

To: NWA Pilots
From: NWA ALPA and NWA Flight Administration
Re: 2006 NWA Pilot Collective Bargaining Agreement Reprint

Attached please find the latest reprint of the NWA Pilot Collective Bargaining Agreement. This complete reprinting of your contract contains all contract changes agreed to as of August 1, 2006. It incorporates the new contract language from the 2006 Agreement as well as Letters of Agreement signed since the last reprint on May 1, 2005. Please discard the May 2005 version and replace it in its entirety with this reprint.

Contract Reprint Conventions

The following conventions are used to denote changes made to the May 2005 contract.

Bold Type indicates new language added to the contract since the May 2005 printing.

➔ Indicates language which was deleted from the May 2005 printing.

There is an electronic version (in PDF format) of the Contract available on the ATLAS and the NWA MEC website at <https://crewroom.alpa.org/NWAMEC/default.aspx>. The electronic version is completely searchable and uses hyperlinks for cross-referenced contract sections.

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SECTION 1
RECOGNITION AND JOB SECURITY

A. Recognition

The Air Line Pilots Association, International has furnished to Northwest Airlines, Inc. proof that a majority of the pilots employed by the Company have designated the Association to represent them and in their behalf negotiate and conclude an agreement with the Company as to hours of labor, wages and other employment conditions covering the pilots in the employ of the Company in accordance with the provisions of the Railway Labor Act, as amended.

→

B. Scope

The pilots on the Integrated Pilots System Seniority List (the “Northwest Pilots”) shall have the sole and exclusive right to perform Company Flying in accordance with the terms and conditions of this Agreement (including other applicable agreements between the Company and the Association). There shall be no subcontracting of Company Flying to others.

B.1. Company Flying

Except as provided in [Section 1 B.2.](#) →, **“Company Flying” shall mean all Revenue Flying performed by or for the Company and all Revenue Flying performed by or for any Affiliate (including Revenue Flying performed by or for the Company or by or for any Affiliate on the Company’s international routes or route authorities and/or on aircraft under the operational control of the Company or an Affiliate).** → The term **“Revenue Flying”** includes wet leases, subcontracting that is performed for others, revenue flights and charter flights. The term **“Affiliate”** means (i) NAC, (ii) any subsidiary, parent or division of the Company or NAC or any subsidiary, parent or division of either a parent or subsidiary of the Company or NAC or (iii) any entity that controls or manages NAC or the Company or is controlled by or managed by NAC or the Company.

→

B.2. **Exceptions to Company Flying. Company Flying does not include flight operations that are:**

B.2.a. **conducted by an air carrier performing charter flying for MLT Vacations, Inc. or its successor or replacement pursuant to [Section 1 B.4.](#); or**

B.2.b. **conducted by a Joint Venture air carrier partner pursuant to [Section 1 B.5.](#); or**

B.2.c. **conducted by a Wet Lease Operator pursuant to [Letter of Agreement 2004-02A](#) (the Freighter LOA).**

- B.2.d.** conducted by a Domestic Air Carrier pursuant to [Section 1 B.7.](#); or
- B.2.e.** conducted by a Foreign Air Carrier pursuant to [Section 1 B.8.](#); or
- B.2.f.** conducted pursuant to the Block Space provisions of [Section 1 B.9.](#); or
- B.2.g.** performed by test and ferry pilots not on the Integrated Pilots System Seniority List as authorized by [Letter of Agreement 2000-04.](#); or
- B.3.** [Section 1 B.1.](#) → shall not apply to prevent the Company or an Affiliate from purchasing or acquiring another airline that operates aircraft that (i) are **configured with a maximum passenger capacity of → 77 seats or more, → or** (ii) are certificated with a maximum gross takeoff weight of → **89,000** pounds or more (an “Acquired Airline”) and operating the Acquired Airline pending a merger of the Acquired Airline into the Company’s operations so that the Company is the surviving, post-merger entity provided that:
 - B.3.a.** The integration of the seniority lists of the two pre-merger pilot groups shall be established through Association Merger Policy if the two pre-transaction pilot groups are represented by the Association, and the Company shall accept the integrated seniority list → established through the Association, **provided that none of the conditions and restrictions therein require a system flush or significantly increase the Company’s costs.**
 - B.3.b.** **Before any determination that the Company and the Acquired Airline constitute a single transportation system,** the Company and the Association shall **make a good faith effort to** agree on a single pilot seniority list, including any conditions and restrictions, governing the Company following the acquisition and merger, if pilots of the Acquired Airline are not represented by the Association prior to the acquisition.
 - B.3.c.** The Company shall merge the pilot flying operations of the Acquired Airline into the Company’s pilot flying operations within → **1 year** following the date both an integrated pilot seniority list, including any conditions and restrictions, and merged collective bargaining agreement are established pursuant to this subparagraph **B.3.** (or as soon thereafter as applicable legal and regulatory requirements permit). It is understood that the Company and the Association will make every reasonable effort to establish a merged collective bargaining agreement and single seniority list including any conditions and restrictions (if under [Section 1 B.3.a.](#) →) within 12 months following the closing of the acquisition. →
 - B.3.d.** During the period between the initial agreement or agreement in principle between the Company or the Affiliates and the Acquired Airline concerning the acquisition and the merger of the pilot flying operations of the Acquired Airline into the pilot flying operations of the Company pursuant to this subparagraph **B.3.:**

- B.3.d.(1)** The aircraft (including all orders and options to purchase aircraft) of the Company and the Acquired Airline respectively shall remain separated in all respects and shall not be transferred between or shared by the Company or an Affiliate and the Acquired Airline, **however, consistent with the foregoing provisions of this subparagraph B.3.d.(1), the Company reserves the right at all times to acquire aircraft or dispose of aircraft in each such airline's fleet prior to and following such merger of pilot flying operations,** and
- B.3.d.(2)** In addition, except as provided in [Section 1 B.3.d.\(1\)](#) →, the Company shall make reasonable efforts, ignoring any labor cost differential in its analysis, to allocate flying between the pilot groups in a balanced manner with the goal of preserving the relative ratio of permanent positions between the respective pilot groups which existed prior to the acquisition, and
- B.3.d.(3)** → **In the event the Company determines that there is a need for additional pilots at one of the carriers at the same time that there is an excess of pilots at the other carrier, the Company and the Association shall meet and confer before any layoff of pilots at the carrier that has an excess of pilots in order to allow such excess pilots to be employed at the carrier needing additional pilots, and**
- B.3.d.(4)** **During the period of fenced operations the Company may engage in code sharing with the Acquired Airline pursuant to [Section 1 B.7.a.](#)**
- B.3.e.** **No later than 60 days prior to the closing of an acquisition by the Company of another airline that is permitted by [Section 1 B.3.](#), the Company shall inform the Association if the Company desires to seek the Association's approval for a voluntary modification of the Company's obligations under [Section 1 B.3.a.](#), [Section 1 B.3.b.](#) and/or [Section 1 B.3.c.](#) in connection with establishing terms and conditions for conducting separate flight operations of the Company and the acquired airline following such acquisition. In such event, the Company and the Association shall meet and confer for a period not exceeding 45 days following such notification from the Company regarding possible terms and conditions for such separate flight operations. If no agreement is reached between the Company and the Association by the conclusion of this 45-day period that would permit the Company to modify its obligations under [Section 1 B.3.a.](#), [Section 1 B.3.b.](#) and/or [Section 1 B.3.c.](#), the provisions of [Section 1 B.3.](#), including all Company obligations thereunder, shall apply in their entirety to the transaction. The 45 day time period provided for hereinabove may be extended by agreement of the Company and the Association.**
- B.4.** **[Section 1 B.1.](#) → shall not apply to charter flying performed for MLT Vacations, Inc., an Affiliate, or its successor or replacement, and nothing in this Section 1 shall be interpreted or applied to restrict the Company or an Affiliate from continuing to lease aircraft to an airline(s) that performs charter flying for MLT Vacations, Inc. or its successor or replacement. The exceptions to [Section 1 B.1.](#) → and Section 1**

provided for in this subparagraph shall not apply if the airline performing the flying is an Affiliate. This subparagraph B.4. shall not apply if MLT Vacations, Inc. or its successor or replacement operates as a certificated airline. For purposes of this subparagraph, the term “charter flying” shall include the purchasing of blocks of seats by MLT or its successor or replacement on scheduled airlines.

B.5. Joint Ventures

B.5.a. Definitions

B.5.a.(1) Joint Venture. For purposes of this [Section 1 B.5.](#) “Joint Venture” means a business relationship between or among two or more air carriers in which the costs and revenues of flights within the Joint Venture are shared between or among the air carrier partners, as typified by the business relationship between the Company and KLM that is embodied in the Enhanced Alliance Implementation Agreement (the “EAIA”) in effect on the date of signing of this Agreement.

B.5.a.(2) The Company shall provide at least that percentage of the scheduled block hours of Joint Venture flying which is equivalent to the Company’s share of Economic Participation in the Joint Venture (the “Capacity Requirement”). For purposes of this subparagraph B.5.a.(2), “Economic Participation” shall mean the percentage of the Company’s share of revenues net of the Company’s share of costs of flights within the Joint Venture as targeted and described in any Joint Venture/Alliance Agreement between the participating carriers. For purposes of this subparagraph B.5.a.(2), the Capacity Requirement shall be measured annually, as of January 1 of each calendar year, for the prior 12 month period in the first annual measurement, and thereafter for the prior 24 month period. If the Company’s share of Joint Venture flying is within 4 percentage points of its Capacity Requirement, the Company will be deemed to be in compliance with the Capacity Requirement (e.g. if the Company’s Economic Participation in a Joint Venture is 50%, the Company will be deemed to be in compliance with its Capacity Requirement if the Company provides at least 46% of the scheduled block hours of flights within the Joint Venture in the relevant measuring period). If the Company is not in compliance with the Capacity Requirement at the end of any measurement period, the Company shall have 6 months following the measurement to adjust the allocation of Joint Venture flying to satisfy the Capacity Requirement.

