

COLLECTIVE BARGAINING AGREEMENT

Between

BAHAMASAIR HOLDINGS LTD.



and the

INTERNATIONAL ASSOCIATION OF

MACHINISTS

AND AEROSPACE WORKERS

DISTRICT LODGE 142

AFL-CIO



January 1, 2015 to December 31, 2018

For U.S. Based Employees

TABLE OF CONTENTS

<u>SUBJECT</u>	<u>ARTICLE</u>	<u>PAGE</u>
Agreement.....	---	4
Purpose of Agreement.....	1	4
Scope and Recognition of This Agreement.....	2	4
Status of Agreement.....	3	5
Classifications and Work Requirements.....	4	6
Hours of Service.....	5	10
Overtime and Holidays.....	6	11
Travel Pay.....	7	12
Seniority.....	8	13
Filling Vacancies.....	9	15
Leaves of Absence.....	10	17
Vacation with Pay.....	11	17
Sick, Injury, Funeral Leave, Maternity Leave.....	12	19
Severance Pay.....	13	21
Hospitalization and Insurance.....	14	22
Jury Duty.....	15	22
Grievance Procedure.....	16	22
System Board of Adjustment.....	17	24
Safety and Health.....	18	27
General and Miscellaneous.....	19	28
Transportation.....	20	29
Wage Rules.....	21	30
Union Security.....	22	31
Saving Clause.....	23	32
Effective Date and Duration.....	24	32
Drug Testing.....	25	33
Alcohol Testing.....	26	34
Management Rights.....	27	36
Signature Page.....	---	37
Appendix A.....	---	38
LOA - Relating to Subcontracting of Cargo Work.....	---	39
LOA - Relating to Limited Outsourcing of Mechanics' Work.....	---	41
LOA - Relating to Subcontracting Cargo Agent and Customer Service Agent Work.....	---	42
LOA - Classifications not Listed in Appendix A.....	---	44

AGREEMENT

AGREEMENT BETWEEN

BAHAMASAIR HOLDINGS LTD.

AND

**INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS
AFL-CIO**

This Agreement is made and entered into this **1st day of January, 2015** in accordance with the provisions of Titles I and II of the Railway Labor Act, as amended, by and between Bahamasair Holdings, Ltd., (hereinafter known as the "Company") and the International Association of Machinists and Aerospace Workers, AFL-CIO (hereinafter known as the "Union").

ARTICLE 1

PURPOSE OF THIS AGREEMENT

- A. The purpose of this Agreement is, in the mutual interest of the Company and of the employees, to provide for the operation of the services of the Company under methods which will further, to the fullest extent possible, the safety of air transportation, the efficiency of operations, and the continuation of employment under conditions of reasonable hours, proper compensation and reasonable working conditions. It is recognized by this Agreement to be the duty of the Company, the Union and the employees to cooperate fully for the attainment of these purposes. To further these purposes, the Company or any accredited representative of the Union may request a conference at any time to discuss and deal with any dispute which arises under the application of the Agreement or otherwise.
- B. No employee 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 activities on behalf of the Union.
- C. It is understood that wherever in this Agreement employees are referred to in the male gender, it shall be recognized as referring to both male and female employees.
- D. The Company and the Union agree to comply fully with all applicable federal and state statutes and regulations prohibiting discrimination with respect to all aspects of employment with the Company.

ARTICLE 2

SCOPE AND RECOGNITION OF THIS AGREEMENT

- A. The Company recognizes the Union as the sole and exclusive bargaining agent for the employees of the Company working within the United States, its territories and possessions, who comprise the crafts and classes of Mechanics and Related as certified by the National Mediation Board in Case #R-4557, and Clerical, Office, Fleet and Passenger Service, as certified by the National Mediation Board in Case #R-4558.

This Agreement shall not cover employees in the positions of Confidential and/or Executive

Secretary.

- B. Except as set forth in the Letter of Agreement and other provisions herein relating to subcontracting, all work of the Company, as described in the classifications and work requirements in Article 4 of this Agreement, is recognized as coming within the jurisdiction of the Union and is covered by this Agreement. The application of the terms of this Collective Bargaining Contract shall be limited to the geography referred to in Paragraph "A" above; and there shall in no way be any application of the terms of this Agreement to determine employment terms or opportunity outside of that geography.
- C. In the performance of their duties, employees covered by this Agreement shall be governed by Company rules, regulations and orders issued by properly designated authorities of the Company, in English, providing such rules, regulations and orders are not in conflict with the terms and conditions embodied in this Agreement. New rules or regulations will not normally be considered effective until copies have been furnished to District 142 and to the Steward at the location involved and conspicuously posted in the working area at least four (4) calendar days prior to the effective date. In cases where emergency changes are necessary, the Company will notify the Union and the Steward at the location involved and such changes will be posted and become effective immediately thereafter. The Manager on duty will require each employee to sign and date a master copy of each new rule/regulation that is posted on the bulletin board, such signature acknowledging receipt of the rule/regulation. Failure of an employee to sign and date the master copy will not be considered evidence the employee is not aware of a posted rule/regulation.
- D. The right to hire, promote, or discharge for just cause and to maintain efficiency of employees is the sole responsibility of the Company, except that the employees will not be discriminated against, because of lawful Union membership or activities. In addition, it is recognized and agreed that the continuance or discontinuance, in whole or in part, of the routes to be flown, the equipment to be used, the location of employees, stations and offices, the scheduling of airplanes, are the sole and exclusive function and responsibility of the Company; provided the action of the Company hereunder shall not conflict with the terms of this Agreement.
- E. It is agreed and understood that the Company reserves the right to continue contracting out work historically contracted out. Further, the Company may contract out work as described in the Letter of Agreement relating to subcontracting work and other provisions herein relating to subcontracting work during certain periods.

ARTICLE 3

STATUS OF AGREEMENT

- A. It is expressly understood and agreed that when this Agreement is accepted by the parties and signed by their authorized representatives, it will supersede any and all Agreements existing or previously executed between the Company and any Union or individual affecting the crafts or classes of employees covered by this Agreement.
- B. It is agreed that foreign-based employees covered by industrial or Bahamas Union Contracts may be employed within the continental limits of the United States of America and its possessions for the purpose of giving or receiving on-the-job training to or from local staff provided that the seniority rights of all employees in the categories and classifications covered by Article 4 of this Agreement are not affected. It is further agreed that the Grievance Procedure outlined in Article 16 shall apply only to grievances arising from this Agreement and not from provisions of foreign Contracts.
- C. It is further agreed that the training period in the above Paragraph shall not exceed sixty (60) days, and the number of foreign-based employees under this Article shall not exceed twelve (12) per calendar year.
- D. In cases of temporary staff shortage due to illness, foreign-based staff may, with mutual agreement between the Union and the Company, be employed for a period not exceeding thirty (30) days without becoming members of the I.A.M.A.W.

- E. All provisions of this Agreement shall be binding upon the successors or assigns of the Company. In cases of consolidation or merger, representatives of the Company and Union will meet without delay and attempt to negotiate seniority integration protection as provided in Sections 3 and 13 of the Allegheny-Mohawk merger.

ARTICLE 4

CLASSIFICATION AND WORK REQUIREMENTS FOR MECHANICS & RELATED

A. SUPERVISOR LINE MAINTENANCE

The work of a Supervisor, Line Maintenance, shall be the same as that of a Mechanic (Aircraft, Building or Equipment). He is responsible for the safe, efficient, economical maintenance handling and on-time release of all through-service flights and on termination flights, ensures that inspection and maintenance are carried out to the Company's and FAA Standards with on-time release for daily schedules.

His additional responsibilities are: reviews aircraft logs with flight crew on trip arrivals. Coordinates with other departments and supervises aircraft departures. Maintains proper utilization of all equipment and ensures that they are cleared and stored in assigned areas when not in use. Responsible for the proper completion of any or all work generally performed on the aircraft. Accomplishes work in conjunction with daily movement releases through effective use of personnel, facilities and equipment. Maintain working relationship with other departments, other carriers, Base Operations and Government officials in his assigned area. Ensure that personnel under his jurisdiction perform work to Company and FAA Standards, procedures and regulations. Carry out Line Maintenance activities safely, on time and within allocated costs. Prepares daily activity report, reviews log books and notices and is fully versed and cognizant of procedures and changes. Coordinates all reported defects on ground support equipment to Chief of Aircraft Maintenance and Line Services. Maintains a good maintenance handling service to other operators and carriers when contracted and ensures all documents and changes are correctly determined and accounted for. Keeps abreast of daily operations and makes known any irregularities to Chief of Aircraft Maintenance and Line Services. Ensures aircraft delay reports and messages are made according to Company's procedures.

B. CERTIFYINGTECHNICIAN

The work of a Certifying Technician shall be the same as that of a Maintenance Technician. In addition, the Certifying Technician will be required to issue Certificate of Release to Service (CRS) for all work carried out on aircraft that he has Company approvals for and may be required to taxi aircraft and perform maintenance clerical duties in connection with his work. However, the inability to obtain clearance for aircraft taxiing because of health concerns will not be considered as a bar to promotion to a Certifying Technician.

Such Certifying Technician must hold a current British or Bahamian Maintenance Engineer's License with the corresponding Bahamasair approvals on the type of equipment currently operated by the Company.

C. MAINTENANCETECHNICIAN

A Maintenance Technician shall be any employee classified as a Maintenance Technician on the date of this Agreement, and any future employee assigned under this job classification that with the aid of tools can repair and maintain an aircraft, mechanical devices or parts in a satisfactory manner. A Maintenance Technician shall be responsible for the condition, assembly and functioning of the aircraft or its components for maintenance that has been certified under privileges of Bahamasair's Quality Assurance approval authorization, the satisfactory performance of routine aircraft system checks as relevant to Bahamasair's aircraft types which would include overnight and "A" or "B" checks, and the removal, replacement, repair, defect rectification, inspection and modification of aircraft components and systems. A Maintenance Technician shall

be responsible for ensuring that work is performed and recorded in a satisfactory manner as required by the Bahamasair Quality Assurance department and the airworthiness authorities as per the current BASR 5.160, or as amended, maintain a good working relationship with his Supervisor, Co-Workers and other staff members throughout the Company, ensure that his/her work areas are kept clean and is responsible for the correct usage of engineering facilities, equipment, tools and ground equipment, perform any additional duties in line with the scope of his work that may be required by the Line Maintenance Supervisor.

D. CLERICAL, OFFICE, FLEET AND PASSENGER SERVICES

1. In determining the classification of each employee covered by this Article, consideration will be given to the character of his work and the time necessary for its performance. If over fifty (50) percent of the employee's duties are regularly and exclusively in any one classification, his position shall be classified accordingly.
2. In the event of creation of new classifications in the Certified Craft or Class covered by this Agreement, the Company will give the Union thirty (30) days written notice of any such change, and upon demand, confer as to the rates of pay or other issues arising out of the change. In the event the parties cannot adjust their differences, the issues may be arbitrated under the provisions of Articles 16 and 17 of this Agreement.

E. CUSTOMER SERVICE AGENT

The Company will provide, and the Customer Service Agent must attend and successfully pass training covering a broad range of airport passenger related activities that involve passenger and baggage handling, reservations, ticketing and boarding procedures. An Agent must interact with customers using acceptable communication skills as well as exhibiting a pleasant demeanor when interacting with the traveling public. An Agent must wear approved Bahamasair uniforms while on duty.

An Agent shall be required to see and issue tickets for air transportation, collect excess baggage charges and prepares daily sales reports. An Agent shall be trained to be knowledgeable of fare and rate construction. An Agent shall provide ground transportation information to passengers or the general public when requested to do so, assist passengers in arranging interline transfers and the re-issuance of tickets. An Agent must ensure all Bahamasair passengers departing the United States are in possession of the appropriate documentation and inspect each passenger's documentation for accuracy.

An Agent will board and disembark passengers per Company guidelines and be proficient in the operation of the loading jet bridges. An Agent will be trained on the Company policy and routine work procedures in the application of procedures and operation of the Sabre computer system and must understand and apply all local, state and federal regulations and procedures. An Agent will announce all arrivals and departures as appropriate and assist passengers with information related to any delayed/interrupted flights. An Agent shall assist passengers with special needs (i.e. sick, handicapped, unaccompanied minors, families with small children and VIP's). An Agent shall clear documentation on all arriving and departing aircraft, crew and passengers through the appropriate Government agencies. An Agent shall be responsible for preparing aircraft records, complying with and distributing general declarations, passenger manifests and any other related documents while clearing any such documentation with the U.S. Customs and Border Protection. An Agent will be responsible for maintaining the security of all passengers' effects in the secure baggage areas and be able to perform any lost and found baggage related duties, as well as completing baggage irregularity reports for any delayed or damaged bags including tracing procedures. An Agent shall assist and keep passengers advised of any baggage related tracer information. An Agent shall monitor the baggage areas for all unclaimed baggage and ensure all unclaimed baggage with identification is promptly dispatched with the forwarding information logged as appropriate and any carrier notifications completed.

An Agent shall be made aware of and follow Company approved operations procedures, manuals and be made aware of any revisions to such. An Agent shall be trained to conduct interior

aircraft security checks/searches as required by the U.S. Department of Transportation and/or Transportation Security Administration.

F.

