applicable to the Pilots in the service of Allegiant Air for a period of six (6) or more months, then Allegiant shall increase the applicable base hourly pay rates for the Allegiant Pilots so they are equal to those of the Sun Country Pilots

2. If, prior to the ratification of a JCBA, the Pilots in the service of Sun Country Airlines receive an increase to the percent of direct company 401(k) contributions that is higher than thepercent of direct company 401(k) contributions provided to the Allegiant Pilots (i.e., fifteen percent (15%)), then Allegiant shall increase the percent of direct company 401(k) contributions for the Allegiant Pilots so it is equal to those of the Sun Country Pilots.

3. This LOA shall become effective on the date this Letter of Agreement is executed by the Company and the Union and shall remain in effect, unless modified in writing by the Parties, until a JCBA is ratified covering the combined Allegiant / Sun Country pilot groups.

4. The failure to insist upon compliance with any term, covenant or condition contained in this LOA shall not be deemed a waiver of that term, covenant or condition, nor shall any waiver or relinquishment of any right or power contained in this LOA at any one time or more times be deemed a waiver or relinquishment of any right or power at any other time or times.

5. This LOA may be modified only through a written agreement between the Parties.

6. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, all of which together shall constitute one and the same instrument. Photographic and facsimile copies of such signed counterparts will be sufficient to bind the parties to this Agreement and may be used in lieu of the originals for any purpose.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the respective dates set forth below.

Dated this _____ day of _____ 2026	Dated this ____ day of _____ 2026
For the Union: The International Brotherhood of Teamsters, Teamsters Airline Division and its Local 2118	**For the Company:** Allegiant Air
By: _____	By: _____

Ryan Joseph
President
IBT Local 2118
10000 W. Charleston Blvd.
Suite 220
Las Vegas, NV 89135

Re: Retention Bonus MOU – Tentative Agreement

Dear Joseph:

As you know, as part of our negotiations for a new collective bargaining agreement ("CBA") between Allegiant Air, LLC ("Allegiant") and the Pilots in the service of Allegiant represented by the International Brotherhood of Teamsters, Airline Division ("IBT") and its Local 2118 (collectively, the "Union"), we have tentatively agreed to several modifications to the May 1, 2023 Retention Bonus Memorandum of Understanding ("Retention Bonus MOU"). Attached to this letter is a copy of the Retention Bonus MOU that reflects those tentatively agreed-to changes.

This letter confirms our mutual agreement and understanding that those amendments to the Retention Bonus MOU will take effect only if the parties' tentative agreement for a new CBA is ratified by the membership of the IBT Local 2118. If the tentative agreement for a new CBA (inclusive of the changes to the Retention Bonus MOU) is not ratified, the terms of the existing Retention Bonus MOU shall remain in full force and effect, unless otherwise modified in accordance with its terms.

If this reflects our mutual understanding, please sign below.

Sincerely,

Bill Fishburn
Vice President Labor Relations

/s/Ryan Joseph
Ryan Joseph

INTERIM AGREEMENT

between

ALLEGIANT AIR, LLC

and

THE PILOTS

in the service of

ALLEGIANT AIR, LLC

as represented by

THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS,
AIRLINE DIVISION, LOCAL 2118

THIS INTERIM AGREEMENT ("Agreement") is made and entered into by and between ALLEGIANT AIR, LLC ("Company") and the AIRLINE PILOTS in the service of the Company, as represented by THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS, AIRLINE DIVISION ("Union") (collectively, "Parties").

WHEREAS, the Company and the Union are parties to a Collective Bargaining Agreement ("CBA") covering the period of August 1, 2016, through July 29, 2021, pursuant to the Railway Labor Act; and

WHEREAS, the Union and the Company are currently in negotiations with the assistance of the National Mediation Board ("NMB") for a successor CBA; and

WHEREAS, the Union and the Company wish to establish a program for retention bonuses for all current Pilots employed by the Company and any new Pilots hired by the Company on or after May 1, 2023.

NOW THEREFORE, the Union and the Company have agreed to the following terms:

1. Effective May 1, 2023, the Company shall begin accruing for a retention bonus to be paid to all currently employed Pilots, as well as those Pilots hired after the effective date of this Agreement but before the ratification date of the Parties' amended CBA, who:

    a. remain actively employed with the Company through the ratification date of the Parties' amended CBA; or

b. retire from the Company's employ due to reaching the FAA mandatory retirement age prior to the ratification date of the Parties' amended CBA.

c. Pilots who were on, or are currently on, an unpaid leave of absence shall be considered "actively employed" under the terms of the Retention Bonus Interim Agreement for purposes of calculating their retention bonus payout amount and payment of the bonus.