B.5.b. [Section 1 B.1.](#) → shall not apply to a Joint Venture involving the Company and another → foreign air carrier(s) (i.e. carriers certificated by countries other than the U.S.) whereby non-Company pilots perform revenue flying for the Company subject to the → conditions set forth in [Section 1 B.5.c.](#) and [Section 1 B.5.d.](#)

→

B.5.c. New Joint Ventures

Subject to the provisions of **Section 1 B.5.d.**, the provisions of this subparagraph **B.5.c.** shall apply to any Joint Venture that the Company may enter into after the date of signing of this Agreement, provided that the following conditions are met:

B.5.c.(1) The Capacity Requirement provisions of **Section 1 B.5.a.(2)** shall be met.

B.5.c.(2) The Joint Venture partner airline may not be an Affiliate. →

Exception: For purposes of this subparagraph **B.5.c.(2)** an airline that has been acquired by the Company pursuant to **Section 1 B.3.**, or a Complete Transaction Successor that has acquired the Company pursuant to **Section 1 C.1.**, shall not be deemed to be an Affiliate.

B.5.c.(3) The revenue flying performed by **both Northwest and** the non-Company pilots under the NW code designator must be exclusively International Flying (as defined in **Section 2 MM.**)→, **except that, for this purpose, the term International Flying shall not include (i) flying between the U.S. Mainland (contiguous 48 states) and Hawaii, and (ii) flying between the U.S. Mainland (contiguous 48 states) and Alaska.**

B.5.c.(4) The Joint Venture → **shall not directly → cause a reduction in pilot permanent positions (measured from their average monthly level for the 12 months prior to implementation of the joint venture), → on the aircraft type(s) of the Company aircraft that are involved in the joint venture flying or could be used to perform the flights in the joint venture.**

→

B.5.c.(5) The revenue flying **on flights within → the Joint Venture performed** by non-Company pilots shall not be performed on aircraft owned, leased or operated by the Company or an Affiliate, unless such flying is flying which the Company could not legally fly under Bilateral Agreement(s) route authority. In order for Company aircraft to be used in the Joint Venture pursuant to this provision, the Company shall have applied for the applicable route authority, if available, and been denied such route authority. →

B.5.c.(6) Notwithstanding **Section 1 B.5.b.** Continental Airlines, Inc. and Delta Airlines, Inc. may participate with the Company and other Sky Team members (or any successor global alliance) in a new or amended Joint Venture which replaces the current EAIA.

B.5.d. KLM Joint Venture

→ **The following provisions apply to the business relationship between the Company and KLM (the “KLM Joint Venture”) that is embodied in the**

EAIA in effect on the date of signing of this Agreement and for so long as the EAIA remains in effect. In the event the EAIA is replaced or amended to add a new foreign carrier(s), then the provisions of Section 1 B.5.c. shall apply and this Section 1 B.5.d. shall not apply. The KLM Joint Venture shall be subject to the following conditions:

- B.5.d.(1)** The revenue flying on flights within the Joint Venture by non-Company pilots shall not be performed on aircraft owned, leased or operated by the Company or an Affiliate, unless such flying is flying which the Company could not legally fly under Bilateral Agreement(s) route authority. In order for Company aircraft to be used in the Joint Venture pursuant to this provision, the Company shall have applied for the applicable route authority, if available, and been denied such route authority.
- B.5.d.(2)** **The Company shall provide at least 50% of the total annual capacity of the KLM Joint Venture on routes between North America and Europe (the “KLM Joint Venture Capacity Requirement”) so long as the KLM Joint Venture consists solely of the Company and KLM. If new partners are added to the KLM Joint Venture, the Company shall continue to provide at least 50% of the total annual capacity of the KLM Joint Venture relative to the percentage of total capacity provided by the Company and KLM.**
- B.5.d.(3)** For purposes of this Agreement, capacity provided to the KLM Joint Venture by the Company and by KLM shall be measured in block hours. Compliance will be measured → annually, as of January 1 of each calendar year, for the prior 12-month period in the first annual measurement, and thereafter for the prior 24-month period. If the Company’s share of KLM Joint Venture capacity is at least 47%, the Company will be deemed in compliance with the **KLM Joint Venture Capacity Requirement**.
- B.5.d.(4)** If the Company is not in compliance with the **KLM Joint Venture Capacity Requirement** at the end of any measurement period, the Company shall have 6 months following the measurement to adjust the allocation of KLM Joint Venture flying to satisfy the **KLM Joint Venture Capacity Requirement**.
- B.5.d.(5)** The revenue flying performed by **both Northwest and the non-Company pilots** under the NW code designator must be exclusively International Flying (as defined in **Section 2 MM.**) → **except that, for this purpose the term International Flying shall not include (i) flying between the U.S. Mainland (contiguous 48 states) and Hawaii, and (ii) flying between the U.S. Mainland (contiguous 48 states) and Alaska.**
- B.5.d.(6)** **Continental Airlines, Inc. and Delta Air Lines, Inc. may participate in the KLM Joint Venture so long as either of them and the Company are in the Sky Team Alliance (or any successor global alliance).**

→

B.6. The Company shall not directly or indirectly sell, lease or otherwise transfer any aircraft owned, leased or operated by the Company to any airline which is owned, controlled or operated by the Company or an Affiliate, unless the flying for such airline is performed by pilots on the Integrated System Seniority List in accordance with this Agreement.

EXCEPTIONS: This subparagraph **B.6.** shall have no application to airlines (i) covered by → **Section 1 B.4.** → and (ii) covered by **Section 1 B.7.c.**, but only with respect to aircraft which could be flown by a Feeder Carrier with the Company designator code (NW).

B.7. → Code Share Agreements With Domestic Air Carriers

B.7.a. → The Company may maintain, amend or extend Code Share Agreements with Domestic Air Carriers, including “Feeder Carriers” (defined in **Section 1 B.7.c.(1)**) in existence on the date of signing of this Agreement and enter into new Code Share Agreements with Domestic Air Carriers, including Feeder carriers, that permit such carriers other than Northwest Airlines, Inc. to use the Northwest Airlines, Inc. code designator (NW), on a single, dual or multiple designator basis, on one or more of its domestic flights subject to **Section 1 B.7.b.** For purposes of **Section 1 B.7.**, “Domestic Air Carrier” means an Air Carrier as defined in 49 U.S.C. Section 40102(a)(2). Exception: The Company may place its NW code designator on the international flights of Continental Airlines and Delta Air Lines, as provided in **Letter of Agreement 1998-09-01B** and **Letter of Agreement 2003-01-01A**, respectively, for as long as they and the Company are members of the Sky Team Alliance (or any successor global alliance). In addition, if other Domestic Air Carriers are participants in a successor global alliance, the Company may place its NW code designator on the international flights of such carriers subject to similar restrictions as set forth **Letter of Agreement 1998-09-01B** and **Letter of Agreement 2003-01-01A**. For purposes of Section 1 →, a code share agreement shall be defined as an agreement where an airline other than Northwest Airlines, Inc. uses the Northwest Airlines, Inc. designator (NW) on a single, dual or multiple designator basis on one or more of its flights.

→

B.7.b. Prior to entering into a code share agreement with a Domestic Air Carrier permitted by **Section 1 B.7.** the Company will meet and confer with the Association regarding the appropriateness of any labor terms relative to the particular circumstances of any proposed code share agreement. Following such discussions, the Company will negotiate with the prospective partner any labor protections that the Company deems appropriate to the circumstances consistent with its business judgment, which shall include a commitment to negotiate as much reciprocal code share as reasonably possible and as is acceptable to the prospective partner, subject however, to a

reduction for circumstances and/or limitations that are beyond the Company's control.

B.7.c. Code Share Agreements With Feeder Carriers

B.7.c.(1) “Feeder Carrier” means a Domestic Air Carrier as defined in 49 U.S.C. Section 40102(a)(2) that conducts operations pursuant to a capacity purchase, fee for scheduled block hours, fee for departure or similar basis for the Company and is engaged in code sharing with the Company, provided that such a carrier

(i) may not operate any turboprop aircraft that carry the NW code designator that are certificated for more than 78 passenger seats or certificated with a maximum gross takeoff weight of more than 70,000 pounds; and

(ii) unless the requirements of [Section 1 B.7.c.\(7\)](#) are met, may not operate any jet aircraft that carry the NW code designator that are certificated for more than 50 passenger seats; and

(iii) if the requirements of [Section 1 B.7.c.\(7\)](#) are met, may operate jet aircraft that carry the NW code designator that are (a) configured for 51 to 76 passenger seats but are not certificated for more than 86 passenger seats (or, as to the LR CRJ 900 series, are not certificated for more than 90 passenger seats); and (b) are certificated with a maximum gross takeoff weight of 89,000 pounds or less (“51–76 seat aircraft”).

The NW code designator may not be placed on aircraft of a Feeder Carrier that are of the same aircraft type as any of the aircraft types in the Company's fleet, as listed in [Section 2 C](#).

B.7.c.(2) The Company may maintain, amend or extend Code Share Agreements with Feeder Carriers in existence on the date of signing of this Agreement and enter into new code share agreements with Feeder Carriers that permit such carriers to apply the Company's NW designator code to their operations (both domestic and international) subject to the provisions of [Section 1 B.7.c.\(3\)](#) and [Section 1 B.7.c.\(4\)](#). The Company or an Affiliate may sell, lease or transfer aircraft to a Feeder Carrier which are permitted to be flown by the Feeder Carrier under [Section 1 B.7.c.\(1\)](#), without the flight operations of such air carrier being considered Company Flying. The Feeder Carrier may be an Affiliate without the flight operations of such Feeder Carrier being considered Company Flying.

B.7.c.(3) No more than 20% of the flights on which the NW code designator is applied to Feeder Carriers shall be on routes which bypass Northwest domestic hubs (i.e. non-hub to non-hub).

B.7.c.(4) In each calendar year, the number of scheduled block hours of Feeder Carrier flying (excluding flights operated with turboprop aircraft) may not exceed the aggregate number of scheduled block hours of (i) domestic Company Flying, plus (ii) international Company narrowbody aircraft flying, plus (iii) flying at a Feeder Carrier that is an Affiliate of the Company that operates jet aircraft configured for 51–76 seats.

