

IAM Air Transport District 142

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IAM/EXPRESSJET UPDATE

Dear Sisters and Brothers:

On Tuesday, December 20, 2022, the Delaware Bankruptcy Court approved ExpressJet's plan to exit Chapter 11 with an equity sale. ExpressJet will sell its operating certificates to a new company, Polaris 8, which plans to operate a small, wide-body charter operation starting with one plane.

While the buyer and ExpressJet initially demanded that the Court reject the union's entire collective bargaining agreement, we were able to negotiate that the new carrier will recognize the IAM as the representative of the Flight Attendants under the current certification at ExpressJet, and that the new carrier will bargain with the IAM in good faith once it gets its operations off the ground. (It may be a year or more before the new carrier begins operations, as the new carrier needs approval from the FAA and DOT.) In addition, all 400+ Flight Attendants on the Seniority roster will have preferential right of interview for the Flight Attendant positions available at the new carrier, subject to various conditions and qualifications, and those hired will maintain their relative seniority.

ExpressJet initially refused to recognize claims for vacation pay for any Flight Attendants based upon its interpretation of the CBA. However, we were able to negotiate that ExpressJet acknowledge to the court that it owes vacation pay for all Flight Attendants who did not receive it in 2020 or 2022. ExpressJet agreed to recognize 100% of the claim amounts of the 17 employees remaining in 2022. Pursuant to non-negotiable priorities established by the bankruptcy code, most of those claims will be paid in full as a priority claim because of when they were earned, but a portion of the claims will only be paid a very small percentage.

ExpressJet also agreed to recognize the claims of the remaining 410 Flight Attendants for the 2020 accrued vacation pay they never received, despite its position that the CBA did not provide for a payout in these circumstances. While the Bankruptcy Liquidation Trustee still needs to calculate the exact relative claim amounts for 2020 vacation pay based upon ExpressJet's records, ExpressJet agreed that it would recognize a total \$575,000 in claims, even if the actual numbers are below that amount. Again, pursuant to non-negotiable priorities established by the law under Bankruptcy Code, the claims from 2020 will be paid out at a very small percentage.

If you have questions or concerns, we encourage you to reach out to District 142 at (816) 982-6480.

Sincerely and fraternally,

John M. Coveny, Jr. President-Directing General Chair

JC/td

- cc: R. Johnsen, General Vice-President, Air Transport Territory
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 - DL 142 Trusteeship Deputy G. Simmons, Grand Lodge Representative
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