

COLLECTIVE BARGAINING AGREEMENT

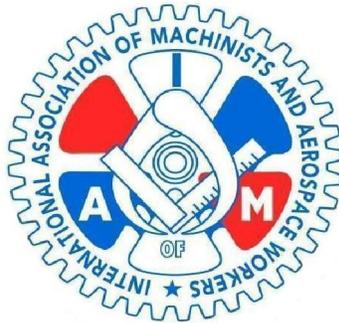
BETWEEN

AIR WISCONSIN AIRLINES CORPORATION

Air Wisconsin
AIRLINES CORPORATION

AND

INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS, AFL-CIO
DISTRICT LODGE 142 – LOCAL LODGE 2575



Maintenance and Related Personnel

Effective October 7, 2011 through October 6, 2015

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TABLE OF CONTENTS

Article 1	Recognition.....	4
Article 2	Status of Agreement.....	6
Article 3	Conduct of Union Business.....	8
Article 4	Union Shop and Voluntary Check-Off.....	10
Article 5	Classification of Work.....	12
Article 6	Hours of Service.....	15
Article 7	Overtime and Holidays.....	18
Article 8	Field Service and Training.....	23
Article 9	Vacations.....	31
Article 10	Leave of Absence.....	35
Article 11	Vacancies and Posted Jobs.....	38
Article 12	Seniority.....	47
Article 13	Probationary Period.....	49
Article 14	Furlough/ Layoff	50
Article 15	Sick Leave.....	56
Article 16	Transportation	58
Article 17	Transfer Out of Bargaining Unit.....	59
Article 18	Grievance Procedure.....	60
Article 19	System Board of Adjustment.....	64
Article 20	Safety & Health.....	66
Article 21	Liability for Damage to Equipment.....	67
Article 22	Savings Clause.....	68
Article 23	No Other Agreement.....	69
Article 24	Wage Rules.....	70
Article 25	Premiums.....	71
Article 26	Longevity.....	73
Article 27	Tool Allowance.....	74
Article 28	Rates of Pay.....	75
Article 29	Insurance.....	76
Article 30	Test Flights.....	81
Article 31	Company Meetings.....	82
Article 32	Household Moving Allowance.....	83
Article 33	Retirement Fund	86
Article 34	General and Miscellaneous.....	87
Article 35	Retirement.....	89
Article 36	Effective Date and Duration.....	90
LOA	Growth Letter of Agreement	91
LOA	Ref. Language/Implementation Letter of Agreement	95

ARTICLE 1

RECOGNITION

- A. In accordance with the certification made by the National Mediation Board on January 26, 1970 in Case No. R-4115, the Company hereby recognizes the Union as the sole and exclusive bargaining agent of its Mechanics and Related Employees as defined in Article 5. The Company further recognizes the Union as the agent of these employees to represent them and, in their behalf, to negotiate and conclude Agreements with the Company as to hours of work, wages, and other conditions of employment in accordance with the provisions of the Railway Labor Act, as amended.
- B. The Union agrees that all employees covered by this Agreement shall be governed by published Company rules, regulations and orders as shall be issued from time to time by properly designated authorities of the Company which are not in conflict with the provisions of this Agreement. Such rules, regulations and orders shall be made available electronically **for each employee to access at each location. Employees will be notified that a change has been made.** No employee shall be disciplined for violating a new rule if the above procedures have not been followed.
- C. The Company agrees that all mechanic's work now and heretofore done by its own employees wherever performed involving the maintenance, inspection, repair, modification and servicing of aircraft including but not limited to mechanical work involved in dismantling, overhauling, repairing, fabricating, assembling, welding and erecting all parts of airplanes, airplane engines, electrical systems, heating systems, hydraulic systems and machine tool work in connection therewith, and including the dismantling, repairing, assembling and erecting of all equipment and building maintenance and repair work, is recognized as coming within the jurisdiction of the Union and is covered by this Agreement.

Mechanics work within the jurisdiction of this Agreement may not be subcontracted so as to cause employees to be laid off unless the Company and the Union mutually agree to the subcontracting of such work.

- D. The Company has and retains the sole right and function to manage its business, the right to decide and regulate the size of the work force, the number and locations of facilities, the machine, tool and office equipment; to maintain order and efficiency in its facilities, employees and operations; to hire, discipline, discharge, retire, layoff, recall, to make job and work assignments, transfers, promotions and demotions; to close down its operations or any department or part thereof; to expand, reduce, alter, combine, transfer, assign or cease any job, route, department, operation or service, and to otherwise generally manage the Company and establish terms and conditions of employment, including all other rights and prerogatives, subject only to such regulations and restrictions governing the exercise of these rights as are expressly provided by law or in this Agreement. Matters not provided for in this Agreement or by law are retained as rights of Management.
- E. A Committee will be formed to review work being considered for subcontracting and to consider whether the work can be performed more efficiently or economically by the Company. The Committee shall consist of two employees designated by the Company and two employees designated by the Union. **Additional persons may be utilized by the Committee**

for the purpose of providing additional resources but do not have any decision making authority. The Committee shall meet when subcontracting of work is to be done or as agreed to by the Committee. The Committee will be able to make their recommendations to the Vice President of **Maintenance** or **his** designee, and a copy of the recommendation will be given to District **Lodge** 142. The establishment of this Committee will not serve to circumvent the contract rights of the parties under the terms of this Agreement.

- F.** The Company is an equal opportunity employer. The Company and the Union agree to make it a matter of record in this Agreement that in accordance with the established policy of the Company and the Union, the provisions of this Agreement will apply equally to all employees hereunder regardless of sex, race, religion, disability, marital status, age and national origin. It is understood that wherever in the Agreement employees are referred to in the male gender, it is recognized as referring to both male and female employees, unless the meaning is obviously to the contrary.

ARTICLE 2

STATUS OF AGREEMENT

- A. It is expressly understood and agreed that this Agreement supersedes any and all Agreements now existing or previously executed between the Company and any Union or individual affecting the craft or class of employees covered by this Agreement.
- B. It is further understood and agreed that all provisions of this Agreement shall be binding upon the successors or assigns of the Company and the Union. Upon the announcement of the sale of substantially all of the stock or assets of the Company that is intended to result in the consolidation of the Company with another carrier that affects the seniority rights of the employees on the Seniority List, the parties will meet promptly to discuss the integration of the Seniority List in a fair and equitable manner. In the event of failure to agree, the dispute may be resolved in accordance with Section 3 and 13 of the Allegheny-Mohawk provisions.
- C. Merger Protections in the Event the Company Acquires another Carrier
 - 1. In the event the Company acquires a carrier whose employees are represented by the IAMAW, the employees of the Company and the employees of the acquired carrier will operate pursuant to their respective collective bargaining agreements (or terms and conditions of employment if they do not have a collective bargaining agreement in effect) with their respective seniority lists until the first day of the first month following both:
 - a. The conclusion of negotiations of such provisions necessary to transition the acquired carrier's employees to this Agreement, and
 - b. The date that the integrated seniority list is presented to the Company. Such integration shall be governed by the IAMAW Merger Policy. The Company shall accept the merged seniority list.
 - 2. In the event the Company acquires a carrier whose employees are not represented by the IAMAW, the employees of the Company and the employees of the acquired carrier will operate pursuant to their collective bargaining agreement (or terms and conditions of employment if they do not have a collective bargaining agreement or are unrepresented) with their respective seniority lists until the first day of the month following:
 - a. The conclusion of negotiations of such provisions necessary to transition the acquired carrier's employees to this Agreement, and
 - b. The integration of seniority lists will be accomplished in a fair and equitable manner in accordance with Sections 3 and 13 of the Allegheny-Mohawk Labor Protective Provisions in the event the parties fail to agree to a negotiated resolution. The Company shall accept the merged seniority list.
- D. The Company shall not create an "alter ego" (such as NY Air) to avoid the terms and conditions of the Agreement.

It is understood and agreed that the Company will not lock out any employee covered hereby, and the Union will not authorize or take part in any slowdown, sit down, work stoppage, strike or picketing of Company premises during the life of this Agreement, and/or until the procedures of the Railway Labor Act for settling disputes between the parties have been exhausted.

ARTICLE 3

CONDUCT OF UNION BUSINESS

- A. The Union agrees that Union business will, insofar as possible, be conducted during non-working hours. This shall not prevent an employee with a proper grievance from proceeding with such grievance in accordance with the terms of this Agreement during working hours.
- B. The total number of the Union's negotiating committee members shall be determined by the number of locations where mechanics are employed. The Union shall determine from where these members are selected.

After proper notification and coordination with the designated Company official, members of the committee shall be permitted to attend all negotiation sessions. **The Company will pay the committee members while on approved Union Leave. Reference Paragraph G of this Article.**

- C. The Company agrees to a Union leave of absence, with proper notification, for one properly elected employee from each location to attend the Annual District 142 Convention and the Grand Lodge Convention currently held every fourth year. If more than one employee is elected from one station the company will allow a minimum of two (2) a Union Leave of absence. In addition, if operational needs permit, additional employees may be approved by the Director of Maintenance. **The Company will pay the employee attending the Convention while on approved Union Leave. Reference Paragraph G of this Article. The employee shall receive "on-line" positive space passes to the extent allowed by the IRS for such travel.**
- D. The Company will provide on-line positive space passes in accordance with IRS regulations, and Union leave of absence for District Representatives, Local Lodge Executive Board members, **Committee Members, (i.e., Pension, etc.)** and Stewards during their terms of office for use in connection with their work in administering **all Air Wisconsin Airlines Corporation IAMAW contracts with a total of no more than seven (7) union representatives (with no more than five (5) from any one base on any given day).** **Request for additional member attendance will not be unreasonably withheld and will be at the discretion of the Director of Maintenance or his designee.**

During the period of preparation for Section 6 openers for the next contract negotiations, and upon appropriate notification and consultation with the Company, proposal conference members and negotiators will also be afforded **the above** paragraph's provisions. At the discretion of the Chief Negotiator the company will adjust the regular days off of the negotiating committee members to allow for weekends off.

- E. The Company agrees that no employees covered by this Agreement will be interfered with, restrained, coerced or discriminated against by the Company, its officers or agents because of membership in or lawful activity on behalf of the Union. The Union agrees that neither the Union nor its members will solicit membership or conduct during working hours on Company premises activities other than those of collective bargaining and the handling of grievances in the manner and to the extent hereinafter provided, except that this clause shall not be construed as restricting any of the rights granted to the Union and its members under any valid law.

- F. Local Lodge Executive Board members shall be permitted to access any maintenance **or COPFS** location for the purpose of administering Local Lodge business. Such person or persons shall provide at least twenty four (24) hours notice to the station management. All persons shall comply with any and all requirements and regulations at the station that they are visiting.
- G. The Company will pay the Employee while on approved Union Leave. Company will invoice the Union for the Employees wage related expenses including an administrative services fee of 2% of the total amount of the reimbursement. The reimbursements will be administered according to Company processes and the Union will pay invoices in a timely manner.**

ARTICLE 4

UNION SHOP AND VOLUNTARY CHECK-OFF

- A. Each employee, now or hereafter employed in any work covered by the Labor Agreement between the parties and as it may have been supplemented or amended subsequent thereto, shall, as a condition of continued employment in such work, within sixty (60) work days following the beginning of such employment or the effective date of this Agreement, whichever is later, become a member of and thereafter maintain membership in good standing (as herein defined) in the Union; provided that such condition shall not apply with respect to any employee to whom such membership is not available upon the same terms and conditions as are generally applicable to any other member of this classification, or with respect to whom membership is denied or whose membership is terminated for any reason other than the failure of the employee to tender the initiation fees and monthly dues uniformly required of other employees as a condition of acquiring or retaining membership.
- B. For the purpose of this Agreement, “membership in good standing in the Union” shall mean that the employee is a member of the Union and is not more than sixty (60) calendar days in arrears in the payment of initiation or reinstatement fees or membership dues or assessments uniformly required of other employees in the same Union.
- C. When an employee becomes delinquent or not in “good standing” within the meaning of Paragraph B, he shall be subject to discharge.
- D. A discharge under the terms of this Article shall be based solely upon the failure of the employee to pay or tender payment of initiation fees and membership dues or assessments as specified herein and not because of denial or termination of membership in the Union upon any other ground.
- E. All rights of any employee under the Labor Agreement herein above noted and such supplement or amendment as may apply thereto are contingent upon his acquisition and maintenance of membership in good standing in the Union.
- F. The Company shall not be liable for any time or wage claims for any employees discharged by the Company or for any dues deduction changes pursuant to a written order by an authorized Union Representative.
- G. Upon receipt of a signed authorization of the employee involved, the Company shall deduct from the employee’s paycheck the dues payable by him to the Union during the period provided for in said authorization. All deductions for dues shall be made by the Company on the **first** regular paycheck of the month.
- H. Deductions provided for in the preceding paragraph shall be remitted to District 142, International Association of Machinists and Aerospace Workers, AFL-CIO, no later than the tenth (10th) day of the month following the one in which the deductions were made and shall include all deductions made in the previous month. The Company shall furnish the Union monthly with two (2) copies of a record of those for whom deductions have been made and the amounts of the deductions. The parties agree that check-off authorization shall be in an

approved form which shall be prepared and furnished by the Union.

- I. The Company shall notify the Local Lodge Secretary / Treasurer of any newly hired employee on a monthly basis. In addition the company will provide an updated address list upon the request of the Local Lodge Secretary / Treasurer.
- J. The Company will provide the District Lodge Secretary / Treasurer an updated membership list every six (6) months which will include name and address of all employees covered under the agreement.

ARTICLE 5

CLASSIFICATIONS OF WORK

A. **Crew Chief/Alternate.** A **Crew Chief** shall be an employee who has achieved the status of a mechanic or higher, who holds licenses required under federal law and who, as a working member of a group, shall be charged with the responsibility of assigning, directing and approving the work of mechanics of all grades of all work performed in the area to which he is assigned. He is responsible for the proper execution of log book entries, completion of internal Company forms, work orders and the maintenance release. The **Crew Chief** will be governed by the requirements of the service, but in no event, shall there be three (3) mechanics working without one **Crew Chief** being assigned, and no **Crew Chief** will be required to lead and direct the work of a group totaling more than twelve (12) other employees. When a Maintenance Supervisor is on duty, no **Crew Chief** will have his rate of pay decreased. A **Crew Chief** may do work in a lower classification and shall not have his rate of pay reduced during such time. When it becomes necessary to upgrade an employee to the **Crew Chief** position **the manager or his designee will use the following protocol for the upgrade process:**

- 1. Solicit volunteers from a list of trained upgradeable individuals by seniority.**
- 2. Assign the least senior trained upgradeable individual.**
- 3. Solicit non-probationary volunteers in descending seniority order.**
- 4. Assign the least senior, non-probationary employee.**

Alternate **and/or Upgraded Crew Chiefs** will be paid as **Crew Chiefs** when they are working in the absence of a **Crew Chief** or when they are required by the Company to function as a **Crew Chief**.

B. **Inspector.** An inspector shall be an employee who has achieved the status of mechanic or higher and who holds licenses as required by federal law. The work of an inspector will consist of the overall inspection of aircraft, including the power plant, in connection with repairs and overhauls where such work is required by the F.A.A. or the Company. The work of an inspector shall include all inspection of materials, parts and subassemblies as required by the F.A.A. or the Company, and may also include the proper execution of log book entries, completion of internal Company forms, work orders, and the maintenance release. When a Quality Control Supervisor is on duty, no inspector will have his rate of pay decreased. An inspector may do work in a lower classification and shall not have his rate of pay reduced during such period.

C. **Mechanic/Avionic Technician.** A mechanic shall be any employee classified as a mechanic or specialist on the date of this Agreement and any future employee assigned to mechanics work who, with the aid of tools, can repair, erect, assemble and dismantle, and maintain aircraft, aircraft avionic equipment, automotive and other machinery and mechanical devices or parts thereof to the satisfaction of the Company, and is responsible for the proper execution of log book entries, completion of internal Company forms, work orders and the maintenance release.

A mechanic may be authorized by the Company to perform certain specialized inspection functions. The Company will solicit volunteers for designated RII inspectors from location and shifts by seniority. If no one volunteers the company will have right to select employees who are qualified to be trained. The work of mechanics shall include all work generally recognized as mechanics' work performed in and about Company shops and buildings. A mechanic may do work of a lower classification and shall not have his rate of pay reduced during such time.

- D. Lead/Alternate Plant & Ground Equipment Mechanic. (PAGE) A lead PAGE mechanic shall be an employee who has achieved the status of **PAGE** mechanic and who as a working member of the group, shall be charged with the responsibility of assigning, directing and approving the work of **PAGE** mechanics in the area to which he is assigned. No Lead will be required to lead and direct the work of a group totaling more than twelve (12) other employees. A lead may do work in a lower class and shall not have his rate of pay reduced during such time. In case of a temporary upgrade, and no volunteers are available by seniority, a temporary assignment may be made using inverse order of seniority.
- E. Plant and Ground Equipment Mechanic. (PAGE) A PAGE mechanic shall be an employee who, with the aid of tools, can repair, erect, overhaul, and assemble and dismantle automotive and other machinery and mechanical devices or parts thereof (except aircraft) to the satisfaction of the Company. The work of a plant and ground equipment mechanic shall include all work generally recognized as mechanics work performed in, on or about the Company shops and buildings including, but not limited to, the dismantling, repairing, painting, assembling and erecting of all buildings and ground support equipment and buildings, building maintenance and repair work.

Work will also consist of the driving of all types of trucks, tractors and automotive equipment, moving and servicing aircraft and automotive equipment with fuel, oil and water; operation of bulk fuel stations, changing oil, tires, greasing automotive equipment; and driving and maintaining such equipment. The above work in this Paragraph may be performed by individuals not covered by this Agreement at stations where plant and ground equipment mechanics are not assigned or on duty so long as they spend less than four (4) hours per eight (8) hour shift in such work.

A plant and ground equipment mechanic may do work of a lower classification and shall not have his rate of pay reduced during such time.

- F. Lead Cleaner. The duties of a lead cleaner will include all of the duties of a cleaner, and a lead cleaner will be responsible for assigning, supervising, directing and approving the work of all cleaners assigned to the lead cleaner. No lead cleaner will be required to lead and direct more than **twelve (12)** employees. There will be a lead cleaner on duty when more than **three (3)** cleaners are on duty at a location when no management official is on duty. If a lead cleaner is required, and none is on duty, the **manager or his designee will use the following protocol for the upgrade process:**
- 1. Solicit GMM Volume 1 Aircraft Cleaning Process trained volunteers in descending seniority order.**
 - 2. Assign the least senior GMM Volume 1 Aircraft Cleaning Process trained employee.**

3. Assign the least senior employee.

When a cleaner is required to perform lead cleaner work, he will receive no less than four (4) hours of lead cleaner pay.

- G. Cleaner. The work of a cleaner will consist of the cleaning and polishing of the interior and exterior of airplanes, ramp and other equipment, hangars, shops and machinery; cleaning aircraft/automotive parts, placing and arranging in the airplane of passenger service equipment and supplies. Cleaners will not tow aircraft; however, they may operate motorized equipment as it relates to maintenance in the performance of their cleaner duties and may also transport equipment point to point for maintenance and repair.

The work of cleaning the interior and exterior of airplanes, and the placing and arranging in the aircraft of passenger service equipment and supplies may be performed by individuals not covered by this Agreement at stations where cleaners are not assigned, so long as they spend less than four (4) man hours per eight (8) hour shift in such work.

