

Collective Bargaining Agreement

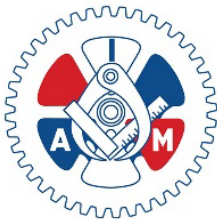
BETWEEN

AIR WISCONSIN AIRLINES



And

**INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE
WORKERS, AFL-CIO
DISTRICT 142**



IAM
DISTRICT 142

**COVERING
Clerical, Office, Fleet and Passenger
Service Employees**

May 2, 2026 – May 2, 2028

TABLE OF CONTENTS

Article		Page
1	RECOGNITION	1
2	CONDUCT OF UNION BUSINESS	3
3	PROBATIONARY EMPLOYEES	5
4	UNION SHOP AND DUES CHECK-OFF	6
5	WORK CLASSIFICATIONS	8
6	UNIFORMS AND APPEARANCE STANDARDS	11
7	SALARY AND ITS ADMINISTRATION	15
8	HOURS OF SERVICE	17
9	PART-TIME EMPLOYEES	24
10	PAYMENT OF OVERTIME	26
11	HOLIDAYS	28
12	VACATIONS	30
13	SENIORITY	34
14	TRANSFER OUT OF BARGAINING UNIT	37
15	SICK LEAVE	38
16	VACANCIES AND BULLETINED JOBS	41
17	LEAVE OF ABSENCE	46
18	FURLOUGHED EMPLOYEES	51
19	GENERAL AND MISCELLANEOUS	55
20	RETIREMENT	58
21	INSURANCE	59
22	TRAINING	66
23	MAINTENANCE OF BENEFITS	67
24	LIABILITY FOR DAMAGE TO EQUIPMENT	67
25	DAMAGE RESPONSIBILITY	67
26	GRIEVANCE PROCEDURE	68
27	SYSTEM BOARD OF ADJUSTMENT	75
28	SAVINGS CLAUSE	77
29	NO OTHER AGREEMENT	78
30	RETIREMENT FUND	78
31	LONGEVITY	79
32	SAFETY AND HEALTH	80
33	CLERICAL	82
34	PLEASURE TRAVEL PROGRAMS	83
35	EFFECTIVE DATE AND DURATION	84

ARTICLE 1
RECOGNITION

- A. In accordance with the certification in Case No. R-4512 from the National Mediation Board, AIR WISCONSIN AIRLINES recognizes the INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS as the sole and exclusive authorized representative of the clerical, office, fleet and passenger service employees in the employ of the Company for negotiation rates of pay, rules, hours and conditions of employment.
- B. The Company has and retains the sole right and function to manage its business, the right to decide and regulate the size of the work force, the number and locations of facilities, the machine, tool and office equipment; to maintain order and efficiency in its facilities, employees and operations; to hire, discipline, discharge, retire, lay-off, recall, to make job and work assignments, transfers, promotions and demotions; to close down its operations or any department or part thereof; to expand, reduce, alter, combine, transfer, assign or cease any job, route, department, operation or service; and to otherwise generally manage the Company and establish terms and conditions of employment, including all other rights and prerogatives, subject only to such regulations and restrictions governing the exercise of these rights as are expressly provided by law, or in this Agreement. Matters not provided for in this Agreement or by law are retained as rights of Management.

In the event the Company finds it necessary to contract out work covered by this Agreement it will notify the Union and meet promptly to discuss the reason for the decision and the effects, if any, on employees.

- C. The Company agrees that the work normally performed which is spelled out in the work classifications (Article 5) is covered by the provisions of this Agreement and will be performed by employees as covered by the Agreement.

- D. It is expressly understood and agreed that upon execution by the parties, this Agreement supersedes 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.
- E. It is further understood and agreed that all provisions of this Agreement shall be binding upon the successors or assigns of the Company and the Union. Upon the announcement of the sale of substantially all of the stock or assets of the Company that is intended to result in the consolidation of the Company with another carrier that affects the seniority rights of the employees on the Seniority List, the parties will meet promptly to discuss the integration of the Seniority List in a fair and equitable manner in accordance with McCaskill-Bond Amendment, Pub. L. 110-161, Div. K, Title I, §117, Dec 26, 2007, 121 Stat. 2383, codified at § 42112.
- F. It is understood and agreed that the Company will not lock out any employees covered hereby, **nor create an “alter ego” (such as NY Air) to avoid the terms and conditions of the Agreement**, and the Union will not authorize or take part in any slowdowns, sit downs, work stoppage, strike or picketing of Company premises during the life of this Agreement, until the procedures for settling disputes as provided herein and provided by the Railway Labor Act, as amended, have been exhausted.
- G. The Company is an equal opportunity employer. The Company and the Union agree to make it a matter of record in this Agreement that in accordance with the established policy of the Company and the Union, the provisions of this Agreement will apply equally to all employees hereunder regardless of sex, color, race, creed, national origin **or any other protected class**.
- H. The Company will publish and make available to employees the most current Company Policies and Procedures.

ARTICLE 2

CONDUCT OF UNION BUSINESS

- A. The Union agrees that Union business will, insofar as possible, be conducted during non-working hours. This shall not prevent an employee with a proper grievance from proceeding with such grievance in accordance with the terms of this Agreement during working hours.
- B. During the period of preparation for Section 6 openers for the next contract negotiations, and upon appropriate notification and consultation with the Company, proposal conference members and negotiators will also be afforded paragraph B's provision.

PSA/Clerical - The Union's negotiating committee members of not more than three (3) will be permitted to attend all negotiating sessions after proper notification and coordination with the designated Company official.

Technical Stores/Supply Personal-The Union's negotiating committee members of not more than three (3) will be permitted to attend all negotiating sessions after proper notification and coordination with the designated Company official.

At the discretion of the Chief Negotiator and if preparing and negotiating for a full week period of time, the Company will adjust the regular days off of the negotiating committee members to allow for weekends off. There will be no more than two (2) members per location. The number of members on the Union's Negotiating Committee will be determined by the President/Directing General Chair of District 142.

The Company will pay the committee members while on approved Union Leave. Reference Paragraph D of this Article. The Company will provide positive space passes per IRS regulations and the Marketing Partner(s) Agreement(s).

- C. The Company will provide positive space passes in

accordance with IRS regulations, and subject to its marketing partners requirements, and it will approve Union leave of absence for District Representatives, Local Executive Board members, Committee Members (e.g. Pension, etc.) and Stewards during their terms of office for use in connection with their work in administering this contract. The Company will pay the committee members while on approved Union Leave. Reference Paragraph D of this Article.

- D. The Company will pay the Employee while on approved Union Leave. The Company will invoice the Union for the Employees' wages and fringe benefits at the rate of twenty-two percent (22%) The reimbursements will be administered according to Company processes and the Union will pay the invoices in a timely manner.
- E. The Company agrees that no employees covered by this Agreement will be interfered with, restrained, coerced or discriminated against by the Company, its officers or agents because of membership in or lawful activity on behalf of the Union. The Union agrees that neither the Union nor its members will solicit membership or conduct during working hours on Company premises activities other than those of collective bargaining and the handling of grievances in the manner and to the extent hereinafter provided, except that this clause shall not be construed as restricting any of the rights granted to the Union and its members under any valid law.
- F. The Company agrees to a Union leave of absence, with proper notification, for one properly elected employee from each location to attend the Annual District 142 Convention and the **International** Convention currently held every fourth year. In addition, if operational needs permit, additional employees may be approved by the local Manager. The Company will pay the employee attending the Convention while on approved Union Leave. Reference Paragraph D of this Article. The employee shall receive positive space passes to the extent allowed by the IRS and the Marketing Partner(s) Agreement(s) for such travel.
- G. All IAM Representatives shall be permitted to access locations with employees represented by this contract for the

purpose of administering Union Business. Such person or persons shall provide at least twenty-four (24) hours' notice to the station management. All persons shall comply with any and all requirements and regulations at the station that they are visiting.

ARTICLE 3 PROBATIONARY EMPLOYEES

- A. All newly hired **full-time/part-time** employees for position(s) within the bargaining unit will be considered as probationary employees for the first **six (6)** calendar months of employment, except for any period of worker's compensation or leave of absence. All training time will count towards completion of probation.
- B. All such employees shall enjoy the benefits of the terms of this Agreement unless expressly provided otherwise except that the termination of a probationary employee shall not be subject to the grievance procedure.
- C. A probationary employee must complete their probation period before they can bid a vacancy into a location other than their domicile unless the employee is bidding from a part-time to a full-time position.
- D. **Probationary employees must receive a minimum of three (3) written evaluations, these evaluations will occur at least every two (2) months during the probationary period. A Company Representative and Lead Agent/Senior employee with the most exposure to the employee, will discuss the Probationary employee's written evaluation. The evaluation will be given by a Company Representative to the Probationary employee. The Company Representative must inform the probationary employees that they are entitled to union representation.**

ARTICLE 4
UNION SHOP AND DUES CHECK-OFF

- A. Each employee, now or hereafter employed in any work covered by the labor Agreement between the parties and as it may have been supplemented or amended subsequent thereto, shall, as a condition of continued employment in such work, within sixty (60) calendar days following the beginning of such employment or the effective date of this Agreement, whichever is later, become a member of, and thereafter maintain membership in good standing (as herein defined) in the Union, provided, that such conditions shall not apply with respect to any employee to whom such membership is not available upon the same terms and conditions as are generally applicable to any other member of this classification, or with respect to any employee to whom membership is denied or whose membership is terminated for any reason other than the failure of the employee to tender the initiation fees and monthly dues uniformly required of other employees as a condition of acquiring or retaining membership.
- B. For the purpose of this Agreement, “membership in good standing in the Union” shall mean that the employee is a member of the Union and is not more than sixty (60) calendar days in arrears in the payment of initiation fees or reinstatement fees or membership or assessment dues uniformly required of other employees in the same Union.
- C. When an employee becomes delinquent or not in “good standing” within the meaning of Paragraph B, **they** shall be subject to discharge.
- D. A discharge under the terms of this Article shall be based solely upon the failure of the employee to pay or tender payment of initiation fee and membership **dues** or assessments as specified herein and not because of denial or termination of membership in the Union upon any other ground.
- E. All rights of any employee under the Labor Agreement hereinabove noted and such supplements or amendments as may apply thereto are contingent upon **their** acquisition and maintenance of membership in good standing in the Union.

- F. The Company shall not be liable for any time or wages claim for any employees discharged by the Company or for any dues deduction changes pursuant to a written order by any authorized Union representative.
- G. Upon receipt of a signed authorization of the employee involved, the Company shall deduct from the employee's paycheck the dues payable by **them** to the Union during the period provided for in said authorization. All deductions for dues shall be made by the Company on the first regular paycheck of the month. **The parties agree that a check-off authorization shall be in an approved form/electronic, which shall be prepared and furnished by the Union.**
- H. Deductions provided for in the preceding paragraph shall be remitted to the Financial Secretary, District 142, International Association of Machinists and Aerospace Workers, AFL-CIO, no later than the tenth (10th) day of the month following the one in which the deductions were made and shall include all deductions made in the previous month. The Company shall furnish the **District 142 Secretary/Treasurer and the Local 1487 Secretary/Treasurer a copy, monthly and, with a copy of a record of those for whom deductions have been made and will include amounts of the deductions employee name, employee number, email address if available, home address, pay group, location, last hire date, hourly pay rate, pay date and deduction code.**
- I. The Company will **notify** the District 142 Secretary/Treasurer and Local 1487 Secretary-Treasurer **of any newly hired employee on a monthly basis. In addition, on a monthly basis, no later than the thirtieth (30) of the month, the Company will provide to the District 142 Secretary/Treasurer and the Local 1487 Secretary/Treasurer an updated system seniority and address list, including employee name, phone numbers email address if available, job classification, employee number, status's (Active, Leave of Absence, Furloughed/Laid Off) and (Full-time, Part-time, Regular, Temporary, etc.) location, seniority date, hire date, birthdate, job code, title and type, of all employees covered under the Agreement, or upon the request of the District 142 Secretary/Treasurer and Local**