d. If a Pilot's employment with the Company was terminated due to the Pilot's death or mandatory retirement (as provided in subsection b, above) between May 1, 2023 and ratification of the new CBA, the Company shall pay the Pilot's estate or retired pilot, whichever is applicable, their accrued Retention Bonus up to date of death or mandatory retirement, within sixty (60) days of ratification of the new Agreement, subject to the same terms as actively employed Pilots. To facilitate payment to Pilots entitled to receive a retention bonus who separated from the Company due to death or mandatory retirement, those Pilots or their estate will be responsible for providing the Company with necessary documentation (e.g., proof of death, mandatory retirement date, information for transmitting payment, such as address and/or bank account information, and tax withholding information). The Company shall send notice of these requirements to the Pilot's last known address on file with the Company. Failure to provide the information within a timely manner following ratification may result in delayed payment.

2. The retention bonus shall be calculated and accrued as follows:

a. A First Officer in their first year of Longevity shall have a retention bonus rate of 82.1% above their current base hourly rate. (i.e., $57.67 * 82.1% = $105.00 / $105.00 - $57.67 = $47.33 per hour retention bonus rate).

b. All other Pilots shall have a retention bonus rate of 35% above their current base hourly rate as provided in Section 3.CC. of the CBA.

Example:

- In the month of July, a Pilot who has a then current base hourly rate of $232.00 would have a calculated per hour retention bonus rate of $81.20 (i.e., $232.00 * 35% = $313.20 / $313.20 - $232.00 = $81.20 per hour retention bonus rate).

c. For the purposes of payout, the retention bonus shall be calculated by multiplying the greater of a Pilot's actual monthly earned Pay Credit Hours ("PCH"), or eighty-five (85) PCH, through the date of actual ratification.

Example A:

- A Pilot with an $81.20 per hour retention bonus rate ended the month of July with 95 PCH. This Pilot would receive a calculated retention bonus of $7,714.00 for the month of July (i.e., $81.20 * 95 = $7,714).

Example B:

- A Pilot with an $81.20 per hour retention bonus rate ended the month of July with 72 PCH. This Pilot would receive a calculated retention bonus of $6,902.00 for the month of July (i.e., $81.20 * 85 = $6,902.00).

d. The retention bonus rate shall be calculated on a Pilot's base hourly rate as provided in Section 3.CC. (i.e., to capture any received Longevity increases, and will not be eligible to include Premium Pay, VFN, JA, etc.). The parties agree that under paragraph 2.d of the Retention Bonus Interim Agreement, no overrides or premiums shall be applied to a Pilot's base hourly rate for purposes of calculating the Retention Bonus payments.

e. The Retention Bonus payments are subject to 22% tax withholdings. Pilots shall be solely responsible for any additional taxes they may personally owe.

3. The Company shall provide each Pilot a monthly statement of his/her potential accrued retention bonus utilizing eighty-five (85) PCH as the multiplier, with a copy to the Union. The actual calculated retention bonus amount to be paid to a Pilot will be determined following the ratification of the Parties' amended CBA by utilizing the greater of that Pilot's actual monthly earned Pay Credit Hours ("PCH"), or eighty-five (85) PCH, through the date of actual ratification.

4. The actual calculated retention bonus amount to be paid to a Pilot will be determined following the ratification the Parties' amended CBA by utilizing the greater of that Pilot's actual monthly earned Pay Credit Hours ("PCH"), or eighty-five (85) PCH, from May 1, 2023, through the date of actual ratification, prorated accordingly for a partial month depending upon the date of actual ratification, except as provided in Paragraph 5.b, below.

5. Prior to actual disbursement, the Company shall send notice to each Pilot of the actual calculated retention bonus amount to be paid, with a copy to the Union. The following terms shall govern the process for paying the retention bonuses following ratification of the new CBA:

a. As soon as practicable following a Tentative Agreement on an amended CBA, the Company will inform each Pilot of their retention bonus payment amount for the period of May 1, 2023 through March 31, 2026. This notification will include an explanation of how the Pilot's retention bonus was calculated, to include access to the records and information relied upon by the Company to calculate the Pilot's bonus amount.

b. If the new Agreement is ratified on or before August 31, 2026, the following shall apply:

    i. The new "DOS" rates set forth in the Bridge Agreement will be applied retroactively to July 1, 2026.

    ii. The Retention Bonus accruals shall be terminated effective June 30, 2026.

    iii. Within 30 days from when the Union provides notice to the Company that the parties' Tentative Agreement has been ratified, the Company will provide each Pilot with his or her full Retention Bonus payment amount for the period of May 1, 2023 through June 30, 2026. This notification will include an explanation of how the Pilot's retention bonus was calculated, to include access to the records and information relied upon by the Company to calculate the Pilot's bonus amount.

    iv. The retention bonus will be paid to each eligible Pilot within sixty (60) days of ratification of the new Agreement.

c. If the new Agreement is not ratified on or before August 31, 2026, the parties will adjust the dates set forth above, as necessary, to effectuate their mutual intent to pay retention bonuses to pilots expeditiously and without unnecessary delay.