ARTICLE 6

HOURS OF SERVICE

- A. For all employees, eight (8) consecutive hours exclusive of a meal period not to exceed thirty (30) minutes shall constitute a day's work. A day's work shall begin with the start of an employee's regularly assigned shift (24 hour period). The company will not alter an employee's start times within a regular work week, **with the exception of a training assignment as defined in Article 8**. At any time, if sixty-six and two-thirds (66-2/3%) percent of the employees in a bid group at a location request a ten (10) hour schedule or a mix of eight (8) or ten (10) hour schedules, the local management will review the request. If feasible and at the discretion of the Company, this schedule may be implemented. If a ten (10) hour bid group wishes to return to an eight (8) hour schedule and sixty six and two-thirds (66-2/3) majority of the bid group agree, the group will notify the Company on October 1st and will return to an eight (8) hour schedule on the following January **Annual Facility Bid**.

A bid group as referenced for overtime, mandatory overtime, job continuation, scheduling, field trips, bidding, etc. will be defined as any group of employees whose shift and location is the same; along with a similar job area, i.e., engine shop, line mechanics, general shop, avionics, heavy check, inspection, floaters, cleaners and plant and ground equipment.

A shift is defined by when a shift premium is paid, in accordance with Article 25A.

- B. The employee's working week shall **begin on his first scheduled work day and will be five (5) consecutive eight (8) hour days or four (4) consecutive ten (10) hour days worked within seven (7) consecutive days. All employees coming under this Agreement who have an eight (8) hour shift will have two (2) consecutive days off, work five consecutive days and have two (2) consecutive days off, unless in conformance with a training assignment schedule as defined in Article 8B. All employees on a ten (10) hour shift will have three (3) consecutive days off, work four (4) consecutive days and have three (3) consecutive days off unless; in conformance with the Union provided alternate work schedule as provided for in Paragraph E of this Article and adopted by the Company, or a training assignment schedule as defined in Article 8B. The Company shall not alter an employee's work schedule if it results in less than, eighty (80) regular hours in a pay period.**
- C. **When documented flight schedule changes or operational changes necessitate a schedule start time change of one (1) hour or less, the Company with fourteen (14) days' notice, or less if mutually agreed with the Union, may adjust an employee's work week start time forward or backward a maximum of one (1) hour from the January Annual Facility Bid start time or the latest Article 14 start time. The Company is only allowed to adjust such start time above on a semi-annual basis, per start time, per classification, per location. When documented flight schedule changes or operational changes require the adjusting of the work schedule by moving start times more than one (1) hour the Company must re-bid the work schedule in accordance with Article 11 and Article 14.**
- D. January Annual Facility Bid
1. The Company agrees to present manpower requirements **and Company proposed work schedule** at least fourteen (14) days prior to the normal schedule posting. A scheduling

committee composed of three (3) employees selected by the employees at each maintenance base will be responsible for preparing alternative work schedules subject to the approval of the appropriate Company officials. **The alternative work schedules would not be constricted by the work week noted in Paragraph B of this Article.** The scheduling committee will present any alternate schedule at least five (5) days prior to the normal schedule posting.

The Company approved work schedule will be posted at least **sixty (60) days prior, but not less than** forty-five (45) days prior to the next scheduled bid and bid by sign-up sheet. Such schedules will be agreed upon by a majority of the employees. If no work schedule receives a majority approval, a Company work schedule will be posted and implemented.

The approved January Annual Facility Bid work schedule is bid on a timed basis. An individual who does not bid at their assigned time slot will be bypassed and will be assigned an open line by seniority at the end of the bid process. The administration of the timed bid and bypass fallout will remain the mutual responsibility of the Union and the Company.

2. **The January Annual Facility Bid** will be bid on an annual basis effective **on the first payday in** January of each year. No less than one person or more than 25% of a bid group may exercise their seniority for purposes of bidding into a new bid group. Notwithstanding the above, the limitations, qualifications, experience and trial periods set out in Article 11 will be applied to all employees exercising their seniority under this provision. An employee who has received specialized training and is restricted from bidding out of a shop pursuant to Article 11.A.8 may not be displaced for one year from training (this does not apply in reference to Article 14) under this Article unless the employee displacing him has the equivalent training and qualifications, or has six (6) months previous demonstrated ability within that bid group in accordance with Article 11 D.4.
 3. The annual bid effective date will be the first payday in January of each year.
- E. No employee shall be called to work or required to report for work at less than eight (8) or ten (10) hours work or pay, whichever is applicable, except when recalled after completing a regular shift of eight (8) or ten (10) hours or more. Employees regularly in the service of the Company will be considered as required to report for eight (8) or ten (10) hours work, whichever is applicable, on their scheduled work days unless notified by the Company **8 hours before the employee's scheduled shift**, that there will temporarily be no work because of an Act of God, circumstances over which the Company has no control, or work stoppage and strikes by employees of the Company. Any employee not notified by the Company, and as a result reporting for work shall receive a minimum of two (2) hours pay at his regular hourly rate.
- F. All employees at maintenance or overhaul bases will be granted a ten (10) minute rest period during the first half of their work shift and ten (10) minute rest period during the second half of their work shift without loss of time.
- G. If an employee completes his tour of duty in domicile with less than **ten (10) hours'** time lapse before his next scheduled shift, he shall report for work at such time as to meet the **ten (10)**

hour rest requirement but his pay shall begin from the start of his scheduled shift. If an employee is required to return to work with less than **ten (10)** hours of rest, he will remain on the applicable overtime rate until he has received **ten (10)** hours of rest, provided he has prior approval from his **manager or designee**. For Field service refer to Article 8.A.6.

- H. Day / Shift swaps among qualified employees will be permitted, subject to the approval of the appropriate Company official, which will not be unreasonably refused. Requests for day / shift trades will be submitted on appropriate forms. Overtime and hourly restrictions caused by an exchange will be waived. The employee who actually works the Day / Shift will be paid. The employee who is to work on a particular day as the result of a swap is responsible for reporting to work and may be subject to disciplinary action if he does not report.

The following classifications are to be combined for shift swaps/day trades: (1) **Crew Chief/Alternate Crew Chief and Upgradable Mechanic** (2) **Mechanic** (3) **Lead/Alternate PAGE Mechanic and PAGE Mechanic** (4) **Lead Cleaner and Cleaner**. Any **Crew Chief or Lead** in a day trade / shift swap with a lower classification will be required to give up his **Crew Chief or Lead** premium for the day / shift worked unless reassigned to a **Crew Chief or Lead** position.

I. Part-Time Cleaners.

1. Part-time cleaners may not be scheduled for more than twenty (20) hours each week or more than eight (8) hours each day.
2. Part-time cleaners will accrue seniority on a pro rata basis. After sixty (60) calendar days of employment, they will be required to join and maintain membership in the Union.
3. Part-time cleaners will be given preference for full-time employment before a full-time cleaner is hired. No full-time I.A.M. represented cleaner will be laid off at a location while a part-time cleaner is working at that location.
4. Part-time cleaners will be paid the rate of pay specified in Article 28 in accordance with their accrued seniority.
5. Part-time cleaners will not accrue vacation, be eligible for holidays or holiday pay, sick leave, or insurance benefits.
6. The Company may staff each location with four (4) part-time cleaners. Staffing in addition to the four (4) part-time cleaners at each location will be on the basis of one full-time cleaner for each two (2) part-time cleaners. The obligation for a full-time cleaner starts with the sixth (6th) part-time cleaner.

- J. Employees will have their meal period scheduled between the end of the third hour and beginning of the scheduled sixth hour of their shift. If, at the request of the Company, an employee foregoes his lunch period, he shall be paid for the lunch period at the applicable rate.

ARTICLE 7

OVERTIME AND HOLIDAYS

- A. Overtime rate of regular time plus one-half (½), computed on an actual minute adjusted to the nearest tenth (10th) of an hour basis with a minimum of one-half (½) hour overtime, shall be paid for all work performed in excess of eight (8) **hours** for an eight (8) hour shift, or ten (10) hours for a ten-hour shift in any one day. Overtime rate of double (2) time shall be paid for all time worked in excess of twelve (12) hours in any one scheduled day.

An employee who works on a regularly scheduled day off shall be paid **regular time plus one-half (½). Overtime rate of double (2) time shall be paid for all time** worked in excess of ten (10) **hours**.

- B. Employees will be allowed (without loss of pay) a ten (10) minute break after each two (2) hours of overtime and at the end of a scheduled shift when overtime is worked.
- C. **Mandatory Overtime** - Except in case of an emergency to maintain daily flight schedules, an employee will not be required to work overtime. The Company will not require an employee to work more than two (2) hours overtime and, if requested, make every effort to allow the employee off at the end of his regular shift. Assignment of overtime shall **use the following protocol:**
1. **Solicit trained volunteers per the overtime program.**
 2. **Assign the least senior trained employee.**
 3. **Assign the least senior employee if training is not required to complete the task.**
- D. When an employee covered by this Agreement has been relieved for the day and is recalled to work from his home, or when an employee is called into work on either of his regular days off, he will be paid for not less than two (2) hours at the applicable overtime rate.
- E. Employees shall be given one and one-half (1½) hours notice of overtime, except in cases of emergency, or more notice if possible. There shall be no pyramiding of the overtime rates provided for in this Agreement.
- F. Overtime **requirements (the job to be performed, the approximate duration of the job, any qualifications and the number of employees required), will be determined by the Company at each station, and will be solicited and distributed by the Union. The Union Representative or his designee (ex: Crew Chief) shall solicit and distribute overtime, as equally as possible among all qualified employees, whenever overtime is required. Individuals will be solicited in order of those having the least recorded overtime hours, and then if the lowest hours are equal, it will be solicited by seniority of those employees with the lowest hours.**

The Company will be responsible for providing the overtime program to include the overtime requirements, an accurate work schedule, and a computer based method to

track the overtime and will provide the Union with access to such program. The Union will be responsible to maintain accurate overtime records and to solicit and distribute overtime. All time spent by the Union Representative, or his designee, during his regular scheduled shift performing all work for overtime (soliciting, distributing and maintenance of records, etc.) will be paid by the Company. It is not the intent of this provision to incur overtime while performing work for the overtime program, but a Union Representative, or his designee, will be paid at the applicable overtime rate when requested by the Company to perform the work during off hours.

Any employee committing to overtime will be responsible for reporting **to work** as if it were his scheduled shift **or portion thereof**. An employee who commits to overtime and calls in sick **will not be paid, but will be charged two times the duration of the overtime that was signed up for equalization purposes**. An employee who calls in sick **will not have** the occurrence count against him in the attendance policy records.

Overtime will be solicited from the bid group where the work is located. **The solicited overtime will be** defined for all overtime groups at each location, by shift, classification or shop, including all employees in those groups. **Refer to Article 6A for overtime bid group definitions. Refer to Article 7H for job continuation overtime.**

The Company will not be responsible for any omissions in the solicitation or distribution of overtime, unless the Company does not provide accurate overtime requirements, work schedules or access to the overtime program for the Union. In those cases, the Company will be responsible for the bypass violation.

The following classifications are to be combined for overtime soliciting and distribution purposes: (1) **Crew Chief** and Mechanic, (2) Lead Cleaner and Cleaner, (3) Lead PAGE Mechanic and PAGE Mechanic.

- G. Overtime hours worked or declined by an employee will be recorded as equivalent straight time hours paid or offered, in one-hour increments, rounded to the nearest full hour. No charge will be made if overtime is canceled. All overtime worked and refused will be charged including the following which are considered refusals.
1. No phone.
 2. No answer to phone call (make notation on records).
 3. Not home or no positive commitment to work from person answering phone (to include answering machine).
 4. Unavailable because of leave, day trades, vacation, illness or other absence from work, from classifications or from bid group.
 5. Not qualified. This includes employees who reject offer for training or rotation within the bid group on additional units of equipment and employees who are physically limited on work for which they can be utilized.

H. Voluntary Overtime for a job continuation to be completed within one hour or less does not have to be solicited. Overtime job continuation of more than one (1) hour will be solicited from the overtime list of employees in the group where the work is located. If the overtime is not covered from an overtime group where the work is located, and then overtime shall be solicited from all other overtime group lists. Priority will be given to the employees at the station where the overtime is needed.

Note: Job continuation as referenced above is defined as overtime needed to complete a job (i.e. to close a work order needed for aircraft release or for work to return an aircraft to service) and continues until those accepting the overtime reach their rest period.

1. If an employee is scheduled to work and works on a holiday, he will not be credited with overtime for his scheduled shift of work, but will be credited with overtime for work in excess of his scheduled shift.
2. If an employee is not scheduled to work on a holiday and works, he will be credited with overtime for all hours worked.
3. An employee who transfers into an overtime group will be credited with overtime hours of the average of the people in the group at the time of entry.
4. At the beginning of each annual bid schedule, the lowest person on the overtime list will be zeroed out and all others reduced by the same number of hours.
5. Overtime records will be available for review by IAM representatives at all times.
6. The following equalization rules are to be followed:
 - a. Any Overtime opportunities worked will be charged.
 - b. Refused overtime opportunities when less than one and one-half (1 ½) hour advance notice is given will not be charged.
 - c. During his probationary period, an employee will not be placed on the overtime list and will not be considered for overtime work unless qualified. When an employee (new hire) is placed on the overtime list, he shall be charged with the average hours of the employees on the list.
 - d. An employee who is bypassed, **by the direct request of the Company in the solicitation or distribution of overtime** shall be paid and charged at the applicable rate for the overtime hours missed.
 - e. When an employee performs emergency field service away from his base station, hours worked beyond his regular scheduled shift and all hours worked on a regular day off will be recorded as overtime and charged on his overtime list. All employees who decline the field service will be charged the same overtime as those who accepted the field service.

Note: The selection of employees for Field Service is per Article 8A-7.

- f. In the event of an LAOG (Line Aircraft on ground) situation, the overtime list may be bypassed, with no penalty to the Company, to ensure the immediate return to service of the aircraft.

Note: LAOG (Line Aircraft on Ground) is defined as an aircraft that is scheduled to fly line flights that day. Once that aircraft is removed from the flight schedule for that day it is no longer an LAOG. The overtime list may not be bypassed for pre-planned or scheduled maintenance.

- g. Overtime upgrades will be in accordance with Classification and Seniority if the logged overtime hours are equal.

I. Accepted Overtime Practice Rules

The following overtime rule examples are the accepted rules to be used by the AWAC maintenance personnel. All examples are for John Doe Mechanic working day shift 0700 to 1530.

1. Twelve (12) hour rule: If John gets called in and a twelve (12) hour day ends at 1530, he does not get an eight (8) hour rest period. If the call in plus his scheduled shift would exceed twelve (12) hours prior to 1530, he is entitled to an eight (8) hour rest.

Examples:

- a. John gets called in at 0300 and works until 1530, he is paid as follows: four (4) hours at time and one half (1½) and eight (8) hours at straight time.
 - b. John gets called in at 0200 and works until 0500, he then goes home to get his eight (8) hours rest, but must return to finish his normal day at 1300 until 1530. He is paid three (3) hours at time and one half (1½) and eight (8) hours at straight time.
 - c. John gets called in at 0200 and works until 0700, he is entitled to his eight (8) hour rest period and his pay will be as follows: five (5) hours at time and one half (1½) and eight (8) hours of rest at straight time.
 - d. John gets called in at 0200 and works with Supervisor permission due to an emergency until 1700 the same calendar day, his pay is as follows: twelve (12) hours at time and one half (1½) and three (3) hours at double time (2).
2. If John works a normal eight (8) hour day and then is called in at 2300, which is before his eight (8) hour rest period is over and works until 0900 the next day, his pay is as follows: four (4) hours at time and one half (1½), six (6) hours at double time (2), and six (6) hours at straight time for rest.
 3. John comes in to work on his normal day and gets sent out of town for a lengthy period of time as follows: he reports to ORD and works until 0900 the next morning without completing the assignment. John notifies Maintenance control that he needs rest and completes his eight (8) hours rest period (an employee and the Company may mutually agree to a shorter rest). John returns at 1700, completes the assignment, returns to his

work location and punches out at 2300 that same night. His pay is as follows: day one he receives eight (8) hours at straight time from 0700 to 1500, four (4) hours of time and one half (1½) from 1500 to 1900, fourteen (14) hours of double (2) time from 1900 until 0900. The next morning, six (6) hours of straight time due to lost rest time from 0900 until 1530. John now returns to work after eight (8) hours rest and starts at time and one half (1½) from 1700 until 2300 which is when he returned to punch out. John now gets a ten-hour rest because he is returning from out of town. This makes his start time at 0900 and his day's pay as follows: from 0700 to 0900 paid rest time and 0900 until 1530 is straight time.

- J. The following days are designated paid holidays: New Year's Day, Easter Sunday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Eve Day, and Christmas Day.
- K. Employees who work on any of the foregoing holidays will be paid two and one-half (2 ½) times their straight time rate for all hours worked on such holidays.
- L. Employees who do not work on the foregoing holidays will be paid holiday pay based on their applicable rate for the length of their normal scheduled shift. In order to be eligible for holiday pay, the employee must have worked the entire eight (8) or ten (10) hour scheduled day prior to and subsequent to the holiday, excluding any excused absences as described in the Company Policy and Procedures Manual or unless excused by the Department Head or **his designee**.

Fourteen days prior to the holiday, the Company will notify employees as to whether they must work a scheduled holiday.

When a holiday falls on an employee's regularly scheduled day off, with supervisor approval, the employee may take off the last day of his workweek prior to the holiday or the first day of his workweek subsequent to the holiday. In this situation, the employee shall receive the holiday pay at the straight time rate only for the day taken off.

If an employee is scheduled to work on a Holiday and calls in sick, they will be paid eight (8) or ten (10) hours straight time pay for holiday off and his sick bank will have no reduction for the day. **Sick calls on a Holiday will be treated as an occurrence per the Company Policy and Procedure manual, excluding any excused absences as described in the Company Policy and Procedures Manual.**

- M. Employees scheduled to work on a holiday may trade with an employee not scheduled to work. Employees working the holiday will receive holiday worked pay and the employees not working will receive holiday off with pay. The Supervisor will be notified of the trade at least three (3) days before the holiday. The employee accepting the trade will be required to report for work.
- N. Overtime and hourly restrictions caused by a voluntary shift bid will not apply. In an Article 14 schedule change the provisions of Article 6G will apply.

ARTICLE 8

FIELD SERVICE AND TRAINING

A. Field Service

1. When employees covered by this Agreement are required to engage in field or emergency work away from their base station, they shall be paid for such work on the same basis as at their base station with a minimum of eight (8) or ten (10) hours, whichever is applicable, at straight time rate for each of the four (4) or five (5) days of the standard work week. Field Service is not to be used for vacation relief or to involuntarily fill vacancies at other locations.
2. Employees will be paid the applicable rate for all time spent in traveling or waiting at Company direction, except for periods when not on duty. Every effort will be made to return an employee engaged in field service or emergency work to his base station as soon as possible after he has completed his assigned duty.
3. Where transportation, laundry, meals and lodging (based on one individual per room) are not provided by the Company for employees on emergency work, attending school or filling temporary vacancies of up to one hundred twenty (120) calendar days or less, all reasonable necessary expenses will be allowed as substantiated by receipts. A cash advance may be requested and signed for at the employee's discretion. The company will pay all international duties fees and permits.

When on field service it will be the Company's responsibility to provide transportation. **When transportation is via commercial flight operations the Company will provide positive space travel per Company Travel Policy in both directions. Notification of return itinerary will be provided to the employee at the time of return.** Any rental or Company vehicle will have the required safety devices as specified by law. Employees may but will not be required to use their personal vehicle. **If the employee uses his personally owned vehicle, he shall be reimbursed at the current Company mileage rates in effect at that time. The mileage total submitted shall be verified based on the actual odometer reading of the personally owned vehicle using mapquest as a guide for mileage.**

When an employee is required to go on field service duty, it shall be the responsibility of the Maintenance Supervisor to ensure that sufficient funds are available to the employee(s) to accommodate the anticipated and normal expenses. Consideration shall be given to the potential for an unexpected overnight situation in determining the appropriate amount. In the absence of the Maintenance Supervisor, the Company shall establish a procedure to ensure that the funds are available.