G. CUSTOMER SERVICE SUPERVISOR

In addition to duties of a Customer Services Agent, the Customer Services Supervisor is directly responsible to the Station Manager or Senior Customer Services Supervisor directing and coordinating, as necessary, the work of subordinate personnel assigned to his shift. He shall perform such duties as coordinating the functions necessary for the issuing of tickets, check forms, manuals and files. He must be able to direct and coordinate passengers traveling on tour excursion plans, look into and report irregularities pertaining to Agents' work, direct Agents in carrying out their duties and responsibilities. He will check daily sales reports and verify tariffs applied and will be responsible for daily cash deposits; he will be responsible for the proper training of personnel under his supervision. It is further agreed that the Company will maintain one Customer Services Supervisor on each shift when three (3) or more Customer Services Agents are assigned.

H. CARGO SUPERVISOR

In addition to the duties of Cargo Agent, the Cargo Supervisor is directly responsible to the Station Manager or Senior Customer Services Supervisor, directing and coordinating, as necessary, the work of subordinate personnel, as well as the general cargo operation. He shall perform such duties as controlling the destination of airway bills, liaison with cargo forwarders, I.A.T.A. and commercial accounts to ensure the smooth transition of cargo. He must be able to look into and report irregularities pertaining to Agents' work, direct Agents in carrying out their duties and responsibilities; maintain and ensure that contractors maintain standards established by the Company. He will coordinate the daily deposits of cash receipts and will check sales reports. He will furnish monthly reports and, twice monthly, petty cash reports.

I. CARGO AGENT

The work of Cargo Agent shall consist of the following duties: He is responsible for cargo, baggage and mail and its transportation to and from aircraft, picks up, receives, weighs, labels and processes cargo received for export; receives, marks and checks against the manifest all cargo received from an arriving aircraft; performs all warehousing and expediting functions and fills out all forms that are required for the efficient handling, storing and moving of cargo; delivers cargo to truck men, consignees, the Government agencies; transfers cargo, baggage and mail to and from other carriers at the airport; operates forklift and truck types; reproduces and files airway bills, manifests, arrival notices, cargo transfer manifests and all other documents necessary for the expediting of import and export shipments at the airport; advises shippers and consignees of all pertinent information regarding their shipments; operates teletype machine and answers all related correspondence and teletype messages other than those of a managerial nature; collects air freight charges in accordance with current procedures, and all monies collected shall be handed over to the Cargo Supervisor.

Clears documents in cargo through Government agencies; maintains thorough familiarity with all freight rate constructions, restrictions, Company and Government rules and regulations for the proper processing of freight documents; takes care of post entries; cooperates in preventing all unauthorized persons from entering the warehouse area; accounting, loading and unloading cargo, baggage and mail to and from Company trucks and carts and those of its contractors, inside and at loading platform of the warehouse; will supervise the loading and unloading of aircraft on the ramp and perform related ramp-handling activities; will handle lost and found duties pertaining to cargo, baggage and mail and handle phone calls relative to the above duties.

The Cargo Agent's work will also consist of purchasing, receiving, dispensing, transferring shipping and delivering of Company material. He will check deliveries and shall correct routine errors. He will place orders for items and request repairs for items as directed by the Stores Department. He will expedite the shipping of these items. He will ensure the proper Customs clearance formalities, preparations of documentation, preparation of goods for shipping and other related functions.

J. RESERVATIONS AGENT

A reservation agent shall have knowledge of all passenger tariffs, reservations procedures and regulations; coding and decoding of domestic and international cities and of teletype messages. He must answer telephones, give information and receive all requests for space (including space for individuals, groups and charters) for passengers, agents, interline carriers and any other source; and shall secure confirmation from space control stations. He shall control space and advice with messages or other means, the changes in flight status. He shall receive and decode teletype messages and inform selling offices of changes in scheduling for booking purposes; he shall control groups if so directed; he shall promote at all times the Company's service and shall file sales cards with proper information as to the passengers' itineraries, confirmations, alterations, cancellations, documentation, time limit for validation of tickets, etc., and relay information of same to passengers, agencies or space-control stations. He shall maintain complete familiarity with restrictions and Company rules and regulations; he shall keep records of passengers' arrival and continuing space and make flight checks as directed; he shall make the pre-flight, the final and any intermediate or subsequent amendment to the two manifests; he shall be able to operate the teletype and send and receive messages with same; agents will not be required to operate teletype equipment where Teletype Operators are scheduled at a facility on the same shift as the Agent, it being further understood that at no time shall the operation of teletype equipment become a major portion of an Agent(s) duties. He shall assist the Supervisor in compiling statistics; set up and keep up to date the availability board, rate cards, maps, manuals and other records; he must know and apply proper telephone techniques and procedures; he shall be able to efficiently maintain CRT operation so as to maximize transaction efficiency, ensure accuracy and safeguard inventory.

K. RESERVATIONS SUPERVISOR

In addition to the duties of a Reservations Agent, the Reservations Supervisor is directly responsible to the Department Manager for directing and coordinating, as necessary, the work of Reservations Agents assigned to his station; he shall lead and direct Reservations Agents in carrying out their duties and responsibilities; he shall compile statistics, make reports, check and complete forms and maintain files and manuals. He shall handle and control groups. He shall give training and instructions to Reservations Agents as required, and investigate any irregularities pertaining to the work of Agents under his supervision. He shall be responsible for all Company property under his jurisdiction and for the efficient performance of his department. He must have knowledge of reservations procedures and regulations, both domestic and international, as established by ATC, IATA and the Company and will be responsible for adapting those procedures and regulations to local requirements.

L. TICKET OFFICE AGENT

A Ticket Office Agent shall sell and issue tickets; furnish air and ground transportation information to passengers and the general public; check and prepare all passenger documentation and make reservations. He shall know how to use Company manuals and general schedules; he shall file revisions in Company manuals, collect fares and perform routine office activities related to a Ticket Agent whenever called upon to do so, including sending and receiving of teletype messages. He shall have complete familiarity with tariff construction of all domestic and international fares and rules applicability, and restriction of tariffs and Company rules and regulations. He must be familiar with reservations procedures and immigration requirements; he must know ticketing procedures both for issuance and re-issuance; he shall account and be responsible for the funds received; he shall make the sales report and deposit funds collected as directed by the Supervisor.

M. SUBCONTRACTED WORKERS

1. The Company shall have the right to subcontract workers to fill Customer Service Work Classification positions during peak periods. Peak periods are defined as: mid-March through mid-April; first week in July through first week in September, and mid-November through first week in January.

ARTICLE 5

HOURS OF SERVICE

A. FULL-TIME EMPLOYEES

1. Except as otherwise provided in this paragraph, forty (40) hours of service (inclusive of a sixty (60) minute meal break per day) will constitute a standard workweek.
2. A standard workweek will consist of five (5) consecutive eight (8) hour days of work, followed by two (2) consecutive days off.

A workday is defined as a twenty-four (24) hour period, commencing with the starting time of employee's regular shift.

3. The regular starting and stopping time for work shifts will be scheduled and posted and shall not be changed without five (5) calendar days notice to any employee affected by such change, unless the needs of the service dictate otherwise, and prior agreement has been reached between local management and district 142's Representative.

The Company will prepare a list of all shift assignments showing days off for each. The employees will indicate, in order of seniority by classification, their preference on the list by signing opposite the particular shift and days off desired. That is, senior employees will sign first, then the next senior, etc., until all have indicated their preferences. The bidding of shifts and days off shall be at least every six (6) months. In the event starting time shifts are deviated more than one (1) hour, such shifts shall be re-bid in the affected classification. There will be a maximum of six (6) starting times of shifts in any classification, in any twenty-four (24) hour period. A minimum period of ten (10) hours of rest will be provided to the employee from the termination of work on one shift to the start of the next shift.

4. Any full-time Employee reporting to work on a regularly scheduled shift, when there is temporarily no work because of an Act of God, or circumstances over which the Company has no control, shall receive a minimum of four (4) hours pay at the regularly hourly rate, unless notified that there will be no work at the close of the last shift he worked, or eight (8) hours before the start of his regular shift, whichever period is shorter. Notification sent to the employee's last known address, as registered with the affected office, or personnel telephone contact by a representative of the Company or the local Shop Steward, will be considered as discharging the Company's obligation in this respect.
5. Notwithstanding any other provisions of this Agreement, Employees may be scheduled to work irregular shifts, with different starting times, within the workweek.
6. When required by operational necessity, the Company has the right to assign employees to work at other stations on a temporary basis. The Company will provide as much advance notice as possible of such temporary assignments. To fill such temporary assignments, the Company will first seek volunteers in order of seniority. If the assignment cannot be filled by this method, the Company has the right to assign employees to such temporary assignments in reverse order of seniority of those on the shift. Employees shall have the option of using their personal vehicles for transportation to such temporary assignments or the Company will provide transportation. If the employee uses his personal vehicle, he shall be reimbursed at the rate of \$0.30 (thirty cents) per mile, for tolls, parking, and all other reasonable expenses actually incurred in connection with the temporary assignment, provided receipts for such expenses are produced, if available. Overtime in accordance with Article 6 shall be paid to employees who fill such temporary assignments if the temporary assignment causes the employee to extend beyond his normal shift. If transportation to or from the temporary assignment causes an employee to extend beyond his normal shift, overtime in accordance with Article 6 shall be paid. The provisions of Article 7 C do not apply to these temporary assignments.

B. PART-TIME EMPLOYEES

1. Nothing in this Agreement shall be construed as prohibiting the use of part-time employees by the Company. The Company may employ no more than seven (7) part-time employees or no more than fifty (50) percent of its total IAM staff at any station respectively, whichever is greater. Any employee reduced from a full-time schedule to a part-time schedule will have the ability to bump between stations by seniority to retain a full-time schedule.
2. A Part-time employee's regular work week shall consist of no less than twenty hours and no more than thirty hours. A part-time employee's regular work week may exceed thirty hours when the operational needs of the Company so require.

The Company will attempt to fill its operational needs in the following order.

- a. If a regularly scheduled full-time employee gives at least five hours' notice of unavailability for his/her shift, the company will offer the shift to part-time employees in order of seniority who are on their day off.
 - b. If the Company cannot meet its operational needs pursuant to paragraph 2.a. above, the Company shall offer the shift to part-time employees in order of seniority who are on duty.
3. In the event of a furlough, part-time employees shall be furloughed first.
 4. The Company shall not use two part-time employees to substitute the work of one full-time employee.

ARTICLE 6
OVERTIME AND HOLIDAYS

- A. Overtime rate of time and one-half (1-1/2), computed on an actual minute basis, and adjusted to the nearest quarter of an hour shall be paid for:
1. All work in excess of the standard workday as defined in Article 5, Section A.
 2. All work done on the sixth (6th) day worked within (1) workweek.
 3. All work performed prior to an employee's regular scheduled hours, up to a maximum of four (4) hours.
 4. All employees who do not receive a rest period of ten (10) hours before being required to report to work again will be paid for such time lost at regular straight time rates for any period of time extending into his regular work shift. In the event he is required to work during this period, he shall be paid time and a half his straight time rate of pay for the time he is required to work during his rest period.
 5. Overtime rate of double the hourly rate to an employee for all work in excess of twelve (12) hours in any twenty-four (24) hour period, measured from the commencement of work, and for all work on the seventh (7th) day worked in his work week, and after eight (8) hours on the sixth (6th) day worked in his work week.
 6. Employees unable to take a meal break will be compensated at the rate of time and one-half for the meal break period, or may leave work one hour early with permission from the Manager on duty. Employees unable to take a meal break must notify management in advance of the scheduled meal break. If management approves missing the meal break, employees will be compensated at the rate of time and one half for the meal break period or may leave work one hour early, at management's discretion.

- B. When it becomes necessary for employees to work overtime, they shall not be laid off during the regular work schedule to equalize the time, and all overtime will be distributed as equally as possible among all qualified employees in each facility. In furtherance of this principle, it is agreed that an appropriate record will be kept on a current basis for each department upon which all overtime worked or refused will be recorded and such record will be posted on the bulletin board. Supervisors will be supplied with the overtime records for his section and will schedule the overtime, when it arises, to the employee with the least amount of overtime worked, except when flights are delayed, employees working the last shift will be given the overtime.
- C. No overtime shall be worked except with prior approval or by direction of the proper Management personnel of the Company, except in cases of operational emergencies where prior authority cannot be obtained.
- D. Employees relieved for the day, then called or required to return to work, will be guaranteed a minimum of Two (2) hours pay at the applicable overtime rate for the day.
- E. An employee on Leave of Absence will not receive holiday pay. When a holiday occurs during an employee's sick leave period, he will receive straight time pay only. However, if the employee takes a single sick day on holiday, he may be required to produce a doctor's certificate prior to being paid straight time only.
- F. For continuous service before and after regular working hours, employees will not be required to work more than two (2) hours without being permitted to go to meals. Employees required to work more than two (2) hours will be allowed thirty (30) minutes to eat without loss of time. The same allowance shall apply after each additional four (4) hours.
- G. If an employee is called to work on any of his regular days off, he shall be guaranteed a minimum of four (4) hours pay at the applicable rates.
- H. There shall be no pyramiding of overtime rates provided in this Agreement.
- I. For purposes of holiday pay, the following holidays shall be observed under this Agreement: New Year's Day, Martin Luther King Day, President's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas day, and employee's birthday.
- J. Should any of the foregoing holidays fall on an employee's scheduled work day; he shall be paid at the rate of two and a half times his hourly straight time rate for each hour worked
- K. Should any of the foregoing holidays fall on an employee's scheduled day off, and the employee works on such holiday, he shall be paid at the rate of one and one-half (1-1/2) times his hourly straight time rate for each hour worked and the employee will be given an additional day off with pay for working a holiday on a scheduled day off. All hours in excess of eight (8) hours worked on such holiday shall be paid in full at two and one-half (2-1/2) times his hourly straight time rate. Days off will be taken as mutually agreed upon with the Company and will be taken within thirty (30) days.
- L. Employees not required to work on the holiday shall be compensated with an additional day off which may be taken at a time mutually agreeable to the employee and the Company and will be taken within thirty (30) days of the date of each instance. The calendar day on which the holiday falls shall be considered the holiday.
- M. When an employee is required to work on his regular day off the applicable overtime rate is calculated at time and one half.