→

B.7.c.(5) Except as to aircraft operated by a Feeder Carrier operating pursuant to the provisions of [Section 1 B.7.c.\(7\)\(d\)](#), any jet aircraft and AVRO-85 aircraft operated by a Feeder Carrier (i) which are owned or leased by the Company or in which the Company has a financial interest, and (ii) which are operated by Mesaba Airlines, Pinnacle Airlines, or any air carrier in which the Company or an affiliate has an ownership interest, must be operated at all times with the → **Northwest** code designator (NW). If the Northwest code designator is removed from → **said aircraft**, that aircraft shall no longer be operated by the carrier.

→

B.7.c.(6) **50 Seat Aircraft and/or Turboprop Aircraft**

There shall be no limit on the number of (i) jet aircraft operated by a Feeder Carrier on which the NW code designator is placed that are certificated to seat no more than 50 passengers (“50 seat aircraft”), and (ii) turboprop aircraft operated by a Feeder Carrier on which the NW code designator is placed that are certificated to seat no more than 78 passengers. Except as provided in [Section 1 B.7.c.\(2\)](#), [Section 1 B.7.c.\(3\)](#), [Section 1 B.7.c.\(4\)](#) and [Section 1 B.7.c.\(5\)](#), there shall be no limits on the use or ownership of such 50 seat aircraft or turboprop aircraft.

B.7.c.(7) **51–76 Seat Aircraft**

B.7.c.(7)(a) **Caps**

Subject to [Section 1 B.7.c.\(7\)\(c\)](#), the maximum number of 51–76 seat aircraft carrying the NW code designator operated by Feeder Carriers shall be capped at 90 (the “upper cap”) (including aircraft operated under [Section 1 B.7.c.\(7\)\(d\)](#)) and/or 55 (the “lower cap”) (excluding aircraft operating under [Section 1 B.7.c.\(7\)\(d\)](#)). Both caps shall include AVRO-85 aircraft configured in dual class with 69 passenger seats or less. After the amendable date of this Agreement, the upper cap shall increase by 3 51–76 seat aircraft per calendar year, provided that at least 10 77–110 seat aircraft (as defined in [Section 1 B.7.c.\(7\)\(c\)1'](#)) have entered into active service at the Company (increased to 5 aircraft per year if at least 15 77–110 seat aircraft have entered into active service at the Company).

B.7.c.(7)(b) Subject to the provisions of [Section 1 B.7.c.\(2\)](#), [Section 1 B.7.c.\(3\)](#), [Section 1 B.7.c.\(4\)](#) and [Section 1 B.7.c.\(5\)](#), there shall be no limits on the use or ownership of 51–76 seat aircraft.

B.7.c.(7)(c) Additional 51–76 Seat Aircraft.

B.7.c.(7)(c)1' **77–110 Seat Aircraft.** For purposes of this Agreement, “77–110 seat aircraft” shall mean Company aircraft that are configured with 77 to 110 passenger seats, but shall not include (i) aircraft certificated for more than 118 seats, (ii) aircraft in the Company’s fleet on the date of signing of this Agreement, and (iii) aircraft of a different model, series or derivative of an aircraft type in the Company’s fleet on the date of signing of this Agreement (e.g. B717 and A318).

NOTE 1: Pilot rates of pay, work rules and other terms and conditions of employment applicable to 77–110 seat aircraft are set forth in [Letter of Agreement 2006-07](#).

NOTE 2: In the event the Company acquires one or more aircraft types that meet the foregoing definition of 77–110 Seat Aircraft, the parties shall meet and confer for the purpose of establishing an appropriate certificated maximum gross takeoff weight (“weight”) that shall then be incorporated into such definition. Such weight shall not be less than the certificated maximum gross takeoff weights of any aircraft type in existence on the date of signing of this Agreement that would meet the foregoing definition of 77–110 Seat Aircraft (e.g. EMB190 and EMB195).

B.7.c.(7)(c)2' For each 1 new 77–110 seat aircraft placed into active service by the Company, 1 additional 51–76 seat aircraft may be added to the lower cap and upper cap set forth in [Section 1 B.7.c.\(7\)\(a\)](#) (both subject to the same ratio peel-back for 51-76 seat aircraft in the event that the number of 77–110 seat aircraft are thereafter reduced), provided that the aggregate number of new 77–110 seat aircraft and Company narrowbody aircraft (currently DC9, A319/320 and B757 aircraft) in active service is at or above the “Threshold Level”. The Threshold Level shall be the number of Company narrowbody aircraft and new 77–110 seat aircraft in active service (reduced by 10) on the earlier of the following: (i) 1 year following emergence from bankruptcy; or (ii) the date of delivery of the 36th 51–76 seat aircraft to carry the NW code designator, provided such date shall not be prior to the date of emergence from bankruptcy. If the aggregate number of Company narrowbody aircraft and new 77–110 seat aircraft falls below the Threshold Level, the Company will have 6 months to return to the Threshold Level or the Company must reduce the

number of 51–76 seat aircraft to the applicable cap number set forth in [Section 1 B.7.c.\(7\)\(a\)](#).

B.7.c.(7)(d) Feeder Carrier Affiliate

The Company may establish a Feeder Carrier which is an Affiliate (as defined in [Section 1 B.1](#)) (Feeder Carrier Affiliate), and which operates 51–76 seat aircraft which carry the NW code designator, provided that such Feeder Carrier Affiliate operates in accordance with the following provisions of [Section 1 B.7.c.\(7\)\(d\)1'](#) through [Section 1 B.7.c.\(7\)\(d\)8'](#):

- B.7.c.(7)(d)1'** The Feeder Carrier Affiliate operates only 50 seat aircraft (as defined in [Section 1 B.7.c.\(6\)](#)) and/or 51–76 seat aircraft for so long as it remains an Affiliate of the Company; and
- B.7.c.(7)(d)2'** The Feeder Carrier Affiliate makes all pilot positions (Captain and First Officer, including check pilots) available to Company pilots in accordance with [Letter of Agreement 2006-10](#) (the “Flow Agreement”), before filling any such pilot positions with new hire pilots; and
- B.7.c.(7)(d)3'** The Feeder Carrier Affiliate recognizes ALPA as the representative of the pilots employed by the Feeder Carrier Affiliate; and
- B.7.c.(7)(d)4'** The Feeder Carrier Affiliate enters into a collective bargaining agreement with ALPA in accordance with the provisions of [Letter of Agreement 2006-07](#); and
- B.7.c.(7)(d)5'** The Company or an Affiliate of the Company owns more than 50% of the Feeder Carrier Affiliate when it starts operating as a Feeder Carrier for the Company; and
- B.7.c.(7)(d)6'** Except as provided in [Section 1 B.7.c.\(7\)\(d\)7'](#), the Company or an Affiliate of the Company controls the Feeder Carrier Affiliate, and the Company or an Affiliate retains more than 50% of ownership of the Feeder Carrier Affiliate, and
- B.7.c.(7)(d)7'** If at least 10 77–110 seat aircraft have entered into active service at the Company the requirements of [Section 1 B.7.c.\(7\)\(d\)6'](#) shall no longer be effective, provided however that the carrier (the “Feeder Carrier Successor”) may nevertheless continue to operate as a Feeder Carrier under this subparagraph B.7.c.(7)(d), provided (i) the Feeder Carrier Successor remains in compliance with the provisions of [Section 1 B.7.c.\(7\)\(d\)2'](#) and [Letter of Agreement 2006-10](#) (the “Flow Agreement”), (ii) all pilots of the Feeder Carrier Affiliate have the right to transfer to the Feeder

Carrier Successor, and (iii) the Feeder Carrier Successor is in compliance with the successorship provisions of the pilot collective bargaining agreement of the Feeder Carrier Affiliate. In the event that the foregoing requirements of this subparagraph B.7.c.(7)(d)7' are met, the 51–76 seat aircraft upper cap of **Section 1 B.7.c.(7)(a)** shall continue to apply to the Feeder Carrier Successor, and;

B.7.c.(7)(d)8'

In the event that (i) the requirements of **Section 1 B.7.c.(7)(d)7'** are not met, or (ii) the rights to pilot positions or flow rights set forth in **Section 1 B.7.c.(7)(d)2'** together with **Letter of Agreement 2006-10** as they may apply to the Feeder Carrier Affiliate or Feeder Carrier Successor, are modified or terminated for any reason, other than through a written agreement between the Company and Association as representative of the Company's pilots, the maximum number of 51–76 seat aircraft permitted by **Section 1 B.7.c.(7)(a)** shall be reduced to the lower cap (i.e. 55).

B.7.c.(7)(e)**Non-Affiliate Feeder Carriers**

See **Letter of Agreement 2006-10** regarding Feeder Carrier hiring opportunities for Company pilots who are or may be laid off.

B.7.c.(7)(f)**51–76 Seat Aircraft at Mesaba Airlines**

The Company may place the NW code designator on up to 36 51–76 seat aircraft at Mesaba Airlines (i.e. replacements for the 36 AVRO-85 aircraft at Mesaba Airlines) without subjecting the Company to any Feeder Carrier hiring opportunities set forth in **Letter of Agreement 2006-10** for Company pilots who are or may be laid off.

B.7.c.(8)**51–76 Seat Aircraft at the Company**

Nothing in this **Section 1 B.7.c.** shall prevent the Company from operating 51–76 seat aircraft with pilots on the Northwest Pilots Integrated System Seniority List under the terms of this Agreement, provided that, Company pilot rates of pay will be those of the Affiliate Feeder Carrier as established pursuant to the provisions of **Section 1 B.7.c.(7)(d)4'** and Company work rules and other terms and conditions shall be those set forth in **Letter of Agreement 2006-07** for 77–100 seat aircraft. While such 51–76 seat aircraft are flown at the Company, they are excluded from the count of 51–76 seat aircraft included in the caps of **Section 1 B.7.c.(7)(a)**. There shall be no restrictions on transfer of such 51–76 seat aircraft to and from Feeder Carriers provided the Company is in compliance with the provisions of **Section 1 B.7.c.(7)(a)** (51–76 seat aircraft caps) and **Section 1 B.7.c.(7)(c)2'** (increases in the 51–76 seat aircraft upper cap linked to 77–110 seat aircraft).