Under unusual circumstances, additional monies may be requested and received through notification and approval of the Maintenance Supervisor. (Any and all expenses shall be submitted for final Company approval electronically within ten (10) days pursuant to clear Company expense procedures.)

4. When an employee is away from his home station filling a temporary vacancy, he shall be paid straight time and overtime in accordance with the provisions of this Agreement, based on the shifts as scheduled in this Agreement but in no event shall he receive less than eight (8) or ten (10) hours pay for each scheduled work day. The Company may, however, schedule him to take his regular days off without compensation except for the reasonable and necessary expenses.
5. Employees called from home for field service after completing their regular shift assignment, or on a regular day off, who is not given at least one hour's notice will be allowed one-half (1/2) hour as preparatory time in advance of scheduled departure time at the overtime rate.
6. If an employee returns to the home station with less than ten (10) hours' time lapse before his next scheduled shift, he shall report for work at such time as to meet the ten (10) hour requirement but his pay shall begin from the start of his scheduled shift. Any deviation from this plan will require prior management approval.
7. **The minimum qualifications needed for a Field Service assignment are as follows:**
 - **Indoctrination or recurrent training**
 - **Aircraft systems training**
 - **Successful completion of OJT training requirements for the applicable system or component**

Note: There may be instances in which a Field Service assignment may require run/taxi qualifications, passport or certain immigration requirements and/or completion of specialized training not covered under OJT. The above listed minimum qualifications can be amended by mutual agreement. In instances where two employees are sent on Field Service, one of the employee's must meet the minimum qualifications.

The selection of employees for Field Service will be on a voluntary basis and the individuals will be selected based on opportunity for equalization purposes using the following guidelines:

- a. **When the term Crew Chief is referred to in this Article, it is meant to include an upgraded Crew Chief also.**
- b. **The Crew Chief on duty will select from a list of employees who are qualified in the bid group that are scheduled on duty, when the field service is forecasted to depart from the station. Overtime distribution is not referred to for field service selection. When the Crew Chief has selected an employee(s) for Field Service, there shall be no bypass provisions associated with the choice.**

If the Company has failed to keep accurate records with regard to minimum qualifications or opportunity records, and a bypass occurs as the result of inaccurate records, the Company will be liable for those bypass instances as a result of inaccurate records.

If the Crew Chief fails to keep accurate opportunity records and a bypass occurs, the Company will not be liable for those bypass instances as a result of inaccurate records.

- c. In instances where there is no Crew Chief on duty, the Company may opt to make the selection for Field Service. The Company also has the option to override the selection by a Crew Chief at their discretion. In any instance that the Company makes the selection for Field Service, and a bypass occurs, bypass pay in the amount of actual hours worked on the Field Service trip will be paid to the employee(s) bypassed.**
 - d. An employee in scheduled training during the forecasted time of departure for Field Service will not be eligible for selection for field service.**
 - e. An employee on overtime during the forecasted time of departure for Field Service will not be in the selection for Field Service. Exceptions to this subparagraph can be made by mutual agreement between the Crew Chief and the Company.**
 - f. The Crew Chief or the Company in the Crew Chief's absence will ensure that any employee(s) refusing voluntary field service will sign a field service log indicating such refusal.**
 - g. The Crew Chief or the Company in the Crew Chief's absence may go out of the bid group on shift for volunteers only after the selection for field service does not generate an employee(s) from the original bid group on shift at the forecasted time of departure.**
 - h. If no volunteers are obtained using the list, the Crew Chief or the Company in the Crew Chief's absence, may assign the most junior, qualified employee(s) on duty, in the original bid group.**
 - i. The field service records will be available for review by the Union at all times.**
- 8. When charter air travel is required, the Company will schedule travel for field service for all employees, only on minimum multi-engine aircraft. All non-scheduled minimum multi-engine aircraft should be rated, and suitable, to transport all personnel, parts, tools and equipment to and/or from the intended destination. If there is any doubt in the mind of the employee as to the suitability of a non-scheduled, on demand aircraft, the employee will be afforded the opportunity at his request to speak with a member of the Maintenance leadership team prior to the departure of the trip.**

The Company retains the right to choose and utilize a broker solely at its discretion. In the event that the Union identifies any unsatisfactory service or safety related issues from any broker provided on demand aircraft, the Company agrees that it will meet and confer with Union leadership and it will correct agreed upon problems/concerns with the broker or secure the business through another broker.

Safety is a consideration in determining the number of employees to be assigned for field service. The Company will consider the work to be performed, the location, the time of day, and any other pertinent factors in deciding whether more than one employee is needed. Notwithstanding the above, when field service work originates after that location's hours of operation, no employee(s) will be sent unless station personnel are available for the entire scope of work.

9. When a current employee or a new hire moves into a new Bid Group they will be credited with the average opportunities of the group.

B. Training

1. At Station Training

a. With no change to scheduled days off.

- (i.) When an employee receives an assignment to attend training at his station pertaining to his work, he shall be paid for all hours at his applicable rate with a minimum of eight (8) hours on an eight (8) hour shift and ten (10) hours on a ten hour (10) shift. When training is on an employee's regularly scheduled day off, the employee will be paid his normal overtime rate.**
- (ii.) The Company will make every attempt to give a minimum of seven (7) days notice to the employee for all at station training assignments. In the event training occurs on an employee's day off or a change to the required shift start time is needed, seven (7) days notice will be provided unless mutually agreed upon between the employee and the Company. In no event will an employee be required to attend training on more than one (1) of his scheduled days off unless mutually agreed upon between the employee and the Company.**
- (iii.) An employee's scheduled shift may only be adjusted by up to 2 (two) hours for a training assignment. After the length of an employee's normal scheduled shift (i.e. 8 or 10 hours) he is considered relieved from duty and cannot be placed on mandatory overtime per Article 7 paragraph C. The employee may select voluntary overtime per Article 7 paragraph H.**
- (iv.) If an employee has reduced hours due to a training schedule, he will not suffer a loss of pay unless otherwise provided for in this agreement, (i.e. no accrued sick time, no call/no show, etc.).**
- (v.) Training shall not be scheduled on a holiday on which an employee is not scheduled to work or during an employee's scheduled vacation.**
- (vi.) The Company may change an employee's shift for training only, with due consideration for the 10 (ten) hour rest period and will pay applicable overtime if rest is waived by mutual agreement between the employee and the Company.**

b. With a change in scheduled days off.

- (i.) When an employee receives an assignment to attend training at his station pertaining to his work, he shall be paid for all hours at his applicable rate with a minimum of eight (8) hours on an eight (8) hour shift and ten (10) hours on a ten (10) hour shift. When a training assignment requires a change in scheduled day(s) off, the employees schedule will have alternate day(s) off without compensation during the training/work week.**
- (ii.) The Company will give a minimum of seven (7) days notice to the employee for all at station training assignments that require a change to scheduled days off or scheduled shift start time due to training unless mutually agreed upon between the employee and the Company.**
- (iii.) An employee's scheduled shift may only be adjusted by up to 2 (two) hours for a training assignment. After the length of an employee's normal scheduled shift (i.e. 8 or 10 hours) he is considered relieved from duty and cannot be placed on mandatory overtime per Article 7 paragraph C. The employee may select voluntary overtime per Article 7 paragraph H.**
- (iv.) If an employee's days off are adjusted and alternate days are scheduled, the employee will not be required to work/train more than 5 (five) consecutive 8 (eight) hour days or 4 (four) consecutive 10 (ten) hour days. Employees will have 2 (two) days off on an 8 (eight) hour schedule or 3 (three) days off on a 10 (ten) hour schedule prior to and after training when the scheduled training is a week or more in length. When training is more than a week in length the employee will have a 2 (two) day weekend on an 8 (eight) hour shift or 3 (three) day weekend on a 10 (ten) hour shift. Any adjusted schedule with a change in scheduled days off is for training only.**
- (v.) If an employee has reduced hours due to a training schedule, he will not suffer a loss of pay unless otherwise provided for in this agreement, (i.e. no accrued sick, no call/no show, etc.).**
- (vi.) Training shall not be scheduled on a holiday on which an employee is not scheduled to work or during an employee's scheduled vacation.**
- (vii.) The Company may change employees shifts for training only, with due consideration for the 10 (ten) hour rest period and will pay applicable overtime if rest is waived by mutual agreement between the employee and the Company.**

2. Out of Station Training

a. With no change to scheduled days off.

- (i.) When an employee receives an assignment to attend training away from his station pertaining to his work, he shall be paid for all hours at his applicable**

rate with a minimum of eight (8) hours on an eight (8) hour shift and ten (10) hours on a ten (10) hour shift.

- (ii.) The Company will give a minimum of seven (7) days' notice to the employee for all training assignments and change to work schedule due to training unless mutually agreed upon between the employee and the Company.
- (iii.) Start time may be adjusted with due consideration to Article 6 (Rest Period) and Article 7 (Overtime if Rest Period is waived).
- (iv.) The employee will not be required to work/train more than 5 (five) consecutive 8 (eight) hour days or 4 (four) consecutive 10 (ten) hour days. Employees will have 2 (two) days off on an 8 (eight) hour schedule or 3 (three) days off on a 10 (ten) hour schedule prior to and after training when the scheduled training is a week or more in length. When training is more than a week in length the employee will have a 2 (two) day weekend on an 8 (eight) hour shift or 3 (three) day weekend on a 10 (ten) hour shift.
- (v.) If an employee has reduced hours due to a training schedule, he will not suffer a loss of pay unless otherwise provided for in this agreement, (i.e. no accrued sick time, no call/no show, etc.).
- (vi.) Training shall not be scheduled on a holiday on which an employee is not scheduled to work or during an employee's scheduled vacation.
- (vii.) The Company may change employees shifts, with due consideration for the 10 (ten) hour rest period and will pay applicable overtime if rest is waived by mutual agreement between the employee and the Company.
- (viii.) If travel is required on a day off prior to or after completion of an employee's training event, the employee will be paid at the applicable overtime rate. This includes all time spent in traveling or waiting in connection with a training assignment.
- (ix.) If travel is required prior to or after completion of an employee's actual training day, the employee will be paid at the applicable overtime rate if the eight (8) or ten (10) hour day is exceeded (inclusive of training). All time spent in traveling or waiting in connection with a training assignment will also be paid at the applicable overtime rate.
- (x.) Where transportation, laundry, meals and lodging are not provided by the Company for attending training, all reasonable necessary expenses will be allowed as substantiated by receipt. (Any and all expenses shall be submitted for final Company approval electronically within ten (10) days pursuant to clear Company expense procedures.)

b. With a change in scheduled days off.

- (i.) When an employee receives an assignment to attend training away from his station pertaining to his work, he shall be paid for all hours at his applicable rate with a minimum of eight (8) hours on an eight (8) hour shift and ten (10) hours on a ten (10) shift. When a training assignment requires a change in scheduled day(s) off, the employees schedule will have alternate day(s) off without compensation during the training/work week.**
- (ii.) The Company will give a minimum of seven (7) days' notice to the employee for all training assignments and change to work schedule due to training unless mutually agreed upon between the employee and the company.**
- (iii.) Start time may be adjusted with due consideration to Article 6 (Rest Period) and Article 7 (Overtime if Rest Period is waived).**
- (iv.) If an employee's days off are adjusted and alternate days are scheduled, the employee will not be required to train more than 5 (five) consecutive 8 (eight) hour days or 4 (four) consecutive 10 (ten) hour days. Employees will have 2 (two) days off on an 8 (eight) hour schedule or 3 (three) days off on a 10 (ten) hour schedule prior to and after training when the scheduled training is a week or more in length. When training is more than a week in length the employee will have a 2 (two) day weekend on an 8 (eight) hour shift or 3 (three) day weekend on a 10 (ten) hour shift. Any adjusted schedule with a change in scheduled days off is for training only.**
- (v.) If an employee has reduced hours due to a training schedule, he will not suffer a loss of pay unless otherwise provided for in this agreement, (i.e. no accrued sick time, no call/no show, etc.).**
- (vi.) Training shall not be scheduled on a holiday on which an employee is not scheduled to work or during an employee's scheduled vacation.**
- (vii.) The Company may change employees shifts, with due consideration for the 10 (ten) hour rest period and will pay applicable overtime if rest is waived is waived by mutual agreement between the employee and the Company.**
- (viii.) If travel is required on a day off prior to or after completion of an employee's training event, the employee will be paid at the applicable overtime rate. This includes all time spent in traveling or waiting in connection with a training assignment.**
- (ix.) If travel is required prior to or after completion of an employee's actual training day, the employee will be paid at the applicable overtime rate if the eight (8) or ten (10) hour day is exceeded (inclusive of training). All time spent in traveling or waiting in connection with a training assignment will also be paid at the applicable overtime rate.**

- (x.) Where transportation, laundry, meals and lodging are not provided by the Company for attending training, all reasonable necessary expenses will be allowed as substantiated by receipt. (Any and all expenses shall be submitted for final Company approval electronically within ten (10) days pursuant to clear Company expense procedures.)**
- 3. During AWAC new hire orientation at any location, the Union will be given a period of time not to exceed three (3) hours for disseminating Union information. In the event the new hire does not attend a formal orientation program, the Union Steward at their location will be afforded the opportunity to meet with the new hire.

ARTICLE 9

VACATIONS

A. Accrual

1. An employee's date of hire shall be used as the anniversary date for the purpose of eligibility. Vacation time shall be earned as follows:

- Completion of 1 year of continuous service - **104** Hours
- Completion of 5 years of continuous service - **144** Hours
- Completion of 12 years of continuous service - **184** Hours
- Completion of 18 years of continuous service - **224** Hours
- **Completion of 25 years of continuous service - 240 Hours**

Note: The accrual rate of additional hours listed above will become effective at date of signing.

2. One week's vacation pay for an individual shall be computed by multiplying his normal hourly rate by forty (40). Vacation shall be charged at the rate of ten (10) hours for each vacation day for a ten (10) hour schedule and at the rate of eight (8) hours for an eight (8) hour schedule.
3. **Employees will accrue vacation at a rate per month to equal the hours stated above in Paragraph A.1.**
4. Employees with one year or more of service who have been on a non-paid status during their anniversary year because of lay-off or leave of absence without pay shall lose one-twelfth (1/12th) of their vacation pay and vacation time off for each thirty (30) days on a non-paid status during the anniversary year, except for employees who are not working because of a compensatory disability or because of sickness of less than 60 work days.

B. Designated Vacation

The Company will designate sufficient vacation time to accommodate each-vacation bid group as follows: The Company will allow a minimum of one (1) employee off on vacation for up to forty (40) weeks accrued vacation in a vacation bid group. For example: one (1) to forty (40) weeks accrued vacation, one (1) employee will be allowed off on vacation in the bid group. Forty one (41) to eighty (80) weeks accrued vacation; two (2) employees will be allowed off on vacation in the bid group. Eighty one (81) to one hundred twenty (120) weeks accrued vacation, three (3) employees will be allowed off on vacation in the bid group, etc. Leads/Crew Chief will be included in their basic classification as follows: (1) Crew Chief-Mechanic, (2) Lead Page Mechanic-Page Mechanic, (3) Lead Cleaner-Cleaner.

When the Company elects to make additional vacation weeks available above the one (1) in forty (40) ratio, such weeks will be posted.

The vacation selection ratio finalized for the annual vacation bid shall not be revised unless an increased complement of employee vacation weeks exceeds the remaining open vacation weeks for the year.

C. Annual Vacation Bid

1. Vacation periods for the year will be bid **after the January annual facility bid** for the next year. **Employees will bid vacations by vacation bid groups at the station where they are located.** An employee will be allowed to bid each year vacation equal to his accrual rate. All employees under this Agreement shall indicate their preference, regardless of their Company seniority, but actual bid awards will be assigned by the Company seniority system. The bid awards will be posted for all employees by December 20.
2. **The Annual Vacation bid will be completed** in two rounds by order of Company seniority in each vacation bid group.
 - a. Round one (1): **The Annual Vacation bid will be bid in blocks of scheduled workdays between regular days off.** A block is four (4) days for a ten (10) hour schedule and five (5) days for an eight (8) hour schedule. In addition, an employee may bid:
 - one (1) DAT (day-at-a-time vacation) for one (1) to nine (9) years of service,
 - two (2) DATs for ten (10) to nineteen (19) years of service,
 - three (3) DATs for twenty (20) to twenty-nine (29) years of service and
 - four (4) DATs for thirty (30) to thirty-nine (39) years of service.

An employee may bid up to the maximum number of hours equal to their accrual rate.

- b. Round two (2): Any choice of days remaining after round one (1) not to exceed your accrual rate, may be bid if desired in blocks of DATs. Days bid in round one (1) may not be disturbed in round two (2).

Note 1: For vacation during a holiday week to be bid in round one (1) of the **Annual Vacation bid**, a block of vacation, or three (3) DATs inclusive of the holiday must be bid.

Note 2: After the **Annual Vacation bid**, any number of remaining vacation days may be used on a DAT basis. DAT vacation days may be used singularly or consecutively.

Note 3: An employee may bid or request, but not take vacation that has not been accrued.

Note 4: **The Maintenance Manager or his designee will post the Annual Vacation Award on a Calendar posted for all employees to view, or post the Annual Vacation Award electronically for all employees to view.**

Note 5: **The Annual Vacation bid will be a timed event. An employee who does not meet the time requirements will be bypassed. The bypassed**

employee will then bid at the end of the Annual Vacation bid timed process. If more than one employee is bypassed they will bid by Company seniority.

3. Protests of Vacation Awards:
 - a. Any protests must be taken up with the employee's **Maintenance Manager or his designee** within thirty (30) days.
 - b. Senior employees will not be permitted to select a vacation period awarded to a junior employee after the vacation schedule has been published.

D. Bidding Vacation after the Annual Bid

1. If an employee has additional vacation saved, he may bid any open days/weeks after the **January annual facility bid is awarded**. An employee will be allowed to bid **after the January annual facility bid is awarded**, vacation equal to his accrual rate. These will be awarded on a first-come, first-serve basis by **Company** seniority and will be approved or denied within twenty-four (24) hours. If two or more employees request the same period, seniority shall prevail. **After the vacation is approved or denied the supervisor or his designee will return a copy of the request to the employee and note the employee's name on the vacation calendar, or post it electronically. If denied, the supervisor or his designee will insert the original denied vacation request in the denied vacation binder. This binder is to be used during the calendar year should a denied vacation request becomes available.**
2. An employee may request by telephone, prior to his normal starting time, the use of a DAT. The Supervisor may approve or deny the request. **The request will not be unreasonably denied.** Paperwork must be submitted on the employee's first day after returning to work.

E. General

1. An employee discharged for just cause or who quits, forfeits all vacation except that which has been brought forward from a previous year, provided that an employee who resigns after having given the Company ten (10) working days advance notice in writing of such act shall be entitled to accumulated vacation.

However, no employee shall accrue vacation during his probationary period except that upon the completion of his probationary period, the employee's accrued vacation shall be calculated as of his date of hire.

2. An employee laid off or entering the Armed Services or who dies or retires shall be entitled to accumulated vacation.
3. If an employee is on vacation on a contractually recognized holiday, his vacation bank will not be charged for the day.