ARTICLE 7 **TRAVEL PAY**

- A. When employees covered by this Agreement engage in emergency field service away from their domicile, they shall be paid for the time spent working, waiting, and time, if any, spent traveling on

an aircraft, with a minimum of eight (8) hours at straight time rate for each twenty-four (24) hour period.

Employees required to work after traveling in connection with emergency field service shall be paid at the overtime rate applicable for all hours worked in excess of eight (8) hours travel, waiting and working time for the day in question.

- B. When an employee is scheduled for training, travel and waiting, if necessary, will be paid at straight time rates.
- C. When an employee's duty or training requires travel, the employee shall receive fifty dollars (\$50.00) for meals and other necessities for each day he/she is required to be away from his/her domicile overnight. The employee shall receive a per-diem of eighty dollars (\$80.00) while in Europe. The Company shall provide clean, comfortable and adequate lodging for each employee in a hotel or motel. The Company shall pay transportation and port taxes. All monies will be granted at time of departure.
- D. Any assignment away from the staff base that takes into consideration a total duty time up to twelve hours, a per diem of \$30 will be paid.

ARTICLE 8 **SENIORITY**

- A. Seniority shall be by work classification groupings on the system, within the geographic scope described in Article 2 of this Agreement, and shall accrue from the date of entering a classification in that group. The work classification groups to be recognized for seniority purposes shall be as follows:
 - 1. Supervisors, Line Maintenance
Certifying Technician
Maintenance Technician
 - 2. Customer Service Agents and Supervisors
Cargo Agents and Supervisors
Reservations Agents and Supervisors
Ticket Office Agents
 - 3. Office Clerks
Switchboard Operator Receptionists
Secretaries

All employees of the Company who have been or are promoted to supervisory positions within the classifications covered by this Agreement shall retain and accrue seniority in the classifications from which promoted.

- B. Seniority and the ability to perform the available work shall govern all employees covered by this Agreement. Seniority at the station shall be used for promotions, for filling vacancies, for transfers within or between classifications at the station. For selection of days off, shifts and vacation seniority, as per the classifications enumerated in Article 4 shall prevail at the facility affected. Seniority on a system wide basis shall be used in case of layoff or reduction in force, for re-employment after layoff, for promotions and for filling vacancies not filled by employees at the stations where the vacancy exists. An employee being laid off may accept the layoff rather than exercise his seniority to displace a junior employee at another station.
- C. An employee to be laid off at a particular facility shall have the right to displace any junior employee in his classification on the system or accept severance pay. If the employee transfers to a new location and his former position is re-established, he will be given the opportunity to return to such former position. The cost of transportation, moving and other expenses shall be borne by the

employee in accordance with the provisions in Article 9, Paragraph (H) below.

- D. In the event of a geographical relocation in whole or in part, of any of the work performed by employees covered by this Agreement, the employee affected will be given an opportunity to transfer to the new location with transportation paid and in accordance with the provisions set forth in Article 7 for the employee and his dependants living with him, and given full credit for his accumulated classification seniority at the station to which the work is transferred in whole or in part. The Company will also arrange to transfer the employee's household effects at the Company's expense. It is understood the increase or expansion of facilities at a particular station that does not involve a reduction in jobs or facilities at another station shall not be construed as a geographical relocation of work in whole or in part. Geographical relocation shall mean in excess of fifty (50) miles from present location. For a period not to exceed thirty (30) days, the employee shall receive a total per diem expense in accordance with Article 7, Paragraph (C).
- E. Except as otherwise provided in this Agreement, new employees shall be regarded as probationary employees for the first ninety (90) days of their employment and there shall be no responsibility on the part of the Company for the re-employment of probationary employees if they are discharged or laid off during this period. 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 classifications in order of the date of their original hiring at the station employed. The Company will furnish the Local Steward with the names, classifications, department and rate of pay all employees within five (5) days after employed, with copies to the District Lodge.
- F. Seniority lists by classifications shall be furnished to the Local Shop Steward and shall be posted in each facility on January 1st of each year and shall be revised each six (6) months thereafter. Such lists will be subject to correction upon protests for a period of thirty (30) days after posting. If no complaint is made within thirty (30) days after posting, the list as published will be assumed to be correct. In preparing Seniority lists in cases where employees have the same classification date, the employee having the longer service with the Company will be given preference. In cases where such length of service with the Company is the same, the older employee will be given preference.
- G. An employee will lose his seniority status and his name will be removed from seniority lists under the following conditions:
1. He she quits or resigns.
 2. He she is discharged for just cause.
 3. He She does not inform the Company in writing or by telegram of his intention to return to service within seven (7) days of receipt of a notice offering to reemploy him.
 4. After a layoff, he does not return to service on or before a date specified in the notice from the Company (except under circumstances beyond the individual's control) which date should not be prior to fifteen (15) days after sending such notice; provided that notices pursuant to subdivisions (3) and (4) of this Paragraph (G) shall be sent by certified mail (return receipt requested) to the employee at the last address filed by him with the Company.
 5. Subdivisions (3) and (4) of this Section shall not apply to offers of temporary work.
 6. He is absent from work three (3) consecutive work days without properly notifying the Company of the reason for his absence, and not then if a satisfactory reason is given for not so notifying the Company.
 7. He is not recalled from layoff within two (2) years from date of layoff.
- H. In the event of a reduction of force, employees will receive two (2) weeks' notice or two weeks pay in lieu of notice.
- I. Within fifteen (15) days after signing of this Agreement, seniority lists, as provided herein, will be

furnished to the Local Steward, with copy to the District Lodge, and shall be posted.

- J. Employees promoted to management positions within the Company will continue to accrue seniority in the classification from which they were promoted, for a maximum of one (1) year, and thereafter retain, but not accrue, seniority.

ARTICLE 9

FILLING VACANCIES

- A. Vacancies of thirty (30) days or longer (not caused by reasons such as sickness, training, vacation, pregnancy or other leave of absence), all new jobs and all premium jobs shall be bulletined where the vacancy or vacancies exist. The bulletin must be posted no later than ten (10) days after the expiration of the thirty (30) day period and will remain posted for fifteen calendar (15) days. Such bulletin shall state whether the vacancy or vacancies or jobs are to be temporary or permanent, the number of jobs to be filled, the classification of each job and the station or location and shall specify a final date after which bids will not be considered. Bids not submitted within said fifteen (15) calendar days of the posting of the bulletin will not be considered timely.

An employee who is on excused absence and is thereby unable to bid may bid upon return to duty and displace the successful bidder if said bidder is junior to him. In the interest of expediting the filling of vacancies, simultaneous local, system and external advertisements may be posted provided strict adherence to selection procedures is maintained.

The selection procedures shall always be placed in the following order.

1. An employee at the station who is presently in the same classification.
 2. An employee in the Miami metropolitan area (i.e., MIA or FLL) who is presently in the same classification.
 3. An employee on the system who is in the same classification.
 4. An employee at the station who is not in the same classification.
 5. An employee in the Miami metropolitan area (i.e. MIA or FLL) who is not in the same classification.
 6. An employee in the system who is not in the same classification.
- B. An employee bidding for more than one (1) vacancy shall indicate the order of preference on each bid and if he is the senior bidder for more than one (1) vacancy, he shall have the opportunity to accept only the job ranked highest in his preference. All bids will be made with copies to:
1. Local Manager where vacancy exists;
 2. The Chief Steward or in the absence of Chief Steward a Shop Steward at the applicable location.
- C. Seniority and ability shall govern the selection process for filling vacancies by Union members
- D. After an employee has been chosen to fill a bulletined job, the Company shall within ten (10) days post a notice of same on all appropriate bulletin boards and furnish a copy to the Chief Steward showing the name of the employee selected to fill the job and his classification seniority date.
- E. A successful bidder may hold the bulletined job for a reasonable time not to exceed (30) consecutive days on a trial basis in order to demonstrate his ability to perform the work required by the job. During such period, if the employee is unable to demonstrate his ability to perform the work required by the job or if he finds the job not to be as represented in the bulletin, he may return to the

previous assignment but he shall not in case of failure to demonstrate his ability to perform the work be permitted to bid for a vacancy in the same or higher classification for a period of six (6) months after said failure.

- F. During the interim required to bulletin a vacancy, the Company shall select an employee to fill the vacancy temporarily and the employee selected shall receive his regular rate or the rate of the job whichever is the higher. If the vacancy is a supervisory position included within the bargaining unit and the Company fills the vacancy, the Company shall offer the position to the senior employee in the classification at the station where the vacancy occurs.
- G. In case of temporary vacancies in classifications covered by this Agreement, the Company may select an employee (seniority and ability considered) to fill such vacancies on a temporary basis without bulletining the job; however, cut back employees from such classifications will have preference with their seniority plus ability in filling such vacancies. At the end of thirty (30) days, if the vacancy still exists, and if the vacancy is caused by reason other than sickness, training, vacation, pregnancy or other leave of absence, the vacancy will be bulletined and if the employee who has worked temporarily on the job is the successful bidder for the job after bulletining, then his seniority shall accrue from the date of such temporary assignment.
- H. An employee under this Agreement assigned to a temporary job under Paragraphs (E) and (F) of this Section shall upon discontinuance of such temporary job be returned to his former job status.
- I. If the applicant whose application for a temporary or permanent bulletined job is accepted, is stationed at a location other than the location of the bulletined job, the Company will furnish contingent air transportation on its system for the employee affected and for the members of his family to the extent permitted by law from the location from which he is transferring to the location of the bulletined job. All other expenses incident to such transfer, including subsistence at the new location, will be borne by the employee. The employee will be allowed a reasonable period between the time he is relieved of his duties until he is required to report at the new location. Such a period shall be established in advance and be dependent upon the means of travel. When an employee is permanently transferred at the Company's request, he shall be allowed moving expenses of household effects up to a maximum of 5,200 lbs. if substantiated by properly receipted bills limited to shipping, insurance and drayage. The Company may, at its option, control the shipment from point of departure to point of arrival providing a reputable and bonded moving Company. When an employee is transferred at the Company's request and drives his car, he will be allowed 23 cents per mile based on the most direct highway route between his domicile and the newly assigned station. The employee who moves at the request of the Company will be given a reasonable time to get to his new station and to assume his duties not to exceed five (5) working days and the Company agrees to pay thirty (30) days per diem as provided in Article 7(B) in connection with the transfer.
- J. No employee will be given a permanent transfer against his wishes. All transfers of ten (10) days or longer will be given in writing with copies to the Chief Steward.
- K. If an employee is promoted into a classification with a higher rate of pay, he will receive the applicable rate of the new classification or his present rate, whichever is greater.
- L. When a Supervisor within the bargaining unit is absent, the senior employee in his group shall act as Supervisor, with pay for one day or more.
- M. When an employee is temporarily assigned work which is not in his classification, his rate of pay will not be reduced; when an employee is assigned work of a higher rated classification, he shall be paid the rate of the higher rated classification at the next higher pay rate of the affected employee's current rate of pay, or \$25.00 per week, whichever is greater.
- N. When a new employee is hired in any classification under this Agreement, the Company may recognize his previous experience in the type of work for which he is hired by awarding him a starting rate higher than the minimum for the classification.

ARTICLE 10
LEAVE OF ABSENCE

- A. When the requirements of the service will permit, any employee hereunder shall, upon proper application and approval of the Company, be granted a leave of absence without pay, in writing, for a period not in excess of ninety (90) days.
- B. Such leave or leaves may be extended for additional periods of not to exceed ninety (90) days when approved by the Company in writing. Under such leaves, the employees shall retain and accrue seniority.
- C. Employees accepting full time employment with the Union or elected or appointed to the position of Business Representative (Agent) or General Chairman shall be granted an indefinite leave of absence without pay by the Company for the term of such office or appointment. Such leave will not affect the seniority status of the employees. Such employees shall be continued on the group medical and life insurance policies provided that they make full and timely payments to the Company for all premiums and costs required by said insurance.
- D. Employees hereunder returning from an authorized leave of absence or extension thereof will be returned to the job held when the leave was granted. If the job no longer exists, he may exercise his seniority.
- E. Any employee hereunder on leave of absence engaging in gainful employment not provided for in paragraph (C) above without prior written permission from the Company shall be terminated.
- F. Any employee enlisting in, drafted or conscripted for Military or Naval service in defense of the United States during an actual period of war; or any employee drafted or conscripted by Act of Congress for Military or Naval training shall retain his seniority rights unimpaired and upon honorable discharge from such service shall in accordance with the laws of the United States be restored to his former position or the one of equal rating in accordance with the exercise of seniority rights provided he applies for reinstatement within thirty (30) days following his discharge from Military or Naval service. In case of temporary or partial disability which makes it impossible to return to work within ninety (90) days after discharge, special arrangements will be made by the Company and the Union for a proper extension of time.
- G. Employees who are members of an Armed Forces Reserve will be granted leave of absence for the required part-time performance of military training or duties and such time shall be counted as time worked for all purposes under this Agreement, except for payment of wages during the period of absence. Employees called to active reserve duty for two weeks or less will be reimbursed for basic pay lost on military duty. Pay from military authorities for such duty shall be deducted from the regular basic pay from the Company.
- H. Employees who fail to return to work at the expiration of the original or extended authorized leave of absence will be considered as having resigned.