1487 Secretary/Treasurer.

**ARTICLE 5
WORK CLASSIFICATIONS**

- A. Passenger Service Agents/Ticket Counter Agent - Shall be responsible for handling of mail, baggage, cargo and other materials to and from aircraft; loading and unloading of aircraft; operation of ground vehicular equipment; parking and cleaning of aircraft; delivering messages and packages; running errands; assisting in moving light equipment; assisting in assembling materials; preparation of materials for shipping; selling and issuing tickets; furnishing air transportation information and related information to passengers and the general public; making reservations and performing ticket counter services; including keeping counter operations records; file and notify passengers of flight information, answer special inquiries regarding animals, delays, mail service, purchasing of tickets, ground transportation, handle lost and found inquiries and baggage tracing; assisting passengers; conveying messages to the public and passenger; fueling of aircraft, filing, compiling routings and fare constructions; checking baggage; meal vouchers; handling hotel and rent-a-car reservations and sales, handling documentation concerning aircraft manifest, aircraft records, weight and balance of aircraft; boarding flights; dissemination of immigration and customs information; process requests for the shipping of air freight; quoting rates, routes and schedules; tracing, forwarding, rating, filing; pick-up and delivery; preparation of materials for shipping; documentation; handling freight reservations; file tariffs; handle and maintain records and reports. Perform other duties as assigned, including minor building repairs and ground equipment maintenance and the pushback of aircraft from the gate.
- B. Technical Stores/Supply Personnel - Will be responsible for the proper identification, initial receiving, stocking, issuing and handling of all aircraft parts, tools, materials and supplies maintained within the inventory; proper storage of these parts

and tools to include segregation of all parts in the stock room; collecting and maintaining, for file, the packing lists, maintenance releases and related materials accompanying incoming parts and tools; coordinating with the Quality Assurance Department on the **verification** and identification of incoming parts and tools; shipping of parts and tools for repair and stock; preparing air bills, dangerous goods forms and related shipping documents; and maintaining the premises of the storage areas in a clean and orderly manner; and performing other duties as assigned.

- C. Clerical - Clerical employees may perform a variety of tasks including typing, filing, sorting, adding, posting, copying collating and record keeping. They may also operate office machines and equipment incidental to efficient completion of primary assignments and responsibilities, and other duties as assigned.
- D. Lead Agent and Lead Technical Stores Agent - Shall include all the duties of the classifications to which assigned and responsible for assigning, supervising, directing, and approving the work of all employees assigned. No Lead Agent or Lead Technical Stores/Supply Agent will be required to lead and direct more than fourteen (14) employees. There will be a Lead Agent and Lead Technical Stores/Supply Agent on duty when more than five (5) employees are on duty at a location when no management official is on duty. The Lead Technical Stores/Supply Agent will be paid for all hours worked as a Lead Technical Stores/Supply Agent.

If a Lead Agent or Lead Technical Stores/Supply Agent is required, and none is on duty, management will select the qualified lead agent or lead technical stores/supply agent with due consideration for seniority who will be upgraded and paid the difference, per hour, for the time he works as a Lead Agent or Lead Technical Stores/Supply Agent. No employee will be required to accept a Lead Agent or Lead Technical Stores/Supply Agent position.

All hub Stations will have at least one Lead Agent on each shift.

Lead Agent and Lead Technical Stores/Supply Agent positions will be bid locally, and management will select the Lead Agent and Lead Technical Stores/Supply Agent from the qualified bidders with due considerations for seniority. Any senior employee bypassed in the selection of leads shall be provided specific reasons for the decision.

Temporary Leads – May be used to replace regular leads who are absent, on leave, etc., or may be added to existing lead positions on a daily or weekly basis based on the workload at the station.

- F. New Job Classifications - In the event the Company establishes any new job classifications or job titles in the bargaining unit and not specified in this Agreement, the Company shall meet with the Union prior to filling the position to negotiate and establish rates of pay, hours of work, and other conditions with the new classification or job titles.
- G. The job descriptions set forth above are not intended to limit in any way the scope of duties of covered employees, and it is further understood that additional duties may be assigned to the classifications as necessary.

ARTICLE 6

UNIFORMS and APPEARANCE STANDARDS

- A. All employees required to wear a uniform will do so as a condition of employment, and the uniform will be worn as outlined in this Article. All employees while on duty shall be responsible for keeping their uniforms in acceptable condition in accordance with the Company regulations. Additional items may be ordered at employee's expense.
- B. The recommendations of the Uniform Committee or Employees represented by this Agreement will be considered by the Company before making any change in the style, color or material of the uniform. If the Company requires a change in the uniform prior to the expiration of the life expectancy, then the uniform cost will be at the Company's expense. Should any code share partner with whom the Company is doing business requires the Company to use new or different marks or uniform design, the Company will determine the schedule for such change. If this change requires the employee to purchase a new uniform item prior to the lifespan of the item, the Company will reimburse the employee. Reimbursement will only apply to uniform items required by the Company and not optional items or accessories.
- C. For Passenger Service Agents employees required to purchase a uniform will do so in the following manner: 50% paid by the Company and 50% paid by the employee. The employee's portion will be prorated over a six-month period and deducted from **their** paycheck each month. Any employee who leaves the Company or is terminated for cause, who has not completed one year of service, will have the remaining portion of the total cost of the uniform deducted from **their** final paycheck. Total cost means both the Company's 50% and the employee's 50%. The Company may purchase any items returned on a prorated basis. The prorating will be based on the life expectancy of the items and months remaining.
 - 1. Uniform Replacement - The Company contribution to the uniform replacement cost will be 50% of the

uniform allotment.

- a) Each employee is allotted a maximum number of points to be used each calendar year January 1 through December 31. The Employee is not required to use all points. The point system is rated one-point equals one dollar.
 - b) Uniform order forms should be completed and sent to the Air Wisconsin Airlines Accounts Payable Department. All uniform expenses are deducted through payroll deduction.
 - c) In order to establish a basic image, selected items are required. Once the Employee has the required items, the Employee may use the balance of their points to order any of the uniform items offered within their job classification. Uniform points are valid for one calendar year and cannot be carried over at any time.
2. Minimum Uniform Requirements.
- New Passenger Service Agents are required to order the following initial pieces at the start of their employment, remembering that additional pieces can be ordered as needed during the remainder of the year.

Female Passenger Service Agent Minimum Required Uniform Pieces ~ Initial Order ~
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- | | |
|--------|---|
| 1 each | All Weather Jacket With Liner |
| 2 each | Bottom Pieces – pants (ramp dress pants) or skirt |
| 3 each | Tops |
| 2 each | Scarves |
| 1 each | Belt |
| 1 each | Sweater Jacket |
| 1 each | Dress Blazer * |

Male Passenger Service Agent Minimum Required Uniform Pieces ~ Initial Order ~
--

- | | |
|--------|--|
| 1 each | All Weather Jacket With Liner |
| 2 each | Bottom Pieces – pants (ramp dress pants) |
| 3 each | Tops |
| 2 each | Ties |
| 1 each | Belt |

- 1 each Cardigan Jacket
- 1 each Dress Blazer *

D. Upon hire the Company will provide Technical Supply Clerks the following uniform pieces at no cost to the employee:

- 3 Bottom pieces (pants/shorts)
- 3 Shirts
- 1 Jacket

If the new hire chooses to purchase additional pieces they can do so and they will pay 50% and the Company will pay 50%. The employee's portion will be payroll deducted from **their** paycheck each month over a six-month time frame. Any employee who leaves the Company or is terminated for cause, who has not completed one year of service, will have the remaining portion of the total cost of the uniform deducted from their final paycheck. If the final paycheck does not cover the amount the employee owes back, the employee will be invoiced for the remaining balance. Total cost means the cost of the initial uniform pieces that the Company provided to the employee and the Company's 50% and the employee's 50% for the additional pieces.

Each January, the employee shall receive 100 points to be used towards uniforms for that calendar year as long as they were active for at least 9 months out of the previous year. A point is equal to one dollar.

If the employee chooses to purchase additional pieces they can do so and they will pay 50% and the Company will pay 50%. The employee's portion will be payroll deducted from **their** paycheck each month over a six-month time frame. If the final paycheck does not cover the amount the employee owes back, the employee will be invoiced for the remaining balance. Total cost means the 100 points that were given at the beginning of the year and the Company's 50% and the employee's 50% of the additional pieces.

- E. Any item of the uniform that is stocked must be received from the Company and not elsewhere. All agents and clerks will be required to properly maintain their uniforms. If anyone reports to work out of uniform, disciplinary action may be taken.
- F. Additional information on uniform wear/appearance guidelines and additional uniform pieces may be found in the Company's Uniform Policies and Procedures Handbook or in Department specific policies.
- G. A Company-approved IAM service pin/patch may be worn as outlined in the Company's Uniform Policy and Procedures Handbook.

ARTICLE 7
SALARY AND ITS ADMINISTRATION

A. Hourly Rates of Pay:

- Passenger Service/Ticket Counter Agents;
- Technical Stores/Supply Personnel;

	DOS		DOS +1 Year	
	Hired Before 7/16/2012	Hired After 7/16/2012	Hired Before 7/16/2012	Hired After 7/16/2012
Start		10.00		10.40
After Y1		10.25		10.66
After Y2		10.50		10.92
After Y3		10.75		11.18
After Y4		11.00		11.44
After Y5	11.98	11.14	12.46	11.59
After Y6	12.50	11.28	13.00	11.73
After Y7	13.56	11.51	14.10	11.97
After Y8	14.04	11.74	14.60	12.21
After Y9	<u>14.95</u>	12.03	<u>15.55</u>	12.51
After Y10	14.95	12.45	15.55	12.95
After Y11	14.95	12.89	15.55	13.41
After Y12	14.95	13.34	15.55	13.87
After Y13	14.95	13.81	15.55	14.36
After Y14	14.95	<u>14.95</u>	15.55	<u>15.55</u>

Rate as of	Current	May 2, 2026	May 2, 2026+12	May 2, 2026+24
Start	\$16.00	\$17.12	\$17.46	\$17.81
1	\$16.50	\$17.66	\$18.01	\$18.37
2	\$17.00	\$18.19	\$18.55	\$18.92
3	\$17.50	\$18.73	\$19.10	\$19.48
4	\$18.00	\$19.26	\$19.65	\$20.04

- B. Lead Agents and Lead Technical Stores Agents will be paid one dollar (\$1.00) per hour over their applicable rate of pay.
- C. Trainers will be paid one dollar (\$1.00) per hour over their applicable rate of pay for all hours worked. There shall be no duplication of pay between Lead Agent pay and Trainer pay.
- D. Technical Stores Clerks will be offered a night shift premium. Any regularly scheduled work shift with a starting time no earlier than 7:00 p.m. shall be considered night shift. Night Shift premium is fifty (\$.50) cents per hour.
- E. The Company has the discretion to add a base rate adjustment to any year of service. Such amount will be at the discretion of the Company, provided that the hourly pay rate plus the base rate adjustment cannot exceed the hourly pay rate plus the base rate adjustment for the next higher year of service. Prior to implementing any premiums, the Company will meet and discuss with the Union. The Union will not unreasonably deny any requests for such adjustments.

ARTICLE 8

HOURS OF SERVICE

- A. Each full-time employee will be scheduled for forty (40) hours, consisting of five (5) eight (8) hour days, and/or four (4) ten (10) hour days worked within seven consecutive days, with a proper written schedule and approval of the Employer will constitute a standard work week. All employees coming under this Agreement will have at least two (2) consecutive days off on an eight (8) hour schedule and three (3) consecutive days off on a ten (10) hour schedule. When assigned to a specific fixed day off schedule, no employee will be scheduled to work more than five (5) consecutive days on an eight (8) hour schedule and no more than four (4) consecutive days on a ten (10) hour schedule. Each employee will be scheduled so as to provide at least ten hours rest between shifts except when an employee is bidding or voluntarily changes shifts. A day's work shall begin with the start of an employee's regularly assigned shift (24-hour period).
- B. 1. The Company will make every reasonable effort to standardize the starting and stopping times for each shift and days off on an employee's bid schedule. Employees may present to management an alternative work schedule that will be considered for use. The Company may adopt an alternate schedule approved by **all** employees affected which provides the necessary coverage.
2. Work schedules will be bid locally at each station.
- C. The regular starting and stopping time for work shifts will be scheduled and posted at each location and may be changed due to a change in flight schedules or mutual agreement between the Company and the IAM District 142 General Chair.
- D. There shall be no use of back-to-back part-time shifts to cover staffing needs that could be otherwise covered by a full-time shift. The phrase "back-to-back" is intended to more clearly mean that a part-time shift will not be scheduled to begin within one-half hour of the end of the preceding

part-time shift. Part-time employees will be scheduled for not more than thirty hours each week and will work between one (1) and five (5) days a week.