4. An employee bidding under Article 11 into a different line or bid group and his old vacation award conflicts with existing awarded vacation, the employee shall bid a new vacation period from available open periods. An employee who is displaced pursuant to Article 14 will have their vacation award honored.
5. If the Company has denied the employee the right to take his approved vacation, the employee may take, a cash settlement or carry over any unused portion to be used the following calendar year.
6. When a state of emergency is declared by local or state government due to weather conditions and employees are prevented from reporting to work, employees may request and will be granted vacation or, subject to the supervisor's discretion, be allowed to make up the lost time at a later date on a straight time basis. In the event neither of the above options are used, the lost time will be considered time off without pay.
7. The following classifications are to be combined for vacation bidding purposes (1) **Crew Chief and Mechanic** (2) **Lead PAGE Mechanic and PAGE Mechanic**. (3) **Lead Cleaner and Cleaner**.
8. **Earned vacation must be taken in the year following the year in which it was accrued. An employee who has used his vacation for the year and needs additional time off in emergency situations can request to borrow from next year's vacation, not to exceed his current accrual. The Company agrees to a two (2) year transition period. To clarify an employee with a negative balance will have a period of two (2) years to have a zero or positive balance.**

ARTICLE 10

LEAVE OF ABSENCE

- A. When the requirements of the service will permit, any employee hereunder shall, upon proper written application and approval of the Company, be granted a personal leave of absence in writing for a period not in excess of ninety (90) calendar days. Except as herein provided, an employee shall not during the time he is on a leave of absence be gainfully employed without first having received the mutual approval of the Company and the Union.

Such leave or leaves may not be extended for additional periods unless approved jointly by the Company and the Union.

- B. During all leaves of absence mentioned herein, employees shall retain, but not continue to accrue, seniority beyond the first ninety (90) calendar days. Sick leave or occupational injury leave as well as any appointment or election to District Lodge or higher position shall continue to accrue seniority.
- C. An employee on leave of absence of ninety (90) days or more, inclusive of extensions which may have been granted, who returns from such leave, shall be reinstated to his former job if his seniority warrants. If his former job does not exist, the employee will be placed on furlough status and will be able to exercise his rights under Article 14.
- D. Military leaves will be granted in accordance with USERRA.
- E. **Family and medical leaves will be granted in accordance with State and/or Federal Family and Medical Leave Act (FMLA) as applicable and as administered by Air Wisconsin's Family and Medical Leave Policy.**
1. An employee who is disabled due to illness **or injury**, and who has exhausted his FMLA leave, shall be granted a **general** medical leave of absence for the remainder of such illness or injury, not to exceed two (2) years, inclusive of FMLA.
- F. **Bereavement Leave** - In the case of death in the immediate family (spouse, grandparents, children, father, mother, sister, brother, mother-in-law or father-in-law), an employee will be allowed time off with pay during the period of the funeral, not to exceed three (3) of his consecutive scheduled work days during said period. Pay shall be at the employee's base rate not to exceed eight (8) hours for an eight (8) hour schedule, ten (10) hours for a ten (10) hour schedule for any such scheduled work day lost. An employee may request and will be granted up to three days of accrued vacation to be used in the event of a death of an employee's spouse's grandparents, brothers and sisters, **or the employee's step-parents, step-brothers, step-sisters and grandchildren**. The employee shall not be eligible for funeral leave pay if he is on lay-off or any kind of personal, sick or Worker's Compensation leave. He shall not be paid for funeral leave in the event of a holiday for which he is eligible occurring during the funeral leave.
- G. An Air Wisconsin employee covered by this Agreement, upon appointment or election to a full-time Union position, shall be granted an indefinite unpaid leave of absence to fulfill his term of office. During such leaves of absence such employee shall be extended all benefits

and shall continue to accrue seniority under this Agreement and Air Wisconsin shall be reimbursed for same. **On employee's return, he will return (bump) into a position where his seniority will place him at the station he left and if station is closed, any other station. Employee will be credited with the maximum vacation and sick leave allowances provided by the agreement then in effect for employees of like seniority.**

H. An employee shall lose their seniority status if the employee is on a leave of absence for twenty-four (24) months from the date of illness or injury unless the medical prognosis for the employee is such that the employee will be able to return to work in his classification or any other job classification for which he is qualified within a reasonable extension of time.

I. Benefits While on Leave

1. While on a paid sick/medical/STD leave status, an employee will:

- a. remain on all insurance, welfare and retirement benefit programs previously enrolled in, with no increase in employee contributions to those plans, subject to any open enrollment period changes, and
- b. accrue sick time and vacation time consistent with the current collective bargaining agreement, and
- c. be subject to the pass policy of the Company **unless otherwise provided for in the Agreement, and**
- d. **continue to accrue seniority for pay, Company and classification purposes.**

2. While on a Worker's Compensation leave status, an employee will:

- a. remain on all insurance and welfare programs previously enrolled in, with no increase in employee contributions to those plans, subject to any open enrollment period changes, for **the** period of twelve (12) consecutive weeks. Thereafter, if the leave continues and the employee is not using sick pay to augment his Worker's Compensation payments, the employee may be credited eight (8) or ten (10) hours per day from any available sick leave bank in order to continue their insurance/welfare program.
- b. accrue sick time and vacation time consistent with the current collective bargaining agreement, and
- c. be subject to the pass policy of the Company **unless otherwise provided for in the Agreement, and**
- d. **continue to accrue seniority for pay, Company and classification purposes.**

3. While on an unpaid medical leave of absence, an employee will:

- a. remain on all insurance and welfare programs previously enrolled in with no increase in employee contributions to those plans, subject to any open enrollment period

- changes, for a period of twelve (12) consecutive weeks. Thereafter, if the leave continues the employee will be **offered** COBRA continuation for their insurance/welfare programs
- b. accrue sick time and vacation time consistent with the current collective bargaining agreement, **and**
 - c. be subject to the pass policy of the Company **unless otherwise provided for in the Agreement**, and
 - d. continue to accrue seniority for pay, Company and classification purposes.
4. While on an approved FMLA leave of absence, an employee will:
- a. remain on all insurance, welfare and retirement benefit programs previously enrolled in, with no increase in employee contributions to those plans, subject to any open enrollment period changes.
 - b. accrue sick time and vacation time consistent with the current collective bargaining agreement, **and**
 - c. retain pass policy privileges as if an active employee for the duration of the FMLA leave of absence, and
 - d. continue to accrue seniority for pay, Company and classification purposes.

ARTICLE 11

VACANCIES AND POSTED JOBS

When a vacancy occurs and the Company wishes to fill the job, all such vacancy/vacancies will be filled by assignment of personnel under the terms of this Agreement. **Upon mutual agreement all processes associated with this article may be automated via the Company intranet.**

In the filling of new **local and** system vacancies and existing **local and system vacancies**, it is understood that the bids shall be awarded, by seniority, to employees with valid standing preference bids on file.

All Crew Chiefs, Inspectors, Mechanics and Avionics Technicians must hold a valid Airframe and Powerplant license (A&P).

Avionics Technicians must also hold an FCC License or, a National Center for Aircraft Technician Training – Aircraft Electronics Technician (NCATT – AET) certification, or, proof of graduation or certification from an accredited Avionics curriculum or military program.

The minimum licensing requirement may be modified by mutual agreement between the Company and the Union.

A. Standing Preference Bids

1. All working and **laid off** employees may fill out a Standing Preference Bid form.
2. The Company shall provide system wide, at each award, a posted list of all positions currently in effect, with employee names, schedule line numbers, station, shift, days off, start/stop times, and classification.
3. An eligible employee who desires to voluntarily transfer from their existing line shall file a standing preference bid for each job to which he desires to transfer identifying his desired: (1) class, (2) bid group, (3) shift, (4) days off, and (5) location.
4. A bid may be submitted on a standard Company form to the employee's supervisor or **his designee** who will provide a signed copy to the employee confirming the date and time of receipt. The supervisor **or his designee** shall file the bid with the appropriate Company official.
5. There shall be no limitation on the number of replacement bids an employee may file. Only the most recent standing preference bid form will be recognized.
6. No standing preference bid on file shall be altered in any way. Changes must be made by submitting a new bid. Bidding one line that is identical to others is equivalent to bidding for all of those lines including additional lines added in the future. (Identical lines are defined as having the same station, classification, shift, bid group, days off, and start/stop times.)

7. Bids that are not legible or are incomplete will be disregarded by the Company and returned to the employee immediately upon receipt.
8. Employees voluntarily accepting specialized training of two weeks or more of the same course are restricted from bidding out of the shop or area from which they trained for one (1) year from completion of such training. The Company will notify the employee in writing prior to the beginning of training if the training is specialized. The employee will indicate in writing whether the training is voluntary or involuntary. The employee will receive a copy of this indication.
9. Bids must be actually received, as evidenced by time stamp, in the office of the Company representative by the date the vacancy is filled. Bids not so received shall be disregarded for vacancies filled before they are received but shall remain valid for future vacancies. Vacancies will be filled at the end of the business day previous to the award date.

B. New Vacancies

1. Postings

- a. **New Vacancies** - A new **vacancy** is defined as one involving new start and end times, new shifts, new days off, new shop, etc. It does not include additional lines added to existing positions (i.e., identical lines).

- (i) **Announcement of new vacancies.**

- (a) A local information bulletin announcing new **vacancies** at a station will be posted at all bid locations within the station. Bulletins will contain the following information:

- I. Whether it is permanent or temporary
- II. Classification
- III. Station and bid group
- IV. Shift and days off
- V. Number of **vacancies** and brief description of duties and qualifications.
- VI. Effective calendar date of transfer
- VII. Bid schedule line number of the **vacancy(s)**

- (ii) Each bulletin will be posted for at least seven (7) calendar days and shall specify a deadline date and time after which bids will not be **accepted for the posting**. **At the time of the posting new preference bid forms will be supplied to each maintenance station.**

Note: If new vacant lines are filled locally and subsequent open lines at the station are existing lines then paragraph (iii) below, does not apply. The subsequent existing lines will be filled by Bid Process paragraph C.

- (iii) New **vacancies** not filled by local posting will then be posted system wide utilizing the same procedure defined in Paragraph B.1.a. above.

Note: For new vacancies laid off employees will be contacted and given **nine (9)** days from **initial** notice of openings to submit a bid.

2. Bid Process

a. Filling New Local Vacancies.

- (i) A seven (7) day posting is required for this bid process.
- (ii) **New vacancies** at a station will be subject to filling from standing preference bid in the following manner:

STEP 1. Local preference of those currently working **in** the classification **at the station by classification seniority.**

Note: If new vacant lines are filled locally and subsequent open lines at the station are existing lines, the subsequent existing lines will be filled by Bid Process paragraph C.

- (iii) Subsequent **vacancies** at the station occurring as a result of the original **vacancy** and award will be awarded by seniority using the existing standing preference bids on file on the date of the award of the original **vacancy** in accordance with **paragraph C.**

Note: If new local vacancies are not filled by the new local bid process then lines will be filled in accordance with paragraph B.2.b.

b. Filling New System Vacancies

- (i) A seven (7) day posting is required for this bid process.
Note: For new vacancies laid off employees will be contacted and given **nine (9)** days from **initial** notice of openings to submit a bid.
- (ii) **New vacancies** at a station will be subject to filling from standing preference bid in the following manner:

STEP 2. System wide **who hold** the classification among qualified employees **by classification seniority**, including laid off employees.

STEP 3. System wide (outside classification) by seniority among qualified employees including laid off employees. **(Employees who do not hold classification seniority).**

Prior to Step 4 below, employees **on station lay-off at the station where the opening(s) are located and who hold classification seniority** will be recalled in **reverse order of seniority.**

STEP 4. New hires. AWAC IAM represented employees with applications on file will be given preference over non-employees.

New mechanics with A&P licenses may be assigned a training schedule not to exceed ten (10) calendar weeks **from date of hire before they must be assigned a bid line.**

(iii) Subsequent **vacancies** at the station occurring as a result of the original **vacancy** and award will be awarded by seniority using the existing standing preference bids on file on the date of the award of the original **vacancy** in accordance with paragraph C.

(iv) **Filling Crew Chief and/or Inspector new system vacancies not filled by a Crew Chief and/or Inspector with classification seniority will follow paragraph E.**

C. Existing Local or Existing System Vacancies

1. Bid Process

- a. Postings **and notification to laid off employees** are not required **for this bid process.**
- b. **Vacancies** at a station will be subject to filling from standing preference bid in the following manner:

STEP 1. Local preference of those currently working in the classification **at the station by classification seniority.**

STEP 2. System wide **who hold** the classification among qualified employees **by classification seniority**, including laid off employees.

STEP 3. System wide (outside classification) by seniority among qualified employees including laid off employees. **(Employees who do not hold classification seniority).**

Prior to Step 4 below, employees **on station lay-off at the station where the vacancy(s) are located and hold classification seniority** will be recalled **in reverse order of seniority.**

STEP 4. New hires. AWAC IAM represented employees with applications on file will be given preference over non-employees.

- c. New mechanics with A&P licenses may be assigned a training schedule not to exceed ten (10) calendar weeks **from date of hire before they must be assigned a bid line.**
- d. Subsequent **vacancies** at the station occurring as a result of the original **vacancy** and award will be awarded by seniority using the existing standing preference bids on file on the date of the award of the original **vacancy** in accordance with **C.1** above.
- e. **Filling Crew Chief and/or Inspector new system vacancies not filled by a Crew Chief and/or Inspector with classification seniority will follow paragraph E.**

D. Awards

1. The Master Schedule will be updated and posted at each maintenance location with the name(s) within two (2) work days after the award **and a minimum of 7 days prior to the start of the new schedule.**
2. An employee who is awarded a bid by standing preference bid shall **have at least 7 days notice before he is** transferred on the calendar date as stated on the award, unless another date is mutually agreed to between the employee and the Director of Maintenance or his designee. It is further understood that upon transfer, an employee may be assigned to a training schedule not to exceed thirty (30) consecutive days with no change in days off except for classroom training. Shift changes during the training cycle will be limited to those necessary to complete training. Should a shift change be necessary, an employee's previous personal commitments will be considered. The Company will notify the employee at the time of the award what training will be required. The employee will have a sixty (60) day window to start and finish applicable training.
3. When an employee successfully bids a vacancy at another maintenance station, it will be considered a voluntary move. Five (5) unpaid workdays, and/or vacation days, will be allowed to report to the station. The effective date of the transfer will be two (2) weeks from the award posting date unless mutually agreed otherwise.
4. Employees who have not demonstrated their ability previously in the classification will be given a trial period of not less than thirty (30) work days and not more than sixty (60) work days to demonstrate his ability to perform the work and to determine whether he wants the job. If he fails to demonstrate his ability or decides he does not want the job, he shall revert back to his former position and be precluded from bidding on the same classification for the next six (6) months. Awarded vacation periods will be honored during the trial period unless cancelled by the employee. The trial period will be extended by the time of the vacation period.
5. Any employee who chooses to cross bid to any IAM contract who is awarded a vacancy will serve the length of the probationary period of the new contract on a trial basis. The employee will adjust to the new job scale rate of pay applicable for years of service covered by an IAM contract. The employee will retain his seniority in the classification that **he** had worked. If such employee fails his trial period, that employee may return to his original position.
6. If more than one position becomes available, **the employee's** higher choice on **his** standing preference bid form will be awarded.
7. **All working and laid off employees can only decline** an award based on his standing preference bid **for a change of station and/or classification. He will then** be restricted from bidding for five (5) calendar months. The employee must submit his decline of the award within five (5) days after notification.
8. If there is a reduction **and/or realignment** in the workforce, as per Article 14 an employee cannot decline his bid once awarded.

E. Filling of Crew Chief and Inspector Vacancies – Joint Selection Process

When an approved vacancy exists as defined in Article 11 above in the Crew Chief and Inspector classification, the position will be awarded using the procedure below. Interested employees may submit a standing preference bid. Once the bid period is closed the position will be awarded based on the following procedure:

1. Priority for filling Crew Chief and Inspector Vacancies

- a. Local preference of those currently working within the classification.**
- b. System wide within the classification among qualified employees including furloughed/laid off employees.**
- c. System wide (outside of classification) among qualified employees including furloughed/laid off employees.**
- d. If no one from the system bids for the position and prior to the interview process, laid off employees from within the classification, at the station only, will be recalled in accordance with Article 11.**
- e. New hires. Other AWAC IAM represented employees with applications on file will be given preference over non-employees. Newly hired Crew Chiefs and Inspectors may be assigned a training schedule not to exceed ten (10) calendar weeks.**

2. Interview Process

- a. If no existing Crew Chiefs or Inspectors bid for the vacant position, the remaining candidates will be interviewed.**
- b. The interview will be conducted by a two (2) person panel: one (1) selected by management and one (1) selected by the Union.**
- c. The Union panel member must be working in the classification of the position being awarded. In the event an IAM member holding the position of Crew Chief or Inspector is not available, an IAM member designated by the Union will be utilized.**
- d. A Human Resources Representative will act in an advisory capacity and resolve any tie votes. This process does not deny an employee's right to the grievance procedure.**
- e. All personnel conducting the interview process will be required to attend an interview training program to be jointly developed by the Union and the Company. The program will be administered by the Company. The training administered by the Company will contain all elements of this Article.**
- f. Each interview will be based on an objective evaluation. A mutually agreed upon,**

standard set of interview questions will be used whereas the interviewers grade the applicants' answers on a point based system and record the results during the interview process. At the end of the interview, the panel will conduct an analysis of the recorded results and tabulate the results.

- g. After analysis of the interview, if the results recorded by the applicants are above a set point value mutually agreed upon, the senior person will be selected.

3. Interview Scheduling

- a. The parties agree that it is important to complete the interview process as quickly as possible depending upon the availability of the participants; however, the interview process will begin within ten (10) days of the bid closing or mutually agreed upon by the Company and Employee.
- b. Human Resources will contact all employees in the process at their telephone number on record or may contact the employee at work.
- c. Employees will be called in seniority order to advise them of the interview schedule (date, time and location) and offer a choice of scheduled interview times. In the event of a "no answer" or "left message" the interviewer may bypass the employee and call the next senior employee to offer selection of scheduled interview times. Any employee who was bypassed under these provisions who contacts the interviewer within twenty-four (24) hours may select from the remaining available interview time slots at the time he contacts the Human Resources representative.
- d. Any Employee unable to interview at the available interview time he scheduled will not be rescheduled.
- e. Employees can decline to interview for the position.
- f. When an Employee is unable, or declines, to interview for the position only the remaining eligible employee will be interviewed.
- g. Interviews will be conducted during the employee's regularly scheduled work day/week at the station where the employee works, or, the Company may opt to fly the employee to another station at the Company's expense (i.e., hotel, per diem and lost time) if it is mutually agreeable to both parties.
- h. If an employee has to interview on their day off, management will temporarily change that employees schedule so to limit or eliminate any overtime.

4. Process Completion.

- a. The employee awarded the Crew Chief or Inspector position will be notified by Human Resources of the award. The notification shall be in person or by phone if needed. The successful bidder will be afforded the provisions per Article 11 Par D to report. The employee's classification seniority and payment of the respective

wage for the classification will begin on the date of award.