ARTICLE 11
VACATIONS WITH PAY

All employees will receive vacations with pay in accordance with the following terms and stipulations:

- A. Vacation credits and entitlement shall be based upon the calendar year.
- B. Pay for accrued vacation entitlement shall be computed on a basis of eight hours at the employee's straight time rate.

- C. All employees who have been in continuous service with the Company six months or more shall be entitled to vacation benefits in accordance with the provisions of this Article.
- D. An employee will not be eligible for vacation or vacation compensation until completion of his first six (6) months of service; provided, however, that accrued vacation entitlement shall be paid to any employee who leaves the Company because of resignation, provided, the employee has completed at least six (6) months of service and has given the Company at least seven (7) days written notice. An employee will not be eligible for paid vacation if he has been discharged for just cause involving monetary or material loss to the Company. In the case of death of an eligible employee, the amount due shall be paid to his estate.
- E. A vacation shall be given subject to the needs of the Company, to an employee during the year following the calendar year in which it was credited. Vacations shall not accumulate and must be taken within the calendar year following the year in which it was credited. All accrued vacation entitlement not used during the year of entitlement shall be deemed forfeited except that if the Company has requested the employee in writing to postpone such vacation, the employee shall be entitled to defer such vacation until the succeeding year; or in lieu thereof, choose to accept the cash equivalent of his vacation entitlement.
- F. Subject to the foregoing, vacation may be taken at any time during the year and the entitlement shall accrue as follows:

<u>Months of Active Service as of January 1st</u>	<u>Days' Vacation</u>
1 month	1 day
2 months	2 days
3 months	3 days
4 months	4 days
5 months	4days
6 months	5 days
7 months	6 days
8 months	7 days
9 months	8 days
10 months	9 days
11 months	9 days
12 months	10 days

In calculating annual vacation entitlement, any calendar month in which the employee has been on active service for more than fifteen (15) days shall be considered a full calendar month.

Employees will be granted vacation as follows based upon their length of service with the Company as of January 1st and prorated for the first year:

1 year of service but less than 3 . . .	10 work days' vacation
3 years of service but less than 6 . .	15 work days' vacation
6 years of service but less than 10 .	20 work days' vacation
10 years of service or more	25 work days' vacation

- G. Regularly scheduled days off or recognized holidays at the beginning or end of a vacation period will not be considered as part of a vacation period. If recognized holidays fall within an employee's vacation period, said vacation period will be extended by an additional regular work day with pay for the same.
- H. Request for vacation leave will be granted so far as possible on a basis of seniority at the facility affected. Schedules for selection of such vacations shall be bid in November prior to the beginning of each vacation year. A chart will be posted by management during the bid in November and stay posted until December 16. Thereupon, employees shall choose their vacation preference in accordance with seniority. An employee who has not so chosen prior to December 15th will choose his vacation from the remaining selections.
- I. An employee with less than six (6) months service can bid under (H) above for a vacation to be

taken in the following calendar year; however, the number of days of his entitlement will measure as of his employment date.

- J. Employees shall be given their vacation pay prior to taking their vacation if they request same, provided the employee makes application in writing to his immediate supervisor at least two (2) weeks prior to starting his vacation. The Company reserves the right upon termination of employment to recover for any vacation leave taken but unearned.
- K. Vacation credit shall not accrue during leave of absence in excess of 30 days except where the leave of absence is covered under Federal Law. Under no circumstances will an employee accrue vacation leave for two months when the employee is on leave the latter half of one month and the first half of the succeeding month. In such a circumstance, the employee will not accrue vacation leave in either month.
- L. An employee may take up to ten (10) working days of his total annual vacation entitlement in units of one or more days. Such days will be subject to seniority rules and at times mutually agreed with the Company.
- M. Vacations will be considered confirmed by January 31st unless the employee is notified before and may re-bid another open date for that year in accordance with their seniority.

ARTICLE 12

SICK-INJURY - FUNERAL LEAVE

A. SICK LEAVE

1. All employees who have completed a period of ninety (90) days of service with the Company will be credited with one (1) day sick leave credit for each month of a calendar year.
 - a. Effective on the date of signing of this Agreement, employees will retain sick leave on an annual allotment basis only. Sick leave balances will not carry over from year to year and will be reset each January 1.
 - b. The annual allotment of sick leave shall be available for each employee to use on January 1 of each calendar year, except that new hire employee sick leave balances will be pro-rated from their hire date and ninety (90) day period referenced above.
 - c. An employee's current accrued sick leave bank balance at the date of signing of this Agreement will be retained and remain available to the employee for use.
2. Sick Leave pay will be computed at employee's straight time rate of pay and will be issued on his regular pay day.
3. Sick Leave credit will not be earned for any period during layoff or Leave of Absence.
4. In case of actual sickness, employees shall be paid for time lost up to the number of days to his personal credit, provided that in the case of continuous absence of two (2) days or over, the employee will furnish, on request, to the Company a medical certificate in support of such absence. The Company reserves the right to require medical certificates whenever an employee's absentee record indicates probable abuse by him of the sick leave policy.
5. If the Company, at any time in its discretion, grants additional Sick Leave or assistance to any employee, it shall not constitute a precedent requiring additional Sick Leave or assistance in any other case.

6. It is the responsibility of the employee absent from work because of sickness to report such absence to his immediate supervisor; at least ninety (90) minutes prior to the starting time of his/her shift, as well as the reason therefore. Failure to report his absence within this prescribed period of time may result in the employee not being paid for sick leave.
7. An exception is permitted in the morning shift, first shift of the day, when reporting sick within the first fifteen minutes will be allowed without penalty.
8. All employees hereunder shall, on the effective date of this Agreement, be credited with the accumulated number of days of unused Sick Leave credit to which they were entitled under the Company's previously existing Sick Leave Plan and subsequent to said effective date shall accrue Sick Leave Benefits in accordance with the provisions of Paragraph (A) above.
9. Sick leave credit will not be earned for any period during a layoff or leave of absence except where protected by Federal Law (example: FMLA).

B. FUNERAL LEAVE

1. An employee will be granted three (3) days leave of absence with pay for death in immediate family (wife, husband, children, mother, father, brother, sister, mother-in-law, father-in-law, and grandparents). If travel is required to attend the funeral, one travel day before and one travel day after the three days will be approved, if requested, with pay. Additional time off may be approved, at the Company's discretion, chargeable against vacation time. If the employee has no vacation time available (or insufficient time) and the additional funeral leave is granted, it will be without pay.

C. INJURY LEAVE

1. If an employee is disabled by compensable occupational injury or illness under the applicable workers' compensation laws of Florida:
 - a. Bahamasair will pay the difference between the workers' compensation indemnity benefit to which the employee would be entitled and 100% of the employee's base weekly wages or earnings with Bahamasair as of the date of the compensable accident or illness for a period not to exceed five (5) days.
 - b. After five (5) days, the employee has the option of using accrued sick leave to make up the difference between the workers' compensation indemnity benefit to which he would be entitled and 100% of the employee's base weekly wages or earnings with Bahamasair as of the date of the compensable accident or illness until the employee's disability status expires by operation of law or the employee reaches maximum medical improvement, whichever comes earlier. The employee would exercise the option in writing and, by doing so, acknowledges that he or she will be using sick leave time and the payment thereof to make up the difference between workers' compensation-paid indemnity and 100% of the employee's based weekly wages with Bahamasair or earnings as of the date of the compensable accident or illness.
2. Sick leave credit will not be earned for any period during a layoff or leave of absence except where protected by Federal Law (example: FMLA).

D. MATERNITY LEAVE

1. Maternity related conditions shall be treated the same as Sickness or Injury as provided for in this Article.

E. MEDICAL LEAVE

1. An employee shall be entitled to a Medical leave of absence for a term not to exceed twelve (12) Months. The employee requesting a Medical leave of absence must provide

justification in the form of Doctor's recommendation to the Company. The Company, during the term of the Medical leave of absence, may request the employee to provide additional justification regularly to update on the condition requiring the Medical leave of absence. An employee on a Medical leave of absence will continue to retain and accrue seniority under this Collective Bargaining Agreement.

2. Sick leave credit will not be earned for any period during a layoff or leave of absence except where protected by Federal Law (example: FMLA).

F. **PERSONAL LEAVE**

1. An employee may be granted a personal leave of absence subject solely to Company approval for a term not to exceed twelve (12) months. An employee will retain and accrue seniority for the first ninety (90) days of any granted personal leave of absence. Seniority will be adjusted subsequent to that ninety (90) day period by the additional length of time taken for a personal leave of absence.

ARTICLE 13
SEVERANCE PAY

- A. An employee covered by this Agreement who has completed one (1) or more years of service immediately prior to being laid off through no fault or action of his own, shall receive severance pay as provided in the Schedule (B) below up to a maximum of fifteen (15) weeks, subject to the limitations set forth herein.

SCHEDULE (B)

<u>IF EMPLOYEE HAS COMPLETED</u>	<u>SEVERANCE PAYABLE</u>
1 year	2 weeks
2 years	4 weeks
3 years	5 weeks
4 years	6 weeks
5 years	7 weeks
8 years	8 weeks
9 years	9 weeks
10 years	10 weeks
11 years	11 weeks
12 years	12 weeks
13 years	13 weeks
14 years	14 weeks
15 years or more	15 weeks (maximum)

- B. Severance pay shall not be paid in the event:
1. An employee is dismissed for cause.
 2. An employee resigns.
 3. An employee refused to work out his layoff notice, unless otherwise agreed.
 4. An Act of God or a national emergency.
 5. A strike or picketing of the Company's premises causing a temporary layoff of the employee.
- C. An employee recalled to work under the terms of this Agreement after layoff who is again laid off under conditions that would entitle him to severance pay shall be entitled to the amount specified for his accumulated period of compensated service with the Company calculated from the date of his first recall, (provided that severance pay shall not be paid twice for the same period of compensated service.)

ARTICLE 14
HOSPITALIZATION AND INSURANCE

A. General

The Company shall **continue to** provide group health insurance to **all U.S. based employees covered under this Agreement subject to the provisions of paragraph B below**. Dependant, Family or Child coverage will be available to all Employees in the Bargaining Unit at the Employee's expense, one hundred per-cents (100%).

B. Annual Premium Calculations

1. **For the 2016 plan year, there shall be a 3% employee cost-share based on the 2015 plan year demonstrated cost.**
2. **For the 2017 plan year, the employee cost-share shall be 5% based on the 2016 plan year demonstrated cost.**
3. **For the 2018 plan year, the employee cost-share shall be 8% based on the 2017 plan year demonstrated cost.**
4. **The total cost to the employee, on a bi-weekly basis, shall not exceed twenty-one dollars (\$21.00) throughout the life of this Agreement and beyond.**
5. **Prior to each plan year becoming effective, and with no less than thirty (30) days' notice, the Company will provide the employees with a notice of any changes concerning rate or plan changes for the upcoming plan year, with a copy provided to the District Lodge 142 General Chairperson.**

ARTICLE 15
JURY DUTY

- A. Employees hereunder who are called for Jury Duty shall provide a copy of the summons to their Manager no less than five (5)calendar days prior to the reporting date. Upon submission of proper proof, such employees shall be paid straight time compensation for such time as they are actually detained from their regular shift by such duty. An employee released from Jury Duty shall be required to report to work if released prior to the beginning of the sixth hour. Any fees received for jury duty, but not including reimbursement for actual expenses incurred, shall be endorsed to the Company. Alternatively, the Company may deduct the equivalent amount from the employee's paycheck. The Company is authorized to deduct any such fees not endorsed over to the Company.
- B. Employees attending court, hearings, investigations as witnesses under instructions from and on behalf of the Company will be paid for the actual time lost on a straight time basis plus the necessary allowable expenses in accordance with Company regulations. Any witness fee or mileage accruing to an employee hereunder by reason of his attending such matters will be assigned to the Company.

ARTICLE 16
GRIEVANCE PROCEDURE

A. REPRESENTATIVES

1. Employees will be allowed Union representation at all hearings and meetings referenced in this Article 16.

2. The accredited representative of the Union should be permitted at any time to enter shops and facilities of the Company for the purpose of investigating grievances and disputes, after contacting the Company official in charge and advising him of the purpose of the visit, provided however that such investigation will not inappropriately disrupt the work.

B. INVESTIGATION AND DISCIPLINE

1. No employee who has been in the service of the Company for more than ninety (90) calendar days actually worked will be disciplined or discharged without first having the benefit of a hearing.
2. Within ten (10) calendar days of learning of an offense, the Company shall issue notice, in writing, to the employee, with a copy to the Shop Steward, informing the employee of the incident and requesting a written report of the incident from the employee.
3. In cases where offenses are alleged that warrant an investigation, the Company may first suspend the Employee for a period of four (4) working days with pay and shall communicate this suspension to the employee and the Union. If at the end of four (4) days the investigation is not completed, the suspension may be extended for a further period of up to ten (10) days with pay with notification to the Employee and the Union.
4. The Company shall designate a time limit for providing the written report. The Company shall then schedule a hearing with the Employee and the Employee's designated Union representative to discuss the incident.
5. The Shop Steward or his designee, grievant and any Employee who may have been a witness, will be in attendance at all disciplinary hearings.
6. If the offense is upheld at the hearing conducted pursuant to Section B.4. above, and discipline is to be imposed, the Company shall issue written notice within seven (7) calendar days to the employee, with a copy to the Shop Steward. The Notice of Discipline shall set forth the charges against the employee and the discipline imposed.
7. If the offense results in termination of the Employee, Steps 1 and 2 of the Grievance Procedure are bypassed and the Union shall determine whether or not to appeal the case directly to Step 3 of paragraph C of the Grievance Procedure prescribed in this Article.