- E. 1. All employees will be granted a fifteen (15) minute rest period during the first half of their work shift and a fifteen (15) minute rest period during the second half of their work shift; these rest periods will not be scheduled in the first one hour or the last one hour of the work shift. Exceptions may be mutually agreed upon between the Company and the employee. Employees, other than station employees (i.e. Technical Stores/Supply Personnel, Clerical), may be scheduled for an unpaid one-half (1/2) hour or not to exceed one (1) hour meal period within two (2) hours of the middle of their shift.
- 2. Over five (5) hours of scheduled work at stations, the Company may schedule an unpaid meal period not to exceed one-half (1/2) hour if necessary to maintain the flight schedule, to be taken within two (2) hours of the middle of the shift.
- F. Day and Shift Trades will be permitted, subject to the approval of the appropriate Company official, which will not be unreasonably restricted or denied.
 - 1. Request for day/shift trades must be submitted to local management a minimum of seventy-two (72) hours in advance of the trade. The trade request must **utilize** the official Company Day/Shift Trade Request **process**. **This new process, be it electronic, will be discussed with the Union and all effected employees will be fully and properly trained.**
 - 2. Trades will not be considered approved unless **authorized** by local management.
 - 3. Trade requests submitted within seventy-two (72) hours of the trade will only be approved for emergency situations and at the discretion of local management.
 - 4. Trades must be within employee classification.

5. Day/shift trades that cause an overlap in work schedules will not be permitted. In situations where the overlap is minimal and does not impact the operation, the trade may be approved at the discretion of local management.
6. Day/shift trades will only be permitted if the employees are qualified to perform each other's work assignments. Qualified employees will not have their day/shift trades restricted unless there is an insufficient number of qualified employees on duty. Sufficiency of staffing levels will be determined by local management. A Lead in a day trade/shift swap may be required to give up **their** Lead premium for the day/shift worked unless reassigned to a Lead position.
7. Three-way day/shift trades will not be permitted.
8. Permanent trades will not be permitted.
9. Employees will not be paid sick time on a day/shift trade.
10. Employees who work on day/shift trades may request a DAT Vacation Day which will be approved at the discretion of local management.
11. Day/shift trades on holidays will be paid at 1 ½ times the hourly rate.
12. Employees will not be permitted to consistently give away hours. Full-time employees giving away more than 1 shift per week in a quarter will not be permitted to give away hours during the following quarter, but will be permitted to pick up hours and do actual trades. Full-time employees, who give away too many hours for two quarters in a twelve-month period, will be converted to a non-grand fathered part-time status. A shift is based on an 8-hour workday for a maximum of 104 hours per quarter / 416 hours per calendar year. Quarters run JAN-MAR, APR-JUN, JUL-SEP, and OCT-DEC. Part-time employees will not be permitted to give away more than 25% of their scheduled hours. Overtime hours will not count towards the employees' total hours worked. PTO

will not count against an employee's total hours worked.

13. Employees will be paid at straight time while working on a day trade off.
14. The employee who is to work on a particular day as the result of a swap is responsible for reporting to work and may be subject to the terms of the Company attendance/reliability program.
15. The employee who actually works the day/shift swap will be paid.
16. If an employee (employee #1) engages in an exchange, and the person **they** exchanged with (employee #2) voluntarily terminates **their** employment before the trade is complete, the remaining employee (employee #1) is responsible for getting the uncovered shift covered by another employee or working it **themselves** provided the Company contacts the Employee.

In the event of an involuntary termination, if the termination (of employee #2) occurs within five (5) days of the trade, local Management will be responsible to get coverage for employee (employee #1). If the termination (of employee #2) occurs more than five (5) days prior to the trade, the remaining employee (employee #1) is responsible for getting the uncovered shift covered by another employee or working it **themselves** provided the Company contacts the employee.

- G. At stations where more than four (4) **Full-time** employees in a **classification** have completed training work schedules of at least eight (8) weeks but not more than fourteen (14) weeks will be published for bid at least two (2) weeks in advance unless a shorter period is agreed upon by the affected employees and the Company. In seasonal markets, work schedules may be posted and bid for the entire duration of the season, not to exceed eighteen (18) weeks.

Notwithstanding any other provisions of this Agreement,

the Company will institute a preferential bid system for full-time/part-time employees. The system will ensure that full-time employees will first bid available full-time lines. Part-time employees shall bid by seniority, personal preferences and available part-time hours. Part-time employees may waive any scheduling restricting; including but not limited to consistent start times, day off, and split schedules. Part-time preferential bidding will not play a factor in determining the scheduling practices of full-time employees. Full-time schedule will be based on operational needs.

The station schedule will be posted for a minimum of five (5) days before the bid process starts. The posted station schedule will be bid by a preference bid form supplied by the Company (electronically if available). The deadline for turning in preference bids will be on the sixth (6th) day at 5:00 PM local time. On the following day, the Company and a Union Steward if available or a COFPS Member from the group will meet and award the station schedule. An employee whom has not turned in a bid, will be awarded a line by seniority (if more than one employee has not turned in a bid) of the remaining open lines.

If a station incorporates a scheduled bid appointment system, the work schedule will be published for a minimum of five (5) days, prior to the start of the bid. If an employee is not available to bid, the employee must submit a proxy bid prior to their original bid appointment schedule.

A finalized work schedule will be posted two (2) days after completion of bidding/award process. Except in the case of holidays when it becomes necessary to change work schedules during a scheduled period, changed work schedules will be published for bid at least ten (10) days in advance. Work schedules will state the beginning and ending dates. Work schedules may contain split shifts on a voluntary basis.

- H. For new station openings, the Company may assign work schedules for probationary employees without a shift bid for the first sixty (60) days of operations.

- I. Time Off Without Pay- When the requirements of service will permit, an employee will, upon proper written application and approval of the Company be granted time off without pay. This time off may extend for a period not in excess of fifteen (15) consecutive days at the end of which time the employee will resume the duties of service held with the Company. While on time off without pay, there is no interruption of accruals or restriction of benefits.
- J. Ready Relief/Ready Reserve.

Ready Relief

1. The Company may designate a maximum of 15% of the station-authorized FTEs as Ready Relief, which may be full-time or part-time employees. This position is established by the Company to provide coverage for employees who may be absent from work due to vacation, training, OJI, long term illness, etc.
 - a. Ready Relief schedules will align with the payroll cycle.
2. Ready Relief lines will be posted positions. Employees hired prior to implementation of this program (February 12, 2008) will not be required to bid a Ready Relief position but may do so on a voluntary basis.
3. Employees who have been awarded Ready Relief positions will be provided as much notice as possible with any change in work schedule and/or days off at a minimum will be given twenty-four (24) hours' notice. If day off pattern changes Ready Relief employee is guaranteed 40 hours per week with two (2) or three (3) consecutive days off based on their schedule .
4. Ready Relief employees not covering a vacant shift will be assigned to their home shift with two (2) or three (3) consecutive days off based on their schedule.

Ready Reserve – (Voluntary Program)

1. Reserve employees will not bid a shift and will be considered on-call. Article 18 does not apply to Ready Reserve employees. Reserve employees must provide a minimum of four (4) shifts per week that they will be available.
 - a. Prior to awarding hours to a Reserve, the Company will ensure the vacant hours are awarded to an employee through the Voluntary overtime sign-up process.
 - b. Reserve employees who refuse to accept a call-in three (3) times in a calendar year will be administratively terminated.
 - c. Reserve employees will not be required to work more than twelve (12) hours in a week.
 - d. Reserve Employees will not be required to accept a call-in for fewer than two (2) consecutive hours of work.
 - e. Reserve Employees will be provided a minimum of two (2) hours' notice from the start of shift.
 - f. Reserve Employees will accrue seniority at one fourth ($\frac{1}{4}$) the full-time rate.
 - g. Reserve Employees will not be eligible for any benefits.
 - h. Reserve Employees will receive flight benefits covered under this agreement.

ARTICLE 9
PART-TIME EMPLOYEES

- A. Part-time employees will be scheduled for not more than thirty (30) hours each week and not more than eight (8) hours each day. Part-time employees will not work any additional hours unless the work has been first offered to all available full-time employees, except in cases of emergencies or to maintain flight schedules. An overtime rate of time and one-half (1 1/2) the employee's regular rate of pay shall be paid for all work performed in excess of forty (40) hours in a workweek.
- B. Part-time employees will accrue seniority for classification purposes at one-half (1/2) the full-time employee rate on a calendar month basis. Part-time employees will accrue Company seniority beginning their first day worked with the Company and will accrue pay seniority beginning with their first day worked in the classification (both Company and pay seniority accrue at the full-time employee rate).
- C. After sixty (60) calendar days of employment, part-time employees are required to join and maintain membership in the Union in accordance with Article 4.
- D. When required, part-time employees will be provided uniforms by the company, at no cost to the employee.
- E. Part-time employees will accrue vacation at half the full-time employee accrual rate. Part-time employees will not be eligible for any holidays, but part-time employees who actually are scheduled to and in fact work on a holiday shall be paid a premium rate of one and one-half (1-1/2) times their regular rate of pay. Part-time employees will not be eligible for sick leave or any other benefits.

Exception: Article 18.A.2.b.: A grandfathered Part-timer will be eligible to use retained sick leave accruals but will not continue to accrue sick leave.

- F. If the Company opens or operates new stations during the

term of this Agreement, the Company may staff the station with full-time or part-time employees as the business needs of the Company require. Any new station staffed by the Company will have a minimum of one (1) full-time employee. When work is available for a full-time employee at any station, a full-time employee will be employed to perform that work.

- G. Part-time employees will be scheduled so as to have at least two (2) consecutive days off in each seven (7) day period, except when an employee is bidding or voluntarily changing shifts.
- H. Part-time employees and part-time temporary employees will be eligible to participate in the 401K plan and will be eligible for travel privileges in accordance to Company policy and the Company Marketing Partner(s) Agreement(s).

ARTICLE 10

PAYMENT OF OVERTIME

- A. Once a schedule is posted at the request of the Company overtime rate of one and one-half (1/2) the employee's regular rate of pay shall be paid for all work performed either in advance of or after regular scheduled hours and for all hours worked on any one of the regular scheduled days off each work week. The base rate will include the Lead Agent and Trainer salary additions when they are applicable in the computation of overtime.
- B. When an employee covered by the Agreement has been relieved for the day and is recalled to work, he will be paid not less than two (2) hours pay at the applicable overtime rate.
- C. There shall be no pyramid of overtime rates. A working employee who is absent from scheduled overtime responsibility is subject to appropriate disciplinary action.
- D. Mandatory Overtime - No employee will be required to work overtime against **their** wishes; except in the case of an emergency. An emergency will be when no employee is available to work on a voluntary basis to meet operational needs due to irregular operations. When an emergency is declared, mandatory overtime will be assigned in reverse seniority order within a job classification. Employees required to work mandatory overtime at the end of their shifts **will work no more than two (2) hours.**
 - 1. Recruiting shortfall is defined by staffing shortages directly resulting from recruiting difficulties in a specific market. An employee will not be required to work more than sixteen (16) hours of mandatory overtime in a calendar month due to staffing shortages related to recruiting shortfalls. The Company will provide employees with two (2) hours' notice when an emergency is related to recruiting shortfalls.

No employee will be required to work mandatory overtime on

their regular scheduled days off.