- b. **Once the employee has been awarded a Crew Chief or Inspector vacancy, the updated Master Bid Schedule will be sent to and posted at all maintenance areas by the Company.**
 - c. **All applicants who participated in the interview process but were not awarded the position will be notified by Human Resources in person or by phone if needed. The employee will be offered an opportunity to receive feedback from the interview process (Union or Management) for future career development.**
5. **The Selection Process (Article 11, paragraph E) will only go into effect once an interview training program is developed and mutually agreed upon. All Management personnel, Crew Chief's and Inspector's must complete the interview training program to perform interviews for the Selection Process.**
 6. **A formalized training program for all newly promoted Crew Chiefs and Inspectors will be developed and mutually agreed upon before the Selection Process (Article 11, paragraph E) can be utilized.**
 7. **At the date of signing, all current Lead Mechanics and/or Inspectors will remain as Crew Chiefs and/or Inspectors and are exempt from this selection process unless they forfeit their Crew Chief or Inspector classification and bid at a later date to return to those positions. This paragraph also applies to laid off employees with Lead Mechanic and/or Inspector classification seniority.**

F. Temporary Vacancies

1. Unoccupied Temporary Vacancies

- a. **The vacancy can be filled on a temporary basis once from one (1) to sixty (60) calendar days, pending system wide posting and selection procedure. If there are no volunteers for the position, the position may be assigned to the most junior qualified employee. Employees who hold seniority in the higher vacant position and refuse to accept a temporary assignment based on the reverse order of seniority shall lose seniority in the higher classification only if the opening is at their station. For instances in which the Company requires additional use of the unoccupied temporary vacancy provision (example: aircraft paint program), the Company and Union shall meet and confer about the need. A mutual agreement between the parties must occur for additional provisions outside of this paragraph.**

2. Occupied Temporary Vacancy

- a. **A vacancy created by the absence of a current employee who is expected to return to the shop or facility may be filled on a temporary basis from one (1) to one hundred twenty (120) calendar days. Such vacancy will be posted system wide at each maintenance location for not less than seven (7) calendar days to allow bids to be filed, and will be awarded in accordance with Articles 11 and 12. If there are no volunteers for the position, the position may be assigned to the most junior qualified employee.**

3. Local Occupied Temporary Vacancy

- a. **A vacancy created by the absence of a current employee who is expected to return to the shop or facility may be filled on a temporary basis from fourteen (14) to sixty (60) calendar days (pay period increments). Such vacancy will be posted locally at the effected maintenance location for not less than four (4) calendar days accompanied by an email posting to all current employees, to allow bids to be filed, and will be awarded in accordance with Articles 11 and 12. If there are no volunteers for the position, the position may be assigned to the most junior qualified employee.**
- b. **The employee awarded or assigned the vacancy will be guaranteed a minimum of eighty (80) regular hours for each pay period. If employee's day-off patterns change the employee's work week and days off will comply with the Article 6.**
- c. **A Local Occupied Temporary Vacancy will only be used at a station that is ninety percent (90%) manned.**

4. Seasonal Temporary Vacancy

- a. In order to fulfill the maintenance requirements at a seasonal maintenance facility, the Company may bid temporary positions of no more than one hundred twenty (120) days duration. Such positions shall be filled as a system bid in accordance with Article 11 and Article 12 of this Agreement. An employee must have successfully completed the appropriate **training** before the effective date of transfer of the award.

5. Temporary Vacancy Award Rules

- a. An employee awarded, not assigned to, a temporary vacancy must complete the assignment prior to being awarded another temporary vacancy.
- b. When an employee completes any temporary vacancy assignment (involuntary) or any temporary vacancy award (voluntary) under Article 11, they shall be returned to their former position and/or status.

ARTICLE 12

SENIORITY

- A. Seniority under this Agreement shall be defined as length of continuous service with the Company subject to ability to perform the work of the job in a satisfactory manner and shall be by work classification and shall accrue from the date of entering the classification, on a regular assignment, subject to other provisions herein. The date of entering classification shall be established as one day after the closing date of the bid for seniority purposes only. The work classifications to be recognized for seniority purposes shall be as defined in Article 5. An employee moving from a lower classification to a higher classification will retain and continue to accrue seniority in all lower classifications he worked and will retain his present rate of pay or the starting rate of the higher classification (inclusive of any license premiums), whichever is greater, until such time as his seniority in that classification increases the rate of pay. New hire seniority date will be his first day worked or in training / orientation.
- B. Seniority by work classification shall be recognized at all shops and points where employees hereunder are employed on a system basis subject to other provisions herein in all reductions of force, in recalling after a layoff, in bidding for vacancies or new jobs and in all promotions, demotions or transfers involving classifications covered by this Agreement.
- C. If retained in the service after the probationary period, the names of such employees shall then be placed on the seniority list for their respective classification in order of the date of their entry into that classification. To decide the position of two or more employees on the seniority list whose date of entry into a classification is the same, the following procedure will be used in sequence as outlined:
1. Date of entering classifications;
 2. Date of entering Company as an employee;
 3. Birthday - oldest employee will be the senior;
 4. By method mutually agreed upon by both or all parties concerned.
- D. As of January 1 and July 1 of each year, the Company shall bring up to date system seniority lists which shall contain in their proper order the names of all employees in each job classification. Copies of seniority lists shall be posted on the IAM bulletin boards and a copy sent to the Union. At the time of the initial appearance on a seniority list, employees shall have thirty (30) days after the posting of such a list in which to protest in writing to the Company any omission or incorrect posting affecting their seniority.
- E. Employees covered by the Agreement shall lose their seniority status and their names shall be removed from the seniority list under the following conditions:
1. He quits or resigns.
 2. He is discharged for just cause.

3. He is absent from work for two (2) consecutive days without properly notifying the Maintenance Department Supervisor of the reason for his absence, and not then if a satisfactory reason is given for not notifying the Company.
 4. He does not inform the Company in writing or by fax of his intention to return to service within five (5) calendar days of attempted delivery of the fax or certified letter of notice offering to reemploy him.
 5. He does not return to the service of the Company on or before a date specified in the notice from the Company offering him re-employment at his station, which date shall be prior to ten (10) calendar days after attempted delivery of the fax or certified letter of notice; provided, however, that Sections 4 and 5 of this Article shall not apply to offers of temporary work for less than **one hundred twenty (120) days**.
 6. All notices required to be sent under this Article shall be sent by certified mail, return receipt requested, to the employee at the last address filed by him with the Employee Relations Department; provided, however, that there shall be no duty on the part of the Company to send a notice to a laid-off employee unless said employee shall, when laid off, file his address with the Employee Relations Department of the Company and shall thereafter promptly advise the Employee Relations Department of any change of address.
 7. He is not recalled after having been laid off from the Company for a continuous period of seventy-two (72) months shall be considered broken only if an employee is recalled for a period of sixty (60) or more consecutive work days.
 8. He exhausts medical leave per Article 10, paragraph H.
- F. An employee holding seniority in classification higher than his present classification, and failing to bid on a bulletined job at his station in such higher classification for which he has previously qualified, shall lose all seniority in such classifications, except at no time shall an employee be compelled to bid a temporary job of less than **one hundred twenty (120)** calendar days. The same shall apply if his bid is withdrawn prior to the bid award or failure to accept after the bid award. When an employee successfully bids from a classification (to a lower classification), he shall lose seniority in all classifications which are rated higher than the one to which he has successfully bid. Article 5 sets forth the descending order of classifications for seniority purposes. Any laid off employee may bid a job in a lower classification and retain seniority held in higher classifications providing that there are no openings in the higher classification held at the time of the bid at the station.
- G. Any employee covered by this agreement that bids into a position covered by another IAM collective bargaining agreement will retain and accrue seniority in their former classification during their probation. However, upon completion of probation in the new classification, seniority in their old classification will be frozen.

ARTICLE 13

PROBATIONARY PERIOD

- A. All newly hired employees for positions within the bargaining unit will be considered as probationary employees for the first six (6) calendar months of employment, **except for any period of worker's compensation or leave of absence.**
- B. All such employees shall enjoy the benefits of the terms of this Agreement unless expressly provided otherwise, except that the termination of a probationary employee shall not be subject to the grievance procedure.
- C. Upon completion of the probationary period, such employee shall be entitled to all benefits of the contract. By mutual agreement between the Company and the Union, an employee may be extended for **thirty (30) days**, but upon successful completion of their extended probation, all benefits shall be retroactive to the original probation completion date.

ARTICLE 14

FURLOUGH/LAYOFF STATION REALIGNMENT, REDUCTION, CLOSING

A. Station Realignment

1. When the **realignment** of a bid schedule line becomes necessary at a shop or facility within a classification, the Company will alter **and post** the **Master Bid Schedule** with all positions **that will be** in effect for that shop or facility for a period of ten (10) calendar days. During this period all affected employees (**most senior affected and lower**) will be notified **via one of the following**:
 - a. **In person, signed receipt**
 - b. **In written form via mail**
 - c. **Company E-mail, open receipt if possible**
 - d. **Company Intranet, open receipt if possible**

Included with the notification will be a standing preference bid form which must be filed indicating their line preference prior to the bid deadline.

On the **next scheduled business day**, the Company and a Union representative will review all standing preference bids on file to determine the disposition of the affected employee(s) in accordance with Article 12.

If an employee does not submit a preference bid, he will be assigned an open line by seniority at the end of bid processes.

Note: At the same time an Article 11 may take place.

The Company will post the awards on the revised Master Bid Schedule within two (2) business days. The start date for the revised Master Bid Schedule will be at least 7 (seven) calendar days after posting.

The Master Bid Schedule will be date stamped when posted on the bulletin board.

Note: Standing preference bids awarded in this Article may not be denied as articulated in Article 11.D.7.

2. An employee who could not participate in the bid procedure because of authorized absence shall upon return to work status, **immediately be** issued a notice and will be allowed five (5) calendar days to exercise his seniority in accordance with subparagraph **A.2.a.** listed below.
 - a. Displace any junior employee, within his classification at his station.

Note: Vacation for the affected employees will be adjusted to the employee's request.

B. Station Reduction

1. When a reduction or the elimination of a bid schedule line becomes necessary at a shop or facility within a classification, the Company will alter **and post the Master Bid Schedule with all positions that will be** in effect for that shop or facility for a period of **fourteen (14)** calendar days. During this period all affected employees (**most senior and lower**) will be notified **via one of the following:**
 - a. **In person, sign receipt**
 - b. **In written form via mail,**
 - c. **Company E-mail, open receipt if possible**
 - d. **Company Intranet, open receipt if possible**

Included with the notification will be a standing preference bid form which must be filed indicating their line preference prior to the bid deadline.

On the **next scheduled business day**, the Company and a Union representative will review all standing preference bids on file to determine the disposition of the affected employee(s) in accordance with Article 12.

Note: At the same time an Article 11 may take place.

The Company will post the awards on the revised Master Bid Schedule within two (2) business days. The start date for the revised Master Bid Schedule will be at least 30 (thirty) calendar days from posting.

The Master Bid Schedule will be date stamped when posted on the bulletin board.

The employees not awarded a position shall immediately be issued a furlough notice effective no earlier than **thirty (30)** calendar days from the date of receipt. An employee in receipt of such notice must within five (5) calendar days; elect one of the options in subparagraphs **B.1.a. through B.1.d.** listed below. **After the placement of these employees who were not originally awarded a position the Company will post the results on a revised Master Bid Schedule within two (2) business days.**

Note: Standing preference bids awarded in this Article may not be denied as articulated in Article 11.D.7.

A non-affected employee at the station being reduced may volunteer to take the most senior displaced employee's position that wishes to remain at the station, for a move to an open position in the system. The award of such bid will be subject to the provisions of Article 32.

An employee that could not participate in the bid procedure because of authorized absence shall upon return to work status, be immediately issued a furlough notice and will be allowed five (5) calendar days to exercise his seniority in accordance with subparagraphs **B.1.a. through B.1.d.** listed below.

Notwithstanding the above, any employee in the affected shop or facility may elect to take the option in subparagraph **B.1.d.** Employees who have received specialized training

pursuant to Article 11.A.8. may be displaced by furloughed employees exercising the following options.

Note: Subparagraphs **B.1.a.** through **B.1.c.** below must be exercised in sequence.

- a. Displace any junior employee, within his classification at his station.
 - b.
 1. Displace any junior employee within his classification at another station; or
 2. Displace any junior employee at his station in any lower classification in which he holds seniority.
 - c. Displace any junior employee on the system in any lower classification in which he holds seniority.
 - d. Go on layoff status at the station affected by a reduction in force. (Employees being **laid off** will have **thirty (30)** calendar days notice or pay in lieu thereof.)
2. An employee electing options **B.1.b.2.** or **B.1.c.** above shall retain and accrue seniority in all classifications from which laid off or displaced, but will be required to accept recall in the classification at his current station **or will forfeit that classification seniority per Article 12.** An employee electing option **B.1.d.** above shall **retain** and accrue seniority in all classifications in which he **holds** seniority **as per Article 12.** In addition, the employee will accrue longevity seniority for payroll purposes for a period of six (6) months if he has exercised his seniority to the fullest and is involuntarily laid off.
 3. Employees electing to exercise any of the above options will not be permitted to displace a junior employee at some later date, but may bid on any vacancies under Article 11 in accordance with his seniority. A laid off employee who bids and is awarded another station or higher classification will forfeit his recall rights from the station from which he was laid off. A laid off employee who refuses recall to a station laid off from, will forfeit seniority as described in Article 12.
 4. Employees exercising any option to displace will be notified of their new position by the posting of the **Master Bid** schedule at least **thirty (30)** calendar days prior to the effective date of the new **Master Bid Schedule.**

The following options to report to their new **location** may be used **with mutual agreement and with proper notification.**

- Use Article 32 **as applicable**
- Use Vacation time
- Use days off
- Use unpaid days (up to seven (7) calendar days)
- Use a combination or none of the above

An employee who fails to report to the new location in specified time shall have his name removed from the seniority list of all classifications in which he holds seniority.

5. In the event an employee's work is geographically relocated, he may elect to utilize the provisions of a station layoff (**step B.1.d. above**) rather than exercise his rights to follow the work.

Note: Vacation for affected employees will be adjusted to the employee's request.

C. Station Closing

1. When a **station closing is required**, the Company will alter **and post the Master Bid Schedule with all positions that will be** in effect for other shops or facilities for a period of **fourteen (14)** calendar days. During this period all affected employees (**most senior and lower**) will be notified **via one of the following:**

- a. **In person, signed receipt**
- b. **In written form via mail**
- c. **Company E-mail, open receipt if possible**
- d. **Company Intranet, open receipt if possible**

Included with the notification will be a standing preference bid form which must be filed indicating their line preference prior to the bid deadline.

Note: Standing preference bids awarded in this article may not be denied as articulated in Article 11.D.7.

On the **next scheduled business day**, the Company and a Union representative will review all standing preference bids on file to determine the disposition of the affected employee(s) in accordance with Article 12.

Note: At the same time an Article 11 will take place.

The Company will post the awards on the revised Master Bid Schedule within two (2) business days. The start date for the revised Master Bid Schedule will be at least 30 (thirty) calendar days from posting.

The Master Bid Schedule will be date stamped when posted on the bulletin board.

The employees not awarded a position shall immediately be issued a furlough notices effective no earlier than **thirty (30)** calendar days from the date of receipt. An employee in receipt of such notice must within five (5) calendar days elect one of the options in subparagraphs **C.1.a. through C.1.c.** listed below.

An employee that could not participate in the bid procedure because of authorized absence shall upon return to work status, be immediately issued a furlough notice and will be allowed five (5) calendar days to exercise his seniority in accordance with subparagraphs **C.1.a. through C.1.c.** listed below.

Notwithstanding the above, any employee in the affected shop or facility may elect to take the option in subparagraph **C.1.c.**

Furloughed employees exercising the following options may displace employees who have received specialized training pursuant to Article 11.A.8.

Note: Subparagraphs **C.1.a. through C.1.b.** below must be exercised in sequence.

- a. Displace any junior employee, within his classification at another station
- b. Displace any junior employee on the system in any lower classification in which he holds seniority.
- c. Go on layoff status at the station affected by a reduction in force.

(Employees being **laid off** will have **thirty (30)** calendar days' notice or pay in lieu thereof.)

2. An employee electing options **C.1.b.** or **C.1.c.** above shall retain and accrue seniority in all classifications from which laid off or displaced but will be required to accept recall in the classification at his current station or will forfeit that classification seniority per Article 12. An employee electing option **C.1.c.** above shall retain and accrue seniority in all classifications in which he holds seniority per Article 12. In addition, the employee will accrue longevity seniority for payroll purposes for a period of six (6) months if he has exercised his seniority to the fullest and is involuntarily laid off.
3. Employees electing to exercise any of the above options will not be permitted to displace a junior employee at some later date, but may bid on any vacancies under Article 11 in accordance with his seniority. A laid off employee who bids and is awarded another station or higher classification will forfeit his recall rights from the station from which he was laid off. A laid off employee who refuses recall to a station laid off from, will forfeit seniority as described in Article 12.
4. Employees exercising any option to displace will be notified of their new position by the posting of the **Master Bid** schedule at least **thirty (30)** calendar days prior to the effective date of the new **Master Bid Schedule**.
The following options to report to their new **location** may be used **with mutual agreement and with proper notification**.

- Use Article 32 **as applicable**
- Use Vacation time
- Use days off
- Use unpaid days (up to seven (7) calendar days)
- Use a combination or none of the above

An employee who fails to report to the new location in specified time shall have his name removed from the seniority list of all classifications in which he holds seniority.

5. In the event an employee's work is geographically relocated, he may elect to utilize the provisions of a station layoff (**step C.1.c. above**) rather than exercise his rights to follow the work.

Note: Vacation for affected employees will be adjusted to the employee's request.

D. General

1. Laid off employees shall not be required to accept a temporary job of less than **one hundred twenty (120)** calendar days and the Company shall notify the employee(s) if recall is for a temporary position.
2. While **laid off** an employee will be eligible for free transportation rights on the Company's system as set forth in Article 16 of this Agreement for the purpose of visiting a maintenance station to determine whether to accept a position at that location.
3. In the event of a reduction of the mechanic work force, a mechanic holding **PAGE mechanic** seniority may exercise such seniority in the plant and ground equipment mechanic classification to displace a junior employee. Such mechanic will be paid at his applicable mechanic rate, **including longevity, and all applicable shift premiums**, less license premiums.
4. A **laid off employee** may bid a lower classification at a station without losing higher classification seniority as long as he is unable to bid on or hold a higher classification job that he holds seniority in at that station.
5. **Within thirty (30) days of signing this Agreement the Company will notify all laid off employees that they will no longer receive standing preference bids. The Company will inform the laid off employees of the contact information for the Company: address, phone number, fax number and E-mail address. It will be the responsibility of the laid off employee to contact the Company to receive the standing preference bid forms. When the Company is notified of a request, the Company will send the standing preference bid forms within one (1) business day by E-mail, Fax or overnight delivery, as requested by the employee, all with return receipt. At this time the employee will be informed of any bid deadlines. Once the employee request the standing preference bid form they will be sent any updates to the preference bid forms by the method requested above. It will be the employee's obligation to update any changes to the notification method as stated above.**

All laid off employees will be informed of the opening of any new maintenance station and will be sent all standing preference bid forms, by E-mail, Fax or overnight delivery, all with return receipt. At that time the employee will be informed of any bid deadlines.

There shall be no obligation on the part of the Company to **notify or** recall an employee who fails to keep his current mailing address, **phone number, and if available fax number and E-mail address** on file with the Company, as herein provide.

ARTICLE 15

SICK LEAVE

- A. The purpose of sick leave is to compensate an employee as if he had worked on days that he cannot because of off the job illness or accident not covered by Worker's Compensation. A day of sick leave shall consist of that time that the individual was scheduled to work had he not been sick. Sick leave shall be earned on the basis of **eight (8) hours** per month and shall accumulate up to a maximum of **nine hundred sixty (960) hours**.
- B. In questionable cases, the Company may request evidence of proving the illness. The Company may request a doctor's certificate if it so notifies the employee and pays the expense, unless the employee has sought medical assistance from a doctor on his own.
- C. Employees who are laid off or granted leave of absence shall accrue sick leave only for the first thirty (30) days of such absence. Employees shall retain all accrued sick time while on lay off or leave of absence.
- D. An employee who is eligible for Worker's Compensation will be permitted to use his accumulated sick leave on a pro-rata basis to obtain his regular daily rate of pay at straight time pay until such time as he exhausts his sick leave accrual. If the compensable injury or illness arises out of employment with Air Wisconsin Airlines Corporation, the employee shall earn and accrue sick leave during the period he received Paid Sick Leave, but such sick leave may be used only after the employee returns to work. In the event an employee uses sick leave accrual for a job related injury compensable under Worker's Compensation, he will, upon return to work, **earn double sick leave hours** until such time as his accrual returns to the number of sick leave **hours** prior to the injury.
- E. Employees receiving compensation under the Company's short term disability (STD) program will use accrued sick leave on the basis of each work day he would have been scheduled before receiving STD benefits (reference Article 29).
- F. Upon Company retirement or death, an employee or his estate will be compensated for unused sick leave at the rate of **fifty percent (50%) of all hours earned up to the maximum hours referenced in Paragraph A** at the employee's regular base rate.