B.8. → Code Share Agreements → **With Foreign Air Carriers**

Nothing in this Section 1 shall preclude the Company or an Affiliate from establishing and/or maintaining a code share agreement, other than an agreement covered by [Section 1 B.5.](#) →, with a foreign air carrier (i.e. an airline certificated outside the U.S.), subject to the following conditions:

B.8.a. The NW code designator may not be used on flights operated by a foreign air carrier between:

B.8.a.(1) the U.S. Mainland (contiguous 48 states) and Hawaii;

B.8.a.(2) the U.S. Mainland (contiguous 48 states) and Alaska (see [Letter of Agreement 2004-02A](#) for exception with respect to freighter flying);

B.8.a.(3) the U.S. and Canada;

B.8.a.(4) the U.S. and Caribbean destinations; and

B.8.a.(5) the U.S. and Mexico.

EXCEPTION: → **As** a member of the “Sky Team Alliance” (**or any successor global alliance**) , the NW code designator may be used on non-stop flights operated by a foreign air carrier Sky Team Alliance (**or any successor global alliance**) member between the U.S. and Caribbean destinations, **between the U.S. and Canada and** between the U.S. and Mexico provided: (i) such flights are between the U.S. and the foreign air carrier Sky Team Alliance (**or any successor global alliance**) member’s home country; and (ii) such international code sharing shall be subject to the provisions of [Section 1 B.8.b.\(1\)](#) and [Section 1 B.8.b.\(2\)](#).
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B.8.b. Any code share agreement between the Company and a foreign air carrier that is permitted by this subparagraph **B.8.** shall be subject to the following:

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B.8.b.(1) The code share agreement shall not directly → cause a reduction in pilot permanent positions (measured from their average monthly level for the 12 months prior to implementation of the code share agreement), → on the aircraft type(s) of the Company aircraft, if any, that are used **or could be used** to perform the code share agreement flying. →

→

B.8.b.(2) The revenue flying performed by the foreign air carrier under the terms of the code share agreement shall not be performed on aircraft owned, leased or operated by the Company or an Affiliate, unless such flying is flying which pilots of the Company could not legally fly under Bilateral Agreement(s) route authority. In order for Company aircraft to be used in the code share

agreement pursuant to this provision, the Company shall have applied for the applicable route authority, if available, and been denied such route authority.

- B.8.b.(3)** The flying performed by the foreign air carrier under the code share agreement shall be only International Flying which does not include flights on routes specified in [Section 1 B.8.a.](#) → (see [Letter of Agreement 2004-02A](#) for exception with respect to freighter flying).

→

- B.8.c.** Asian Interport Code Sharing. → Notwithstanding any other provisions of this Agreement, the Company is permitted to code share without limits on Asian Interport flights (**i.e. Fifth Freedom flying between Japan and Asian cities beyond Japan**) provided the following additional restrictions are met:

- B.8.c.(1)** to/from NRT at any time that the Company's slots at NRT are fully utilized, provided that this right is not available at NRT if the Company loses slots at NRT due to the Company's failure to schedule sufficient flights to fully utilize its NRT slots, or if the Company sells, leases or transfers slots at NRT to another air carrier. → **For purposes of this subparagraph B.8.c.(1), the Company will maintain, in satisfaction of this full utilization requirement, utilization of at least 316 slots at NRT.**

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- B.8.c.(2)** operated with narrowbody aircraft on city pair routes on which the Company was not operating as of → **the date of signing of this Agreement** provided that such code sharing is subject to a stage length limit of 2000 statute miles.

- B.8.d.** Notwithstanding any other provision in this subparagraph **B.8.**, the Company may enter into, maintain and/or expand code share agreements with foreign air carriers for International Flying:

- B.8.d.(1)** Between city-pairs (i) within a foreign country and (ii) within Europe.

- B.8.d.(2)** By joint ventures as authorized pursuant to [Section 1 B.5.](#) of this Agreement.

→

- B.8.d.(3)** With respect to any international route where the Company does not possess legal authority (certificate or available frequencies) to operate or to add capacity under the applicable Bilateral Agreement (provided that the Company applied for such authority, if available, and was rejected within the last 12 months).

→

- B.8.e.** Prior to entering into any code share agreement with a foreign carrier permitted by [Section 1 B.8.](#), the Company will meet and confer with the Association regarding the appropriateness of any labor terms relative to the particular circumstances of any proposed code share agreement. Following such discussions, the Company will negotiate with the prospective partner

any labor protections that the Company deems appropriate to the circumstances consistent with its business judgment, which shall include a commitment to negotiate as much reciprocal code share as reasonably possible and as is acceptable to the prospective partner, subject however, to a reduction for circumstances and/or limitations that are beyond the Company's control.

B.9. Block Space

The Company may enter into block space arrangements with other carriers (i.e., the advance purchase or reservation of blocks of seats on other carriers for resale by the Company) only on flights which carry the Company's designator code, provided that the Company shall not purchase in any calendar year more block seats on another carrier than the number of block seats that the other carrier purchases on Northwest Airlines, Inc.

B.10. No foreign air carrier using the NW code designator shall take on for hire persons, property or mail at any point within any state or territory of the United States or the District of Columbia that is destined to be transported by such foreign air carrier to (i) any other point within any state or territory of the United States or the District of Columbia, or (ii) to any point in Canada, or vice versa.

B.11. Information Sharing

B.11.a. Subject to an appropriate Confidentiality Agreement, the Company shall provide to the Association information and operational data reasonably necessary to monitoring compliance with the terms of [Section 1 B.5.](#), [Section 1 B.7.](#), [Section 1 B.8.](#), [Section 1 B.9.](#) and [Letter of Agreement 2004-02A](#), including but not limited to:

B.11.a.(1) Quarterly reports on:

B.11.a.(1)(a) The number of block hours scheduled to be operated by each Joint Venture in which the Company is a participant, broken down by each of the Joint Venture partners (including the Company) and city pair;

B.11.a.(1)(b) The number of block hours and flights scheduled to be operated by each carrier pursuant to each code share agreement, in which the Company is a participant, broken down by code share partner (including the Company), and by city pair, with a clear indication of which, if any, of the block hours listed with respect to any such code share is also reflected in the block hours listed with respect to any other code share;

→

B.11.a.(1)(c) For NRT →, the number of Company slots, the number of such slots scheduled to be utilized by the Company, the number of such slots actually utilized by the Company, an explanation for any non-usage of

slots, and the number of Company slots that were sold, leased or transferred to another air carrier;

- B.11.a.(1)(d)** Asian Interport flights operated by another air carrier on narrowbody aircraft with the NW code designator, broken down for each code share partner, by city-pair, by the number of such flights, and the statute mileage stage length of such flights;
- B.11.a.(1)(e)** The number of → **each** aircraft operated in active service by the Company.
- B.11.a.(1)(f)** **The total scheduled block hours of Company freighter flying and the number of block hours scheduled to be operated by a Wet Lease Operator on dedicated freighter aircraft;**
- B.11.a.(1)(g)** **The number and city pairs of flights scheduled to be operated by Feeder Carriers, and the number and city pairs of such flights which bypass Northwest domestic hubs (i.e. non-hub to non-hub);**
- B.11.a.(1)(h)** **The total scheduled block hours of scheduled Feeder Carrier flying (both including and excluding flights operated with turboprop aircraft) and the number of system block hours scheduled to be operated by the Company in domestic Company Flying, the number of system block hours of Company Flying scheduled to be operated on narrowbody aircraft in International Flying and the number of block hours scheduled to be operated by Feeder Carriers that are Affiliates of the Company on aircraft configured for 51–76 seats.**
- B.11.a.(2)** Copies of all **Wet Leasing Agreements, Code Share Agreements, Block Space Agreements** and amendments or modifications thereto, within 30 days of the signing of this Agreement, and, in the case of a new **such** agreement or amendments or modifications to **such an** agreement, within 30 days after the Company executes the agreement.
- B.11.b.** The Company shall meet with a designated committee of the Association at least once every 3 months to review each joint venture and code share agreement in which the Company is a participant and the Company’s compliance with [Section 1 B.5.](#), [Section 1 B.7.](#), [Section 1 B.8.](#), [Section 1 B.9.](#) and [Letter of Agreement 2004-02A \(the Freighter LOA\)](#).

C. Successorship

- C.1.** This Agreement shall be binding upon any **Complete Transaction Successor** →. **For purposes of this Section 1 C., “Complete Transaction Successor” includes** → but is not limited to, any merged company or companies, purchaser, assign, assignee, transferee, administrator, receiver, executor and/or trustee → of the Company resulting from any transaction that involves → **the** transfer (in a single transaction or in multi-step transactions) to such Successor of ownership and/or control of all or substantially all of the equity securities → of the Company → , **or all or substantially**

all of the assets of the Company (hereinafter “**Complete Successorship** Transaction”) →.

C.1.a. Such **Complete Transaction** Successor shall employ the pilots on the Integrated Pilots System Seniority List in accordance with the provisions of this Agreement.

C.1.b. **During a period of fenced operations the Company may engage in code sharing with the Complete Transaction Successor pursuant to Section 1 B.7.a.**

C.2. Notice to Complete Transaction Successor

The Company agrees to give written notice of the terms of this Agreement to a proposed **Complete Transaction** Successor before concluding any **Complete Successorship** Transaction. The Company agrees that no agreement or other legally binding commitment involving a **Complete Successorship** Transaction will be signed or otherwise entered into, unless it is agreed in writing as a material and irrevocable condition of entering into, concluding and implementing such transaction, that this Agreement and recognition of the Association is assumed by the **Complete Transaction** Successor(s) and that the pilots on the Integrated Pilots System Seniority List will be employed by the **Complete Transaction** Successor(s) in accordance with the provisions of this Agreement. The Company will provide the Association with the details of and material agreements related to any such transaction in a timely manner. The Association shall keep such information and documents confidential pursuant to a mutually agreeable confidentiality agreement, provided that such information and documents may be reviewed by its advisers and may be used in any proceeding brought to compel compliance with or seek remedy for violation of the provisions of this Section 1.