- E. Every effort will be made to distribute overtime as equally as possible among all qualified employees by job classification at a location. For the purpose of this provision only, leads and trainers in the classification will be considered the same job classification. Employees, whom are on their regular scheduled days off, will be contacted by telephone at the number the Employee has listed with the Company. If the Employee does not answer the phone when being called, it will be considered as declined overtime. Overtime hours worked or declined by an employee will be recorded as equivalent straight time hours. The overtime list will be zeroed quarterly. A new employee will be charged the average of the station.
- F. Time off may be given in lieu of overtime and holiday pay but must be mutually agreed upon by the employee involved and the Company, Station Manager or Department Head. Compensation time shall be one (1) hour off for each hour worked.

ARTICLE 11 HOLIDAYS

- A. The following days each year are designated holidays: New Year's Day, Easter Sunday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Eve, and Christmas Day. **In addition to these Holidays, employees shall receive two (2) personal days. These personal days may be taken at any time, subject to seven (7) calendar days' notice and Company approval. The Company will respond within four (4) calendar days. The seven (7) days' notice may be waived by the Company in the event of an emergency or as mutually agreed upon.** Probationary employees are not eligible for paid holidays.
- B. In the event any of the above-described holidays are observed on a day other than the holiday by an act of the United States Congress, observance of that holiday will conform to the legislative designation.
- C. Clerical and Office employees who are regularly scheduled to work on Monday through Friday shall not be required to work on the above designated holiday, unless requested by the Company.
In the event any of the designated holidays fall on a Saturday, said employee shall observe the holiday on the preceding Friday. In the event any of the designated holidays fall on a Sunday, said employees shall observe that holiday on the following Monday.
- D. Employees who are required to work on the designated holidays will be paid an additional one (1) and one-half (1/2) hours pay for each hour worked at their regular base rate. All employees who are not scheduled to work on the above-designated holidays will receive an additional eight (8) hours pay on an eight (8) hour work schedule and ten (10) hours pay on a ten (10) hour work schedule. Those employees scheduled to work may request an extra day off in lieu of the holiday pay.
- E. If any of the designated holidays falls within a vacation period of an employee, the employee will be granted an

additional day in lieu of the holiday. This will be paid based on their regularly scheduled shift (8 hour shift will be given 8 hours and a 10-hour shift will be given 10 hours).

- F. Employees on leave of absence or furlough will not be eligible for holiday pay.
- G. There shall be no duplication of holiday pay with sick pay or vacation pay.
- H. Technical Stores/Supply Personnel-Two weeks in advance of a holiday, the company will post a volunteer list for employees who desire to have the holiday off. Management will decide what employees will be awarded the day off based on the needs of the operation and seniority one week prior to the holiday.

Passenger Service agents/Ticket Counter Agents-The Company may within seven (7) days after finalizing a holiday flight schedule requiring less employees, post a volunteer list showing the number of employees in each classification needed to work the holiday. Employees normally scheduled to work will, in seniority order, at least three (3) days after the posting, indicate their desire to work. If an insufficient number of qualified employees volunteer to work, the Company will assign qualified employees in the inverse order of seniority from those that were scheduled to work.

- I. An employee shall not be paid Holiday Off as provided in this Article unless the employee works on the last assigned workday preceding a holiday and the first assigned workday subsequent to a holiday. Specifically, approved absences such as day trades, vacations, jury duty leave and bereavement leave will not cause the loss of holiday pay.
- J. The distribution of additional hours on a holiday will be awarded in seniority order.

ARTICLE 12

VACATIONS

- A. A full-time employee's date of hire shall be used as the anniversary date for the purpose of vacation eligibility. Vacation time shall be earned as follows:

Completion of:

1 year of service	80 hours
5 years of service	120 hours
12 years of service	160 hours
18 years of service	200 hours
25 years of service	240 hours

- B. Employees will accrue 6.67 hours of vacation for each full month of continuous employment with the Company from the employee's initial date of hire to the first day of January of the year following. Thereafter, vacations will be calculated from January through December of each year.
- C. Employees who have completed **five (5)** years of service will accrue 10 hours per month of vacation from the employee's anniversary date to the end of that year. Thereafter, vacation will be calculated from January through December.
- D. Employees who have completed twelve (12) years of service will accrue 13.34 hours per month of vacation from the employee's anniversary date to the end of that year. Thereafter, vacation will be calculated from January through December.
- E. Employees who have completed eighteen (18) years of service will accrue 16.67 hours per month of vacation from the employee's anniversary date to the end of that year. Thereafter, vacation will be calculated from January through December.

Employees who have completed twenty-five (25) years of service will accrue twenty (20) hours per month of vacation from the employee's anniversary date to the end

of that year. Thereafter, vacation will be calculated from January through December.

- F. An employee who requests up to eight (8) days of **their** authorized vacation on a day at a time (DAT) basis or an open schedule time less than twenty-one (21) days prior to the date requested, will receive an answer within seven (7) days of receipt of the request. An employee who requests same more than twenty-one (21) days prior to the date requested will receive an answer within twelve (12) days of receipt of the request.
- G. Vacations shall be granted in order of Company seniority at the location. Once a vacation is scheduled and approved, a senior employee may not request that period. Refer to vacation schedules and bidding policy.
- H. Vacations shall be non-accumulative and accrued vacation must be taken in the year following the year in which it was earned, unless the Company has denied the employee the right to take **their** vacation in which case, the employee may take cash settlement or carry over the unused portion to the following calendar year. The employee must make a written request and receive Manager approval for cash settlement or carryover.
- I. Each employee with at least one (1) year of service shall be paid for any unused vacation in the event of his termination. However, no employee shall accrue vacation during **their** probationary period except that upon the completion of **their** probationary period, the employee's accrued vacation shall be calculated as of **their** date of hire. In the event an employee does not give at least two (2) weeks' notice of voluntary termination, the vacation accruing in that calendar year shall be forfeited.
- J. Employees will, whenever possible, give fourteen (14) days notice of their vacation request.
- K. After completion of one year of service, an employee may bid **their** vacation hours earned during the prior year based on the monthly accrual rate.

- L. When a state of emergency is declared by local or state government due to weather conditions and employees are prevented from reporting to work, employees may request and will be granted a vacation.
- M. For planning purposes, each manager is required to post a vacation bid schedule for employees at their stations.

Guidelines are:

1. It will be posted by November 1, and all bids for the following year will be submitted by December 1. Completed schedules will be posted by December 15.
2. Each employee must bid the number of days he/she must take during that year excluding the allowable carryover time and DAT, day at a time vacation days.
3. Bidding will be on a seniority basis and it will be the manager's responsibility to set up a system to ensure that all employees are given ample time to bid their vacations.
4. The number of employees on vacation at one time will be dictated by the number of employees in that station and the number of vacation days to be used in that station.
5. Notice of vacation requests must be submitted to a member of management and if different than the bid request may be denied. If denied, the employee will be required to take the time previously bid or alternate days approved by management.
6. An employee must have completed one year of continuous employment to be eligible for vacation.
7. Applicable contract provisions will be reviewed to ensure compliance.

Employees may question bidding a vacation if a work schedule is not posted for that period because they would not

know their work schedule, days off, etc. The bid schedule is for planning, and because the manager makes up the work schedule, he will have to coordinate vacation scheduling with the employees when posting work schedules that have an effect on vacations already bid.

ARTICLE 13

SENIORITY

- A. Company Seniority is defined as length of continued service of an employee with the Company.
1. Classification Seniority – higher to lower
 - a. PSA
 - b. Technical Stores/Supply Personnel
 - c. Clerical
- B. Classification Seniority is defined as the length of service an employee has in each classification. Classification Seniority shall begin to accrue the first day worked in the classification. In the event more than one employee has the same classification seniority, the employee having the greater Company seniority shall appear first on the classification seniority list. If the Company seniority is equal, the oldest employee as determined by the date of birth shall appear first on the classification seniority list. The work classifications to be recognized for seniority purposes shall be as defined in Article 5.
- C. Unless otherwise provided in this Agreement, Classification Seniority shall govern in the case of furlough and recall, promotion and demotion, filling of vacancies, bidding of work schedules and bidding of work on holidays.
- D. 1. Employees moving from a lower classification to a higher classification (in accordance with A.1. above) (ie. Parts to PSA) will retain and continue to accrue seniority in all lower classifications they worked and will retain their present rate of pay or a starting rate of the higher classification, whichever is greater, until such time their seniority in that classification increases the rate of pay.
2. If an employee holding seniority in a higher classification (in accordance with A.1. above) elects to bid to a vacancy in a lower classification or an employee having no lower classification seniority bids and is awarded the vacancy, **they** shall retain but not accrue all

seniority in any classification rated higher than the one to which **they** successfully bids. Employees moving to a lower classification will receive the rate of pay in accordance with their Company seniority.

3. In the event that the Company replaces a carrier/service provider in a location and it causes a dislocation of that carrier/service provider's employees, and after exhausting the provisions of Article 16, the Company may hire those employees to staff the location. These employees shall be placed on the Company/classification seniority list one (1) day prior to the hire date of any other external new hires for that station and in the same seniority relationship to each other as existed prior to their acquiring Company/classification station.
 4. **Any member covered by an IAM bargaining Agreement that transfers into a position covered by another IAM Collective Bargaining Agreement will retain and accrue seniority in their former classification during their probation. However, upon completion of probation in the new classification, seniority in their old classification will be frozen.**
- E. As of January 1 and July 1 of each year, the Company **will** bring up to date system seniority lists which shall contain in their proper order the names of all employees in each job classification. Copies of seniority lists shall be posted on the IAM bulletin boards and a copy sent to the Union. At the time of the initial appearance on a seniority list, employees shall have thirty (30) days after posting of such a list in which to protest in writing to the Company an omission or incorrect posting affecting their seniority.
- F. Employees covered by this Agreement shall lose their seniority status and their names shall be removed from the Seniority List under the following conditions:
1. Employee quits or resigns.
 2. Employee is discharged for cause.

3. Furloughed employee not returning to the service of the Company on or before the date specified in the notice of recall to work, provided that such notice of return to work is for the position from which furloughed.
4. Employee remains on leave of absence due to sickness or injury over a period of twenty-four (24) months, unless the medical prognosis is such that the employee will be able to return to work with no restrictions within a four (4) week period of time.
5. Employee is absent from work more than three (3) consecutive days without notifying the Company of the reason for such absence.
6. Furloughed employees not recalled to work for a period of thirty-six (36) months or who refused to accept an offer in a job for which **they are** eligible and has stated or filed a preference for.
7. All furloughed employees not recalled to work prior to 2/6/2012 will be grandfathered for a period of seventy-two (72) months from their furlough date or who refused to accept an offer in a job for which **they are** eligible and has stated or filed a preference for.

ARTICLE 14
TRANSFER OUT OF BARGAINING UNIT

- A. An employee transferred to regular supervisory or other duties with the Company outside of positions represented by this bargaining unit shall retain and continue to accrue seniority for a period of one (1) year from such transfer. After one (1) year from such transfer, if the employee remains outside of the unit, all seniority accrued in the bargaining unit shall be forfeited. If an employee returns to the unit within a period of one (1) year, **they** may not displace an employee but may bid an opening on the system in accordance with **their** retained seniority.

- B. An employee may be utilized on a volunteer basis for a temporary management assignment not to exceed six (6) months at a time. Selection will be made from qualified volunteers with due consideration to seniority. The employee will continue to accrue seniority and will be returned to **their** previous position. During this time period, the employee will continue to pay the equivalent of monthly Union dues (agency fees) to the Union. Upon completion of their temporary position, the employee will return to their previous position. Should their previous position not exist, the employee may bump the most junior employee in the location.

Locations identified by the Company as being seasonal in activity will have temporary management employees in accordance with the above-referenced provision.

ARTICLE 15 SICK LEAVE

- A. The purpose of sick leave is to compensate an employee as if **they** had worked on days that he cannot because of off the job illness or accident not covered by Workman's Compensation. A day of sick leave shall consist of that time that the individual was scheduled to work had he not been sick. Sick leave shall be earned on the basis of eight (8) hours per month and shall accumulate up to a maximum of one thousand two hundred (1200) hours. (DOR)
- B. The Company may request evidence of proving the illness. The Company may request a doctor's certificate if it so notifies the employee and pays the expense unless the employee has sought medical assistance from a doctor on **their** own.
- C. Employees who are furloughed or who are granted leave of absence shall accrue sick leave only for the first thirty (30) days of such absence. Employees shall retain all accrued sick time while on furlough or leave of absence.
- D. An employee who is eligible for Workmen's Compensation will be permitted to use **their** accumulated sick leave on a pro-rata basis to obtain **their** regular daily rate of pay at straight time pay until such time as **they** exhaust **their** sick leave accrual.