In order to be eligible for retirement the employee must meet the minimum age and years of service requirements as addressed in Article 35.

An employee, who returns from a laid-off status, must return to an active status for a sixty (60) day period prior to retirement, and must provide fourteen (14) calendar days advanced notice in writing of his intent to retire, in order to be eligible for the sick leave compensation noted above. If the employee is affected by an Article 14 Paragraph B or C during the sixty (60) days of his return, he will be able to retire and be eligible for sick leave compensation.

- G. Sick leave shall be paid for scheduled time lost only and shall not exceed eight (8) hours, or ten (10) hours, depending on employee's schedule in any one day at the employee's base rate. For each full hour an employee received sick leave pay, the sick leave accrual will be adjusted

accordingly. Less than one hour periods will not be deducted from an employee's sick leave accrual, applicable only when someone goes home.

- H. It is agreed that the Union will cooperate with the Company wherever possible to combat any abuse of the sick leave provisions provided in this Agreement. Any employee who used sick leave for any other purpose than for which it is designated on the leave of absence request signed by the employee will be subject to disciplinary action, including discharge.

An employee shall not be reprimanded for legitimate use of allotted sick and/or Worker's Compensation leave. An employee who has completed his probationary period whose dependability record is unsatisfactory shall be so advised, furnished a copy of his/her record and given a reasonable opportunity for improvement before any disciplinary action is taken.

- I. A new employee shall begin to earn sick leave from the first day, but shall not be permitted to utilize sick leave accrual until completion of his probationary period.
- J. When hospital confinement is required, employees may use as a loan up to fourteen (14) days of sick leave, which shall be paid back as additional sick leave accrues. Should an employee leave the Company without having fully reimbursed his sick leave account, he will be responsible to reimburse the Company for the sick leave.
- K. An employee who has reached the maximum number of sick **hours of nine hundred sixty (960)** and continues to maintain the maximum allowed will earn **four (4)** additional sick leave **hours per month** which will be placed in an extended sick bank. These extended sick bank days are not applicable to Worker's Compensation or subject to Paragraph F of this Article. No employee may accumulate more than **nine hundred ninety-two (992) hours** in his extended sick bank.

ARTICLE 16

TRANSPORTATION

- A. On-Line Pass Policy – All employees covered under this Agreement will enjoy pass travel benefits consistent with Company policy and its' interline pass Agreements for themselves and their immediate family members as defined by the IRS or Company policy.**

- B. An employee who retires in good standing from Air Wisconsin Airlines Corporation, and provided he has a minimum of ten (10) years of service, shall be eligible for pass benefits on Air Wisconsin Airlines Corporation for himself, spouse, and eligible dependents if his years of service plus age equal a minimum of 65. All retired employees shall be eligible for the interline pass agreements offered to Air Wisconsin Airlines Corporation based on the terms and conditions of the Agreement. These passes will not be used for business purposes.**

- C. An employee who retires from lay-off status will be allowed retiree pass travel benefits consistent with Air Wisconsin Airlines Corporation interline pass agreements.**

ARTICLE 17

TRANSFER OUT OF BARGAINING UNIT

- A. Employees promoted to positions outside the coverage of this Agreement in the interest of the Company directly related to work covered by the Agreement will retain but not accrue seniority in the classification from which promoted for one hundred eighty (180) calendar days following such promotion.
- B. Employees promoted to permanent supervisory positions outside the coverage of this Agreement will retain but not accrue seniority under this Agreement for a period of one hundred eighty (180) calendar days from the date of such promotion. When new positions are created, the Company and the Union will agree as to whether the work is related and whether employees covered by this Agreement will retain seniority under the Agreement.
- C. If an employee returns to the bargaining unit within a period of one hundred eighty (180) calendar days he may not displace an employee, but may bid an opening on the system in accordance with his return seniority.**

ARTICLE 18

GRIEVANCE PROCEDURE

- A. The representation for the effective handling of grievances and disputes between the parties under this Agreement shall be:
1. Designated Stewards or Committeemen will represent the Union for each shift at each location. These Stewards and/or committeemen will deal with officials of the Company with or through an accredited I.A.M.A.W. representative or his designee. At each location, one of the stewards will be designated as Chief Steward who will assist the stewards or committeeman on all shifts in handling disputes between the parties. The Chief Shop Steward or Committeeman will represent the Union in handling Step 2 and 3 grievance complaints and disputes with the appropriate Company representative at the location.
- B. In order to facilitate the conduct of Union management business in an orderly and businesslike manner, the following will apply:
1. The Company shall cooperate to provide an appropriate confidential area, to facilitate the Union's investigation and handling of grievances. If necessary, phone access will be provided.
 2. The Stewards and/or Committeeman will be empowered to settle all local grievances or disputes not involving changes in policy or the intent and purposes of this agreement.
 3. The Chief Shop Steward and/or Committeeman may leave the premises during their working hours without loss of pay for the purpose of conducting union-management business with the President and/or General Chairman of District 142. When leaving for these purposes, the President and/or General Chairman of District 142 will advise the facility manager.
 4. The Company and the Union will make every effort to keep to a minimum the actual time spent in disposing of grievances, disputes or complaints.
 5. All Stewards and Committeemen will be allowed access and availability to all work areas, shops, and Company facilities within their respective areas of representation in order to conduct their business in a proper, efficient and expedient manner. In so doing, they will contact appropriate management personnel and shall not disrupt or interfere with the operation in any significant or substantial manner.
 6. The Union will be further represented by a President-General Chairman and/or his designee representative(s) from District 142 for dealing with regional or general officials of the Company.
 7. The Company will be represented at each location by an authorized official who will be empowered to settle local grievances or disputes, but such settlement may not involve any change in the intent and purpose of the agreement. The Company will be further

represented on a regional and system basis for dealing with the Union President - General Chairman or his authorized representative.

8. The Union and the Company will, at all times, keep the other party advised through written notice of any change in authorized representatives.
9. The President-General Chairman and Grand Lodge representatives of the Union shall be permitted at any time to enter the facilities of the Company for the purpose of representing employees in disputes covered by this article.

C. For the presentation and adjustment of disputes or grievances that may arise, the following procedure will be utilized:

Step 1. Any employee or employees having a grievance in connection with the application of the terms of this Agreement may, with the Steward or other authorized Union representative, present the written grievance **on a form supplied by the Union to his Facility Manager or his designee. The grievance will state the specific contract violations, the remedy desired, and the date of the alleged violation. A copy will be provided to the Facility Manager to be forwarded to the Employee Relations Manager; the Facility Manager or his designee will initial and date acknowledgement of receipt of the grievance.**

The Facility Manager or his designee shall hold appropriate discussions or hold a hearing so that the response is appropriate. The Facility Manager or his designee will render his written decision within ten (10) days from receipt of the grievance.

Step 2. If the decision in Step 1 is not considered satisfactory, the Chief Shop Steward or his designee may refer the matter to the Director of Maintenance or his designee. Copies will be provided to the Director of Maintenance to be forwarded to the Vice President of Human Resources and Labor Relations and the Employee Relations Manager within fifteen (15) days after receipt of the written decision rendered in Step 1 above. This appeal will be by submission of the written grievance. The Director of Maintenance or his designee will hold a meeting and render his decision in writing within fifteen (15) days of receipt of the referral.

Step 3. If the decision in Step 2 is not considered satisfactory, the Union's President-General Chairman or his designee may refer the matter to the Company's Vice President of Maintenance. The notice of intent to appeal the matter to Step 3 must be made in writing within thirty (30) days after the Step 2 decision. Copies will be provided to the Vice President of Maintenance to be forwarded to the Vice President of Human Resource and Labor Relations and the Employee Relations Manager.

Within thirty (30) days after the Step 2 appeal date, the Vice President of Maintenance or his designee will meet with the Union's President-General Chairman or his designee and endeavor to reach a settlement of the issues

involved in the matter appealed. A written decision shall be issued no later than five (5) workdays following the meeting.

Step 4. If the decision in Step 3 is not considered satisfactory, the matter may be appealed by the President-General Chairman or his designee to the Vice President of Human Resources and Labor Relations and the parties will endeavor to reach a settlement of the issues involved in the matter appealed. The notice of intent to appeal the matter to Step 4 must be made in writing within thirty (30) days after the Step 3 decision. The Vice President of Human Resources and Labor Relations will schedule a meeting consistent with the availability of the General Chairman on a frequency that will assure timely resolution or disposition of the grievances at this level not to exceed thirty (30) days. A written decision shall be issued no later than five (5) working days following the meeting.

Step 5. If a settlement is not reached in Step 4, either party may submit the grievance to the System Board of Adjustment in accordance with Article 19.

- D. Individual grievances must be filed promptly after the cause giving rise to the grievance is evident, and no individual grievance will be valid if not filed within twenty (20) days of the date the employee knew or could reasonably be expected to have known of the grievance.
- E. The Company and the Union shall have the right to mutually appeal any matter to the System Board of Adjustment at any step of the grievance procedure.
- F. Should the Company or the Union not comply with the time limits set forth in the grievance procedure, the grievance shall automatically proceed to the next step.
- G. Discipline and Discharge
 - 1. Prior to the Company disciplining or discharging an employee who has completed his probationary period, there should be an investigative meeting conducted by the appropriate Management Personnel, Union Representative, Employee(s) charged and necessary witnesses for Union and Company. The Company representative conducting the meeting will not be the individual bringing the charges against the employee.
 - 2. The employee and his authorized Union Representative will be advised of the purpose of the investigative meeting before it is convened and given a reasonable opportunity to discuss the charges and secure the presence of necessary witnesses. If the employee is held out of service pending the investigation or meeting, it shall be without loss of pay. If the decision after the meeting is not satisfactory, the appeal may be made in accordance with Step 4 of the grievance procedure.
 - 3. An employee who has completed his probationary period who is suspended to the extent of loss of pay will be entitled upon request to a fair and impartial hearing, which will be held within ten (10) working days of the suspension notification. The Chief Shop Steward or his designee, grievant and necessary witnesses, will be in attendance at all disciplinary hearings. If the results of the hearing are not agreeable to the grievant, the union shall determine whether or not to appeal the case to Step 4 of the grievance procedure.

H. General

1. It is understood that either or both the Union President—General Chairman or his designee and the Vice President of Operations or his designee may intervene and participate in the handling of a grievance or dispute at any level of the grievance procedure.
2. Probationary employees covered by this Agreement shall not have recourse to the grievance procedure in the event of discharge within their probationary period.
3. For the purpose of computing workdays in connection with provision of this Article, only the calendar days Monday through Friday each week shall be counted.
4. In meetings for the purpose of investigating and/or discussing of any matter which may result in the application of discipline or dismissal, the Company will advise the employee of his entitled Union representation. The employee will have the right to refuse Union representation and the Company will provide the employee with a waiver form.
5. Except as specifically provided in the Article, all Step 2 and 3 meetings will be conducted during regular day shift working hours insofar as possible. Union representatives and necessary employee witnesses shall not suffer loss of pay while engaging in the provisions of this Article.
6. The Union's decision to withdraw grievances, not to process or appeal a grievance to the next step, shall not in any way prejudice its position on the issues involved.
7. Neither the Company nor the Union will discriminate against any witnesses called to testify in any hearing or investigation under this agreement. Employees of the Company who are witnesses will be provided on-line business passes.
8. An employee may elect to have legal counsel present only at the System Board of Adjustment.
9. It is understood that the time limits specified herein may be extended by mutual agreement of the parties hereto.
10. In discharge cases, the employee and his Union representative will have access to the personnel records of the employee prior to the holding of any post discharge proceeding.
11. An employee has the right to review his personnel file at reasonable times in the presence of a Company official. Disciplinary letters and write-ups will not be used against an employee and will be removed from an employee's station file after two (2) years, provided there are no further reoccurrences of any kind.
12. No disciplinary letters will be issued to an employee without first discussing the incident with the employee and the Union Steward if the employee requests the Steward be present.

ARTICLE 19

SYSTEM BOARD OF ADJUSTMENT

- A. In compliance with Section 204, Title 2 of the Railway Labor Act, as amended, there is hereby established a System Board of Adjustment for the purpose of adjusting and deciding all disputes or grievances which may arise under the terms of this Agreement, and which are properly submitted to it after exhausting the procedure for settling disputes, as set forth under the grievance procedure.
- B. At the arbitration stage, the Board shall consist of three (3) members, one (1) appointed by the Company, one (1) appointed by the Union and, for each dispute, one (1) member (hereinafter referred to as the neutral member) selected in accordance with Paragraph E of this Article.
- C. The Board shall have jurisdiction over disputes between any employee covered by this Agreement and the Company growing out of grievances or out of interpretation or application of any of the terms of this Agreement. The jurisdiction of the Board shall not extend to proposed changes in hours of employment, basic rates of compensation or working conditions covered by this Agreement or any amendment hereto.
- D. The neutral member of the Board shall preside at meetings and hearings of the Board and shall be designated as Chairman of the System Board of Adjustment. It shall be the responsibility of the Chairman to guide the parties in the presentation of testimony, exhibits and arguments at hearings to the end that a fair, prompt and orderly hearing of the dispute is afforded. The Board shall meet in the city where the general offices of Air Wisconsin Airlines Corporation are maintained (unless a different place of meeting is agreed upon by the Board).
- E. Upon filing a request for hearing with the Company member and Union member, the Company and Union shall within fifteen (15) calendar days meet to select a neutral member to sit with the Board in consideration and disposition of the case.

If no agreement can be reached within the fifteen (15) calendar day period, the parties will select a neutral arbitrator to serve as the neutral member. Upon the selection or appointment of a neutral member, the appealing party shall forward a copy of the submission to the members of the Board. All subsequent documents to be filed with the Board shall be addressed to all three members of the Board.

The Chairman shall set a date for hearing which shall be mutually satisfactory with the Union and the Company members of the Board and shall be within thirty (30) calendar days of the date of selection or appointment of the neutral member unless the Company and the Union have agreed to a mutually satisfactory later date.

- F. Employees covered by this Agreement may be represented at Board hearings by such person or persons as they may choose and designate, and the Company may be represented by such person or persons as it may choose and designate.
- G. Decisions of the Board in all cases properly referable to it shall be final and binding upon the parties hereto.

- H. The decision of the Board shall be rendered within thirty (30) calendar days after the closing of the hearing and/or final briefs have been submitted, and a majority vote of the members of the Board, including the neutral member, shall be necessary to reach such decision. The expense and reasonable compensation of the neutral member selected as provided herein shall be borne equally by the parties hereto, except as may be otherwise provided under the Railway Labor Act. The time limits specified in this paragraph may be extended by mutual agreement of the parties to the Agreement.
- I. Nothing herein shall be construed to limit, restrict, or abridge the rights or privileges accorded either to the employees or to the Company, or to their duly accredited representatives, under the provisions of the Railway Labor Act, as amended.
- J. Each of the parties hereto will assume the compensation, travel expenses and other expenses of its Board member and witnesses called or summoned by it. Witnesses who are employees of the Company shall receive free transportation over the lines of the Company in accordance with Company policy.
- K. It is understood and agreed that each and every Board member shall be free to discharge his duty in an independent manner, without fear that his individual relations with the Company or the Union may be affected in any manner by any action taken by him in good faith in his capacity as a Board member.
- L. The parties will have a permanent panel of arbitrators. Arbitrators will be selected from this permanent panel to serve as the neutral member of the System Board of Adjustments.

The permanent panel shall consist of seven (7) arbitrators mutually agreed to by the parties in October for the following calendar year. The parties may mutually agree to change a member or members of the permanent panel at the time of the annual selection of panel members.

The Company and the IAM will agree upon the grievance to be heard by each member of the permanent panel. A grievance must be designated by the parties at least thirty (30) days in advance of the scheduled hearing date. In the event that a grievance has not been designated prior to thirty (30) days, the hearing will be canceled.

Each panel member will be requested to provide two (2) consecutive days in their designated month. Hearing dates will be established on an every other month basis, i.e., one designated month for each arbitrator. The Company and the IAM agree to jointly contact the panel members to establish hearing dates in their designated month.

ARTICLE 20

SAFETY AND HEALTH

- A. The Company may require the employee to take a physical examination by a doctor selected by the Company. The cost of any such examination will be paid by the Company. Upon request, an employee will be furnished a copy of the doctor's report.
- B. The Company shall furnish first aid equipment and all necessary safety devices for employees working on hazardous or unsanitary work, and also shall furnish protective clothing for employees required to work with acids or chemicals that are injurious to regular clothing. Employees shall use or wear such devices or clothing as may be furnished. The above safety equipment, provided by the Company, shall meet OSHA and MSDS requirements.

Safety glasses will be furnished by the Company including prescription safety glasses and side shields. Safety glasses will not be required to be worn during taxi or towing aircraft.

- C. Employees covered by this Agreement shall not be required to work on aircraft outside of hangars during inclement weather when Company hangars are reasonably available. This clause shall not apply to emergency work on aircraft for immediate service or to servicing of flights. Suitable foul weather clothing shall be kept at all shops or points by the Company. Suitable raingear and gloves will be kept available at all locations. Insulated coveralls will be kept at all locations in an adequate variety of sizes and in a clean and presentable condition.
- D. The Company will provide parkas upon hiring and at their life expectancy intervals thereafter. A jacket may be substituted in lieu of a parka. The life expectancy of a parka or jacket will be two (2) years. In locations where an employee's work schedule requires him to be primarily outdoors, the Company will provide that employee with either coveralls or a bib. The life expectancy of the coveralls or bib will be three (3) years.
- E. Should an employee become injured and unable to perform his duties, he will be given an opportunity to perform such work that is available in another job assignment.
- F. An IAM designated safety representative will be recognized at all ZW maintenance locations.

ARTICLE 21

LIABILITY FOR DAMAGE TO EQUIPMENT

No employee shall be required to pay for damage done to any equipment or property which may be damaged during the course of his employment unless such damage is a result of gross negligence or a willful or wanton act of such employee.

ARTICLE 22

SAVINGS CLAUSE

If any Article or section of this Agreement or any addenda thereto should be held invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any Article or section should be restrained by such tribunal, the remainder of the Agreement and addenda shall not be affected thereby, and the parties shall enter into immediate collective bargaining negotiations for the purpose of arriving at a mutually satisfactory replacement for such Article or section.

ARTICLE 23

NO OTHER AGREEMENT

The Employer agrees not to enter into any other agreement, written or verbal, with the members of the Bargaining Unit individually or collectively which in any way conflicts with the provisions of this Agreement.