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D. Labor Protective Provisions

D.1. Complete Successorship Transaction or Merger (Airline)

D.1.a. In the event of a **Complete Successorship** Transaction by another airline →, the **Complete Transaction** Successor shall, upon merger (as defined in Section 2.(a) of the Allegheny-Mohawk Labor Protective Provisions (“LPPs”)) of the airlines, provide → for merger of the pilot groups → in accordance with the following:

D.1.a.(1) The integration of the seniority lists of the respective pilot groups shall be governed by Association Merger Policy if both pre-transaction pilot groups are represented by the Association. If the other pre-transaction pilot group is not represented by the Association, then Sections 2(a), 3. and 13. of the LPPs shall apply (except that the **Complete Transaction** Successor shall not participate in the LPPs proceedings on seniority integration). The **Complete Transaction** Successor shall accept the integrated seniority list, including any conditions and restrictions, established through Association Merger Policy or the LPP proceedings, as applicable **provided that none of the conditions and**

restrictions therein require a system flush or significantly increase the Complete Transaction Successor’s costs; and

- D.1.a.(2)** The respective pilot collective bargaining agreements shall be merged into one agreement as the result of negotiations among the pilot groups and the Company; and
- D.1.a.(3)** The aircraft (including all orders and options to purchase aircraft) of each pre-merger airline shall remain separated until such time as both the pilot seniority lists and the pilot collective bargaining agreements are combined in accordance with [Section 1 D.1.a.\(1\)](#) and [Section 1 D.1.a.\(2\)](#) →.

→

NOTE: At the Association’s option, this subparagraph **D.1.** shall also apply to any Complete **Successorship** Transaction in which the Successor is not an airline but (i) is an affiliate of an airline (as defined in [Section 1 B.1.](#) → applied to the **Complete Transaction** Successor); (ii) owns, manages or controls an airline; (iii) is owned, managed or controlled by an airline; or (iv) whose parent company owns, manages or controls an airline.

- D.1.b.** No later than 60 days prior to the closing of a Complete Successorship Transaction, the Company, in addition to its notification obligations under [Section 1 C.2.](#), shall inform the Association if the Company desires to seek ALPA’s approval for a voluntary modification of the Company’s obligations under [Section 1 D.1.a.](#) in connection with establishing terms and conditions for conducting separate flight operations of the Company and the acquiring airline following such acquisition. In such event, the Company and ALPA shall meet and confer following such notification from the Company for a period not to exceed 45 days following such notification regarding possible terms and conditions for such separate flight operations, provided that the Company shall not conclude any Complete Successorship Transaction except in accordance with [Section 1 D.5.](#), including agreements as required by [Section 1 D.5.](#) to any modified terms and conditions. If no agreement is reached between the Company and the Association by the conclusion of this 45-day period that would permit the Company modification of [Section 1 D.1.a.](#), the provisions of [Section 1 D.1.](#), including all Company obligations thereunder, shall apply in their entirety to the transaction. The 45-day time frame provided for above may be extended by agreement of the Company and the Association.

D.2. Partial Transaction →

- D.2.a.** In the event of a proposed transfer to a **Partial** Transaction Successor of ownership and/or control of all or substantially all of any one or more of the designated Company assets listed below (a “**Partial Transaction**”):

- D.2.a.(1)** The MSP hub operation.

- D.2.a.(2)** The DTW hub operation.
- D.2.a.(3)** The MEM hub operation.
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- D.2.a.(4)** Any future hub or gateway operation of at least the July 1, 1989, size and scope of [Section 1 D.2.a.\(1\)](#), [Section 1 D.2.a.\(2\)](#), or [Section 1 D.2.a.\(3\)](#).
- D.2.a.(5)** 50% or more of the United States-NRT/KIX city pair route authorities being operated by the Company pursuant to the 1952 bilateral agreement with Japan, as amended.
- D.2.a.(6)** 50% or more of the beyond Japan route authorities being operated by the Company pursuant to the 1952 bilateral agreement with Japan, as amended.
- D.2.a.(7)** 50% or more of the Atlantic entity (defined as the transatlantic air transportation service operated by the Company).
- D.2.a.(8)** 50% or more of the freighter operation (freighter aircraft and/or international route authority).
-
- D.2.a.(9)** **If the Company disposes of or transfers to an air carrier or an entity that controls or is under the control of an air carrier (the Partial Transaction Successor) (by sale, lease or other transaction, whether directly or indirectly through an affiliate of the Partial Transaction Successor) aircraft or route authority that produced 15% or more of the Company’s operating revenues, block hours or ASMs during the 12 months immediately prior to the date of the agreement to transfer such aircraft or route authority (the “Transaction Date”), excluding revenues, block hours or ASMs that are produced by aircraft or route authority that were placed into service during the same period.**

The Association shall have the right → to determine, on a timely basis, → whether or not pilots from the Integrated System Seniority List shall transfer to the **Partial Transaction Successor**, and, if so **the Company shall require the acquirer (the Partial Transaction Successor) to accept the transfer of eligible Northwest Pilots (the “Transferring Pilots”).** The eligibility criteria shall be determined by agreement between the Company and the Association and shall be reasonably related to the assets transferred, the interests of the Northwest Pilots and the Company, and the nature and timing of the transaction, among other issues. If the Association and the Company are unable to agree upon eligibility criteria that are consistent with the foregoing considerations, the System Board of Adjustment shall determine such eligibility criteria pursuant to an interest arbitration using the expedited procedures set forth in [Section 1 F](#). The number of opportunities for Transferring Pilots shall be, as measured in the 12 months prior to the Transaction Date, the sum of (i) the average monthly pilot staffing actually

utilized in the operation of the assets transferred to the Partial Transaction Successor in connection with the transaction, plus (ii) the average monthly pilot staffing actually utilized in the operation of the assets transferred to the Partial Transaction Successor in connection with the transaction to the extent such pilot staffing is not included in the calculation of clause (i) above. Transfer offers that are rejected by a Northwest Pilot shall in turn be offered to other Northwest Pilots under the eligibility criteria determined pursuant to this subparagraph D.2.a., until such transfer opportunities have been exhausted. If the “series of transactions” standard set forth in this subparagraph D.2.a. or [Section 1 D.2.c.](#) becomes relevant, then the rights set forth in this subparagraph D.2.a. shall be available to the Association for the transaction which meets or exceeds the standard and all subsequent transactions in the series, regardless of timing, which are covered by that subparagraph. The transaction shall not be completed unless the Transferring Pilots are transferred pursuant to [Section 1 D.2.a.](#) and [Section 1 D.2.b.](#) Seniority integration of pilots transferred to a Partial Transaction Successor under this subparagraph D.2.a. or [Section 1 D.2.b.](#) shall be accomplished in the manner set forth in [Section 1 D.1.a.\(1\)](#). This [Section 1 D.2.](#) does not establish any right on the part of Transferring Pilots to have their employment at the Partial Transaction Successor governed by the provisions of this Agreement (except as to the specific provisions of this [Section 1 D.2.](#) establishing the right of such transfer and the provisions of this [Section 1 D.2.](#) and [Section D.1.a.\(1\)](#) establishing seniority integration rights).

D.2.b. This subparagraph D.2.b. shall not become effective until 1 year following the Company’s emergence from bankruptcy. In the event that for any rolling 3 month period, the number of average daily Scheduled Block Hours performed by or for the Company and any Affiliate thereof using pilots on the Northwest Airlines Pilots System Seniority List is less than → **90% of such number established in the seasonally adjusted period of 90 days preceding the one year anniversary of the Company’s emergence from bankruptcy**, or in the event the Company’s Aircraft fleet falls below → **90% of the number of aircraft in the Company’s fleet at the one year anniversary of the Company’s emergence from bankruptcy**, the following assets shall be added to the list of designated assets set forth in [Section 1 D.2.a.](#) →, (the “New Assets”) and shall remain on such list until the number of Scheduled Block Hours for any subsequent rolling 3 month period equals or exceeds → **the number set forth above**, and the Company’s Aircraft Fleet exceeds → **the number of aircraft set forth above**, at which time the New Assets shall be removed from the list of designated assets:

D.2.b.(1) Any international route or route authority for which the annual net revenue generated on the route exceeds \$50 million, or any 2 or more international routes or route authorities in any single or series of related transactions within a 12 month period for which the combined net revenue generated on such routes exceeds \$25 million. Such \$50 million amount and \$25 million amount

shall be adjusted annually based on the GDP deflator. Net revenue, for purposes of this subparagraph, shall be defined as total annual gross revenue less passenger and freight commissions generated on the route (FPS Report #4700).

D.2.b.(2) The sale or other transfer for value to an Airline or Intermediary Institution, in any single or series of related transactions within a 12-month period, of 6 or more aircraft. This calculation shall: (i) exclude any sale-leaseback transactions made for financing reasons, and (ii) be net of any aircraft acquisitions completed within the prior twelve month period, provided that acquisitions may be counted as an offset only once.

Proviso: Scheduled Block Hour reductions and Aircraft Fleet reductions caused by a circumstance(s) over which the Company does not have control (as described in [Section 2 O.](#)) shall be disregarded in the computation of Scheduled Block Hours and Aircraft Fleet numbers in [Section 1 D.2.b.](#) →.

D.2.c. Definitions for the purpose of [Section 1 D.2.b.](#)

D.2.c.(1) “Scheduled Block Hours” means all scheduled block to block time (as defined in [Section 2 H.](#)) for all domestic and international passenger flights, all charter flights, and all freighter flights.

D.2.c.(2) “Airline” means any acquirer who is an airline or has a corporate family member which is an airline, or is an entity which intends to operate as an airline.

D.2.c.(3) “Intermediary Institution” means a financial or other institution, a person, a partnership or a corporation that is acquiring such aircraft as part of a step transaction for sale or transfer to another Airline(s). If the institution, person, partnership or corporation is acquiring such aircraft without a commitment or an understanding with a specific Airline(s) to sell or transfer the aircraft to that specific Airline(s), then the institution, person, partnership or corporation shall not be deemed an Intermediary Institution. Any acquirer of the aircraft which claims not to be an Intermediary Institution shall make such a representation and warranty in writing to the Association and the Company that it has not made a commitment or an understanding to sell or transfer the aircraft to another airline(s).