If the compensable injury or illness arises out of employment with Air Wisconsin Airlines the employee shall earn and accrue sick leave during the period he receives Paid Sick Leave, but such sick leave may be used only after the employee returns to work.

In the event an employee uses sick leave accrual for a job-related injury compensable under Workmen's Compensation, **they** will, upon return to work, accrue double sick leave days until such time as **their** accrual returns to the number of sick leave days prior to the injury.

Sick leave may be used only in cases where the state Worker's Compensation payments are not equal to the employee's regular rate of pay after considering the tax implications. If a station does not qualify for FMLA, after one year of employment, the employee may, for the first twelve (12) weeks on a Worker's Compensation leave of absence, continue their medical and dental insurance by paying their insurance premium costs directly to the Company.

- E. Employees receiving compensation under the Company's sick and accident insurance policy will use accrued sick leave on the basis of each workday **they** would have been scheduled to assist in making up the difference between **their** bi-weekly base compensation and the salary benefits under the insurance. There shall be no duplication beyond bi-weekly base compensation for sick leave pay and pay under the insurance policy.
- F. A new employee shall begin to earn sick leave from the first day, but shall not be permitted to utilize sick leave accrual until completion of **their** probationary period.
- G. When hospital confinement is required, employees who have completed one year of service may use as a loan up to fourteen (14) days of sick leave, which shall be paid back as additional sick days are accrued. Should an employee leave the Company without having fully reimbursed **their** sick leave account, **they** will be responsible to reimburse the Company for the sick leave.
- H. Upon retirement from active status or death, an employee or **their** estate will be compensated for unused sick leave at the rate of two (2) days of sick leave for one (1) day of pay at the employee's regular base rate. If an employee retires from furlough status, this provision is not in effect.

An employee who returns from a furlough status must return to an active status for a ninety (90) day period prior to retirement, meet retirement eligibility per Article 20, and must provide fourteen (14) calendar days advanced notice in writing of **their** intent to retire, in order to be eligible for the sick leave compensation noted above.

In order to be eligible for retirement the employee must meet the minimum age and years of service requirements as addressed in Article 20.

- I. It is agreed that the Union will cooperate with the Company wherever possible to combat any abuse of the sick leave provisions provided in this Agreement.

The Union, in conjunction with cooperating with the Company, will not file a grievance against Air Wisconsin where the discharged employee intentionally falsified **their** sick leave request.

- J. An employee shall not be reprimanded for legitimate use of allotted sick and/or Worker's Compensation leave.

ARTICLE 16

VACANCIES and BULLETINED JOBS

A. System Bidding

1. Filling of Open Positions:

Open positions which are not filled by local preference bid or recall will be subject to filling from a system preference bid file. An eligible employee who desires to work in an open permanent position on the Company's system, which is subject to filling by system preference bid, shall file in advance a system preference bid for each position to which **they** desire **a** transfer.

- a. System preference bids shall be made on a standard form supplied by the Company, signed by the employee, and filed with the Human Resources Department.
- b. System preference bids will become effective upon their receipt by the Human Resources Department as evidenced by a time stamp. A system preference bid may be filed in one of the following ways:
 1. By personal delivery, U.S. mail, Company mail, or fax on the standard form supplied by the Company.
 2. Standard preference bid form submitted via e-mail.
 3. Electronically via prescribed form on the Company intranet portal.
- c. An employee may file or withdraw **their** system preference bid(s) at any time. All preference bids filed during the calendar year will be automatically canceled on December 31 of the current year. Preference bids filed after December 1 will be effective for the next calendar year.

- d. There shall be no limitation on the number of stations for which an eligible employee may file system preference bids.
- e. No bid on file shall be altered in any way. Changes must be made by submitting a new bid. Bids which are illegible or incomplete may be disregarded by the Company in the awarding of open positions.

2. The Award

- a. The awarding of open position by system bid award shall be in seniority order. Full-time employees shall have preference for full-time positions. Part-time employees shall have preference for part-time positions.
- b. Upon determination of the successful bidder or lack of eligible bidders, an award shall immediately be issued at all stations.
- c. The Company will notify the successful bidder verbally and/or by a written confirmation.
- d. An employee who has been awarded a position but refuses to accept the award will be ineligible to be awarded a system preference bid three (3) calendar months from date of such refusal. The preference bid form that is declined will no longer be valid. The employee will notify the Company in writing within five (5) calendar days if they choose to refuse the award.
- e. If the employee chooses to accept the award, they will notify the Company verbally and/or in writing within five (5) calendar days.

B. Whenever new stations or new classifications are established

at a station, the Human Resources Department will issue an announcement to all stations that such positions are now available, and employees may thereafter submit bids for such positions. (Bid restrictions do not apply to new stations.) Such announcement will be posted for seven (7) days.

Positions will be awarded to the most senior eligible employee as specified in paragraph C below.

Any employee selected to fill such vacancy shall begin the assignment within a maximum of ten (10) calendar days except for training purposes or replacements which will not exceed thirty (30) calendar days from award date, unless mutually agreed upon by the employee and the Company.

The effective date of occupying such bulletined job shall not be less than ten (10) calendar days after the job is awarded, when such a job involves a change of station, unless a different date is agreed upon between the employee and the Company. An employee may request and will be granted up to five days of accrued vacation upon award of a permanent position to be used as travel and adjustment.

- C. Vacancies will be filled as listed:
 - 1. Local Preference Bid Award
 - 2. Recall
 - 3. System Preference and Bulletin Bid Awards
 - 4. New hire
- D. The senior employee in other **classifications represented by the IAM** who have the ability and who has filed a bid will be given opportunity to fill the position and will serve a trial period of sixty (60) days in order to demonstrate **their** ability. At thirty (30) day intervals the employee will be evaluated and provided a written progress report. In the event an employee fails to demonstrate **their** ability to do the job, **they** will be returned to **their** previous assignment at **their** own expense unless **their** return was proven to be unjust.
- E. During the interim required to bulletin and fill a permanent vacancy, the Company may select an employee to fill the

vacancy temporarily; and the employee shall receive **their** regular rate of pay or the rate of the job, whichever is higher, for such assignment. If an employee is temporarily assigned to a job which is to be bulletined and **they are** the successful bidder for the job, the time spent on the temporary assignment will be included in the sixty (60) day trial period. The selection will be made from employees with due consideration for their seniority.

- F. After an employee has been chosen to fill a bulletined job, the proper official of the Company shall within five (5) days after the close of the bulletin send to all shops and locations a bulletin to be posted on the bulletin boards showing the name of the employee selected to fill the job and **their** seniority date.
- G. Special Temporary Assignment
 - 1. An employee may bid on a bulletin posting for a special temporary assignment from one (1) month not to exceed six (6) months at a time. The posting will state the length of the Special Temporary Assignment. Selection will be made from qualified bidders by Classification with due consideration for seniority from the selected station. When the Company requires to extend the assignment, they will rebid the position.
 - 2. An Employee may be utilized on a volunteer basis for a special temporary assignment not to exceed thirty (30) days. Selection will be made from qualified volunteers with due consideration for seniority.
 - 3. The employee will continue to accrue seniority and will be returned to **their** previous position.
- H. An employee who is returned to **their** previous position after failing to demonstrate **their** ability to perform the work will not be permitted to bid for another vacancy, for four (4) months from the date **they were** removed from the position.
- I. Temporary and Seasonal Employee

1. Temporary employees are defined as employees that are utilized to replace an existing position vacated by a leave of absence of eighteen (18) months or less. When working a full-time temporary position, seniority shall accrue at a full-time rate and the employee will be eligible for applicable full-time benefits. When working a part-time temporary position, seniority shall accrue at a part-time rate and the employee will be eligible for benefits as outlined in Article 9.
 2. Seasonal employees are defined as employees that are hired for a defined period of time to support a market that operates on a seasonal basis only. An employee hired for a position in a seasonal market does not accrue any seniority and is not eligible for benefits. Seasonal employees will receive the starting rate of the agent classification.
- J. If temporary or seasonal employees are hired as regular employees, the period of temporary or seasonal employment shall be credited against and deducted from their probation period. Seniority shall accrue from the time assigned as a temporary or seasonal employee.

ARTICLE 17

LEAVE OF ABSENCE

- A. Unpaid Personal Leave of Absence - At the discretion of the Company, an employee of the Company with one or more years of service may be granted an unpaid personal leave of absence for a period not in excess of ninety (90) calendar days. When such leave of absence is granted, an employee shall retain but not continue to accrue seniority beyond the first ninety (90) calendar days.

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

The employee will be subject to the pass policy of the Company unless otherwise provided for in the Agreement.

An employee on a leave of absence, who returns from such leave shall be reinstated to **their** former job. If **their** former job does not exist, the employee will be placed on furlough status and will be able to exercise **their** rights under Article 18.

- B. Bereavement Leave - In the event of the death of a member of the employee's immediate family, spouse/domestic partner, child, **parents**, siblings, grandparents, grandchildren, **including step and in-law relationships** the employee **will** be entitled to pay for a maximum of three (3) scheduled days lost. Pay shall be at the employee's base rate not to exceed eight (8) hours for an eight (8) hour schedule, ten (10) hours for a ten (10) hour schedule for any scheduled workdays lost.

An additional three (3) days may be requested and shall be granted at that time. These additional days off will be either unpaid or the employee may use **their** accrued, unused vacation.

In case of the death of other relatives and after reviewing the circumstances with the employee, the supervisor may grant

time off without pay or grant emergency vacation for additional time off. If an employee has other, non-immediate family members funerals to attend, the employee may request to take unpaid time, (or the employee may use accrued, unused vacation) in the amount of five (5) days.

The employee shall not be eligible for bereavement leave pay if **they are** on furlough or any kind of personal, sick or Worker's Compensation leave. **They** shall not be paid bereavement leave in the event of a holiday for which **they are** eligible occurring during the bereavement leave.

Employees should notify their immediate supervisor as soon as the employee knows the need for the time away from work exists. The name and relationship of the deceased may be requested by the Company.