ARTICLE 24

WAGE RULES

- A. The minimum hourly rates set forth in Article 28, attached hereto and made a part of this Agreement, shall prevail on and after the dates and in the manner indicated therein. The Company will follow current pay scales, premiums and shift differentials. Deviations from current book will be mutually agreed upon in writing by the Company and the Union.
- B. The rates of all employees on the payroll at the time of the execution of this Agreement will be adjusted in accordance with the progression schedule indicated on Article 28.
- C. Pay periods of fourteen (14) days begin on Thursday at 00:01 hours and run until two Wednesdays later ending at 24:00 hours. Payday will be every other Thursday. All pay earned (overtime, holiday, sick, vacation, etc.) during the pay period would be paid the following pay period. Should the regular pay day fall on a holiday, employees will be paid the day preceding the holiday.
- D. Employees hired on or after September 25, 2001 will be paid in arrears based on actual hours worked. For employees hired prior to September 25, 2001 the pay system procedure currently in effect will continue during the life of this agreement unless the employee chooses to be paid in arrears based on actual hours worked, to be arranged between the employee and the company.
- E. Employees hereunder who must be absent from their work while serving as jurors shall, upon proper evidence that they were called and actually served such jury duty, be paid their regular rate of compensation less the amount received for jury service. The employee will supply the Company with a copy of the check within thirty (30) days. If jury duty lasts longer than one (1) week, the company will adjust the employees schedule to allow for weekends off.
- F. It is understood that if approval of any or all changes in rates of pay and other compensation is required by applicable laws and regulations, such changes shall be payable only after joint application and approval by the appropriate government wage stabilization agencies and then only in accordance with such approval.
- G. When an alternate/**upgradeable Crew Chief or an upgraded Lead** is required to perform **Crew Chief or Lead** work, he will receive no less than four (4) hours of **Crew Chief or Lead** pay. When an RII authorized mechanic is required to perform inspection work, he will receive no less than four (4) hours of inspector's pay.
- H. A payroll discrepancy of less than **eight (8)** hours will be corrected on the next paycheck. When there is a shortage of **eight (8)** hours or more a special check will be issued within five (5) working days of reconciliation of the discrepancy.

ARTICLE 25

PREMIUMS

A. Shift Premiums.

1. It is understood and agreed that any regularly scheduled work shift with a starting time of 12:00 noon or later and before 7:00 P.M. shall be considered an afternoon shift, and any regularly scheduled work shift with a starting time of 7:00 P.M. and before 05:30 A.M. shall be considered a night shift.

Afternoon shift premium is fifty (\$.50) cents **per hour**.

Night shift premium is **eighty (\$.80) cents per hour**.
Effective DOS (Date of Signing)

- B. License Premiums. **Effective on the date of signing (DOS) of this Agreement, all Crew Chiefs, Inspectors and Mechanics/Avionics Technicians** who hold and thereafter continue to hold a valid Federal Aviation Administration (FAA) Airframe and Powerplant license shall be paid as follows for each license in addition to their base rate of pay:

License	DOS	DOS +36 Months
FAA Airframe	\$0.95	\$1.15
FAA Powerplant	\$0.95	\$1.15
Both FAA Licenses	\$1.90	\$2.30

Such license must be registered and verified by the designated representative of the Maintenance Department. License premium pay shall be included as base pay for computation of pay purposes. If license requirements change due to Federal Aviation Regulations, the Company will train employees to meet such changes. Such training shall be compensated at the employees' regular straight time rate. In the event licenses are combined employees entitled to two license premiums will continue to be paid for such licenses.

- C. The license pay in this Article is not applicable to the PAGE mechanic position.

- D. **Crew Chiefs** and Inspectors will be paid above the one-year rate or their applicable rate whichever is greater. In addition, employees within their classifications will be paid the applicable premium for all compensable hours in the classification.

\$1.75 Crew Chief Effective DOS (Date of Signing), retro payment after implementation of a Crew Chief Training program. The implementation date shall not exceed six (6) months from the date of signing. Any employee who is eligible to receive this increase, and who terminates his employment before implementation, shall receive the payment upon retirement or exit from the Company.

\$1.10 Inspector

\$.90 PAGE Lead Mechanic Effective DOS (Date of Signing)

\$.90 Lead Cleaner

E. All premium pay shall be included as base pay for computation of pay purposes including overtime, holidays, vacation and sick leave.

ARTICLE 26

LONGEVITY

- A. Longevity compensation will be in accordance with the schedule below.
- B. Longevity compensation shall be effective as of the nearest pay period.
- C. Longevity pay shall be included as a part of the basic rate in the computation of pay for hours of overtime, holidays, vacation and sick leave.

LONGEVITY PAY SCHEDULE (\$ Per Hour)

MECHANICS (Including PAGE)		CLEANERS	
Year of Service	Present	Year of Service	Present
1	\$0.00	1	\$0.00
2	\$0.01	2	\$0.01
3	\$0.02	3	\$0.02
4	\$0.03	4	\$0.03
5	\$0.04	5	\$0.04
6	\$0.05	6	\$0.05
7	\$0.10	7	\$0.10
8	\$0.15	8	\$0.15
9	\$0.20	9	\$0.20
10	\$0.25	10	\$0.25
11	\$0.30	11	\$0.30
12	\$0.35	12	\$0.35
13	\$0.40	13	\$0.40
14	\$0.45	14	\$0.45
15	\$1.20	15	\$0.50
16	\$1.25	16	\$0.55
17	\$1.30	17	\$0.60
18	\$1.35	18	\$0.65
19	\$1.40	19	\$0.70
20	\$1.95	20	\$0.75
21	\$2.00	21	\$0.80
22	\$2.05	22	\$0.85
23	\$2.10	23	\$0.90
24	\$2.15	24	\$0.95
25	\$2.20	25	\$1.00
30+	\$2.30	30+	\$1.10

ARTICLE 27

TOOL ALLOWANCE

The Company will allow, upon proof of purchase, up to fifteen dollars (\$15.00) per month to a maximum accumulation of two hundred seventy dollars (\$270.00) for the purchase of tools for mechanics and higher classifications. Purchases in excess of accumulated credit may be submitted and the fifteen dollar a month reimbursement will continue until the purchase is paid.

ARTICLE 28

RATES OF PAY

Mechanical Related Personnel (MRP)

A. Mechanic/Avionic Technician/Plant & Ground Equipment Mechanic.

	8-1-2011	8-1-2012 (2.0%)	8-1-2013 (2.0%)	8-1-2014 (2.5%)
Start	\$14.57	\$14.86	\$ 15.16	\$15.54
After Year 1	\$15.61	\$15.92	\$16.24	\$16.65
After Year 2	\$16.65	\$16.98	\$17.32	\$17.75
After Year 3	\$17.77	\$18.13	\$18.49	\$18.95
After Year 4	\$18.43	\$18.80	\$19.18	\$19.66
After Year 5	\$19.09	\$19.47	\$19.86	\$20.36
After Year 6	\$19.74	\$20.13	\$20.53	\$21.04
After Year 7	\$22.73	\$23.18	\$23.64	\$24.23
After Year 8	\$25.57	\$26.08	\$26.60	\$27.27

Signing Bonus of \$3500.00 paid upon ratification.

B. Cleaner.

	8-1-2011	8-1-2012 (2.0%)	8-1-2013 (2.0%)	8-1-2014 (2.5%)
Start	\$ 9.88	\$10.08	\$10.28	\$10.54
After Year 1	\$10.40	\$10.61	\$10.82	\$11.09
After Year 2	\$10.92	\$11.14	\$11.36	\$11.64
After Year 3	\$11.84	\$12.08	\$12.32	\$12.63
After Year 4	\$12.51	\$12.76	\$13.02	\$13.35
After Year 5	\$13.17	\$13.43	\$13.70	\$14.04
After Year 6	\$13.82	\$14.10	\$14.38	\$14.74
After Year 7	\$14.83	\$15.13	\$15.43	\$15.82
After Year 8	\$16.12	\$16.44	\$16.77	\$17.19

Signing Bonus of \$3500.00 for FT employees paid upon ratification.

Signing Bonus of \$1750.00 for PT employees paid upon ratification.

ARTICLE 29

INSURANCE

A. Indemnity Plan

The Company will make health insurance coverage available to employees covered by this Agreement. A \$250 annual deductible (family maximum of \$750) will apply under such health insurance coverage. Once that deductible has been met, the insurance coverage will provide for 80% of the covered health care costs, and the remaining 20% of those costs will be borne by the employee up to a maximum of \$1,300 per year (includes deductible). Once an employee reaches the \$1,300 maximum, the reimbursement will be at 100% of eligible expenses for the duration of the calendar year. **The lifetime maximum benefit is unlimited.**

The monthly health insurance premium to be paid by the employees electing such coverage will continue under the current formula through December 31, **2011** and effective January 1, **2012** the monthly health insurance premium cost to the employee will be **27%** using the formula **rating method outlined** under paragraph G.

The monthly health insurance premiums paid by an employee may be increased in accordance with the formula specified in Paragraph G of this article, but in no case will the increase in the employees annual premium cost exceed **15%** from the preceding year.

The Company will not reduce coverage or increase cost to the employee, except for yearly premium adjustments, unless required by state or federal regulations.

B. Preferred Provider Organizer (PPO)

The Company will offer alternative health care in the form of a nationwide PPO.

The monthly health insurance premium to be paid by the employees electing such coverage will continue under the current formula through December 31, **2011** and effective January 1, **2012** the monthly health insurance premium cost to the employee will be **27%** using the formula **rating method outlined** under paragraph G.

The monthly health insurance premiums paid by an employee may be increased in accordance with the formula specified in Paragraph G of this article, but in no case will the increase in the employees annual premium cost exceed **15%** from the preceding year.

The lifetime maximum benefit is unlimited.

The Company will not reduce coverage or increase cost to the employee, except for yearly premium adjustments, unless required by state or federal regulations.

C. Exclusive Provider Plan (EPO)

The Company will offer alternative health care in the form of an **EPO** at all employee location, where an **EPO** is available.

The monthly health insurance premium to be paid by the employees electing such coverage will continue under the current formula through December 31, **2011** and effective January 1, **2012** the monthly health insurance premium cost to the employee will be **27%** using the formula **rating method outlined** under paragraph G.

The monthly health insurance premiums paid by an employee may be increased by a percentage equal to any percentage increase in costs to be paid by the company in that year, but in no case will the increase in the employees annual premium cost exceed **15%** from the preceding year.

The lifetime maximum benefit is unlimited.

The Company will not reduce coverage or increase cost to the employee, except for yearly premium adjustments, unless required by state or federal regulations.

D. Unavailability of **EPO** or PPO / at an employee location

At employee locations where neither an **EPO** nor a PPO is available, the Company will make the health insurance coverage described in Paragraph A available to the affected employees at a monthly premium no greater than the lesser of the premium cost for an **EPO** or a PPO at the nearest employee location that offers an **EPO** or PPO.

E. Dental Insurance

The Company will provide a nationwide dental insurance PPO plan with both in-network and out-of-network benefits effective January 1, 2002. The benefit levels for in-network and out-of-network coverage shall be identical, except that the annual individual maximum for in-network benefits shall be \$1,250.00 and the annual individual maximum for out-of-network benefits shall be \$1,000.00. However, the combined individuals in and out-of-network benefit shall not exceed \$1,250.00 per calendar year.

The monthly dental insurance premium to be paid by the employees electing such coverage will continue under the current formula through December 31, **2011** and effective January 1, **2012** the monthly dental insurance premium cost to the employee will be **27%** using the **rating method** under paragraph G.

The monthly dental insurance premiums paid by an employee may be increased in accordance with the formula specified in Paragraph G of this article, but in no case will the increase in the employees annual premium cost exceed **15%** from the preceding year.

The Company will **provide** dental coverage through the establishment of Dental Maintenance Organization (**if available**) with employee contributing **twenty seven percent (27%)** of the required contribution.

The Company will not reduce coverage or increase cost to the employee, except for yearly premium adjustments, unless required by state or federal regulations.

F. In the event that the health or dental insurance benefits offered to other employee group(s) at the Company are improved, the employees covered by this Agreement shall receive the same benefits **without increased cost**.

G. Annual Premium Adjustments for Medical and Dental Plans

Annual premium rate development will conform to generally accepted underwriting principles, standard and guidelines. Key rating elements include but are not limited to:

- 1. Claim experience for all medical plans will be combined or “blended” with the resulting rate adjustment applied uniformly to all medical plans.**
- 2. Claim experience will consist of two consecutive 12-month periods of paid claims weighted appropriately based on the average number of employees in the total group.**
- 3. A trend adjustment for utilization and inflation will be derived from an industry average annual trend factor. The industry average will be comprised of a minimum of two national health insurance carriers.**
- 4. The annual premium rate development will also include the Actual Stop Loss Premium and the Actual Administration fee.**

The Benefit Consultant chosen by the Company will develop annual premium rates.

During the fourth quarter of each year, the Company and the IAM General Chairs from District 142 will meet to review and discuss any anticipated or expected changes in benefit plan designs, planned vendor changes, or proposed benefit plan enhancements and will share any data or calculations being used for these purposes **prior to the annual Company Open Enrollment period**.

H. Flexible Spending

A flexible spending plan will be offered to the employees. The plan will include an unreimbursed medical care account and a dependent care account with pre-tax premiums as allowed under federal law.

An employee is entitled to defer **\$3,500 for 2012 and up to the IRS maximum** to his unreimbursed medical care account **for plan years 2013 and after**.

An employee is entitled to defer up to the IRS maximum to his dependent care account.

I. During the term of this Agreement, the Company will not reduce the life insurance benefits provided by the company. The Company will provide and pay 100% of the life insurance premium. The coverage for each employee will be seventy five thousand dollars (\$75,000.00).

A living benefit option will be included in the life insurance contract. This benefit will allow a terminally ill employee to choose to receive a percentage (in accordance with the plan provisions) of his benefit prior to death.

- J. Employees may purchase additional supplemental life insurance at age group rates in accordance with the terms and conditions of the policy in the amount of five hundred thousand dollars (\$500,000.00) in ten thousand dollar (\$10,000.00) increments. The company will provide the ability to purchase optional coverage for their spouse of up to fifty thousand dollars (\$50,000.00) in ten thousand dollar (\$10,000.00) increments at age base group rates; provide ability to purchase coverage for children up to ten thousand dollar (\$10,000.00) in twenty-five hundred dollar (\$2,500.00) increments.
- K. Employee's shall be entitled to purchase a universal life and cancer policy through payroll deduction. Participation in this program shall be strictly voluntary and offered by an agency and underwriter selected by the Union. The employee shall be responsible for the entire cost of the coverage. The Company shall provide a reasonable opportunity for on-site enrollment.
- L. Employees may elect during open enrollment each year to sell back up to one (1) week of vacation per year to offset employee insurance premiums. The Company will establish procedures for the sell back of vacation.
- M. Short Term Disability Insurance

The Company will provide STD coverage for all eligible employees subject to the terms and provisions as outlined in the Company's Policy and Procedures Manual. This includes but is not limited to;

1. An employee must first exhaust their eligible sick leave allowance prior to any STD payments. The employee must be eligible to use their sick time in order to qualify for STD benefits;
2. The maximum benefit period including sick time, is 26 weeks. STD benefits run concurrently with sick time;
3. STD benefits are not payable for any injury/illness for which worker's compensation benefits are payable;
4. Proper documentation must be submitted and continue to be submitted to support the disabling condition and its medical necessity.
5. Benefits begin on the 8th consecutive day of absence;
6. Short Term Disability will be a weekly benefit of **\$300.00**.

During the term of this agreement the company will not reduce the amount or duration of the current short term disability program.

- N. Long Term Disability: The Company shall sponsor through payroll deduction an LTD program financed one hundred (100%) percent with employee contributions. The design of the plan **will be per the plan document controlled by National Group Protection and District Lodge 142.**

- O. Accidental Death and Dismemberment Insurance: Employees may purchase up to five hundred thousand dollars (\$500,000) (in \$10,000 increments) in accidental death and dismemberment insurance at group rates/age based, in accordance with the terms and conditions of the policy. In order to purchase this insurance, employees must purchase supplemental life insurance in the same amount.

ARTICLE 30

TEST FLIGHTS

No employee under this Agreement will be required to enter an aircraft on a bomb scare against his wishes or to participate in test flights.

ARTICLE 31

COMPANY MEETINGS

- A. Employees who must attend meetings by Company request shall be paid for such meetings at straight time if the meeting falls within employees' regular working hours. Employees who must attend meetings by Company request before their shift starts or after their shift ends or on their days off will be paid a minimum of four (4) hours at their applicable overtime rate.

However, meetings scheduled in the hour immediately preceding or immediately following a scheduled shift, will be considered a simple shift extension and paid at that applicable rate of pay.

- B. Employees will not be required to attend mandatory company meetings if on vacation, sick, or leave of absence, including under FMLA. The company may excuse an employee from a mandatory company meeting for any other reason on a case by case basis. Generally, the company will provide as much advance notice as possible. Mandatory company meetings will not be used for regular maintenance training purposes.

ARTICLE 32

HOUSEHOLD MOVING ALLOWANCE

- A. When an employee is **displaced to another location** by the Company (**not including employees on layoff who bid and are awarded a position see par L.**), at Company expense, the Company shall engage and compensate a reputable bonded furniture moving company with suitable equipment to move the personal and household effects with full insurance coverage **to a new residence within a two hundred (200) mile radius of the new Company station location, or another residence location selected by the employee. If the point to point mileage to the employee's selected residence exceeds the mileage from the current station location to the new Company station location the employee will pay the moving company the difference in cost if any.** Included shall be the total cost of all shipping containers and the cost of packing and unpacking breakable items, shipping, drayage and storage for a period not to exceed forty-five (45) days.

If an employee exercises the provision to move to a location of his choice outside of the two hundred (200) mile radius surrounding the new station location, it will be on a one time basis only. If an employee is displaced again to another station location by the Company, all future moves paid for by the Company will only be covered from the employee's current station location to within a two hundred (200) mile radius of the new Company station location.

- B. Pick-up and delivery dates will be mutually agreed upon between affected employee and moving company.
- C. When the Company is required to pay moving expenses, the move must be coordinated with the **Benefits Department. In order to be eligible for reimbursement of expenses per Article 32, the employee must return a signed relocation form provided by the Company to the Benefits Department.** Moving expenses must be submitted **via the Company Travel and Expense system** within thirty (30) days after incurring the expenses. The Company will not be liable for any damages incurred during **the** move.
- D. A reasonable length of time (not to exceed five (5) days) shall be allowed with no deduction from pay. This time includes packing, unpacking and cleaning. This does not include travel time.
- E. The Company will pay moving expenses for an employee who is required to exercise his seniority to retain a position covered by this Agreement or who bids into a reestablished position at the location where last furloughed.
- F. Moving expenses paid by the Company will be limited to the following:
1. The Company will have the right to control the method of shipment and will pay the cost of moving up to 15,000 pounds but no more than 2,200 cubic feet.
 2. When automobile transportation is used by an employee and his immediate family, the Company will reimburse the employee at the current IRS mileage rate for up to two of the

employee's vehicles (verified by proof of registration) using the most direct AAA mileage from point of origin to point of destination plus toll fees in transit.