D.2.c.(4) “Aircraft Fleet” means the entire aircraft fleet owned or leased and being operated by the Company (including spares and aircraft in maintenance) at the time of the single transaction or at the commencement of the 12 month period pertinent to the series of transactions, whichever is applicable.

D.3. **Upon exit from Bankruptcy the following provision shall become effective:** In the event of a Partial Transaction involving

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- (i) 50% or more of the United States-NRT/KIX city pair route authorities being operated by the Company pursuant to the 1952 bilateral agreement with Japan, as amended, or
- (ii) 50% or more of the aggregate number of slots held by the Company at NRT →, or
- (iii) the freighter operation (all of the → B747F aircraft – **(14 as of December 1, 2005)**, excluding any sale/leaseback transactions made for financing reasons and net of any 747 freighter acquisitions, in a single transaction or related series of transactions **and excluding freighter aircraft that are replaced by other widebody freighter aircraft of a different aircraft type**), or
- (iv) the MEM hub, or
- (v) the MSP hub, or
- (vi) the DTW hub, or
- (vii) the Atlantic entity

shall occur, the Association shall, in addition to all other rights or remedies specified in this Agreement or otherwise available at law, thereupon have the right in its sole discretion to → extend the duration of the Agreement in one year increments for up to three years past the amendable date of the Agreement by written notice to the Company at least 60 days prior to the amendable date of the Agreement and at least 60 days prior to each annual anniversary of the amendable date thereafter for the next 2 years. The Company shall immediately notify the Association of the occurrence of an event described in → **this subparagraph D.3.**

D.4. If the Association decides that no pilots shall transfer as part of a transaction covered in [Section 1 D.2.](#) →, then thereafter, neither the Company nor any Affiliate shall, within 2 years of said transaction, transfer any aircraft or [Section 1 D.2.](#) designated asset, by any form of transaction, either directly or indirectly, to the same entity or to any of its Affiliates (defined in the same manner as in [Section 1 B.1.](#) →), or to its successor(s).

D.5. General

The Company and its Affiliates shall not conclude any transaction covered in this Paragraph **D.** unless the Company, its relevant Affiliates, and all entities that acquire Company assets in connection with the transaction agree in writing, as an irrevocable condition of the transaction, that they will jointly and severally provide and guarantee the appropriate labor protective provisions as required under this Paragraph **D.** and that the Association is legally entitled to enforce such provisions against the Company, the relevant Affiliates and all other parties to the transaction.

D.6. Notice to Partial Transaction Successor

The Company agrees to give written notice of the terms of this Agreement to a proposed Partial Transaction Successor before concluding any Partial Transaction. The Company agrees that no agreement or other legally binding commitment involving a Partial Transaction will be signed or otherwise entered

into, unless it is agreed in writing as a material and irrevocable condition of entering into, concluding and implementing such transaction, that the Partial Transaction Successor(s) will comply with the provisions of this Agreement regarding (i) transfer of pilots on the Integrated Pilots System Seniority List to the Partial Transaction Successor, or (ii) seniority integration of pilots on the Integrated Pilots System Seniority List with the pilots of the Partial Transaction Successor (or its Affiliate, if ALPA exercises its option to integrate with the Affiliate). The Company will provide the Association with the details of and material agreements related to any such transaction in a timely manner. The Association shall keep such information and documents confidential pursuant to a mutually agreeable confidentiality agreement, provided that such information and documents may be reviewed by its advisers and may be used in any proceeding brought to compel compliance with or seek remedy for violation of the provisions of this Section 1.

E. Railway Labor Act and Foreign Pilot Domiciles

E.1. The Company acknowledges that its airline operations are subject to the Railway Labor Act as amended, and agrees that it will take no actions which will cause the Company or the Company's airline operations to cease to be covered by the Railway Labor Act.

E.2. The Company shall not establish a pilot base outside any state or territory of the United States or the District of Columbia without the prior written consent of the Association provided such consent cannot be unreasonably withheld.

F. Remedies

The parties, including any successor, agree: (i) to arbitrate any grievance alleging violation of this Section 1 or [Letter of Agreement 1998-04A](#) on an expedited basis directly before the System Board of Adjustment sitting with a neutral member jointly selected from the list of neutrals then in use by the parties; (ii) that, the Company or any successor thereto shall be obligated to the pilots for all compensatory damages sustained as a result of a violation of this Section 1, including but not limited to all lost wages and benefits; and (iii) to the following procedure to expedite the resolution of disputes arising out of this Section 1 or [Letter of Agreement 1998-04A](#):

Any dispute concerning the interpretation or application of this Section 1 or [Letter of Agreement 1998-04A](#) shall be stated in writing, setting forth a full and complete statement of the facts, and shall be served upon the other party. During the course of the next 10 days after service, the parties shall meet and confer for the purpose of seeking a resolution of the dispute. If a resolution satisfactory to both parties is not achieved within this 10 day period, either party hereto may submit the dispute (including any issue as to jurisdiction of the System Board), in writing, to the System Board by service of such submission on the other party within 30 days thereafter. The Board shall convene for hearing on the first hearing dates offered by the neutral member selected by the parties. The absence of any party, or any Board Member(s), except the Neutral Member, shall not

be cause for delay of this hearing. The hearings shall be completed within 60 days of their commencement with no more than 15 hearing days allotted to the presentation of each party's case. All briefs shall be submitted to the Board within one week of the close of the record and receipt of the transcript. The Neutral Member shall render a decision in writing as soon as possible, but no later than 30 days after the conclusion of the hearing. Time limits may be extended by mutual agreement of the parties.

G. Condition Precedent

This Agreement shall not be effective unless and until [Letter of Agreement 1998-04A](#) attached hereto shall have been executed and delivered by the parties thereto.

H. Severability

If any provision of this Agreement shall be held or deemed to be or shall, in fact, be inoperative, invalid or unenforceable for any reason whatsoever (any such occurrence an "Invalidity Condition"), (i) such circumstance shall not have the effect of rendering any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatever and (ii) the parties hereto agree that (a) upon the occurrence of any such Invalidity Condition, the Association may serve a Section 6 notice on the other with respect to the provision or provisions and subject matter of this Agreement in respect of which an Invalidity Condition has arisen and (b) undertake expedited Section 6 conferences in respect of such provision or provisions and subject matter in accordance with the Railway Labor Act.

SECTION 2 DEFINITIONS

As used in the Agreement, whether in upper or lower case, the term:

- A. “Advance Position Award” (“APA”) means a permanent position awarded in accordance with the provisions of [Section 24 E](#).
- B. “Advanced Qualification Program” (“AQP”) means an FAA-approved program for pilot training which replaces programmed hours with proficiency-based training and evaluation derived from a detailed job task analysis which includes Crew Resource Management. AQP incorporates data driven quality control processes for validating and maintaining the effectiveness of curriculum content. The following definitions pertain to AQP:
- B.1. “Continuing Qualification” (“CQ”) means a curriculum under an Advanced Qualification Program (AQP) in which pilots who are fully qualified in a category maintain their proficiency. Continuing Qualification is the AQP equivalent of Single Visit Training in a non-AQP training program. Provisions of the contract which apply to SVT shall also apply to Continuing Qualification. (See the Letter of Agreement regarding Distance Learning CQ dated January 9, 2004 ([Letter of Agreement 2004-01](#))).
- B.2. “Line Operational Evaluation” (“LOE”) means a session conducted in a full flight simulator under an Advanced Qualification Program (AQP) in which a pilot trainee, as part of a full cockpit crew, participates in a flight evaluation scenario that has been incorporated into the FAA-approved AQP training program. An LOE is the AQP equivalent of a proficiency check in a non-AQP training program. Provisions of the contract which apply to a proficiency check shall also apply to a Line Operational Evaluation.
- B.3. “Maneuvers Validation” (“MV”) means a session(s) conducted in a full flight simulator under an Advanced Qualification Program (AQP) either in Continuing Qualification, Qualification Training or Requalification Training, in which a pilot trainee’s proficiency in the execution of maneuvers is assessed. Validation is accomplished when the pilot trainee is trained to proficiency in all tasks and subtasks of those maneuvers, as outlined in the FAA-approved AQP curriculum, and as described on the NWA MV form. In Qualification Training or Requalification Training, an MV is the AQP equivalent of a Recommendation/Training Period in a non-AQP training program.
- B.4. “Procedures Validation” (“PV”) means a session(s) conducted during Ground Training (in a Flight Training Device, an airplane simulator with the motion and visual turned off, in a parked aircraft, or in a desk-top computer-based instructional device) under an Advanced Qualification Program (AQP) in which a pilot trainee’s systems integration knowledge and skill are assessed. Validation is accomplished when the pilot trainee is trained to proficiency.

B.5. “Systems Validation” (“SV”) means a session(s) conducted under an Advanced Qualification Program (AQP) in which a pilot trainee’s knowledge of technical systems is objectively assessed. Validation is accomplished when the pilot trainee is trained to proficiency in all technical systems. An SV conducted in Qualification Training, Requalification Training or Continuing Qualification is the AQP equivalent of the written examination and the oral examination conducted as part of Ground Training in a non-AQP training program.