C. GRIEVANCE STEPS

A grievance is defined as any dispute between the Company and an employee or group of employees concerning discipline or the interpretation or application of the terms of this Collective Bargaining Agreement.

Step 1 In the event any employee(s) covered by this Agreement has a grievance concerning a notice of discipline, any action or inaction of Management, or of the need for interpretation or application of this Agreement, he shall request a meeting to discuss the event giving rise with his immediate member of Management and with a Shop Steward present, and prior to filing a written grievance as soon as reasonably possible but in no event later than fourteen (14) days from the date the employee has knowledge of the alleged violation. If the conference between the employee, Shop Steward and immediate member of Management does not resolve the dispute, the Shop Steward may file a written grievance after the immediate member of Management has given his/her decision in writing to the employee(s). The time limit for holding a conference of the parties will be mutually agreed upon by the parties involved.

Step 2 An employee desiring to challenge the decision rendered from the Step 1 meeting, shall, within seven (7) calendar days from the date of the Step 1 meeting, with or through his designated Shop Steward, submit a written grievance setting forth, in detail, the matter being grieved and, where applicable, referring to the event giving rise in question. The grievance shall be submitted to the Regional Director, except that grievances challenging a Notice of Discipline involving a suspension or termination shall be submitted directly to the Director of Human Resources at Step 3. The Regional Director or the Director of Human Resources as appropriate, or their designee, will render a written decision within fourteen (14) calendar days of receipt of the written grievance, which may be extended by mutual agreement of the parties.

Step 3 If the grievance is not resolved in Step 2 above, the Shop Steward may, within fourteen (14) calendar days of such denial, submit the grievance to the Director of Human Resources, or his designee. Upon receiving a Step 2 appeal from the Shop Steward, the Director of Human Resources will contact the General Chairperson from District Lodge 142 to schedule a meeting of the parties to endeavor to reach a settlement of the issues. A hearing resulting in a termination (as referenced in paragraph B.7. above), and so appealed to Step 3 by the Union, must be appealed in writing by the General Chairperson to the Director of Human Resources within fourteen (14) calendar days of the termination date. If no settlement is made, the Union will have the option of proceeding to Step 4 or the parties may also mutually agree to enlist the informal Grievance Mediation Service provided by the National Mediation Board as an alternative to Arbitration.

Step 4 If the matter is not resolved in Step 3 above, is denied, the Union may file, within thirty (30) calendar days of such denial a written appeal to the System Board of Adjustment. The Appeal shall be in such form and directed to the individuals designated in Article 17. If no written appeal is submitted within the thirty (30) calendar day deadline, the grievance shall be deemed denied and may not proceed to the System Board of Adjustment.

D. GENERAL PROVISIONS

1. Time limits in this section may be waived by mutual written agreement of the parties.
2. Probationary employees shall not have recourse to the grievance procedure in the event of discharge or suspension within the probationary period.
3. The Union's decision to withdraw grievances or not to process or appeal a grievance to the next step shall not in any way prejudice its position on the issues involved in future matters.

ARTICLE 17
SYSTEM BOARD OF ADJUSTMENT

- A. In compliance with Section 204, Title II of the Railway Labor Act as amended, there is hereby established a System Board of Adjustment for the purpose of adjusting and deciding disputes or grievances which are properly submitted to it after exhausting the procedure for settling disputes as set forth under Article 16. However, by mutual agreement, any cases properly referable to this Board may be submitted to arbitration in the first instance.
- B. The System Board of Adjustment shall consist of four (4) members, two (2) selected by the Company and two (2) selected by the Union.
- C. Members of the Board will serve for one (1) year from the date of their appointment, or until their successors have been duly appointed. Vacancies in the membership of the Board shall be filled in the same manner as is provided herein for the selection of the original members of the Board.

- D. 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, rates of compensation or working conditions covered by this Agreement or any amendment hereto.
- E. The Board shall consider any dispute properly submitted to it by an accredited Union Representative or by the Director of Human Resources of the Company or his authorized representative when such dispute has not been previously settled in accordance with the terms provided for in this Agreement, provided that notice of appeal is filed within thirty (30) days after the procedure provided for in Article 16 of this Agreement has been exhausted. If not filed within such period the action of the Company or Union shall become final and binding.
- F. Appointment of members of the Board shall be made by the respective parties within thirty (30) days from the date of the signing of this Agreement and said appointees shall meet in the City of Miami, Florida or such other place as the parties may agree, within forty-five (45) days from the date of the signing of this Agreement, and shall organize and select a Chairman and Vice-Chairman, both of whom shall be members of the Board. The term of office of Chairman and Vice-Chairman shall be one (1) year. Thereafter, the Board shall designate one of its members to act as Chairman, and one to act as Vice-Chairman for one (1) year terms. Each officer so selected shall serve for one (1) year or until his successor has been selected. The office of the Chairman shall be filled and held alternately by a Union member of the Board and by a Company member of the Board. When a Union member is Chairman, a Company member shall be Vice-Chairman, and vice versa. The Chairman, or in his absence the Vice-Chairman, shall preside at meetings of the Board and at hearings, and shall have a vote in connection with all actions taken by the Board.

After the organization meeting referred to herein, the Board shall thereafter meet in the city where the general offices within the United States of America of Bahamasair are maintained (unless a different place of meeting is agreed upon by the Board) during the first week in June and the first week in December, of each year provided that at such times there are cases filed with the Board for consideration, and shall continue in session until all matters before it have been considered, unless otherwise mutually agreed upon.

- G. All disputes properly referred to the Board for consideration shall be addressed to the Chairman. Five (5) copies of each petition, including all papers and exhibits in connection therewith, shall be forwarded to the Chairman who shall promptly transmit one (1) copy thereof to each member of the Board. Each case submitted shall show:
1. Question or questions at issue.
 2. Statement of facts.
 3. Position of employee or employees.
 4. Position of Company.

When possible, joint submission will be made, but if the parties are unable to agree upon a joint submission, then either party may submit the dispute and its position to the Board. No matter shall be considered by the Board which has not first been handled in accordance with the appeals provisions of Article 16 of this Agreement, including the rendering of a decision by the Director of Human Resources of the Company or his duly designated representative.

- H. Upon receipt of the notice of submission of a dispute, the Chairman shall set a date for hearing, which shall be at the earlier of the time of the next regular meeting of the Board, or within sixty (60) days of submission of the dispute. If at least two (2) members of the Board consider the matter of sufficient urgency and importance, then at such earlier date and at such place as the Chairman and Vice-Chairman shall agree upon, but not more than fifteen (15) days after such request for meeting is made by at least two (2) of the said members, and the Chairman shall give the necessary notices in writing of such meeting to the Board members and to the parties to the dispute.
- I. 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. Evidence may be presented either orally or in writing or both. On request to individual members of the Board, the Board may, by majority vote, or shall at the request of either the Union members or the Company members thereon summon any witnesses who are employed by the Company and who may be deemed necessary by the parties to the dispute, or by either party or by the Board itself, or by either group of members constituting the Board.

- J. A majority of all members of the Board shall be competent to make a decision.
- K. Decisions of the Board in all cases properly referable to it shall be final and binding upon the parties thereto.
- L. In the event of a deadlock in the case of any dispute properly before it, the Board members will promptly sign and date a Deadlock Decision. Either party may within thirty (30) calendar days after the date of said deadlock, requests the National Mediation Board to provide a panel of seven (7) arbitrators who are members of the National Academy of Arbitrators. The parties shall select the arbitrator by alternately striking the panel of seven (7) arbitrators until one name remains. That person shall serve as arbitrator unless he indicates his unavailability or unwillingness to serve, in which case the last name stricken shall be designated the arbitrator. In the event that person is unavailable or unwilling to serve the previously stricken name shall be designated the arbitrator. In the event the Union or the Company fails to request the National Mediation Board to provide a panel of seven (7) arbitrators within thirty (30) calendar days of the date of the Deadlock Decision, the right to proceed to arbitration shall be forfeited and the previous decision shall be final and binding.
- M. Nothing herein shall be construed to limit, restrict or abrogate the rights or privileges accorded either to the employees or to the Company, or their duly accredited representatives, under the provisions of the Railway Labor Act, as amended.
- N. The Board shall maintain a complete record of all matters submitted to it for its consideration, and all findings and decisions made by it.
- O. Each of the parties hereto will assume the compensation, travel expenses and other expenses of the Board members selected by it.
- P. Each of the parties hereto will assume the compensation, travel expenses and other expenses of the witnesses called or summoned by it. So far as space is available, witnesses who are employees of the Company shall receive free transportation over the lines of the Company from the station of duty or assignment to the point at which they must appear as witnesses and return, to the extent permitted by law.
- Q. The Chairman and the Vice-Chairman, acting jointly, shall have the authority to incur such other expenses as in their judgment may be deemed necessary for the proper conduct of the business of the Board, and such expenses shall be borne one-half by each of the parties hereto. Board members who are employees of the Company shall be granted necessary leave of absence for the Performance of their duties as Board members. So far as space is available, Board members shall be furnished free transportation over the lines of the Company, for the purpose of attending meetings of the Board, to the extent permitted by law.
- R. 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 with the Union may be affected in any manner by any action taken by him in good faith in his capacity as a Board member.
- S. The fees and expenses of the arbitrator will be paid equally by the parties.
- T. Notwithstanding any other provisions of this Agreement or this Article 17, the Union shall have the right, at its sole option, to bypass the Four Member System Board of Adjustment in any discharge case and proceed directly to arbitration by utilizing the method set forth in paragraph L above. In addition to the right to bypass the Four Member Board in discharge cases, the Union shall have the right, at its sole option, twice per calendar year, to bypass the Four Member System Board of

Adjustment on other grievances, and proceed directly to arbitration by utilizing the method set forth in paragraph L above. In order to activate this bypass methodology, the Union must notify the Director of Human Resources, in writing, within thirty (30) calendar days of the date of the decision of the Director of Human Resources or his designee that it wishes to proceed directly to arbitration. Thereafter, the Union must request the panel of arbitrators from the National Mediation Board within thirty (30) calendar days of its notification to the Director of Human Resources. If the Union fails to meet the time limitations set forth in this paragraph T to either (1) notify the Director of Human Resources that it wishes to proceed directly to arbitration or (2) to request the National Mediation Board to provide a panel of arbitrators, the grievance is withdrawn and the previously rendered decision is final and binding.

ARTICLE 18

SAFETY AND HEALTH

- A. The Company hereby agrees to maintain safe, sanitary and healthful conditions in all facilities and to maintain at all times a First Aid Kit to take care of its employees in case of accident or illness; provided that nothing in this Agreement shall compel the Company to maintain a doctor or nurse at any of the Company's offices. The Company agrees to furnish good drinking water and sanitary fountains will be provided wherever possible. The floors of the toilets and washrooms will be kept supplied with sanitary health aids. The Union and the employees recognize their duty and responsibility to assist in maintaining safe, healthful and sanitary conditions. Facilities and washrooms will be lighted, ventilated and heated in the best manner possible, consistent with the source of heat, ventilation and light available. Where the facilities will permit, individual lockers will be provided for employees and a room to change clothes, eat lunch, etc. Where individual lockers are not provided, the Company will make available adequate clothes racks. In order to eliminate as far as possible accidents and illness, an adequate Safety Committee will be established at each facility composed of two (2) Union representatives (appointed by the Union) and the Company representative. Facilities for eating lunch shall also be provided by the Company.
- B. The duty of the Safety Committee will be to see that all applicable State and Municipal safety and sanitary regulations are complied with, as well as to make recommendations for the maintenance of proper standards.
- C. Employees injured while at work shall be given medical attention at the earliest possible moment and employees shall be permitted to return to work, provided he is given medical approval, without signing any release of liability pending the disposition or settlement of any claims for damage or compensation. Such injured employees who are able to work will be allowed to obtain medical attention without loss of time. It is the responsibility of the injured employee to report any injury to his immediate supervisor during the work period which the injury occurred.
- D. Employees entering the service of the Company may be subject to a physical examination. Any physical examination required by the Company shall be paid for by the Company.
- E. The Safety Committee shall receive and investigate complaints regarding unsafe and unsanitary working conditions and make recommendations for correction.

ARTICLE 19
GENERAL AND MISCELLANEOUS

- A. Service records shall be maintained for all employees by the Company and upon resignation or discharge from the service, the employee upon request, will be furnished with a copy of same.

In discharge cases the employee and his Union Representative will have access to the service records applicable to the case prior to the holding of any investigation. In cases where it is necessary that an employee should be warned due to the caliber of his work and/or the general performance of his duties, such warning will be made to the employee in writing with a copy of the Local Chairman and the employee will be given a reasonable length of time to correct the matter.