6. No Union dues will be deducted from retention bonus payments.

7. The following procedures will be utilized to resolve any disputes over the amounts of retention bonus payments:

    a. A Pilot will have 30 days from when they receive notice of their full retention bonus payment amount for the period of May 1, 2023 through June 30, 2026 from the Company to file a protest with the Company if they believe the number provided by the Company is inaccurate. Any such protest must include sufficient detail to allow the Company to fully investigate the claim.

b. A Pilot that files a protest shall be paid the retention bonus payment amount calculated by the Company within sixty (60) days of ratification of the new Agreement.

c. At the conclusion of the period to file protests, the Parties shall promptly meet and confer in an attempt to resolve all protests through mutual agreement. The meet and confer period shall last no longer than thirty (30) days unless the parties mutually agree in writing to extend the meet and confer process.

d. If the Parties are unable to resolve any protests, all such unresolved protests will be submitted to a single consolidated arbitration with Ira Jaffe serving as the Neutral of the System Board. Before any protest may be submitted to arbitration, the Union must confirm that it has reviewed and investigated the protest, and that it has a good faith basis for submitting the protest to the System Board. The question presented to the System Board for each protest shall be as follows: 1) Did the Company correctly calculate [insert Pilot name] retention bonus? 2) If not, what is the correct amount of the [insert Pilot name] retention bonus? The Company shall pay any additional amount owed to the pilot within thirty (30) days of the decision.

8. This Agreement shall remain in full force and effect from the date of execution by both the Company and Union, until the date the calculated retention bonuses are paid to Pilots. The terms and provisions of this Agreement shall not constitute the status quo in any future negotiations, mediations, or arbitrations between the parties.

9. This Agreement is based on the facts unique to this negotiation cycle and is offered on a non-precedential basis with respect to other instances involving contractual matters for bargaining unit employees covered under the CBA. It shall not be cited, offered or relied upon in any manner whatsoever, now or in the future, in connection with any matter involving any other bargaining unit employees or the Union, excluding only a proceeding to enforce the express terms of this specific Agreement.

10. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, all of which together shall constitute one and the same instrument. Photographic and facsimile copies of such signed counterparts will be sufficient to bind the Parties to this Agreement and may be used in lieu of the originals for any purpose.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the representative dates set forth below.

Date: _____

For the Union:

The International Brotherhood of Teamsters, Teamsters Airline Division and Allegiant Air Pilots' Teamsters Local Union 2118

By: _____

Date: _____

For the Company:

Allegiant Air, LLC

By: _____
Greg Anderson, President

LETTER OF AGREEMENT

between

ALLEGIANT AIR, LLC

and

THE PILOTS

in the service of

ALLEGIANT AIR, LLC

as represented by

THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS,
AIRLINE DIVISION

Regarding:

CONTRACT IMPLEMENTATION

This LETTER OF AGREEMENT ("LOA") is made and entered into in accordance with the provisions of the Railway Labor Act, as amended ("RLA"), by and between ALLEGIANT AIR, LLC ("the Company"), its successors and assigns, and the PILOTS in the service of ALLEGIANT AIR, LLC, as represented by the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, AIRLINE DIVISION ("the Union").

WHEREAS, the parties have reached an agreement on implementation of the terms and procedures of their successor Agreement.

THEREFORE, THE PARTIES HAVE AGREED AS FOLLOWS:

A. Premium Pay

Elimination of current Premium Pay provisions shall take effect on the date the new rates take effect under Section 3.CC. In the event the new rates are retroactive to July 1, 2026, any Pilot that flew a trip eligible for Premium Pay between July 1, 2026 and the date of ratification will be paid the greater of the value of the trip with the new rates or the value of the trip with the old rates with Premium Pay.

B. Flight Duty Period Minimum

The 5 PCH Pay Credit applies to any FDP on or after the date of ratification of the parties' new Agreement.