- C. Leaves of absence will be granted in accordance with the State and/or Federal Family and Medical Leave Act (FMLA) as applicable and as administered by Air Wisconsin's Family and Medical Leave Policy.
- D. Maternity Leave - Maternity leave shall be granted to a pregnant employee in accordance with Federal law. Should changes in Federal law necessitate revision, copies of the changes will be sent to the Union and all stations for posting within thirty (30) days of the change. Additional leave may be requested in accordance with Paragraph A of this Article.
- E. Military Leaves - Military leaves will be granted in accordance with USERRA.
- F. Jury Duty Leave - Employees hereunder who must be absent from their work while serving as jurors, will upon proper evidence that they were called and actually served such jury duty, be paid their regular rate of compensation **less the amount received for jury service. The employee will supply the Company with a copy of the check within thirty (30) days. If jury duty lasts longer than one (1) week, the Company will adjust the employee's schedule to allow for weekends off.**

- G. Any employee granted any Leave of Absence may continue **their** Medical, Life and Disability Income Protection, and Dental Plans, but must pay the monthly premium to the Company in advance in order to remain on the group plan.
- H. An Air Wisconsin employee covered by this Agreement, upon appointment or election to a full-time District 142 position, shall be granted an indefinite unpaid leave of absence to fulfill **their** term of office. During such leave of absences, such employee shall be treated the same as an active employee with respect to benefits and seniority. The employee will send premium payments to Air Wisconsin.
- I. Pay seniority will continue to accrue during leaves of absence granted due to sickness or injury, military leaves, or for FMLA or for leaves granted in the interest of the Company.
- J. Benefits While on Leave.
 - 1. While on a paid sick/medical/STD leave status, an employee will:
 - a. remain on all insurance, welfare and retirement benefit programs enrolled in at the time of the leave, with no increase in employee contributions to those plans, subject to any open enrollment period changes and;
 - b. accrue sick time and vacation time consistent with the current collective bargaining agreement, and;
 - c. be subject to the pass policy of the Company in accordance with IRS regulations and the Company's Marketing Partner(s) Agreement(s) unless otherwise provided for in the Agreement and
 - d. continue to accrue seniority for pay, Company and classification purposes.
 - 2. While on a Worker's Compensation leave status, an employee will:

- a. remain on all insurance and welfare programs enrolled in at the time of the leave, with no increase in employee contributions to those plans, subject to any open enrollment period changes, for the period of twelve (12) consecutive weeks. Thereafter, if the leave continues and the employee is not using sick pay to augment **their** Worker's Compensation payments, the employee may be credited eight (8) or then (10) hours per day from any available sick leave bank in order to continue their insurance/welfare program, and;
 - b. accrue sick time and vacation time consistent with the current collective bargaining agreement, and;
 - c. be subject to the pass policy of the Company in accordance with IRS regulations and the Company's Marketing Partner(s) Agreement(s) unless otherwise provided for in the Agreement, and;
 - d. continue to accrue seniority for pay, Company and classification purposes.
3. While on an unpaid medical leave of absence, an employee will:
- a. remain on all insurance and welfare programs enrolled in at the time of leave with no increase in employee contributions to those plans, subject to any open enrollment period changes, until **the end of the month following 30 days**. Thereafter, if the leave continues the employee will be offered COBRA continuation for their insurance/welfare programs, and;
 - b. accrue sick time and vacation time consistent with the current collective bargaining agreement, and;
 - c. be subject to the pass policy of the Company in accordance with IRS regulations and the Company's Marketing Partner(s) Agreement(s) unless otherwise provided for in the Agreement, and;
 - d. continue to accrue seniority for pay, Company

and classification purposes.

4. While on an approved FMLA leave of absence, an employee will:
 - a. remain on all insurance, welfare and retirement benefit programs enrolled in at the time of the leave, with no increase in employee contributions to those plans, subject to any open enrollment period changes, and;
 - b. accrue sick time and vacation time consistent with the current collective bargaining agreement, and;
 - c. be subject to the pass policy privileges of the Company in accordance with IRS regulations and the Company's Marketing Partner(s) Agreement(s) unless otherwise provided for in the Agreement,
 - d. continue to accrue seniority for pay, Company and classification purposes.

ARTICLE 18
FURLOUGHED EMPLOYEES

- A. In the event it becomes necessary to furlough employees who have passed their probationary period, such furloughing shall be accomplished in reverse order of classification seniority at the location. When furloughing occurs, employees shall be given as much notice as possible, but in no event less than fifteen (15) days from the date of postmark or by written notice provided at work. In the event the Company has been notified sixty (60) days prior to a station closure, it will promptly notify both the District and the employee. The employee(s) directly affected may exercise **their** seniority in the following manner:
1. a. Displace any junior employee, within **their** classification at **their** station.
 - b.
 1. Displace any junior employee within **their** classification in which **they** hold seniority at another station; or
 2. Displace any junior employee at **their** station in any lower classification in which **they** hold seniority.
 - c. Displace any junior employee on the system in any lower classification in which **they** hold seniority. Except as provided hereafter, an employee in a full-time status whose desire is to remain in **their** location may displace an employee in a part-time status in their location or city and classification and become a grandfathered employee subject to the conditions set out in 2. below. This provision shall not apply to seasonal furloughs.
 - d. An employee must exercise their seniority under a. or b. prior to being eligible to exercise their

seniority under this paragraph.

- e. Accept furlough at the location where affected by a reduction in force. Employees being laid off will have fifteen-(15) calendar days' notice or pay in lieu thereof.
 - f. An employee displaced by an employee exercising a., b., or c. above may exercise either a., b., or c.
2. An employee in a full-time position who, pursuant to paragraphs A.1.c. above, displaces a part-time employee at **their** location or city and becomes grandfathered will be subject to the following conditions:
 - a. Retain accrual of full-time seniority and benefits including medical, and dental, eligibility except for vacation accrual and sick leave.
 - b. Be eligible to use accrued sick leave.
 - c. Be eligible for recall back to former full-time position if **they don't** accept recall to former full-time position, remains part time, but loses grandfather status.
 - d. If as grandfathered employee, bids and is awarded any position in another station, loses grandfathered status.
3. An employee electing options b. or c. in paragraph A.1. shall retain and accrue seniority in all classifications from which furloughed at a location or displaced but will be required to accept recall in the classification from which furloughed at **their** location. An employee electing option e. in paragraph A.1. shall accrue seniority in all classifications in which **they** retain seniority except that accrual after thirty (30) calendar days of furlough shall not be used for purposes of pay progression or accrual of benefits.
4. Employees electing furlough under paragraph A.1.e. at a

location will not be permitted to displace a Junior employee at some later date but may bid on any bulletined vacancy in accordance with their seniority. Such bulletins will be provided in accordance with this Agreement.

5. Furloughed employees shall not be required to accept a temporary job of less than sixty (60) calendar days, and the Company shall notify the employee if the recall is for a temporary position.
 6. An employee must notify the Company in writing within ten (10) calendar days after receipt of notice of furlough or displacement which of the above options **they** elect. In a seasonal market, the employee will have five (5) calendar days after receipt to notify the Company of **their** options. Failure to notify the Company will be considered to mean the employee desires to be placed on furlough at the location.
- B. A moving allowance will be allowed for any full-time or part-time employee with at least two (2) years employment who upon furlough immediately exercises **their** seniority. The moving allowance will be paid up to the maximum in accordance with the schedule listed in this paragraph provided the employee turns in receipts to verify expenses incurred.

	UP TO
2 years	\$650
3 years	725
4 years	800
5 years	875
6 years	950
7 years	1000
8 years	1050
9 years	1150
10 years	1250
11 years & up	2250

- C. All notices required to be sent under this Agreement shall be sent to the employee at the last address filed by **them** with the

Company or shall be hand-delivered to the employee, requiring a signed receipt of acknowledgment. There shall be no obligation on the part of the Company under this Agreement to an employee who fails to keep **their** current mailing address on file. All notices required by this Article will be sent by Registered or Certified Mail with a Return Receipt Requested.

- D. Recall of employees furloughed under paragraph A.1.e. shall be by classification seniority and status at the location from which furloughed. The Company will notify the employee of their recall and the employee will be given twenty-one (21) days from the date of **their** recall notice to return to the service of the Company. A recalled employee will notify the Company within five (5) days of receipt of **their** intention to return to the service of the Company. An employee refusing an opportunity to return to the Company at the location and status from which they were furloughed, forfeits **their** right of recall and will be administratively terminated.

ARTICLE 19
GENERAL and MISCELLANEOUS

- A. Grooming and appearance standards will be controlled by the appropriate Company policy and in accordance with its marketing partners requirements.
- B. Free Parking - Company will continue to provide free parking at each airport as designated by the Airport Authority.
- C. Pay day will be every other Thursday and employees will be paid from actual time sheets. The Company will continue the pay system procedures currently in effect during the life of this Agreement. Employees hired on or after December 8, 2005 or employees returning from furlough or being rehired will be paid in arrears based on actual hours worked.
- D. Bomb Scare - No employee will be required to participate in a bomb scare.
- E. Contract – **The Company shall provide each employee covered by this Agreement with a copy of the Agreement in book form with a minimum font size of 10. The Company will provide access to an electronic copy on the Company internet portal.**
- F. Bulletin Board – The Company will make space available at all locations on a bulletin board for Union use marked INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS. **The Union flag will be allowed to be hung/displayed at all locations/stations. The Union and Company will mutually agree on the size of the flag hung/displayed and the location it is to be hung/displayed.**
- G. Notices - All orders or notices to an employee under this Agreement involving a change of station assignment, promotion, demotion, furlough and leave of absence shall be given in writing.

- H. An employee when requested by the Company to use their personal vehicle for Company business, will be reimbursed at the then current IRS rate.
- I. By November 10 of each year, each employee will be issued a statement showing the balance of **their** vacation and sick leave accruals. The automated system for vacation submissions will have the vacation balances only for the current year so that employees can submit vacation requests for the year.
- J. In the case of consolidation, sale, merger, or acquisition by the Company with another airline, the Company and the Union will meet without delay to establish provisions for the protection of employee seniority rights.
- K. The Company reserves the right, based on probable cause, to inspect employee lockers, desks, lunch boxes, company E-mail, Comat, vehicles and other items of personal property located on Air Wisconsin Airlines premises. Any refusal to cooperate fully in such inspections or searches will be considered insubordination and subject to discipline. The **Vice President** of Human Resources and District General Chair must be notified of all inspections under this section and in advance of the inspection. During inspections of an employee's locker, lunch box, vehicle and any other such personal items, the individual and a local Union Steward will be present. If a local Union Steward is not immediately available, an IAM represented employee who is immediately available may be selected by the employee involved. Prior to a lunch box or vehicle search the appropriate Law Enforcement Agencies may be requested by the owner of the lunch box or vehicle.
- L. On a monthly basis, the Company will publish details on each employee's sick leave balance and vacation balance. If an electronic solution becomes available, the Company and Union may mutually agree to no longer publish the details.
- M. The Company will agree to provide payroll deductions for employees upon a signed authorization from the employee to permit participation in any disability plan, optical plan, 401K

plan and loan repayment to such plan, MNPL (Machinists Nonpartisan Political League), legal services plan and Guide Dogs of America.

- N. Air Wisconsin Airlines Management/Union Stewards **monthly meetings as needed.**

If scheduled, the parties agree that Management (including but not limited to Management) and the Union Stewards (including District 142 Personnel when available and any additional IAM members as may be required) will participate in **monthly** meetings (on dates mutually agreeable), focused on positive collaboration and continuous improvement of the work environment. The Director/**Manager** will attend at least fifty (50) percent of these meetings. The union and company will alternate in the function of recording-secretary and record action items from the meeting. The notes will include action items and remedies to the issues with responsible employees and an estimated completion date. Notes will be forwarded electronically within 5 working days to all the Employees and senior **Management**.

- O. Any employee unable to perform the essential functions of their job will be reviewed in accordance with the Americans with Disabilities Act (ADA).
- P. **The Company will notify employees, in writing, anytime it uses any electronic monitoring device in work areas (voice recorders, cameras, etc.).**

ARTICLE 20
RETIREMENT

- A. Employees in good standing, who are actively at work, shall be eligible to retire from Air Wisconsin Airlines at age fifty (50) + twenty (20) years of service or at age fifty-five (55) + ten (10) years of service.
- B. Retirement travel privileges are addressed in Article 34.
- C. Retirement sick leave payout is addressed in Article 15.
- D. Additional information regarding retirement can be found in the Company Policies and Procedures.

ARTICLE 21

INSURANCE

A. Indemnity Plan

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

The monthly health insurance premium to be paid by the employees electing such coverage will be 27% using the formula rating method outlined under paragraph G.

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

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

B. Preferred Provider Organization (PPO)

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

The monthly health insurance premium to be paid by the employees electing such coverage will be 27% using the formula rating method outlined under paragraph G.

The monthly health insurance premiums paid by an employee

may be increased in accordance with the formula specified in Paragraph G of this article, but in no case will the increase in the employee's annual premium cost exceed 15% from the preceding year.

The lifetime maximum benefit is unlimited.

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

B.2 Air Wisconsin Airlines 80/60 PPO Plan

Employees hired on and after February 1, 2008 [or such other time thereafter that such plan is established] will not be eligible to participate in the indemnity plan (Section A), the Preferred Provider Organization (PPO)/(EPO) (Section B.1), or the Health Maintenance Organization (Section C), but shall be eligible for health insurance coverage in accordance with the terms of this Plan. Requirements for participation include a minimum of three (3) months' service (part-time service will be included in the three (3) month calculation) and payment of 30% of the premium cost. During the 4th quarter of each year, the Company and the IAM General Chairs will meet to review the data and other rating calculations used to determine renewal rates and employee contributions for the next year. The Company reserves the right to change vendors, plan design, including deductibles and co-pays, and to increase employee contributions.