- B. Any employee leaving the service of the Company will, on request, be furnished with a letter setting forth the individual's dates of employment, position and length of service.
- C. If new equipment is to be put into service by the Company, affected employees shall be given a reasonable opportunity to become familiar with the new equipment without change of classification or wages.
- D. Standard uniforms shall be furnished without cost to the employee by the Company. Employees will launder or clean their uniform at their own expense. Employees losing such garments shall be required to replace same at their own expense. When an employee leaves the service of the Company, such garments will be returned to the Company. Employees required to work in inclement weather shall be issued inclement weather gear at the Company's expense.
- E. A lockable, glass enclosed bulletin board shall be provided at each station inside of all Company facilities marked "International Association of Machinists and Aerospace Workers" where Union notices of interest to employees may be posted; however, no political circulars, propaganda or advertisements will be placed on these bulletin boards.
- F. The Company shall provide each employee covered by this Agreement with a copy of the Agreement in booklet form.
- G. Except as provided in the Letter of Agreement relating to subcontracting; only employees under this contract shall perform contract work.
- H. The Company will continue to pay parking fees for all employees covered by this Agreement.
- I. Reasonable smoking and refreshments during the hours of duty will be permitted in designated areas, provided an employee shall not leave the job to indulge in such smoking and refreshments without permission.
- J. Except as provided in the Duration provisions of this 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 strike or picketing of Company premises during the life of this Agreement, until the procedures of settling disputes as provided herein and as provided by the Railway Labor Act, as amended, have been exhausted.
- K. Nothing in this Agreement shall prevent the Company from paying higher rates of compensation to any individual than those established herein.
- L. In the interest of training Agents in all other phases of work, Supervisors may rotate work assignment on a daily basis; however, this authority shall not be used for purposes of discrimination.
- M. Employees are expected to be well groomed and present a neat and businesslike appearance at all times while on duty.
Employees not reporting to work in uniform may be subject to Progressive Discipline.

- N. It is forbidden for any employee to engage in drinking alcoholic beverages while in uniform or when on duty or to come to work under the influence of alcohol. This prohibition also applies to narcotics, un-prescribed, and illegal drugs.
- O. All employees must be approved and stay bondable as a condition of continued employment.
- P. The Company will notify District #142 of any new hired employee(s) that will be covered by this Agreement as soon as practical.

The Company shall provide District #142 with a corrected Seniority List once a year.

- Q. Negotiating Committee: The two (2) employees on the Union's Committee shall be compensated for rostered times on days on which negotiations are scheduled. Negotiating Committee: The two (2) employees on the Union's Committee shall be compensated for time lost on days on which negotiations are scheduled even if direct negotiations do not occur, provided that the employees actually participate in meetings with the Union for purposes of collective bargaining.

The committee representing the Union for purpose of negotiating any modification or amendments proposed to this Agreement shall not exceed four (4) in numbers, of whom two (2) shall be Employees of the Company. Either party may bring to such negotiation meetings a specialist regarding technical or special items being considered or any other designated representative. Employees called into negotiations on a day off shall be given back the time lost from the day off. Employees called into negotiations while working, shall not lose pay while participating in such negotiations.

- R. Effective upon the signing of this Agreement, employees who are late for work three (3) times in a rolling ninety (90) day period, will receive an oral warning (a notation of which shall be placed in the employee's file); an employee who is late for work an additional three (3) times in a rolling ninety (90) day period will receive a written warning; an employee late for work an additional three (3) times in a rolling ninety (90) day period shall be suspended without pay for one day. If the employee, upon receiving and warning for attendance, completes a ninety (90) day rolling period with no additional late for work instances, then the warnings shall be removed from their file and not be used for the basis of any further discipline.

ARTICLE 20

TRANSPORTATION

- A. All privileged travel shall be in accordance with the Company's Personnel Regulations. Failure to abide by these Regulations will result in the withdrawal of these privileges.
- B. Interline discounts will be granted according to the Interline Agreements in effect at the time of a request being made by the employee. The Company will endeavor to secure reduced rate travel benefits with other carriers. Such benefits will not be less than those granted to other employees of the Company. The Company will post a list on all bulletin boards, with a copy to the Union, of all free and discount travel agreements affecting the employees and the regulations pertaining to each agreement. Local Management will issue a letter of authorization for reduced rate travel in accordance with the interline agreement in effect with any other particular carrier.
- C. The President General Chairman and the District Lodge #142 full-time staff of the Union will be furnished positive space for the transportation over the Company System during their term of office for use in connection with their work relative to Bahamasair to the extent permitted by law.

ARTICLE 21

COMPENSATION

A. WAGE RULES

1. As provided below and in Appendix A, all IAM members hired on or before the date of signing (DOS) of this Agreement will receive the following:
 - a. January 1, 2015 – December 31, 2015 – all U.S. based employees will receive a lump sum payment (not added to salary) as follows: Customer Service Agents - \$550, Maintenance Technicians - \$550, Certifying Technicians - \$650 and Line Maintenance/Customer Service Supervisors - \$750 with payments to be received with two (2) pay cycles following the date of signing.
 - b. January 1, 2016 – December 31, 2016 – effective on January 1, 2016 all U.S. based Employees will receive an increase to their wage rates as follows: Customer Service Agents - \$550, Maintenance Technicians - \$550, Certifying Technicians - \$650 and Line Maintenance/Customer Service Supervisors - \$750.
 - c. January 1, 2018 – December 31, 2018 – effective on January 1, 2016 all U.S. based employees will receive an increase to their wage rates as follows: Customer Service Agents - \$550, Maintenance Technicians - \$550, Certifying Technicians - \$650 and Line Maintenance/Customer Service Supervisors - \$750.
2. No employee shall suffer any reduction in hourly rate or weekly take-home pay for a standard forty (40) hour work week as a result of making this Agreement effective, and nothing in this Agreement shall be considered as preventing increases in individual rates or classifications over and above the minimum established.
3. Pay checks will include a statement of all wage and deductions made for the pay period. The employee's statement shall include the number of hours worked and the overtime pay shall be listed separately from straight time.
4. Should the regular pay day fall on a holiday, or days when the office facility is closed down, employees will be paid on the preceding day.
5. Employees recalled to work from a layoff shall be returned to their former position, if the job still exists, and shall not be paid at a lower rate than they were receiving prior to the layoff, unless a new contract shall at the time of recall be in effect between the Company and the Union, which provides for a reduction; and provided that if the job does not exist, the recalled employee shall receive the job rate of the job accepted.
6. All employees covered by this Agreement shall be paid forty-five (45) cents per hour and sixty (60) cents per hour respectively for all hours worked in the afternoon and night shifts as additional compensation over rates paid on day shifts. Any shift commencing at 12:00 noon or later and before 8:00 p.m. or later and before 6:00 a.m., shall be considered a night shift. Shift premium pay shall be considered a part of the basic rate and shall be included in the computation of overtime allowances. This paragraph does not apply to irregular shifts.
7. An employee who works an irregular shift with different starting times during the work week shall be paid seventy-five (75) cents per hour as additional compensation over the rate paid on day shifts for all the hours worked.

B. 401(k) PLAN

1. A 401(k) plan for the benefit of all employees covered by this Agreement shall be maintained in accordance with the Plan Summary - Bahamasair Retirement Savings Plan.
 - a. The company will match one hundred percent (100%) of the first three percent (3%) of

an employee's salary deferral into the plan.

- b. An employee may contribute on an annual basis up to the IRS maximum as set by Federal law.
- c. Any changes to the Summary Plan Document will be communicated concurrently to the employees and the Union.

C. LICENSE PAY

1. Maintenance employees holding Bahamasair Aircraft Approvals will receive, in addition to their salary, supplemental pay for each specific aircraft approvals as follows:

Airframe (one approval per aircraft) \$100.00 per month

Engine (one approval per aircraft) \$100.00 per month

Avionics (one approval per aircraft) \$200.00 per month

(to a maximum of \$400.00 per month).

2. For a period of six (6) months following execution of this Agreement, Maintenance employees as outlined above will receive, in addition to the above wage scale, \$92.00 per month if they possess a valid and current Airframe and Power plant (A & P) license. During periods when any such licenses are suspended or revoked, no such additional pay will be owed.
3. No license supplement will be paid for the basic Bahamas CAA license. If Bahamasair ceases operation of an aircraft type, supplemental pay for that type will be discontinued. In the event of changes in the fleet, maintenance employees will be required to qualify on new or existing types of aircraft within six months or the supplemental pay will be stricken.

D. SUPERVISOR PAY

- Customer Service and Reservation & Cargo Supervisors shall be paid eight percent (8%) above the wage scale of Customer Service Agents and Reservation & Cargo Agent in each step of each classification.

E. GROUNDSECURITYCHECKS

1. Any employee assigned to perform the Ground Security checks on any Bahamasair or sub-contracted aircraft will receive a premium of twenty-five cents (\$0.25) per hour for each day they are assigned to perform any such work.

ARTICLE 22
UNION SECURITY

- A. Except as otherwise provided herein, all employees now or hereafter employed in the classifications and work covered by this Agreement, and as it may have been supplemented or amended, shall as a condition of continued employment in such work become and remain members in good standing (as herein defined) in the Union within ninety (90) days following the beginning of such employment or the effective date of this Agreement, whichever is later.
- B. The condition of employment outlined in this Article shall not apply with respect to employees to whom Union membership is not available upon the same terms and conditions as are generally applicable to any other member or with respect to employees to whom membership was denied or terminated for any reason other than failure of the employee to render the periodic dues, initiation fees and assessments (not including fines and penalties) uniformly required as a condition of

acquiring or retaining membership in the employee's designated Local Lodge.

- C. Membership in good standing in the Union shall consist of the payment by the employees of initiation fees (except in case of authorized and permissible transfers from other Lodges of the Union) uniformly required of other employees of like status, plus the payment of dues (as herein above defined): for each calendar month, plus the payment of such assessment(s) within prescribed time limits, but not fines and penalties as may be levied in accordance with procedures set forth in the Union's "Constitution of the Grand Lodge, District and Local Lodges, Councils and Conferences."
- D. The Company will within ten (10) working days after receipt of notice from the Union, discharge an employee who is not in good standing in the Union as required by the preceding paragraph unless the employee tenders the deficiency to the Union. Other provisions of this Agreement to the contrary notwithstanding, the Company shall not be required to terminate the employment of any employee until such time as the services of a qualified replacement are available. The Company may not retain any employee in service under the provisions of this paragraph for a period in excess of thirty (30) calendar days from the date of the Union's original notice, except by mutual agreement by the parties hereto.
- E. All rights of any employee under the Labor Agreement herein above noted, and such supplement or amendments as may apply thereto, are contingent upon his acquisition and maintenance of membership in good standing in the Union.
- F. The Union shall furnish to the Company within ninety (90) days after signing of this Agreement, a list of those employees covered by the Agreement who are members of the Union, and shall furnish to the Company each month thereafter a notice of any changes in said list.
- G. Whenever payment of dues is referred to in this Agreement, the conditions of payment shall be met if the amount due is tendered to the Union within the prescribed time limitations. Use of the word "dues" herein shall in all cases include initiation fees, periodic dues and assessments (not including fines and penalties) uniformly required as condition of acquiring or retaining membership.
- H. Upon receipt of an approved duly signed authorization form of the employee involved, the Company shall deduct from the employee's check the initiation fees, dues and assessments payable by him to the Union during the period provided for in said authorization.
- I. All deductions shall be made by the Company on account of initiation fees, dues and assessments, but once each calendar month from the first pay check covering employee in such month unless the Union shall previously advise the Company to the contrary. The Company shall, once each month, remit to the Union Financial Officer designated by the Union, one check with a list of the employees it represents and the amount deducted in behalf of each employee.
- J. This Article is made subject to the provisions of the Railway Labor Act, as amended, and shall become effective as of the date of signing of this Agreement.

ARTICLE 23

SAVING CLAUSE

Should any part or provision of this Agreement be rendered invalid by reason of any existing or subsequently enacted legislation, such invalidation of any part or provision of this Agreement shall not invalidate the remaining portions thereof, and they shall remain in full force and effect.

ARTICLE 24

EFFECTIVE DATE AND DURATION

This Agreement, except as otherwise provided herein, shall become effective on **January 1, 2015**, and shall remain in full force and effect until **December 31, 2018**, or thereafter from year to year unless written

notice of intended change is served by either party in accordance with the provisions of Section 6, title 1 of the Railway Labor Act, as amended one hundred eighty (180) days prior to **December 31, 2018**, or December 31st of any year thereafter.

The parties agree to commence negotiations following the serving of the Section 6 notice. If the parties have not reached a Tentative Agreement within one hundred eighty (180) days following the commencement of negotiations, they will jointly apply for Mediation under the auspices of the National Mediation Board.

In the event Bahamasair ceases operations during the term of this Collective Bargaining Agreement, and any Bahamas based employees receive contractual severance pay, then all IAM represented U.S. based employees will receive contractual severance pay per Article 13 of this Collective Bargaining Agreement.

ARTICLE 25

DRUG TESTING

The Union and the Company agree that the Company has a responsibility to all of its employees to provide a safe workplace and a responsibility to the public to ensure that the public's safety and trust in the Company are protected. In furtherance of these responsibilities, the Company cannot and will not condone the following conduct by employees: (1) use of illegal drugs; (2) abuse of legal drugs; (3) the sale, purchase, transfer, or possession of illegal drugs; (4) being at work under the influence of legal drugs to the extent that job performance is adversely affected; (5) being at work under the influence of illegal drugs;

In order to ensure that the Company is able to fulfill its responsibilities set forth above, there shall be a drug and alcohol testing program as follows:

A. Definitions

- (1) As used in this Article, the term illegal drug, illicit drug and prohibited drug means marijuana, cocaine, opiates, phencyclidine (PCP), amphetamines, and substances specified in Schedule I and Schedule II of the Controlled Substances Act, 21 U.S.C. §§811, 812, unless the drug is being used as authorized by a legal prescription or other exemption under federal, state, or local law.
- (2) The term "refusal to submit" means (1) that an individual failed to provide a urine sample as required by the Company pursuant to this Article without a genuine inability to provide a specimen (as determined by a medical evaluation), after the employee has received notice of the requirement to be tested; or (2) engaged in conduct that clearly obstructed the testing process.

