#### AGREEMENT

### BETWEEN OPENSKIES SASU

#### AND

# THE INTERNATIONAL ASSOCIATION OF MACHINISTS

# AND AEROSPACE WORKERS, AFL-CIO

This Agreement ("Agreement"), made and entered into this <u>23</u> day of January, 2019, by and between OpenSkies SASU, solely on its own behalf ("Company"), and the International Association of Machinists and Aerospace Workers, AFL-CIO ("Union") for and on behalf of all employees in the bargaining unit represented by the Union at the Company's only United States Base and Operation in Newark, New Jersey (the "Base").

WHEREAS, the Company and the Union recognize that the Company is closing the Base on January 31, 2019, and will permanently layoff all United States domiciled flight attendants;

WHEREAS, the Company and the Union have met to negotiate a severance package;

WHEREAS, the Company and the Union, in satisfaction of their obligations under the Railway Labor Act, enter into this Agreement, and agree to the importance of working cooperatively together to see that the Base closing proceeds in a mutually agreeable fashion; and

#### NOW, THEREFORE, the parties have agreed as follows:

1. <u>All Terms and Binding</u>: This Agreement embodies all the terms and understandings that the Company and the Union have reached in regard to the closing of the Base and separation of employees, and shall be binding upon the Company, the Union, and all employees of the Company who are represented by the Union, as listed in Exhibit A hereto (the "Bargaining Unit").

2. <u>Termination of CBA:</u> It is agreed and understood that the collective bargaining agreement between the Company and the Union which became effective on March 1, 2017 ("CBA") will cease to apply to those employees accepting the Company severance offer, signing the Separation and Release Agreement ("Release") and terminating their employment upon the day the Base ceases operations (the "Base Closing Date"), which is to occur on January 31, 2019. Once the Base closes, the CBA will have binding force and effect thereafter only for those employees who elect to be laid-off on the Base Closing Date and who do not accept the severance package and sign the Release. Should no employee elect lay-off, the CBA will terminate January 31, 2019.

The Union and the Company will meet to resolve any outstanding grievances or disputes prior to the Base Closing Date, but the failure to resolve any or all outstanding grievances or disputes shall not be a condition precedent to closing the Base. The parties agree that there are

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currently no pending grievances, and that this Agreement is intended to resolve any and all disputes through and including the Base Closing Date, except as to disputes to enforce the terms of this Agreement, which shall be handled as provided in Paragraph 5, below. Seniority for the Bargaining Unit shall cease as of January 31, 2019.

3. Enhanced Severance Package.

Eligible employees for the purposes of this Agreement are US based cabin crew members who (a) execute an effective, Company-provided Release in favor of the Company and any related parties, (b) continue their employment with the Company through and including January 31, 2019, (c) remain in good standing and adhere to Company policy, and (d) are not qualified for and hired by OpenSkies SASU to become employed in France prior to the payment of severance benefits; eligible employees will be eligible for the following severance package:

a. <u>Severance Pay</u>: Eligible employees will receive 1.8 weeks of basic salary plus her/his guaranteed sector pay under Section 3(f) of the CBA for each completed year of service. In addition, eligible employees who participate in health and dental insurance as of December 31, 2018, and January 31, 2019, shall also be eligible for a supplemental severance payment in the amount of \$1,200 (if the employee participated in single coverage under such plans), or \$1,700 (if the employee participated in coverage at any level other than single coverage under such plans). Such gross amounts shall be paid in one lump sum, along with available sick and occupational leave, which amount shall be reduced by the amount of paid time off that any eligible employee used but had not accrued as of the Base Closing Date, with such payment subject to applicable taxes and withholding.

b. <u>Health & Dental Benefits:</u> Should an employee so elect, the entire COBRA premium for the employee and any eligible spouse or family member(s), shall be paid for by the employee on such terms as may be required by the health and/or dental benefits carrier and/or British Airways.

c. <u>Life Insurance</u>: Employees will be eligible to convert their life insurance policies currently offered through British Airways, at their sole expense, in the premium amount up to ten thousand dollars (\$10,000) in accordance with and subject to the policies of the carrier and British Airways.

d. <u>Work Confirmation</u>: The Company will provide each individual a personalized work confirmation letter that will include the employee's name, years of service and reason for separation (Base closing). Such letter shall indicate the name, title and contact information of the appropriate management representative of the Company.

e. <u>LVF</u>: All accrued and unused vacation and holiday ("LVF") days as of January 31, 2019 will be paid at the current wage rate, with such amount being subject to applicable taxes and withholding.

f. <u>Sick and Occupational Injury Leave</u>: Payout of accrued and unused sick leave as of January 31, 2019, up to the maximum of 21 days at the current wage rate, shall be paid as provided in Section 3(a).