Section G of this Article shall not apply.

C. Exclusive Provider Plan (EPO)

The Company will offer alternative healthcare in the form of an EPO at all employee locations, where an EPO is available.

The monthly health insurance premium to be paid by the employees electing such coverage will be 27% using the formula rating method outlined under paragraph G.

The monthly health insurance premiums paid by an employee may be increased by a percentage equal to any percentage

increase in costs to be paid by the company in that year, but in no case will the increase in the employee's annual premium cost exceed 15% from the preceding year.

The lifetime maximum benefit is unlimited.

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

D. Unavailability of EPO or PPO / at an Employee Location

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

E. Dental Insurance

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

The monthly dental insurance premium to be paid by the employees electing such coverage will be 27% using the rating method under paragraph G.

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

The Company will provide dental coverage through the establishment of Dental Maintenance Organization (if

available) with employee contributing twenty seven percent (27%) of the required contribution.

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

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

G. Annual Premium Adjustments for Medical and Dental Plans

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

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

The Benefit Consultant chosen by the Company will develop annual premium rates. During the fourth quarter of each year, the Company and the IAM General Chairs from District 142 will meet to review and discuss any anticipated or expected changes in benefit plan designs, planned vendor changes, or proposed benefit plan enhancements and will share any data or

calculations being used for these purposes prior to the annual Company Open Enrollment period.

H. Flexible Spending

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

An employee is entitled to defer up to the IRS maximum to **their** un-reimbursed medical care account.

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

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

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

- J. Employees may purchase additional supplemental life insurance at age group rates in accordance with the terms and conditions of the policy in the amount of up to five hundred thousand dollars (\$500,000.00) in ten-thousand-dollar (\$10,000.00) increments. The company will provide the ability to purchase optional coverage for their spouse of up to fifty thousand dollars (\$50,000.00) in ten thousand dollar (\$10,000.00) increments at age base group rates; provide ability to purchase coverage for children up to ten thousand dollar (\$10,000.00) in twenty-five-hundred-dollar (\$2,500.00) increments.
- K. Accidental Death and Dismemberment Insurance: Employees may purchase up to five hundred thousand dollars (\$500,000) (in \$10,000 increments) in accidental death and

dismemberment insurance at group rates/age based, in accordance with the terms and conditions of the policy. In order to purchase this insurance, employees must purchase supplemental life insurance in the same amount.

- L. Employees shall be entitled to purchase a universal life and cancer policy through payroll deduction. Participation in this program shall be strictly voluntary and offered by an agency and underwriter selected by the Union. The employee shall be responsible for the entire cost of the coverage. The Company shall provide a reasonable opportunity for on-site enrollment.
- M. Employees may elect during open enrollment each year to sell back up to one (1) week of vacation per year to offset employee insurance premiums. The Company will establish procedures for the sell back of vacation.
- N. Short Term Disability Insurance

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

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

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

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

ARTICLE 22

TRAINING

- A. No employee shall be required to pay for the use of any Company equipment required in any Company training program. The cost of all training required by the Company and expenses related thereto shall be fully paid by the Company.
- B. Training time shall be considered as time worked for the purposes of this Agreement including the calculation of an employee's seniority.
- C. During Air Wisconsin Airline's new-hire orientation, the Union will be given a period of time, not to exceed 2 hours, for disseminating Union information. In the event the new hire employee does not attend a formal orientation program, the Union steward in their location will be afforded the opportunity to meet with the new hire.
- D. An employee who is required to attend training during **their** regular scheduled days off shall be given the option of alternative days off or the ability to work those days at the applicable rate of pay.
- E. When traveling for training utilizing flights, employees will use the most direct route available from the employee's station to the training facility. Travel pay will cover scheduled block time. In addition, employees will be paid two (2) hours for check in and wait time at the airport on designated travel day.
 - 1. If the flight cancels prior to one (1) hour before departure time and the employee cannot be rebooked the same day, the two (2) hours would not be paid.
 - 2. If the flight cancels within one (1) hour or any time after the scheduled departure time, the employee will be paid the two (2) hours.
 - 3. If the flight is delayed beyond two (2) hours or cancels,

the employee is responsible for contacting a member of Management to mutually determine an alternate option.

4. There will be a ten (10) hour rest period after training travel if necessary, due to travel delays. The Employee may choose to waive this rest period if mutually agreed upon by the Employee and the Company.

When driving to training is necessary, travel pay will be paid at the scheduled driving time. Travel pay will always be paid at the employee's regular hourly rate and is exempt from overtime requirements covered under Article 10 and Article 11. No employee will be required to travel on a holiday.

ARTICLE 23

MAINTENANCE OF BENEFITS

The Company agrees to maintain in substantially the same manner all wages, hours and conditions of employment not specifically provided for in this Agreement as currently are provided.

ARTICLE 24

LIABILITY FOR DAMAGE TO EQUIPMENT

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

ARTICLE 25

DAMAGE RESPONSIBILITY

If damage is incurred to either Company property or the property of others, employees who are involved shall report the facts surrounding the occurrence immediately to a member of

Management by verbal communication and in writing within such time as the Company shall designate.

ARTICLE 26 GRIEVANCE PROCEDURE

- A. The representation for the effective handling of grievances and disputes between the parties under this Agreement shall be in accordance with the following:
 - 1. The Union will be represented by a minimum of one (1) properly designated Steward for each shift (non-overlapping shifts) at each location. This Steward will deal with officials of the Company with or through and accredited IAM representative and/or **their** designee. A Steward, upon request from an employee, may be present at the disciplinary hearings. At each location, one of the shift Stewards will be designated as a Chief Steward who will assist the Stewards on all shifts in handling disputes between the parties. The Chief Steward(s) will represent the Union in handling Step 1 and 2 grievance complaints and disputes with the appropriate Company representative at each location.
 - 2. **Any employee who has a grievance, complaint, or feels that they have been unjustly dealt with may within ten (10) calendar days submit their grievance through the Chief/Shop Steward using the electronic GMP (Grievance Manager Program) or in writing to the Company's Department Manager.**
- B. In order to facilitate the conduct of Union/management business in an orderly and business-like manner, the following will apply:
 - 1. The Company shall provide an appropriate confidential area to facilitate the Union's investigation and handling of grievances. **If necessary, phone access will be provided.**
 - 2. The Union and Company will, at all times, keep the

other party advised through written notice of any change in authorized representatives.

3. **All Shop Stewards will be allowed access and availability to all work areas, shops, and Company facilities within their respective work areas, shops, and Company facilities within their respective areas of representation in order to conduct their business in a proper, efficient and expedient manner. Stewards will be permitted, after reporting to their supervisor, a reasonable and necessary amount of time during work hours to investigate an issue or present grievances without loss of pay. In the event it is necessary to go to another Department, they will report in with the supervisor of the other Department. In so doing, they will contact appropriate management personnel and shall not disrupt or interfere with the operation in any significant or substantial manner.**
4. **Shop Steward(s)** will be empowered to settle all local grievances or disputes not involving changes in policy or the intent and purposes of this Agreement.
5. All business dealings between the Company and the Union under this Agreement and Article will be conducted in an atmosphere of mutual respect and professionalism. No Union representative will be subject to discipline for appropriately representing an employee on behalf of the Union. Any questionable behavior will be reported to the General Chair.
6. The Union will also be represented by a General Chair from the District for dealing with regional or general representatives of the Company. **The Union will be further represented by a PDGC/General Chair and/or their designee Representative(s) from District 142 for dealing with official of the Company.**
7. The Company will be represented at each location by an authorized official who will be empowered to settle local grievances or disputes, but such settlement may

not involve any change in the intent and purpose of this Agreement. **The Company will be further represented on a regional and system basis for dealing with the Union President-General Chair or their authorized representative.**

- 8. The President/Directing General Chair, and/or their designee Representative(s) from District 142 and International Representatives of the Union shall be permitted at any time to enter the facilities of the Company for the purpose of representing employees in disputes covered by this Agreement.**
 - 9. The Shop Steward may leave the premises during their working hours with Management approval without loss of pay for the purpose of conducting Union-Management business with the President and/or General Chair of District 142. When leaving for these purposes, the President and/or General Chair of District 142 will notify the Maintenance Base Manager at least 24 hours in advance of the meeting when possible. These meetings should be scheduled with consideration to the operational needs and should cause minimal impact to the operations and will not be unreasonably denied.**
 - 10. The Company and the Union will make every effort to keep to a minimum the actual time spent in disposing of grievances, disputes or complaints.**
- C. For the presentation and adjustment of disputes or grievances that may arise, the following procedure will be utilized:**

STEP 1.In the event there is a dispute or grievance in connection with the application of the terms of this Agreement, a verbal discussion or email exchange will take place between the Employee(s) with a Shop Steward and the Technical Stores Manager or their designee. A decision will be rendered with written documentation of the outcome within ten (10) days from date of the verbal discussion or email exchange.

STEP 2. If the decision in Step 1 is not considered satisfactory, the Employee(s), with a Shop Steward, may present the written grievance on a form supplied by the Union to their Manager or their designee. The grievance will state the specific contract violations, the remedy desired, and the date of the alleged violation. The Technical Stores Manager or their designee will initial and date acknowledgement of receipt of the grievance. The Technical Stores Manager or their designee shall hold appropriate discussions or hold a hearing so that the response is appropriate. The Technical Stores Manager or their designee will render their written decision within ten (10) days from receipt of the grievance.

STEP 3. If the decision in Step 2 is not considered satisfactory, the matter may be appealed by the President/Directing General Chair or their designee to the Vice President of Human Resources and the parties will endeavor to reach a settlement of the issues involved in the matter appealed. The notice of intent to appeal the matter to Step 3 must be made in writing within thirty (30) days after the Step 2 decision. The Vice President of Human Resources and the General Chair will jointly schedule a meeting that will assure timely resolution or disposition of the grievances at this level not to exceed thirty (30) days. A written decision shall be issued no later than ten (10) days following the meeting.

STEP 4. If a settlement is not reached in Step 3, either party may submit the grievance to the System Board of Adjustment in accordance with Article 27.

- D. The Steward, after notifying **their** supervisor, may investigate and discuss grievances while on scheduled work time. The Steward will not unnecessarily disrupt any operation.
- E. Discipline and Discharge
 - 1. An employee who has passed **their** probationary period will not be disciplined to the extent of loss of pay or discharge without being advised in writing of the specific

charge or charges prepared against them in such action. Such notice will be presented to the employee not later than ten (10) workdays from the date upon which the Company obtained knowledge of the facts upon which such charge or charges are based, and a copy will be provided to the system **Chief** Steward and/or local **Shop** Steward.

2. **If the employee is held out of service pending the outcome of the investigation, it shall be without loss of pay unless it involves the Employee having their SIDA badge revoked/suspended by Airport Authority or a positive drug and/or alcohol test. After investigation, if it is found that the badge was revoked/suspended without reasonable cause, the employee will be back paid for the time lost. If the decision after the meeting is not satisfactory, the appeal may be made in accordance with Step 3 of the grievance procedure.**
3. **No discipline associated with attendance/reliability will be issued to an employee without first discussing the incident with the employee and the Shop Steward if the employee requests the Shop Steward to be present. The employee will have the right to refuse Union representation, and the Company will provide the employee with a waiver form.**
4. **In meetings for the purpose of investigating and/or discussing any matter which may result in the application of discipline or dismissal, the Company will advise the employee of their entitled Union representation. The employee will have the right to refuse Union representation anti will complete a waiver form.**

F. General

1. Probationary employees covered by this Agreement shall not have recourse to the grievance procedure in the event of discharge within their probationary period.
2. For the purpose of computing workdays in connection

with provision of this Article, only the calendar days Monday through Friday each week shall be counted.