B. Employees who must be tested

All persons covered by the Collective Bargaining Agreement are subject to the Company's drug testing program.

C. Types of Drug Testing

1. Pre-Employment testing.

As part of the employment application process, all persons applying for a position within this collective bargaining unit will be required to undergo pre-employment testing to determine the presence of marijuana, cocaine, opiates, phencyclidine (PCP), and amphetamines or a metabolite of those drugs in the individual's system.

2. Periodic Testing

The Company shall have the option to require each employee in the bargaining unit to be tested once during each calendar year for the presence of marijuana, cocaine, opiates, phencyclidine (PCP), and amphetamines or a metabolite of those drugs in the individual's system.

3. Testing Based on Reasonable Cause

Each employee shall be tested when that employee is reasonably suspected of using a prohibited drug. The testing shall be for the presence of marijuana, cocaine, opiates, phencyclidine (PCP), and amphetamines or a metabolite of those drugs in the individual's system.

4. Post-accident Testing

Any employee whose performance either contributed to an accident or cannot be completely discounted as a contributing factor to an accident, shall be tested for the presence of marijuana, cocaine, opiates, phencyclidine (PCP), and amphetamines or a metabolite of those drugs in the individual's system. The employee shall be tested as soon as possible but no later than 32 hours after the accident.

5. Return to Duty Testing

The Company shall have the option to test each employee covered by this Agreement who has been away from work for a period exceeding 30 consecutive calendar days, and each employee who has returned to work after refusing to submit to a drug test and each employee who tested positive on a drug test. The testing shall be for the presence of marijuana, cocaine, opiates, phencyclidine (PCP), and amphetamines or a metabolite of those drugs in the individual's system.

6. Follow-up Testing

There shall be a reasonable program of unannounced testing of each individual who has been returned to duty after refusing to submit to a drug test and who has been returned to duty after receiving a verified positive drug test.

An employee who refuses to submit to a drug test required or permitted by this Article shall be discharged and such discharge shall be deemed to be for just and proper cause.

Any employee who tests positive on a drug test required or permitted by this Article shall be immediately suspended from duty without pay. If such employee, within ten work days of suspension, enters a recognized rehabilitation program and successfully completes that program, such employee shall be reinstated to his/her former position. Such an employee will thereafter be on probation for the remainder of his/her employment and will be subject to drug testing at the Company's discretion. Should such an employee thereafter either refuse to submit to a test, or test positive, such employee shall be immediately discharged and the discharge will not be subject to the grievance procedure.

The Company will use or contract only with a drug testing laboratory that is certified by the Department of Health and Human Services (DHHS) pursuant to the DHHS "Mandatory Guidelines For Federal Workplace Drug Testing Programs" (53 FR 11970; April 11 1988 as amended by 59 FR 29908; June 9, 1994), and as it may be subsequently amended.

ARTICLE 26

ALCOHOL TESTING

the following conduct by employees: (1) abuse of alcohol; (2) being at work under the influence of alcohol. In order to ensure that the Company is able to fulfill its responsibilities set forth above, there shall be an alcohol testing program as follows:

A. Definitions

1. *Alcohol concentration (or content)* means the alcohol in a volume of breath expressed in terms of grams of alcohol per 210 liters of breath as indicated by an evidential breath test.
2. *Alcohol use* means the consumption of any beverage, mixture or preparation, including any medication, containing alcohol.
3. *Refuse or refusal to submit (to an alcohol test)* means that (1) an employee fails to provide adequate breath for testing without a valid medical explanation after he or she has received notice of the requirement to be tested in accordance with this Article; or (2) engages in conduct that clearly obstructs the testing process.

B. Employees who must be tested

All persons covered by this collective bargaining agreement are subject to the Company's alcohol testing program.

C. Types of alcohol testing

1. Pre-employment testing

As part of the employment application process, all persons applying for a position within this collective bargaining unit will be required to undergo a pre-employment testing for alcohol.

2. Periodic testing

The Company shall have the option to require each employee in the bargaining unit to be tested once during each year for the presence of alcohol in the individual's system.

3. Testing based on reasonable cause

Each employee shall be tested when that employee is reasonably suspected of using alcohol on the job or when that employee is reasonably suspected of being under the influence of alcohol on the job. The testing shall be for the presence of alcohol in the individual's system.

4. Post-accident testing

Any employee whose performance either contributed to an accident or cannot be completely discounted as a contributing factor to an accident shall be tested for the presence of alcohol in the individual's system. The employee shall be tested as soon as possible but no later than 32 hours after the accident.

5. Return to duty testing

The Company shall have the option to test each employee covered by this Agreement who has been away from work for a period exceeding 30 consecutive calendar days, and each employee who has returned to work after refusing to submit to an alcohol test and each employee who tested positive on an alcohol test. The testing shall be for the presence of alcohol in the individual's system.

6. Follow-up Testing

There shall be a reasonable program of unannounced testing of each individual who has been returned to duty after refusing to submit to an alcohol test and who has been returned to duty after failing an alcohol test.

An employee who refuses to submit to an alcohol test required or permitted by this Article shall be discharged and such discharge shall be deemed to be for just and proper cause.

Any employee who is tested for alcohol and receives a result indicating an alcohol concentration greater than 0.04, will be deemed to have failed the test. However, where the employee advises the Company or testing facility prior to the test, that he/she has ingested medication containing alcohol, including the name of the medication, the employee will not be deemed to have failed the test if the alcohol concentration is deemed to have resulted solely from the ingesting of that medication, or if the medication causes the alcohol concentration to exceed 0.04. An employee who fails an alcohol test required or permitted by this Article shall be immediately suspended from duty without pay. If such employee, within ten work days of suspension, enters a recognized rehabilitation program and successfully completes that program, such employee shall be reinstated to his/her former position. Such an employee will thereafter be on probation for the remainder of his/her employment and will be subject to alcohol testing at the Company's discretion. Should such an employee thereafter either refuse to submit to a test or fail a test, such employee shall be immediately discharged and the discharge will not be subject to the grievance procedure.

The Company will use or contract only with an alcohol testing facility that is regularly in the business of conducting breath alcohol tests.

ARTICLE 27

MANAGEMENT RIGHTS

- A. All management rights, powers, authority and functions, whether heretofore or hereafter exercised, and regardless of the frequency or infrequency of their exercise, shall remain vested, exclusively in Bahamasair Holdings, Ltd., it being understood that the exercise of such rights, powers, authority and functions shall not be in direct conflict with any specific provisions of this Agreement. It is expressly recognized that such rights, powers, authority and functions include, but are by no means whatever limited to, the full and exclusive control, management and operations of its business; the determination of the scope of its activities; the right to establish or change shifts, schedules of work and production schedules and standards; the right to establish, change, combine or eliminate jobs or positions, job classifications and descriptions; the right to establish initial wage rates for new or changed jobs or positions subject to negotiation; the right to introduce new or improved procedures, processes, technological changes; the right to maintain order and efficiency; the right to terminate, merge, consolidate, sell or otherwise transfer its business or any part thereof; the right to make and enforce safety and safety rules and rules of conduct; the determination of the number of employees, the assignment of duties thereto, and the right to change, increase or reduce the same and the direction of the working forces, including but by no means limited to hiring, selecting and training of new employees, and suspending, scheduling, assigning, discharging, laying off, recalling, promoting, demoting, and transferring of its employees, it being understood that suspending or discharging for disciplinary reason shall be supported by just cause.
- B. Bahamasair Holdings, Ltd. shall have the right to establish, maintain and enforce reasonable rules and regulations to assure orderly operations, it being understood that such rules and regulations shall not be in direct conflict with any specific provision of this Agreement. Bahamasair Holdings, Ltd. shall maintain on its bulletin boards and furnish the Union with a written or printed copy of such rules and regulations and all changes therein. Changes in existing rules and regulations other than those mandated by law or administrative regulations as well as new rules and regulations promulgated by Bahamasair Holdings, Ltd. shall not be effective until seven (7) regular work days after copies have been furnished to the Union and posted on the bulletin boards, unless otherwise noted. The Union may request an immediate hearing with top level management to discuss any proposed rule or regulation.

IN WITNESS WHEREOF, THE PARTIES HAVE AFFIXED HEREUNTO THEIR SIGNATURES

THIS 4th DAY OF NOVEMBER, 2015

BAHAMASAIR HOLDINGS, LTD.

Valentine S. Grimes 11/4/15
Chairman
Bahamasair Holdings, Ltd.

Henry Woods 11/4/15
Managing Director

Cornel D.W. Mortimer 11/4/15
Director of Human Resources
SELVIN BASDEN

Keith E. Archer 11/4/15
Labour Consultant

INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE
WORKERS, AFL-CIO

David Supplee 11/4/15
President/Directing General Chairperson
District Lodge 142

James M. Samuel 11/4/15
General Chairperson
District Lodge 142

APPENDIX A

Line Maintenance Supervisor	Current Bi-Weekly	Current Hourly Rate	2015 Lump Sum	2016 Increase	2016 Bi-Weekly	2016 Hourly Rate	2018 Increase	2018 Bi-Weekly	2018 Hourly Rate
Starting Rate	\$1,442.18	\$18.03	\$750	\$750	\$1,442.18	\$18.03	\$750	\$1,442.18	\$18.03
Maximum Rate	\$1,969.85	\$24.62	\$750	\$750	\$1,998.70	\$24.98	\$750	\$2,027.54	\$25.34
Customer Service Supervisor	Current Bi-Weekly	Current Hourly Rate	2015 Lump Sum	2016 Increase	2016 Bi-Weekly	2016 Hourly Rate	2018 Increase	2018 Bi-Weekly	2018 Hourly Rate
Starting Rate	\$1,001.17	\$12.51	\$750	\$750	\$1,001.17	\$12.51	\$750	\$1,001.17	\$12.51
Maximum Rate	\$1,387.84	\$17.35	\$750	\$750	\$1,416.69	\$17.71	\$750	\$1,445.53	\$18.07
Certifying Technician	Current Bi-Weekly	Current Hourly Rate	2015 Lump Sum	2016 Increase	2016 Bi-Weekly	2016 Hourly Rate	2018 Increase	2018 Bi-Weekly	2018 Hourly Rate
Starting Rate	\$1,318.94	\$16.49	\$650	\$650	\$1,318.94	\$16.49	\$650	\$1,318.94	\$16.49
Maximum Rate	\$1,674.78	\$20.93	\$650	\$650	\$1,699.78	\$21.24	\$650	\$1,724.78	\$21.56
Maintenance Technician	Current Bi-Weekly	Current Hourly Rate	2015 Lump Sum	2016 Increase	2016 Bi-Weekly	2016 Hourly Rate	2018 Increase	2018 Bi-Weekly	2018 Hourly Rate
Starting Rate	\$1,318.94	\$16.49	\$550	\$550	\$1,318.94	\$16.49	\$550	\$1,318.94	\$16.49
Maximum Rate	\$1,674.78	\$20.93	\$550	\$550	\$1,695.93	\$21.19	\$550	\$1,717.09	\$21.46
Customer Service Agent	Current Bi-Weekly	Current Hourly Rate	2015 Lump Sum	2016 Increase	2016 Bi-Weekly	2016 Hourly Rate	2018 Increase	2018 Bi-Weekly	2018 Hourly Rate
Starting Rate	\$926.82	\$11.59	\$550	\$550	\$926.82	\$11.59	\$550	\$926.82	\$11.59
Current Rate	\$947.97	\$11.85	\$550	\$550	\$969.12	\$12.11	\$550	\$990.28	\$12.38
Current Rate	\$962.21	\$12.03	\$550	\$550	\$983.36	\$12.29	\$550	\$1,004.52	\$12.56
Current Rate	\$990.28	\$12.38	\$550	\$550	\$1,011.43	\$12.64	\$550	\$1,032.59	\$12.91
Current Rate	\$1,152.59	\$14.41	\$550	\$550	\$1,173.74	\$14.67	\$550	\$1,194.90	\$14.94
Maximum Rate	\$1,279.67	\$16.00	\$550	\$550	\$1,300.82	\$16.26	\$550	\$1,321.98	\$16.53

Note: The amounts above represent the starting rates, the rates currently being paid to members and the Maximum rate amounts for each Classification for members of the Bargaining Unit. For those Employees hired before the DOS and are currently at a starting rate, an increase is reflected from that rate. Rates of pay for all Classifications that are not currently staffed are not shown.

LETTER OF AGREEMENT BETWEEN BAHAMASAIR HOLDINGS, LTD
AND
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE
WORKERS, AFL-CIO

Relating to Subcontracting of Cargo Work

This Letter of Agreement is made and entered into on this 27th day of December, 2006, in accordance with the provisions of the Railway Labor Act, as amended, by and between Bahamasair Holdings, Ltd., (hereinafter known as the "Company") and the International Association of Machinists and Aerospace Workers, AFL-CIO (hereinafter known as the "Union").