3. The Company will reimburse an employee for meals and lodging for the employee and his family for the time required to travel to the **new Company location**. A paid day of travel shall be considered 350 miles by the most direct AAA mileage. The daily allowance for meals shall not exceed **\$25.00** for the employee, **\$25.00 for spouse and each child over the age of 12, \$15.00 per child under the age of 12** and actual cost of lodging. Lodging will be the quality of that used on scheduled overnights.
 4. If household goods have arrived at a new **Company location** and it is impossible to move such goods into a new residence, the Company will pay meal and lodging expense, with prior approval of the **Benefits** Department, for up to five (5) days. The employee will make every effort to minimize this expense.
 5. If a lease is broken as a result of moving to a new **Company location** and a penalty is incurred, the Company will pay the penalty, not to exceed one month's rent.
 6. If an employee desires, he may have his house trailer moved in lieu of household effects, which shall include take-down and set-up. The trailer will not exceed 70 feet by 14 feet.
 7. The Company will pay for **moving televisions**, termination and hook-up of utilities, telephone and household appliances which result from a move to a new **Company location**, provided it does not involve alterations or materials.
 8. An employee who has the right to be moved by the Company will be allowed a maximum of two (2) years to have his household effects or trailer moved to the new **Company location**.
 9. An employee is required to provide receipts for all reimbursable expenses **and submit through the Company Travel and Expense system**.
- G. When the Company is required to pay moving expenses, nothing in this Article is intended to prevent the Company and an employee from agreeing to an amount to be paid to the employee in lieu of the expenses set forth herein.
- H. When an employee voluntarily changes stations, no moving expenses will be allowed except for space available transportation and household articles may be shipped on a space available basis over the Company system at no cost to the employee.
- I. All time spent in paragraphs D and F above, which falls on an employee's regular scheduled day, will be paid at the employee's applicable straight time rate.
- J. If an employee is displaced to a different station, the Company will move the employee's tool boxes and personally owned work equipment which is used on the job to the new station, at the Company's expense and it will not count as part of the employee's household moving allowance.**

- K. If an employee chooses to voluntarily resign his employment with the Company within eighteen (18) months of the relocation, the employee will be required to reimburse the Company for all relocation expenses paid on the employee's behalf. The amount of reimbursement will be determined on a prorated basis. (Example: If an employee only works for four (4) months following a move paid for by the Company, and then voluntarily resigns, the employee will reimburse the Company the prorated difference of 7/9ths of the total amount of paid relocation expenses).**
- L. A moving allowance of \$1000.00 will be allowed for employees on lay off who bid and are awarded a position at a location other than the one from which he was laid off. Receipts must be provided to substantiate payment and submitted via the Company Travel and Expense System.**

ARTICLE 33

RETIREMENT FUND

The Company and the Union have agreed upon a 401(k) plan for eligible IAM represented employees of the Company under which the Company is the plan sponsor. All employees are eligible to participate in the plan in accordance with its terms and conditions. Entry dates are the first day of each calendar quarter. Vesting will be in accordance with federal law and the terms and conditions of the plan documents. There will be a committee member position for an Air Wisconsin management employee.

After the completion of one year of service beginning with the first day of the following calendar quarter, participating employees are eligible for a Company match on deferrals under the plan equal to 40% of the employee deferral percentage, to a maximum of 10% of employee deferrals under the plan. After the completion of 10 years of service beginning with the first day of the following calendar quarter, participating employees are eligible for a Company match on deferrals under the plan equal to 50% of the employee deferral percentage, to a maximum of 10% of employee deferrals under the plan. After the completion of 25 years of service beginning with the first day of the following calendar quarter, participating employees are eligible for a Company match on deferrals under the plan equal to 60% of the employee deferral percentage, to a maximum of 10% of employee deferrals under the plan.

The Company will bear the cost of any needed changes to the plan document as a result of any changes associated with this proposal.

ARTICLE 34

GENERAL AND MISCELLANEOUS

- A. If new equipment is put into service by the Company, all employees affected shall be given every opportunity to become familiar with the new equipment without change of classification or rate.
- B. All orders or notices to an employee under this Agreement, involving a change in permanent station assignment, promotion, demotion, furlough and leave of absence, shall be **delivered via one of the following unless otherwise noted in this Agreement:**
 - 1. **In person, signed receipt**
 - 2. **In written form via mail**
 - 3. **Company E-mail, open receipt if possible**
 - 4. **Company Intranet, open receipt if possible**
- C. The Company agrees to furnish bulletin board space, and will place same at places agreed upon for the use of official Union business.
- D. Supervisors, other management personnel and technical representatives will not perform work covered by this agreement except in emergencies or training of employees. The servicing of late flights where qualified personnel are not available and the performance of necessary work caused by unusual circumstances in order to maintain flight schedules, or the protection of Company property against the elements, may be considered an emergency.
- E. The Company will arrange in each permanent base a suitable location for the use of employees in the safe storage of tool boxes and personally owned equipment which might be used on the job and the employee shall use same.
- F. The Company shall provide each employee covered by this Agreement with a copy of the Agreement in book form with a minimum font size of 10.
- G. The Company will assume the full cost of furnishing and maintaining work uniforms (**pants and shirts**). An employee may request **up to 10 uniform sets on a ten (10) hour shift schedule and up to 12 uniform sets on an eight (8) hour shift schedule. Uniforms will be issued to the employee as soon as logistically practical. If an employee experiences damage to personal clothing (pants and shirts) during this interim waiting period, they can submit for reasonable reimbursement.**
- H. The Company will provide any special tools that are required to provide proper maintenance.
- I. The Company will continue to provide free parking at each work location as designated by the airport authority and will provide the closest parking available to employees' work area.
- J. The Company will agree to provide payroll deductions for employees upon a signed authorization from the employee to permit participation in any disability plan, optical plan, 401K plan **and** loan repayment to such plan, MNPL (Machinists Non-Partisan Political League), legal services plan and Guide Dogs of America.

- K. On a **monthly basis**, the Company will publish details on each employee's tool allowance balance, **sick leave balance(s), and vacation balance.**
- L. The Company will pay tuition of up to a maximum of one hundred (\$100.00) dollars per employee, per course upon proof of successful completion of the course with a grade of C or better. This payment is not applicable to books or materials, and all courses taken under this provision are subject to the prior approvals of the Director of Maintenance or his designee and the Vice President Labor & Employee Relations. All courses must be job relevant.
- M. The Company will notify employees, in writing, anytime it uses any electronic monitoring device in work areas (voice recorders, cameras, etc.).
- N. After ratification of contracts and all collective bargaining agreements are printed, a joint union negotiators/company negotiators meeting will be conducted at all locations to educate maintenance employees and managers.
- O. Three (3) members of the maintenance group will be designated as members of the Company's Incident Committee. Should the Company elect to utilize the services of the Committee Members, the following procedure would apply.
 - 1. The Company will promptly notify the Maintenance members of any such incident and make arrangements for travel to the sites.
 - 2. The Company will pay the Maintenance members for scheduled time lost.
- P. No members of this bargaining unit will be required to train management personnel.
- Q. Should the company acquire or open a certificated Airframe Powerplant or Avionics School, work performed by the company maintenance department will not be performed by the students.

ARTICLE 35

RETIREMENT

- A. **Employees in good standing shall be eligible to retire from Air Wisconsin Airlines Corporation at age fifty (50) + twenty (20) years of service or at age fifty-five (55) + ten (10) years of service.**
- B. **Retirement travel privileges are addressed in Article 16.**
- C. **Retirement sick leave payout is addressed in Article 15.**

ARTICLE 36

EFFECTIVE DATE AND DURATION

This Agreement shall become effective on **October 7, 2011** and shall remain in full force and effect through **October 6, 2015**. Upon **sixty (60) days'** notice by either party, the parties agree to begin negotiating a new agreement **no later than six (6) months before** the amendable date of the agreement. This agreement shall automatically renew itself without change each succeeding **October 7** unless written notice of a proposed change is served by either party in accordance with the Railway Labor Act, as amended, no later than sixty (60) days prior to **October 6, 2015** or any **anniversary** thereafter.

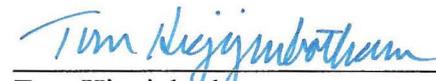
If, on the **second** anniversary, of the amendable date, the parties have not reached an agreement, a **single two (2%)** raise to the hourly pay rate noted in Article 28 will go into **effect and the parties will jointly apply for mediation.**

Agreed to this seventh (7th) day of October, 2011 by

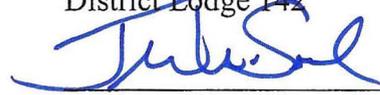
Air Wisconsin Airlines Corporation

International Association of Machinists
and Aerospace Workers, AFL-CIO

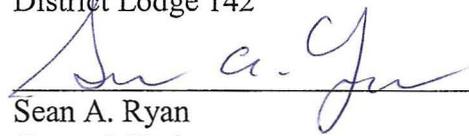

James P. Rankin
President & CEO

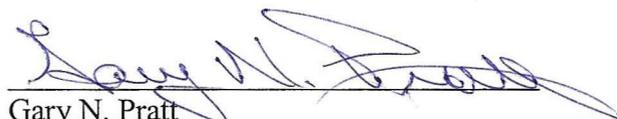

Tom Higginbotham
President-Directing General Chairperson
District Lodge 142


Joel Kuplack
Vice President - Human Resources
and Labor Relations


James M. Samuel
General Chairperson
District Lodge 142

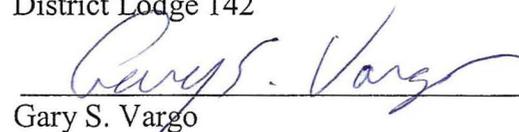

Keith R. Johnson
Vice President- Maintenance Operations


Sean A. Ryan
General Chairperson
District Lodge 142


Gary N. Pratt
Director of Maintenance Operations


Jerry J. Lemke
General Chairperson
District Lodge 142


Margaret J. Soda
Managing Director of Human Resources


Gary S. Vargo
Negotiation Committee Member
Local Lodge 2575

LETTER OF AGREEMENT

between

Air Wisconsin Airlines Corporation

and

International Association of Machinists and Aerospace Workers

District Lodge 142, AFL-CIO

representing the

Maintenance and Related Personnel

This Letter of Agreement (LOA) is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between Air Wisconsin Airlines Corporation (the “Company”) and District Lodge 142 of the International Association of Machinists and Aerospace Workers, AFL-CIO, (the “Union) representing the Mechanics and Related Class and Craft.

The Company and the Union hereby agree to the following provisions contained in this LOA.

- A. The compensation package of this LOA will be reviewed by the Union and Company bi-annually from the date of signing if requested by either party unless implemented. This review will afford both parties the opportunity to assess this growth package against any changes in the industry and negotiate to keep the Mechanic and related group in the same relative position for bidding RFP’s based on the agreed upon costing model used to negotiate this LOA. The costing model will be updated with the current rates in effect for all carriers in the model at the time of review. If the review fails to produce an agreement between the parties, the provisions of this LOA will remain unchanged.**
- B. This LOA will not go into effect without participation, and ratification of Agreements if required, from the Pilot and Flight Attendant Groups that gives the Company cost savings that support growth.**

C. Growth Definition

1. What is growth?

- a. Additional flying in excess of the flying currently being performed under the US Airways/Air Wisconsin Jet Services Agreement, requiring additional new or replacement aircraft that adds incremental growth headcount over current headcount at the time of implementation of growth.**
- b. Attrition after growth that requires backfill.**
- c. Growth provisions will begin with the first Growth employee hired and all employees hired following that Growth. The Company will not manipulate its**

hiring practices prior to growth to increase the number of growth employees at the initiation of growth.

2. What is not growth?
 - a. Attrition before growth that requires backfill.

D. Conditions of Growth – IAM requirements

1. Growth must be segregated and triggered by and within classification only (e.g. Cleaner growth does not trigger Mechanic growth). The Company will not circumvent the intent of the LOA by adding headcount in one classification (e.g. Cleaners) and applying Growth to all subsequent hires in another classification (e.g. Mechanics).
2. After growth is triggered, it will be contingent upon the Company sustaining that work (i.e. if *all* growth work leaves then growth provisions revert back to current book).
3. During the term of our current Jet Services Agreement with US Airways, so long as that Agreement is unchanged with regard to the actual aircraft fleet and/or minimum contractual aircraft utilization, the mechanics and related employees on the seniority list on the date of signing of this LOA, shall not be laid off for the purpose of utilizing this Growth LOA. If the current Jet Services Agreement with US Airways does change with regard to the actual aircraft fleet and/or minimum contractual aircraft utilization during the term of this CBA, the Company will negotiate with the union over any changes affecting this LOA.
4. Any current “grandfathered” or future “grandfathered” laid off employee must be given the opportunity to return to an active status per Article 11 as “grandfathered”.
5. Inform all new hire “growth” employees. Before a new hire Growth employee accepts a position, the Company will provide him with a detailed outline of his pay and benefits and will explain that he is a Growth employee covered by the provisions of this LOA.
6. Company economic information demonstrating the use of this Growth LOA related to maintenance costs contained in past actual RFP(s) and future RFP’s will be shared with the IAM Strategic Resources Department and/or District Lodge 142, subject to confidentiality requirements.
7. No circumvention of current CBA or closing and re-opening of maintenance base. The Company will not lay off any current or active employees on the seniority list at the date of signing solely to circumvent this LOA (e.g. the Company will not lay off employees and then replace them or close and re-open a maintenance base solely to implement these Growth provisions).

E. Growth Provisions

1. Vacation

Completion of 1 year of continuous service	–	40 hours
Completion of 2 years of continuous service	–	80 hours
Completion of 7 years of continuous service	–	96 hours
Completion of 10 years of continuous service	–	120 hours
Completion of 15 years of continuous service	–	144 hours
Completion of 18 years of continuous service	–	160 hours
Completion of 26 years of continuous service	–	216 hours

2. Sick Leave

a. Accrual

- i. Forty-eight (48) hours per year accrual through year five (5).**
- ii. After the completion of 5 years of service sixty (60) sick hours per year accrual.**
- iii. After the completion of 10 years of service grandfather sick hours per year accrual.**

b. Sick Leave Bank

- i. Nine hundred sixty (960) bank for years one (1) through ten (10).**
- ii. After the completion of 10 years of service Grandfathered bank applies.**

3. Premiums

a. Shift Premiums

i. Afternoon Shift

- Afternoon shift premium is fifty (\$.50) cents per hour.**

ii. Night Shift

- Night shift premium is seventy (\$.70) cents per hour.**
- After the completion of Five (5) years of service grandfathered afternoon and night shift premiums apply.**

b. License Premiums (per license)

- i. Years Zero (0) to Five (5) - \$.85**
- ii. Years Six (6) and after - \$"Grandfathered"**

c. Crew Chief Premium

- i. \$1.75 per hour**

4. Rates of Pay/Longevity - Union growth pay scales/longevity and contractual increases.

YOS	Mechanics		PAGE	
	Rate	Longevity	Rate	Longevity
1	\$13.50	\$0.00	\$13.50	\$0.00
2	\$14.00	\$0.00	\$14.00	\$0.00
3	\$14.50	\$0.00	\$14.50	\$0.00
4	\$15.00	\$0.00	\$15.00	\$0.00
5	\$15.50	\$0.00	\$15.50	\$0.00
6	\$16.00	\$0.05	\$16.00	\$0.05
7	\$16.50	\$0.07	\$16.50	\$0.07
8	\$17.00	\$0.09	\$17.00	\$0.09
9	\$17.50	\$0.11	\$17.50	\$0.11
10	\$18.00	\$0.15	\$18.00	\$0.15
11	GF	\$0.18	GF	\$0.18
12	GF	\$0.21	GF	\$0.21
13	GF	\$0.25	GF	\$0.25
14	GF	\$0.30	GF	\$0.30
15	GF	\$0.50	GF	\$0.50
16	GF	\$0.65	GF	\$0.65
17	GF	\$0.80	GF	\$0.80
18	GF	\$0.95	GF	\$0.95
19	GF	\$1.10	GF	\$1.10
20	GF	\$1.25	GF	\$1.25
21	GF	\$1.40	GF	\$1.40
22	GF	\$1.55	GF	\$1.55
23	GF	\$1.70	GF	\$1.70
24	GF	\$1.95	GF	\$1.95
25	GF	\$2.00	GF	\$2.00
26	GF	\$2.05	GF	\$2.05
27	GF	\$2.10	GF	\$2.10
28	GF	\$2.15	GF	\$2.15
29	GF	\$2.20	GF	\$2.20
30	GF	\$2.30	GF	\$2.30

GF = Grandfathered and contractual increases will be per the CBA.

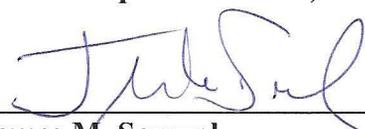
Agreed to this seventh (7th) day of October, 2011 by

Air Wisconsin Airlines Corporation



 Joel Kuplack
 Vice President – Human Resources
 and Labor Relations

International Association of Machinists
 and Aerospace Workers, AFL-CIO



 James M. Samuel
 General Chairperson
 IAMAW District Lodge 142

LETTER OF AGREEMENT

between

Air Wisconsin Airlines Corporation

and

International Association of Machinists and Aerospace Workers

District Lodge 142, AFL-CIO

representing the

Maintenance and Related Personnel

This Letter of Agreement (LOA) is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between Air Wisconsin Airlines Corporation (the “Company”) and District Lodge 142 of the International Association of Machinists and Aerospace Workers, AFL-CIO, (the “Union) representing the Mechanics and Related Class and Craft.

The Company and the Union hereby agree to the following provisions contained in this LOA.

WHEREAS, the parties recently completed negotiations for a new Collective Bargaining Agreement, and;

WHEREAS, those negotiations have resulted in a Tentative Agreement, and;

WHEREAS, there are sections of the Collective Bargaining Agreement that need supporting documentation and such supporting documentation does not need to be in the body of the text, and;

WHEREAS, such supporting documentation needs to be carried forward to show agreement between the parties on issues relevant to the prior and current Collective Bargaining Agreements.

NOW THEREFORE, the Company and Union agree as follows:

- A. In reference to the language contained in Article 15, Par F, the parties agree that any employees who are currently in a “laid off” status, and who become eligible to retire in accordance with the Collective Bargaining Agreement, such employees shall be able to retire while in a “laid off” status if eligible and receive any due payouts or benefit entitlements per the Collective Bargaining Agreement (e.g., sick leave payout and retiree flight benefits).**
- B. In reference to the language contained in Article 24, Par B, concerning “rates of pay” which are contained in Article 28, no employee will suffer a reduction in pay. Any employees hired prior to August 1, 2005 will continue on the “hired prior to August 1, 2005” pay scale at the applicable step until they reach the “After Yr 5” rate. Once the**

“After Yr 5” rate is reached, the employee is considered at top pay on either the “hired prior to August 1, 2005” or “hired after August 1, 2005” pay scale contained in Article 28. The following pay scales shall apply to the “hired prior to August 1, 2005” employees:

Mechanic/Avionic Technician/Plant & Ground Equipment Mechanic

	8-1-2011	8-1-2012 (2.0%)	8-1-2013 (2.0%)	8-1-2014 (2.5%)
Start	\$17.77	\$18.13	\$18.49	\$18.95
After 6 mos.	\$18.09	\$18.45	\$18.82	\$19.29
After Year 1	\$18.43	\$18.80	\$19.18	\$19.66
After Year 2	\$19.09	\$19.47	\$19.86	\$20.36
After Year 3	\$19.74	\$20.13	\$20.53	\$21.04
After Year 4	\$22.73	\$23.18	\$23.64	\$24.23
After Year 5	\$25.57	\$26.08	\$26.60	\$27.27

Cleaners

	8-1-2011	8-1-2012 (2.0%)	8-1-2013 (2.0%)	8-1-2014 (2.5%)
Start	\$11.07	\$11.29	\$11.52	\$11.81
After 6 mos.	\$11.38	\$11.61	\$11.84	\$12.14
After Year 1	\$12.02	\$12.26	\$12.51	\$12.82
After Year 2	\$12.66	\$12.91	\$13.17	\$13.50
After Year 3	\$13.28	\$13.55	\$13.82	\$14.17
After Year 4	\$14.25	\$14.54	\$14.83	\$15.20
After Year 5	\$15.49	\$15.80	\$16.12	\$16.52

Agreed to this seventh (7th) day of October, 2011 by

Air Wisconsin Airlines Corporation



Joel Kuplack
 Vice President - Human Resources
 and Labor Relations

**International Association of Machinists
 and Aerospace Workers, AFL-CIO**



James M. Samuel
 General Chairperson
 IAMAW District Lodge 142