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g. <u>Unemployment Compensation</u>: The Company will not oppose/contest any claim for unemployment benefits filed by any employee terminated as a result of the closing of the Base. Nothing shall prevent the Company from providing accurate information in response to inquiries from state agencies.

h. <u>Staff Travel</u>: Subject to the discretion of British Airways, eligible employees shall receive staff travel benefits available to former employees under its policies from the Base Closing Date, up to and including December 31, 2019. The parties acknowledge that staff travel is governed exclusively by British Airways, which has not agreed to be contractually bound, either directly or indirectly, to provide this benefit to eligible employees of the Company. As a non-contractual benefit, the parties agree that there is no right to seek review or enforcement in any court, arbitration or any other forum, including those set forth herein or in the expired CBA, if this benefit is modified or ceases to be provided by British Airways. Following December 31, 2019, the Company may, but need not, offer a staff travel benefit to eligible employees through and including December 31, 2020.

4. <u>Completion of Bargaining</u>: The Company and the Union's respective obligations under the CBA and the Railway Labor Act shall cease to be applicable to those Bargaining Unit members who elect to accept the Company's severance package and sign the Release. The Union and the Company acknowledge that each has satisfied its duty, as it applies to those employees who accept the severance package and sign the Release, to bargain and waive any and all rights, claims or demands under the Railway Labor Act or the CBA up to and including the closing of the Base.

5. <u>Dispute Resolution</u>: Any alleged violation of the specific terms of this Agreement will be subject to final and binding arbitration under the procedures set forth in Section 17 of the CBA. No arbitrator or decision maker shall have the authority to add to or modify the terms of this Agreement. Any alleged violations of the CBA that take place on or before the Base Closing Date will be subject to final and binding arbitration under the procedures set forth in Section 17 of the CBA between the Company and the Union. No grievance shall exist and no remedy shall be pursued for claims arising after the Base Closing Date.

Recognition/Reopening: If the Company establishes or re-establishes a flight 6. attendant domicile in the United States, its territories and/or possessions within twenty-four (24) months of the Base Closing Date, it will recognize the Union as the representative of the employees pursuant to NMB Case No. R-7249. In any event, the Company shall have no obligation to reinstate any of the eligible employees who accepted the severance package. Should no employee elect lay-off and the CBA terminates January 31, 2019, and the Company later opens or reopens a Base within such twenty-four month period, the parties will meet to negotiate a new CBA only as may be required by law or by the written mutual agreement of the parties. The parties agree that, should any employee or employees opt to be laid off and the Base is not opened or reopened on or before January 31, 2021, all reinstatement rights shall terminate and the CBA shall terminate and be of no further force and effect. The parties agree that, should OpenSkies establish or re-establish a flight attendant domicile in the United States, its territories and/or possessions on or after January 31, 2021 each party shall retain its respective positions regarding the applicability or

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inapplicability of the NMB Certification in Case No. R-7249 to OpenSkies, and reserve the right to seek a legal ruling in any appropriate forum, with regard to the continued application, if any, of such Certification.

**OpenSkies SASU** 

Emmanuel Traineau Human Resources Director

<u>13/01/2019</u> Date

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

Sara Gonzales

General Chairperson, District 142

January 23, 2019

Date

David Supplee PD GC District 142

January 23, 2019

Date

1/23/19

## EXHIBIT A

## **ELIGIBLE BARGAINING UNIT MEMBERS**

- 1. Alexander, Kristopher
- 2. Bisi, Francois
- 3. Carey, Catherine
- 4. Daugette, Reed
- 5. Foster, Racquel
- 6. Hovenkamp, Christopher
- 7. Hynds, Ranette
- 8. Roman, Sonia
- 9. Segerson, Abra
- 10. Sharif, Syed
- 11. Sullo, Michael
- 12. Tecson, Ryan
- 13. Unger, Khale
- 14. Westblatt Zimmerman, Fabienne

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