WHEREAS, the Company recognizes that the Union is the sole and exclusive bargaining agent for the employees of the Company working in the United States, its territories and possessions, who comprise the crafts and classes of Mechanics and Related as certified by the National Mediation Board in Case # R-4557, and Clerical, Office, Fleet and Passenger Service, as certified by the National Mediation Board in Case # R-4558; and

WHEREAS, except as set forth in the Letter of Agreement relating to subcontracting, all work of the Company, as described in the classifications and work requirements in Article 4 of this Agreement, is recognized as coming within the jurisdiction of the Union and is covered by the Agreement; and

WHEREAS, Cargo Supervisor and Cargo Agent Classifications are classifications covered by Article 4; and

WHEREAS, On February 25, 1999 Bahamasair informed the union that the Carrier was facing an almost life threatening situation with its cargo facility which was located just west of the Miami International Airport. A goodly portion of the Company's difficulties stem from its inadequate cargo facility and its inability to meet the requirements of the Federal Aviation Administration (FAA) and United States Customs Regulations (i.e. hazardous material regulations).

WHEREAS, the Company had asked the Union to consider the possibility of allowing the Carrier for a limited period of time to subcontract cargo work.

WHEREAS, the Union did agree to allow the Company to subcontract cargo work to a third party for a ninety (90) day period of time, for the purpose of locating an adequate cargo facility and then returning the cargo work back to the Bahamasair Cargo Agents, who are covered by the Bahamasair - IAM&AW contract.

WHEREAS, the Company did not secure a cargo facility even though the Union allowed the carrier an extended period of time from February 1999 through June 2002.

WHEREAS, the Company during this round of Collective Bargaining has asked the Union to consider the feasibility of allowing it to continue to subcontract cargo work to a third party to perform for a reasonable period of time. The reason for this request remains the same as previous request, the inadequacy of the Company's cargo facility which had been located just west of the Miami International Airport. The inadequacy of this cargo facility resulted in the Company's inability to provide proper cargo handling services. This facility also did not allow the company to expand cargo services that would add to the Company's profitability; and

WHEREAS, the company had been not able to secure another cargo facility airside, nor been able to enter into an agreement with any other cargo companies which are located airside, to obtain leased space at a feasible rental rate enabling the Company to operate its own cargo business during the period of February 1999 thru June 2002. It is too costly at this time for the Company to lease a feasible airside facility, expand its hours of operation and provide proper training for cargo agents; and

WHEREAS, the Union's position is that it rejects the Company's claims regarding the cost to operate a cargo facility and that such reasons in no way validate or justify violation of the parties collective bargaining agreement; and

WHEREAS, in order to correct some of these problems and to take advantage of the opportunity to expand its cargo business, and to improve the service to its customers, the Company makes the commitment to the
January 1, 2015 – December 31, 2018

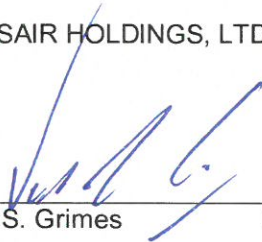
Union that it will seek an airside cargo facility in order to expand its cargo business at the Miami International Airport, which will benefit all U.S. based personnel, and further insure the Union represented employees of job protection; and

WHEREAS, by entering into this Letter of Agreement, the Union does not waive its jurisdiction under the parties' collective bargaining agreement for the covered work of cargo agent. At some reasonable point in time, not to exceed the expiration date of the present collective bargaining agreement, the company must return this work to the bargaining unit, except as set forth below.

NOW THEREFORE, the Company and Union agree as follows:

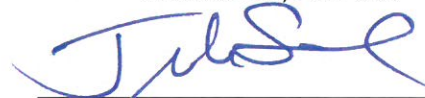
1. Effective upon the signing of the parties' collective bargaining agreement, a Joint Company/Union Committee will be established to evaluate the status of the Company's cargo operation. Meetings of the Joint Committee will be held on a quarterly basis.
2. The members of the Joint Committee will be the Bahamasair Director of Human Resources and the District 142 General Chairperson.
3. This Letter of Agreement shall become effective upon signing and shall authorize the subcontracting of cargo agent work for a period of one year, provided the following terms and conditions are met. No later than ninety (90) days following execution of this Letter of Agreement, the Joint Committee shall meet to discuss the Company's efforts to return cargo agent work to the bargaining unit. Thereafter, the parties shall meet on a regular basis, not to exceed ninety (90) day intervals, to discuss the Company's efforts to return cargo agent work to the bargaining unit. The Company is obligated to act in good faith in attempting to return cargo agent work to the bargaining unit. If there are documents which reflect such efforts they shall be shared with the Union member of the Joint committee. Nothing in this Letter of Agreement prevents the Company from ceasing its cargo operations.
4. All employees who were cargo agents prior to the "shut down" of the cargo facility by the Company shall continue to accrue seniority in the cargo agent classification while they are working in another classification covered by the parties' collective bargaining agreement. In accordance with the terms of the parties' collective bargaining agreement, such employees shall retain their jobs as customer service agents until they return to a cargo agent position. Such employees shall not suffer a reduction in pay or benefits while working in other classifications covered by the parties' collective bargaining agreement.
5. This Letter of Agreement shall not be used for any arbitrary or discriminatory purpose designed to defeat the purpose of the parties' collective bargaining agreement.
6. This Letter of Agreement creates no precedent with regard to future negotiations or contract interpretation.

BAHAMASAIR HOLDINGS, LTD.



Valentine S. Grimes _____ Date
Chairman
Bahamasair Holdings, Ltd.

INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE
WORKERS, AFL-CIO



James M. Samuel _____ Date
General Chairperson
District Lodge 142

LETTER OF AGREEMENT BETWEEN BAHAMASAIR HOLDINGS, LTD
AND
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE
WORKERS, AFL-CIO

Relating to Limited Outsourcing of Mechanics' Work

This Letter of Agreement is made and entered into on this 27th day of December, 2006, in accordance with the provisions of the Railway Labor Act, as amended, by and between Bahamasair Holdings, Ltd., (hereinafter known as the "Company") and the International Association of Machinists and Aerospace Workers, AFL-CIO (hereinafter known as the "Union).

WHEREAS, the Company recognizes that the Union is the sole and exclusive bargaining agent for the employees of the Company working in the United States, its territories and possessions, who comprise the crafts and classes of Mechanics and Related as certified by the National Mediation Board in Case # R-4557, and Clerical, Office, Fleet and Passenger Service, as certified by the National Mediation Board in Case # R-4558; and

WHEREAS, except as set forth in the Letter of Agreement relating to subcontracting, all work of the Company, as described in the classifications and work requirements in Article 4 of this Agreement, is recognized as coming within the jurisdiction of the Union and is covered by the Agreement; and

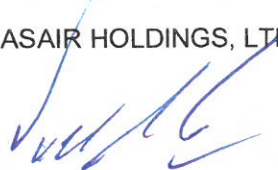
WHEREAS, Mechanic, Lead Mechanic and Supervisor Line Maintenance are classifications covered by Article 4 of the collective bargaining agreement; and

WHEREAS, by entering into this Letter of Agreement, the Union does not waive its jurisdiction under the collective bargaining agreement for this covered work of Mechanic, Lead Mechanic and Line Maintenance Supervisor.

NOW THEREFORE, the Company and the Union agree as follows:

1. This Letter Of Agreement shall become effective upon signing and shall authorize the limited subcontracting of Mechanic, Lead Mechanic and Line Supervisor Maintenance work.
2. For purposes of filling vacation, holiday, pre-planned sick leave, training and other planned absences of Mechanics, Lead Mechanics and Line Supervisor Maintenance, the Company will utilize a Company Mechanic at applicable overtime rates.
3. Other than for the reasons set forth in Paragraph 2 above, in order to maintain the flights as near to schedule as possible, the Company is authorized to out-source Mechanic, Lead Mechanic and Line Maintenance Supervisor work. The Company will make every effort to call in a Company Mechanic for the next scheduled flight. If no Company Mechanic is available, the Company is authorized to continue to out-source the Mechanic, Lead Mechanic or Line Maintenance Supervisor work until such Company employee is available.
4. As utilized in this Letter of Agreement, the term "Company Mechanic, Lead Mechanic and Line Maintenance Supervisor" shall mean a currently employed person in such classification.

BAHAMASAIR HOLDINGS, LTD.



Valentine S. Grimes Date
Chairman
Bahamasair Holdings, Ltd.

INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE
WORKERS, AFL-CIO



James M. Samuel Date
General Chairperson
District Lodge 142

LETTER OF AGREEMENT BETWEEN BAHAMASAIR HOLDINGS, LTD
AND
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE
WORKERS,
AFL-CIO

Relating to Subcontracting Cargo Agent and Customer Service Agent Work

This letter of Agreement is made and entered into on this 27th day of December, 2006, in accordance with the provisions of the Railway Labor Act, as amended, by and between Bahamasair Holdings, Ltd., (hereinafter known as the "Company") and the International Association of Machinists and Aerospace Workers, AFL-CIO (hereinafter known as the "Union").

WHEREAS, the Company recognizes that the Union is the sole and exclusive bargaining agent for the employees of the Company working in the United States, its territories and possessions, who comprise the crafts and classes of Mechanics and Related as certified by the National Mediation Board in Case # R-4557, and Clerical, Office, Fleet and Passenger Service, as certified by the National Mediation Board in Case # R-4558; and

WHEREAS, except as set forth in the Letter of Agreement relating to subcontracting, all work of the Company, as described in the classifications and work requirements in Article 4 of this Agreement, is recognized as coming within the jurisdiction of the Union and is covered by the Agreement; and

WHEREAS, cargo agent and customer service agent are classifications covered by Article 4 of the collective bargaining agreement; and

WHEREAS, the Company and Union have entered into an agreement to allow the Company to subcontract the work of cargo agents and customer service agents at new stations and re-opened stations; and

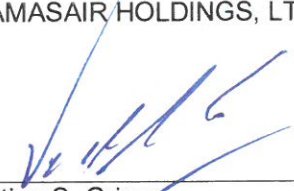
WHEREAS, by entering into this Letter of Agreement, the Union does not waive its jurisdiction under the collective bargaining agreement for this covered work of cargo and customer service agents.

NOW THEREFORE, the Company and the Union agree as follows:

1. This Letter of Agreement shall become effective upon signing and shall authorize the subcontracting of customer service and cargo agent work, as provided herein.
2. When the Company desires to open a new station (or re-open a station that was previously closed and at which no company employees covered by the parties' collective bargaining agreement are located), it has the right, subject to the limitations of this Letter of Agreement, to utilize subcontractors for customer service agent work and cargo agent work that is otherwise covered by the parties' collective bargaining agreement.
3. In exercising its rights under this Letter of Agreement, the company shall have the right to utilize persons, companies, firms or other entities to staff positions at such stations. Foreign based employees covered by Bahamasair union contracts and management shall not be utilized for such positions. However, foreign based management personnel may be used for training purposes only.
4. At a mutually agreeable time during the twelfth month after the station has been opened or re-opened, the parties will meet to discuss staffing at the station. If the parties cannot agree to the manner of staffing, the Company has the right to continue with non-Company employees for another year. At the end of the second year, if the station is to remain open, it must be staffed with applicable classification of IAM&AW represented employees.
5. This Letter of Agreement shall not be used for any arbitrary or discriminatory purpose designed to defeat the purpose of the parties' collective bargaining agreement.
6. This Letter of Agreement creates no precedent with regard to future negotiations or contract interpretation.

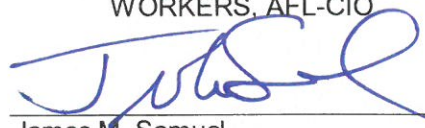
7. This Letter of Agreement does not apply to the Company's stations at Miami International Airport and Fort Lauderdale/Hollywood International Airport.

BAHAMASAIR HOLDINGS, LTD.



Valentine S. Grimes Date
Chairman
Bahamasair Holdings, Ltd.

INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE
WORKERS, AFL-CIO



James M. Samuel Date
General Chairperson
District Lodge 142

LETTER OF AGREEMENT BETWEEN BAHAMASAIR HOLDINGS, LTD
AND
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE
WORKERS, AFL-CIO

Classifications Not Listed in Appendix A

This Letter of Agreement is made and entered into on this 25th day of June, 2013, in accordance with the provisions of the Railway Labor Act, as amended, by and between Bahamasair Holdings, Ltd., (hereinafter known as the "Company") and the International Association of Machinists and Aerospace Workers, AFL-CIO (hereinafter known as the "Union").

WHEREAS, the Union and Company recently concluded Section 6 negotiations resulting in a Tentative Agreement; and

WHEREAS, Appendix A of that Tentative Agreement sets forth rates of pay for the Classifications as contained in Article 4; and

WHEREAS, the Classifications of Clerical, Office, Fleet and Passenger Services, Maintenance Technician, Reservations/Cargo Supervisor, Reservations/Cargo Agent and Ticket Office Agent are contained in Article 4 but not listed in Appendix A; and

WHEREAS, the above listed Classifications are not currently staffed, and have not been staffed, for a period exceeding five (5) years and the company currently has no plans to staff the above Classifications.

NOW THEREFORE, the Company and the Union agree as follows:

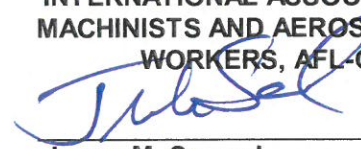
1. If the Company determines a need to staff the above listed Classifications as contained in Article 4, the Company will give the Union thirty (30) days written notice of any such need.
2. The Union and Company will confer as to the rates of pay or other issues arising out of the need.
3. In the event the Union and company cannot agree, the issues may be arbitrated under the provisions of Articles 16 and 17 of this Agreement.

BAHAMASAIR HOLDINGS, LTD.



Valentine S. Grimes Date
Chairman
Bahamasair Holdings, Ltd.

**INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE
WORKERS, AFL-CIO**



James M. Samuel Date
General Chairperson
District Lodge 142