C. Long-Term Disability Plan

1. Absent circumstances outside of the Company's control, the Company will implement the new LTD Plan by no later than January 1, 2027. The current LTD plan shall remain in effect until a new LTD Plan is implemented. The Company will provide the Union with a copy of the proposal that will be implemented. "Circumstances outside the Company's control" shall mean: the Company does not receive any proposals that comply with the requirements of the parties' Agreement. In such circumstances, the Company shall promptly share the results of the RFP process that it received from Mercer with the Union. If the Company does not receive any such proposals, it shall immediately meet and confer regarding a revised RFP process and implementation schedule. If the Company does not receive any proposals as described above, by January 1, 2027, the Union may submit the matter to interest arbitration, provided that the Arbitrator shall have no jurisdiction to require the Company to adopt or implement a self-funded LTD plan or to modify any provisions of the Agreement other than those contained in Section 5.D. Unless interest arbitration is invoked, the parties shall continue the revised RFP process until a new Plan is implemented.

    a. The Company will not agree to a proposal that includes a requirement for a Pilot that has lost his or her First Class Medical to work outside of their own occupation (absent the Union's express written agreement).

    b. The Company will not agree to a proposal that includes demonstration of insurability or medical examination requirements (absent the Union's express written agreement). This applies only to the basic LTD benefit, not any supplemental or buy-up option.

[This deletion becomes effective if and when Pilots are no longer receiving benefits under this provision.]

IN WITNESS WHEREOF, the parties have signed this Letter of Agreement this____day of_____, 2026.

For the Company:

_____
Bill Fishburn
V.P., Labor Relations

For the Union:

_____
Ryan Joseph
President, Teamsters Local 2118

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July 28, 2016

International Brotherhood of Teamsters
25 Louisiana Avenue, N.W.
Washington, D.C. 20001

Re: Application of Section 1.D.3 to Allegiant Travel Company

Dear David Bourne, Daniel Wells:

We write to confirm the following agreement made between the International Brotherhood of Teamsters, Airline Division ("the Union"), Allegiant Travel Company ("Allegiant Travel"), and Allegiant Air, LLC.

Allegiant Travel agrees that it is the Parent Company of Allegiant Air LLC ("Company"), and that it is bound by Section 1.D.3 of the Agreement in the same manner as the Company. Accordingly, the Allegiant Travel and the Company agree that they will not maintain a New York Air, double breasting type operation. Any dispute between the Union, the Company and/or Allegiant Travel arising out the interpretation or application of this letter or Section 1.D.3 of the Agreement be determined through final and binding arbitration pursuant to the procedures contained in Section 1.I. of the Agreement.

Sincerely,

Jude Bricker

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IBT CONTRACT
TA FAQS

Long Term Disability 5.B.

Q: Most of the information I was told about LTD at the roadshows is not in the contract. Can the company change the terms of the coverage if it is not listed in the contract?

A: No. Just like with the health insurance program that is offered, this is not a self-insured plan. It is a plan that is purchased from a third party vendor. The vendor has determined and written what is included in the plan. The terms of the plan from the vendor can be found on the company website.

Transportation 6.A.3.

Q: In a Domicile with more than one airport; if I depart from SFB and end my duty in MCO, would the Company deadhead me back to SFB?

A: Yes.

Vacation 9.A.2.

Q: May the Company cancel vacations?

A: Yes; however, this is to be used rarely as it has been in the past.

Notifications Regarding Assignments (Positive Contact) 14.G, G.1.a.

Q: Can the company leave a voicemail for an initial assignment or reassignment and consider that positive contact?

A: No. The positive contact language that includes leaving a voicemail is for the delayed show time section of the contract only. Every other instance of contact requires person to person voice communication.

PBS Initial Awards 15.I.

Q: If I have vacation during the month, will I be awarded a composite line?

A: During the bidding process a pilot will bid what his or her seniority can hold.

ADD/ROE 15.L. & M.

Q: The contract says that the company can assign trips for an ADD/ROE day up until 1800 pacific time the night before. Am I required to answer the phone or check the company website when I am on required rest?

A: No. Per the FAR's the company cannot require a pilot to be contactable during required rest.

Reassignment Rules 15.N.

Q: May I be reassigned or extended after blocking in from my last flight?

A: Yes, up to 4 hours. See the letter of interpretation from the FAA (Tutt 2014).

Q: Do the Reassignment Rules in 15.N. apply to ROE?

A: Yes.

Out-of-Domicile Reassignments 15.N.3.c.

Q: If I end up on an unscheduled overnight due to aircraft maintenance, would I be required to stay with the aircraft until it was repaired, even if it went into my days off?

A: No, it is required to be returned to Domicile on the last day of your trip pairing where possible; however, if a situation arose, where you have been stuck late at night away from domicile before a day off, you may remain until your day off, but must be home on that first day off where possible.

To: Ryan Joseph

From: Bill Fishburn

Re: 7.11.26 Tentative Agreement subsections 14.C.1 and 14.C.2

Date: July 11, 2026

The parties agree that subsection 14.C.1 and subsection 14.C.2 of the 7.11.26 Tentative Agreement remain in effect until NavBlue PBS is implemented. After NavBlue PBS is implemented, those provisions have no further effect and Minimum Days Off will be in accordance with the table in subsection 14.F.2.

/s/ Bill Fishburn	/s/ Ryan Joseph
Allegiant Air	Teamsters Local 2118