3. The Union's decision to withdraw grievances, not to process or appeal a grievance to the next step, shall not in any way prejudice its position on the issues involved.
4. **Neither the Company nor the Union will discriminate against any witnesses called to testify in any hearing or investigation under this Agreement. The Company will provide employees of the Company who are witnesses travel passes in accordance with IRS regulations and the Company's Marketing Partner(s) Agreement(s).**
5. It is understood that the time limits specified herein may be extended by mutual agreement of the parties hereto.
6. **It is understood that either or both the Union President/Directing General Chair or their designee and the Vice President of Human Resources or their designee may intervene and participate in the handling of a grievance or dispute at any level of the grievance procedure.**
7. **Except as specifically provided in this Article, all Step 1 and 2 hearings will be conducted during the employee's regularly scheduled shift insofar as possible. Union representatives, employees and necessary employee witnesses shall not suffer loss of pay while engaging in the provisions of this Article.**
8. **An employee may elect to have legal counsel present only at the System Board of Adjustment providing the employee signs the release waiver provided by District 142.**
9. **Should the Company or the Union not comply with the time limits set forth in the grievance procedure, the grievance shall automatically proceed to the next step. However, it is understood that the time limits may be extended by written mutual agreement of the parties.**
10. **In discharge cases, the Shop Steward and/or District**

General Chair, after consent from the Employee, will have access to the personnel records of the employee prior to the holding of any post discharge proceeding.

11. An employee has the right to review **their** file at reasonable times in the presence of a Company official and may, at **their** option, **be** accompanied by **their** Union representative. Disciplinary letters and write-ups will be removed from an employee's file after two years provided there are not further reoccurrences of any kind.
12. **The Company and the Union shall have the right to mutually appeal any matter to the System Board of Adjustment at any step of the grievance procedure.**

ARTICLE 27
SYSTEM BOARD OF ADJUSTMENT

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

thirty (30) calendar days, select one arbitrator for each case to sit as the Chairperson. If selection cannot be made by agreement, then the parties will alternately strike names from the list agreed upon by the parties until one remains and that individual shall serve as Chair.

Upon selection or the appointment of an arbitrator, the appealing party shall forward a copy of the submission to the members of the Board. All subsequent documents to be filed with the Board shall be addressed to all three (3) members of the Board.

In the month of December of each year, either party may remove an arbitrator(s) from the panel referenced above. In the event a party removes an arbitrator from the panel, the parties will agree to replace the removed arbitrator(s) within sixty (60) days of removal.

- F. Employees covered by this Agreement may be represented at Board hearings by such person or persons as they may choose and designate, and the Company may be represented by such person or persons as it may choose and designate.
- G. Decisions of the Board in all cases properly referred to it shall be final and binding upon the parties hereto.
- H. The parties will request that the decision of the Board be rendered within sixty (60) calendar days after the closing of the hearing and/or final briefs have been submitted, and a majority vote of the members of the Board, including the neutral member, shall be necessary to reach such decision. The expenses and reasonable compensation of the neutral member selected as provided herein shall be borne equally by the parties hereto, except as may be otherwise provided under the Railway Labor Act. The time limits specified in this paragraph may be extended by mutual agreement of the parties to this Agreement.
- I. Nothing herein shall be construed to limit, restrict or abridge the rights or privileges accorded either to the employees or to the Company, or to their duly accredited representatives, under the provisions of the Railway Labor

Act, as amended.

- J. Each of the parties hereto will assume the compensation travel expenses and other expenses of its Board members and witnesses called or summoned by it. The Company will provide witnesses who are employees of the Company with travel passes in accordance with IRS regulations and the Company Marketing Partner(s) Agreement(s).
- K. It is understood and agreed that each and every Board member shall be free to discharge **their** duty in an independent manner, without fear that **their** individual relations with the Company or with the Union may be affected by any action taken by **them** in good faith in **their** capacity as a Board member.
- L. If necessary, the **Vice President** of Human Resources and the District General Chair shall meet at least every six (6) months in an attempt to settle any grievances scheduled for the System Board of Adjustment.
- M. When it is mutually agreed that a stenographic report is to be taken of any hearing, the cost will be borne equally by both parties to the dispute. In the event that it is not mutually agreed that a stenographic report of the proceedings will be taken, any transcript made by either party shall be furnished to the other party upon request, provided that the cost of the written record shall be borne equally by both parties to the dispute.

ARTICLE 28

SAVINGS CLAUSE

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

ARTICLE 29
NO OTHER AGREEMENT

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

ARTICLE 30
RETIREMENT FUND

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

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

ARTICLE 31
LONGEVITY

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

An employee upon reaching eight (8) years of service will receive longevity increases in their base rates according to the schedule listed below:

	Hired Before 7/16/2012	Hired after 7/16/2012
After 7th year	\$0.40	
After 8th year	\$0.50	
After 9th year	\$0.60	
After 10th year	\$0.70	
After 11th year	\$0.80	
After 12th year	\$0.90	
After 13th year	\$1.00	
After 14th year	\$1.10	\$1.10
After 15th year	\$1.25	\$1.25
After 16th year	\$1.40	\$1.40
After 17th year	\$1.55	\$1.55
After 18th year	\$1.70	\$1.70
After 19th year	\$1.90	\$1.90
After 20th year	\$2.10	\$2.10
After 21st year	\$2.30	\$2.30
After 22nd year	\$2.50	\$2.50
After 23rd year	\$2.70	\$2.70
After 24th year	\$2.90	\$2.90
After 30th year	\$3.10	\$3.10

Maximum \$3.10

ARTICLE 32
SAFETY AND HEALTH

- A. The Company shall furnish first aid equipment and all necessary safety devices for employees while performing in a hazardous or unsanitary work environment. The Company shall furnish protective clothing for employees required to work with chemicals that are injurious to regular clothing.
- B. Passenger Service Agents/Ticket Counter Agents: In the interest of safety, an Occupational Safety and Health Committee will be established at each ground handling station where flight activities exceed twenty (20) departures a day. The committee will consist of representatives from IAM and the Company. The Committee shall meet **monthly** and shall keep minutes of all meetings. All minutes will be published and communicated to all Employees.
- C. Technical Stores/Supply Personnel: Each maintenance facility will have a designated **Joint Safety Committee**. The **Joint Safety** Committee will consist of representatives from IAM membership and AWA Management. The **Joint Safety** Committee will hold periodic or upon request, **monthly** safety meetings that review safety concerns and **keep minutes of all minutes. All minutes of each meeting will be posted and communicated to all Employees. Either party may request to hold a safety meeting at a specific maintenance location. The Company and IAM Joint Safety Committee Members will mutually agree on coordinating the scheduling of the meeting.** The provisions of Article 10 regarding overtime pay do not apply to IAM covered employees who participate in safety related activities such as meetings, injury reviews, safety improvement action items, etc. Upon the Employees' request the Company will adjust the Employees' work schedule to accommodate the meeting time. The committee will consist of representatives from IAM and the Company. The Committee shall meet periodically and shall keep minutes of all meetings. All minutes will be published and communicated to all Employees.

- D. The Company will provide each Employee, as required by work assignment, appropriate foul weather gear as follows: rain suits and gloves. These items, along with appropriate protective clothing for those working with lavatory service equipment, de-ice fluids, grease or chemicals will be issued to employees as needed.
- E. The Company will ensure a water replenishment program is available during temperatures above eighty-five (85) degrees.
- F. The Company will furnish personal protective equipment (PPE) as required by OSHA. The Company will provide PPE at no cost to the employee. PPE will be made available to all employees. Safety glasses will be furnished by the company including prescription safety glasses and side shields.
- G. In the event that the Joint Safety Committee is unable, within sixty (60) days, to resolve an issue which has been brought to its attention, the Company representative shall escalate the issue through the Safety Management System, utilizing the Maintenance Operational Safety Board notification system. This process alerts the individual responsible, and other stakeholders in and outside of the organization of the area of concern. The Joint Safety Committee will receive feedback when the investigation process is completed and may be asked to participate in the process. At the conclusion of the investigation, the comprehensive fix will be shared with the Joint Safety Committee.**

ARTICLE 33
CLERICAL

A. Clerical

1. Clerical employees may perform a variety of tasks including typing, filing, sorting, adding, posting, copying, collating, and record keeping. They may also operate office machines and equipment incidental to efficient completion of primary assignments and responsibilities, and other duties as assigned.
2. Below are listed designated areas where clerical employees are assigned. If a vacancy occurs in one of the following areas, such openings will be posted for bid and handled according to the provisions provided in Article 16 of the COFPS Agreement.
 - Reception
 - Maintenance
 - Support Group
 - Accounts Payable
 - Key punch/Data Entry

New employees must pass probation before bidding into another department.

- B. 1. Clerical employees will be awarded bids in accordance with Articles 13 and 16.
 2. Employees awarded a bid will be restricted from bidding another available clerical bid for a period of six (6) months. This restriction may be waived at the Company's discretion. Employees may be retained in their present positions if awarded for a period of thirty (30) workdays.
 3. Any reduction in force for clerical employees will be handled in accordance with Article 18.
- C. Clerical Scheduling - When the work schedule provides other than eight (8) hour days, every effort will be made to provide the employee at least three (3) consecutive days off in each

seven (7) day period. or the Company will adopt an alternate schedule the employees submit that provides the necessary required coverage. The alternate schedule must be agreed upon by the majority of the employees affected.

ARTICLE 34

PLEASURE TRAVEL PROGRAMS

- A. All employees covered under the Agreement will enjoy pass travel privileges consistent with Company policy, Company Marketing Partner(s) and Company Interline pass Agreements for themselves and their eligible traveler(s) as defined by the IRS or Company policy.

- B. Retirees, including an Employee who retires from a furlough status, will be eligible for travel privileges in accordance with Company policy and the Company Marketing Partner(s) Agreements. An Employee who retires in good standing from Air Wisconsin Airlines, and provided he has a minimum of ten (10) years of active service as defined by the Company Policy, shall be eligible for retiree interline travel privileges for themselves and eligible traveler(s) if **their** years of active service plus age equal a minimum of 65. All retired employees shall be eligible for interline pass agreements offered to Air Wisconsin Airlines based on the terms and conditions of the Agreement. These passes will not be used for business purposes

ARTICLE 35
EFFECTIVE DATE AND DURATION

This Agreement shall become effective on **May 2, 2026**, and shall remain in full force and effect through **May 2, 2028**, and shall automatically renew itself without change each succeeding **May 2**, unless written notice of the proposed change is served by either party in accordance with the Railway Labor Act, as amended, no later than sixty (60) days prior to **May 2, 2028**, or any **May 2**, thereafter. Upon sixty (60) days' notice by either party, the parties agree to begin negotiating a new agreement no earlier than twelve (12) months before the amendable date of the agreement.

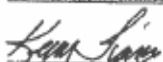
Signing Bonus

A signing bonus of \$500 for each year of service, with a cap at \$3000 will be distributed to all members of the IAM COFPS bargaining unit on the first paycheck of the normal payroll cycle after December 1, 2026. Eligibility for the signing bonus will be determined on **May 2, 2026**, and a member must still be employed at the time of receiving the payment on the first paycheck after December 1, 2026. Eligibility will include the employee shall have successfully passed their probationary period with the company. If the employee was hired prior to **May 2, 2026** but has not completed their probationary period, payment will be held until that period is complete. To receive the signing bonus, an employee must remain on the payroll through the date of distribution. If an employee does not remain on the payroll, the signing bonus will be considered forfeited.

The amounts paid under this paragraph will be subject to a tax withholding rate, per Internal Revenue Service (IRS) requirements, that may be higher than normal payroll withholding. The employee will be responsible for their IRS required taxes and the Company will be responsible for their applicable payroll taxes. Additionally, such amounts will be considered compensation for purposes of the Air Wisconsin Airlines IAMAW Local No. 2575 Retirement Plan & Trust, and thus subject to deferral into such plan at the member's elected deferral rate in effect as of December 1, 2026, subject to normal retirement plan restrictions.

AGREED to this 02 day of MAY, 2026 by.

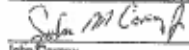
Air Wisconsin Airlines


Kevin Hanks
President & Chief Operating Officer


Luke Carlson
Chief Financial Officer


Jon Parker
Vice President of Technical Operations

International Association of Machinists
and Aerospace Workers, AFL-CIO


John Cavaney
President-Directing General Chair
District Lodge 142


John Blodgett
General Chair District Lodge 142


Justin Baker
General Chair District Lodge 142


Bob Nedeljkovic
Negotiating Committee Member


Jeff Graham
Negotiating Committee Member