

December 4, 2014

David Supplee
President & Directing General Chairman
IAMAW District 142

Relocation of OCC to IOC – Line Maintenance Planners - PIT
AOG Material Planners – PIT/PHX

Dear David,

On July 8, 2014 the Company broke ground on a new Integrated Operations Control (IOC) center in the DFW area. The plans are aggressive and they are to have a 'move-in' facility by third quarter 2015.

The result of this will be the need to relocate employees from OCC/ PIT and PHX to the DFW area. We recognize this is a life-changing decision for our employees and one we don't take lightly. With that time table in mind, the following terms and conditions have been agreed to with respect to the relocation.

1. The relocation of OCC to IOC and the consolidation of LUS Line Maintenance Planners (PIT) and AOG Material Planners (PIT/PHX) from their current locations, related to the OCC to IOC move, will be considered a relocation of work and will be governed by the provisions of Article 8(D) and any related Articles of the LUS/IAM Mechanic and Related agreement.
2. On September 22, 2014, the Company and the IAM met for the first time in a series of meetings to discuss the appropriate level of relocation and housing assistance, along with other related matters of interest. As part of those discussions, the Company committed to provide the following relocation package and incentives to PIT based LUS Line Maintenance Planner and PIT/PHX based AOG Material Planner employees, who are in the position as of the effective date of this agreement, based on the following:
 - a. Any LUS Planner employee, within the employee positions and locations as identified above, will be provided the opportunity to transfer to an equivalent position at IOC and will be afforded, if awarded the position, the LUS & LAA Merger Relocation Policy for Planners inclusive of a Home Selling Buyer Value Option (BVO) and Home Purchase Assistance as described in the attached.

- b. The Company will provide a window of opportunity (no less than thirty (30) days) for such employees to declare their interest in relocating to IOC.

The process utilized for those affected Planners declaring their interest to relocate to the IOC positions, as part of this agreement, will be the "Intra – Department Transfer Process" as outlined in Article 9 D. 2.

- c. In addition, for those employees awarded the position, the Company will provide a \$5000 lump sum payment no later than thirty (30) days after the employee has signed the commitment document. Additionally, the Company will provide a \$2500 lump sum payment no later than thirty (30) days after reporting to IOC. In order to be eligible and retain both incentive payments, employees must remain in the position at IOC for at least twelve (12) months following the report date. Any employee who receives the lump sum payment(s) but does not remain active in their position in the new location for at least twelve (12) months following the relocation will be responsible for paying back the Company the lump sum amount received to that point and such employees agree that the Company will recover the balance of forfeited lump sum payment(s) through payroll deduction from the employee's paycheck or final paycheck, whatever is applicable. See Relocation Policy for repayment of relocation expenses in the event the employee resigns after reporting to IOC.

Any employee who subsequent to signing the commitment document to accept a position, chooses to alter the decision and not report to IOC, will be responsible for paying back the Company (if initial lump sum has been paid) the entire amount of the initial lump sum payment and such employee agrees that the Company will recover forfeited lump sum payment balance from the employee's final paycheck or through payroll deduction

Any awarded employee, who subsequent to signing the commitment document to accept the position, chooses to alter the decision and not report to IOC, the employee will be provided the applicable abolishment notice in 3. below so long as the reduction in force has not yet commenced.

3. Any remaining vacancies at IOC will be made available to the LUS system and filled in accordance with Article 9(D) 3. The Company intends to limit the interviews to the Planner classification as allowed under 9(D) 3. Employees awarded these positions will be subject to the probationary period, stability period and all other terms as outlined in Article 9(D) once the applicable Planner training commences.

Employees awarded to fill the positions will be entitled to the relocation package as described above, so long as they commit, in advance of relocating, to remain in the

position at IOC for at least twelve (12) months following the report date. See Relocation Policy for repayment of relocation expenses in the event the employee resigns after reporting to IOC.

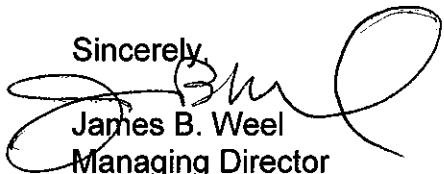
The Planner employees, referenced in 1. and 2. above, who remain at OCC or PHX AOG until the Company determines it is no longer necessary will be afforded the options under Article 8(G) which includes severance as outlined in Article 20 of the LUS/IAM agreement, if employee chooses furlough. The IOC positions filled through the above processes, and this relocation, will not be available for bumping during a reduction in force (abolishment) for twelve (12) months beyond the actual report date to IOC. The abolishment notice will be provided at least thirty (30) days in advance of the effective date of the furlough.

4. In the unlikely, but possible situation where the opening date of IOC or the closing date of OCC must be delayed more than sixty (60) days, the Company will determine if it will open another opportunity for employees to decide to accept or reject a position at IOC.
5. Applicable federal, state and local payroll taxes will be withheld from the lump sum payment.

The agreement is made on a non-precedent, non-referral basis and does not waive any preexisting rights of either party. If the above accurately reflects your understanding, please signify by signing below.

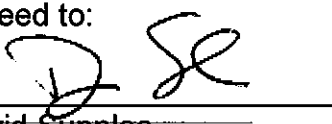
If you have any questions, please contact me at 817-967-1447.

Sincerely,



James B. Weel
Managing Director
Labor Relations – Tech/Air Ops.

Agreed to:



David Supplee
President & Directing General Chairman
IAMAW District 142

cc: D. Seymour	J. Werkmeister
A. Hemenway	A. Hollander
T. Herschell	G. Raymond
S. McGovern	
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