C. “Aircraft Type” means all models and versions of a given kind of aircraft in the Company’s fleet. The separate aircraft types currently in the Company’s fleet **and aircraft which are not yet in the Company’s fleet but have been ordered or may be acquired during the term of the Agreement** are as follows:

- | | |
|------------------|------------------------------|
| 1. B747-400 | 7. B757*** |
| 2. B747 | 8. A320 (including A319****) |
| 3. B787* | 9. DC9 |
| 4. A350** | 10. SJ 101-110 Seat |
| 5. A330** | 11. EMB 195 |
| 6. DC10 | 12. SJ 77-100 Seat |

***NOTE: Wherever in the Agreement the term “B787” appears, it shall be deemed and understood to designate all models and versions of the “B787” aircraft.**

****NOTE: In the event the FAA determines that the A330 (including -200 and -300) and the A350 are common aircraft types, these aircraft types shall be considered a single aircraft type for purposes of permanent position awards.**

*****NOTE: Wherever in the Agreement the term “B757” appears, it shall be deemed and understood to designate both B757-200 and B757-300 aircraft.**

******NOTE: Wherever in the Agreement the term “A320” appears, it shall be deemed and understood to designate both A320 and A319 aircraft.**

D. “Aircrew Training Instructor” (“ATI”) means an instructor who is (i) not on the NWA Integrated Pilots System Seniority List, or (ii) is on the NWA Integrated Pilots System Seniority List but is not an active pilot (e.g. on layoff, on leave, etc.) who performs Ground Training conducted in classrooms and/or in flight training devices and flight simulators as described in [Section 11 H.5.b.\(6\)](#). In addition, appropriately type-rated ATIs may perform seat support duties for training events other than those specified in [Section 11 H.5.d](#). See [Section 11 H.5.b.\(6\)](#) for a description of the allowed duties and limitations on the use of ATIs.

E. “Airplane Simulator” means a training device in compliance with the minimum standards for a Level A simulator specified in FAA Advisory Circular 120-40, as may be amended (presently, a full-size replica of a specific type or make, model and series airplane cockpit, including the assemblage of equipment and computer software programs necessary to represent the airplane in ground and flight operations, a visual system

providing an out-of-the-cockpit view, a force (motion) cueing system which provides at least equivalent to that of a three degree of freedom motion system.

- F. “Augmented Crew” means a crew complement greater than the minimum number of pilots required under federal air regulations to operate the given aircraft. The augmented crew complement shall be as follows:

<u>Standard Crew Complement</u>	<u>Augmented Crew of 3 pilots</u>	<u>Augmented Crew of 4 pilots</u>	<u>Augmented Crew of 5 pilots</u>
2 pilot aircraft	2 Captains 1 First Officer or 1 Captain 2 First Officers	2 Captains 2 First Officers or 1 Captain 3 First Officers or 3 Captains 1 First Officer	No augmentation
3 pilot aircraft	No augmentation	1 Captain 1 IRC 1 First Officer 1 Second Officer	2 Captains 1 First Officer 2 Second Officers

NOTE: In making the conversion from Captain augmentation as allowed in this Agreement, the parties agree that this transition will be made on the basis of attrition from the Captain position. No Captains shall be displaced from the affected position as a direct result of this change.

- G. “Base” means a geographical location to which pilots are assigned.
- H. “Bid Scheduled Trip” means all the flights assigned or awarded to a regular pilot within a given trip hour period:
 - H.1. as of 0900 MSP time on the 23rd of the calendar month prior to the start of the bid period, and
 - H.2. as the result of the Schedule Completion Bid (see [Section 30 F.](#)).

NOTE: See [Section 4 H.6.](#) for trips deemed to be Bid Scheduled Trips.

- I. “Block-to-Block” means that period of time beginning when an aircraft first moves from the ramp blocks (“block-out”) and ending when the aircraft next comes to a stop at the ramp at any station or other point of termination by setting the parking brake (“block-

in”). ACARS will record the block-in time as the last time the parking brake was set prior to opening the passenger door.

NOTE: Passenger Hold Situations: In situations where an aircraft door is opened at a location where passengers cannot be deplaned, including situations when customs is holding passengers on the aircraft, the aircraft will not be considered to have blocked-in. These passenger hold situations will be considered flight time for the purposes of pilot pay and credit including, but not limited to, duty hours and trip hours. The following steps must be taken to ensure that the pilot is properly paid and credited for passenger hold situations:

- (i) Each crewmember, or one crewmember on behalf of the entire cockpit crew, will contact the Crew Scheduling Duty Manager as soon as possible after the passenger hold is lifted and report the exact length of the passenger hold.
- (ii) The Crew Scheduling Duty Manager will immediately contact the station to confirm the passenger hold.
- (iii) Each crewmember must submit the proper pay exception claim form.

I.1. In those instances where the Company believes the block-out or block-in time generated by the ACARS time should be corrected, the Company shall notify the pilot immediately (via ACARS, if possible) of the proposed corrected time. If the pilot disputes the proposed time, he shall notify the Company as soon as possible, but no later than the end of the pilot’s duty period if the dispute arises during a duty period.

I.2. In those instances where there exists a fact dispute between the pilot and the Company regarding whether the ACARS times accurately represent the block-out or block-in time, the block-out and block-in times generated by ACARS will not be modified for pilot pay and credit purposes without review and approval of a Chief Pilot. If there is such a dispute, the party seeking the modification, either the Company or the pilot, as applicable, shall notify the Chief Pilot’s office of such dispute within 5 calendar days of the originating flight date. Before modifying the ACARS times, the Chief Pilot will allow each party to comment on the proposed change. Chief Pilots shall exercise reasonable diligence in the timely resolution of these disputes when they are given adequate notice of the existence of a dispute. Nothing herein precludes a pilot who disputes either the block-out time or block-in time recorded by ACARS or a modification to the ACARS time from challenging such block-out time or block-in time pursuant to Section 20 and Section 21 of the Agreement.

I.3. If there is no fact dispute between the pilot and the Company regarding the block-out or block-in time, and the ACARS time does not accurately reflect the undisputed block-out time or block-in time, such block-out time or block-in time generated by ACARS may be modified for pilot pay and credit purposes to reflect such undisputed time, provided that the pilot(s) has been notified of the modification. Nothing herein precludes a pilot whose block-out or block-in time has been modified from

challenging such modification pursuant to Section 20 and Section 21 of the Agreement.

- I.4.** Subject to [Section 2 I.1.](#), [Section 2 I.2.](#) and [Section 2 I.3.](#) →, in the event the ACARS is not functioning correctly, the time recorded by the Captain shall be used.
- J.** “Calendar Day” means a 24 hour period commencing at 0001 and ending at 2400 hours local time.
- K.** “Calendar Month” means a month as set forth on the Gregorian Calendar.
- L.** “Captain” means a pilot who is in command of the aircraft and its crew members while on duty and is responsible for the manipulation of, or who manipulates, the flight controls of an aircraft while underway, including takeoff and landing of such aircraft and who is properly qualified and designated by the Company to serve as and holds currently effective airman’s certificates authorizing him to serve as such pilot.
- M.** “Carry-in Time” results from a trip which spans 2 bid periods, and refers to the pay time and credit time for which a pilot is credited in the second bid period.
- N.** “Category” means a pilot’s rank in an aircraft type (e.g., Captain **B787** First Officer **A330**).
- O.** **“Circumstance Over Which the Company Does Not Have Control” includes, but is not limited to, an act of nature; labor dispute; grounding of a substantial number of the Company’s aircraft by a government agency; reduction in flying operations because of a decrease in available fuel supply or other critical materials due to either governmental action or commercial suppliers being unable to provide sufficient fuel or other critical materials for the Company’s operations; revocation of the Company’s operating certificate(s); war emergency; owner’s delay in the delivery of aircraft scheduled for delivery; manufacturer’s delay in the delivery of new aircraft scheduled for delivery. The term “Circumstance Over Which the Company Does Not Have Control” shall not include any economic or financial considerations including, but not limited to, the price of fuel or other supplies, the price of aircraft, the state of the economy, the financial state of the Company, the relative profitability or unprofitability of the Company’s then-current operations, or a shortage of pilot applicants who meet the Company’s employment standards.**
- P.** “Computer-Based Instruction” (“CBI”) means the individual use of a desktop computerized device during Ground Training to enhance learning through text and graphics to illustrate points and allow students to interact with the device to practice and validate skills being taught. CBI does not include within its meaning the use of a Flight Training Device, as defined in [Section 2 FF](#).
- Q.** “Computer Bidding” means a monthly schedule bidding process (see [Section 25 A.1.](#) through [Section 25 A.6.](#) and [Section 30 B.](#)) wherein a pilot is awarded trips or reserve days off in accordance with his bid preferences, his seniority and the computer bidding program.

- R.** “Credit Time” means all time credited to a pilot for flight time limitations purposes. It does not pertain to or govern time credited to a pilot for pay purposes.
- R.1.** Credit time consists of time credited for Hours Flown (as defined in [Section 2 II.](#)) plus time credited pursuant to the following references:
- R.1.a.** Duty hours and trip hours, [Section 4 B.](#)
 - R.1.b.** Bid scheduled trip, [Section 4 H.](#)
 - R.1.c.** Transfer, [Section 6 C.3.a.](#)
 - R.1.d.** Vacation, [Section 7 D.](#)
 - R.1.e.** Deadhead credit, [Section 8.](#)
 - R.1.f.** Supervisory flying, [Section 9.](#)
 - R.1.g.** Training, [Section 11 D.](#)
 - R.1.h.** Hours of service, [Section 12 G.](#)
 - R.1.i.** Sick leave, [Section 14 C.](#) and [Section 14 D.](#)
 - R.1.j.** Military leave, [Section 13 C.4.](#)
- R.2.** “Actual Credit Time” means credit time computed on an actual-or-scheduled-whichever-is-greater basis for Hours Flown (as defined in [Section 2 II.](#)) plus time credited under [Section 2 R.1.a.](#) through [Section 2 R.1.j.](#) →.
- R.3.** “Scheduled Credit Time” means credit time computed on a scheduled basis only.
- R.3.a.** In determining scheduled flight times for pay and credit purposes the Company will utilize the scheduled credit times for all trips as set forth in the published monthly bid analysis used for monthly bidding As of the date of publication of the monthly bid analysis actually used for monthly bidding, the corporate scheduled times (a corporate scheduled time is the scheduled departure and arrival times of a flight as established by the Company) and the scheduled times for all scheduled trips as shown on the monthly bid analysis will be the same. If a flight is not contained in the monthly bid analysis, the scheduled time used at the time such flight is created shall be the scheduled flight time used for pay and credit purposes. The corporate times (i.e. the scheduled departure and/or arrival time of a flight may thereafter be changed by the Company). Such change shall affect a pilot’s credit time but shall have no effect on a pilot’s pay time, and except as provided in subparagraph b. below, shall not constitute a rescheduling.
- R.3.b.** However, if the corporate time change causes a departure time change which increases the total scheduled time, and if this increase requires the pilot to make a [Section 25 B.](#) adjustment, the pilot shall be considered a rescheduled pilot under the provisions of [Section 2 III.](#) and shall be eligible for Bid Scheduled Trip Guarantee under the provisions of [Section 4 H.2.](#)
- R.3.c.** Except as provided in [Section 30 C.10.a.\(3\)](#), the Company shall notify pilots of any change to the scheduled flight time of any flight in the trip hour period on the following basis:

- R.3.c.(1)** If Crew Scheduling learns of the change prior to departure of the originating flight in the trip hour period, such change will be delivered to the pilot in hard-copy as part of the pre-flight paperwork;
- R.3.c.(2)** If Crew Scheduling learns of the change after departure of the originating flight in the trip hour period the pilot will be notified of the change by placement of a message detailing the change in the Voice Response System.
- R.3.d.** For purposes of on-duty limitations, rest requirements and other related purposes, the scheduled time for a surface deadhead shall be the established time between any combination of airports and/or layover points in separate geographical locations. Such times shall be adjusted in accordance with [Section 25 H.2.](#) (See [Section 8 B.](#) for pay time and credit time for surface deadhead).
- S.** “Cross Crew Qualification (CCQ) Training” means initial qualification training that is provided (i) pursuant to an FAA-approved CCQ initial training program that is part of an approved AQP training program and (ii) to a pilot who is initially moving from a rank on the A320 aircraft type on which he is currently qualified to the same rank on the A330 aircraft type for which the pilot has not previously qualified, or vice versa. Only pilots who are currently qualified on the A320 or A330 (see [Section 2 R.](#) below) are eligible to participate in a CCQ training program, provided that a pilot who is initially qualified for the A320 or A330 aircraft, but who has, within the period of 120 days prior to the commencement of training for an Advance Position Award that would result in CCQ training, ceased to be currently qualified solely because of the lack of recency of experience (3 takeoffs and landings) may be currently qualified by being given recency of experience training and then be assigned to CCQ training.
- T.** “Currently Qualified” means qualified (including completion of initial operating experience) to immediately perform flying for “Flying Pay Purposes” in a given category.
- U.** “Domestic Base Station” means any location where pilots are based inside the 50 states of the United States or the District of Columbia.
- V.** “Domestic Flying” means all flying and deadheading not specifically defined as International Flying.
- W.** “Duty Aloft” shall mean block-to-block times of all international and domestic flying as defined in this Section 2, excluding deadheading.
- X.** “Duty Hours” or “On-Duty Period” means all of the elapsed time between the required reporting time and the release time.
- X.1.** The “required reporting time” shall not be less than one hour prior to scheduled or quoted departure time, whichever is later, except that (a) when deadheading on a flight to or from flight duty “required reporting time” shall be 30 minutes prior to scheduled or quoted departure for domestic flights, whichever is later, and no less than 30 minutes but no greater than 1 hour prior to scheduled or quoted departure, whichever is later, for international flights, and (b) when the first activity in an on-

duty period is a surface deadhead the “required reporting time” shall be the earlier of the scheduled or quoted departure time for the surface deadhead (see [Section 2 R.3.d.](#)). The terms “quoted departure time” and “quoted departure” mean a time set by the Company which is different than the scheduled departure time.

NOTE 1: To minimize a delay caused by minimum crew rest requirements, the time period specified in [Section 2 X.1.](#) may be reduced to less than 1:00 with the concurrence of all pilot crew members down to the amount of time deemed necessary by them to safely complete their required pre-flight activities. This exception allows a reduction of the 1:00 time period for preparation prior to departure. Minimum crew rest shall not be reduced. This exception shall not result in a reduction in pilot pay or credit. The Company may not require any pilot crew to reduce their 1:00 preparation time period without their prior agreement. The above option to reduce pre-flight preparation time is not available prior to the start of the trip hour period which contains the duty period affected except for the purpose of avoiding a schedule adjustment to a previously awarded or assigned trip, or a delay to the first flight of a previously awarded or assigned trip.

→

NOTE 2: See [Section 30 C.10.c.\(9\)](#) concerning a rescheduling which extends a pilot’s duty beyond the scheduled termination of a duty period and which occurs after departure of the last flight in such duty period.

NOTE 3: See [Section 12 C.2.d.](#) for special rule for duty time and rest involving ground transportation time at an international location.

X.2. The “release time” shall apply to all flying and deadheading and shall be 15 minutes after the scheduled or actual block-in time, whichever is later (30 minutes when a customs/immigration clearance is required), or release from duty, whichever is later, at a point where a rest period sufficient to break an on-duty period as provided in Section 12 is given. Exceptions: (i) when the last leg of a duty period is off-line and actual arrival is within 1 hour of scheduled arrival, the “release time” shall be 15 minutes after scheduled block-in time; and (ii) in the case of a surface deadhead at the end of a duty period, the “release time” shall be the time of the scheduled or actual arrival, whichever is later.

NOTE 1: See [Section 15 E.1.](#) for the “release time” of a pilot tested under the Company’s Drug and Alcohol Testing Plans.

NOTE 2: See [Section 8 A.](#), [Section 8 B.](#) and [Section 12 C.2.d.](#) for exceptions which apply to off-line deadhead, surface deadhead and ground transportation at an international location for purposes of pay time, credit time, rest requirements, duty limitations, duty period credit and trip hour credit.

Y. “Employment Date As A Pilot”

Y.1. For pilots who commenced initial new hire training prior to October 1, 1990, “Employment Date As A Pilot” means the earlier of:

- Y.1.a.** the date upon which a pilot first performs line flying, or
- Y.1.b.** the date upon which a pilot is first required by Crew Scheduling to stand available for line flying, or
- Y.1.c.** the calendar day following the completion of a pilot’s initial line check.

Such date shall be the date used to determine a pilot’s initial SIV date and the commencement of a pilot’s probationary period, longevity for pay purposes and benefit accruals (e.g., vacation accrual and sick leave accrual).

- Y.2.** For pilots who commenced initial new hire training on or after October 1, 1990, “Employment Date As A Pilot” means the earlier of:
 - Y.2.a.** the date upon which the first pilot in a new hire training class first performs line flying, or
 - Y.2.b.** the date upon which the first pilot in a new hire training class is first required by Crew Scheduling to stand available for line flying, or
 - Y.2.c.** the calendar day following the day upon which the first pilot in a new hire training class completes an initial line check.

Each pilot in a new hire training class shall have the same date as their Employment Date As A Pilot. Such date shall be the date used to determine a pilot’s initial SIV date and the commencement of a pilot’s probationary period, longevity for pay purposes and benefit accruals (e.g., vacation accrual and sick leave accrual).

- Z.** “Employment Date As Adjusted (EDAA)” means the employment date as a pilot, as adjusted in accordance with [Section 3 A.2](#). It is the date that governs the effective date of a pilot’s automatic progression from one longevity step to another pursuant to his accrued longevity.
- AA.** “Extended Illness or Injury” means an absence that, due to an illness or injury, has existed for a total of 60 or more consecutive days as of the date of preparation of the bid list for monthly schedule bidding or annual vacation bidding, as appropriate. (Note: See [Section 7 B.6.a.\(2\)](#) and [Section 25 A.6.c.](#))
- BB.** “Final Staffing” or “Final Staffing Formula” means the process for complying with the staffing formula in [Section 24 B](#). for each position, conducted approximately one month prior to commencement of the flying month. As part of this process the monthly maximum is established and temporary positions, if any, are awarded or assigned.
- CC.** “First Officer” means a pilot who is next in command after the Captain or Captains of the aircraft and any part of whose duty it is to assist or relieve the Captain in the manipulation of the flight controls of an aircraft while underway, including takeoff and landing of such aircraft, and who is properly qualified to serve as and who holds currently effective airman’s certificates authorizing him to serve as such First Officer.

- DD.** “Flight” means the movement of an aircraft for the purpose of flying, from a given block departure to its next block arrival.
- EE.** “Flight Deck Duty” means duty performed by a pilot on the flight deck of an aircraft during a flight.
- FF.** “Flight Training Device” means a training device that meets the criteria in FAA Advisory Circular 120-45A, as may be amended, for a flight training device level, and in which any flight training event or flight checking event is accomplished (presently, a full-scale replica of an airplane’s instruments, equipment, panels, and controls in an open flight deck area or an enclosed airplane cockpit, including the assemblage of equipment and computer software programs necessary to represent the airplane in ground and flight conditions to the extent of the systems installed in the device, and does not require a force (motion) cueing or visual system).
- GG.** “Flying Pay Purposes” means equipment, mileage, range, lift pay and pay overrides wherever applicable on scheduled and nonscheduled flights and the following miscellaneous flights, namely: publicity, scenic, rerouted, attempts, route survey, experimental, navigation aid test, aircraft taxi movement, and engine, instrument, aircraft and radio test; for which pilots receive pay under this Agreement.
- HH.** “Foreign Base Station” means any location where pilots are based outside the 50 states of the United States or the District of Columbia.
- II.** “Hours Flown” means:
- II.1.** the **total** actual elapsed time from block-to-block or the **total** scheduled time from block-to-block, whichever is greater, **of all flights in a trip hour period**, on all scheduled and nonscheduled flights operated over routes where a published operational schedule or where a Company aircraft movement itinerary exists at the time a flight is made for the type of aircraft involved, and
- II.2.** the **total** actual time from block-to-block on all miscellaneous flights **in a trip hour period** as such are defined in [Section 2 DD.](#), of this Agreement; and on scheduled and nonscheduled flights which are operated over routes where no published operational schedule or Company aircraft movement itinerary is in existence for the type of aircraft involved at the time the flight is made.
- NOTE: The term “published operational schedule” means a schedule published electronically or in print to the public (excluding the information displayed on airport Flight Information Displays (FIDs)). Such schedule shall be used to determine “scheduled time.” The term “Company aircraft movement itinerary” means a planned or scheduled departure and arrival time for a flight which the Company has developed. Such itinerary shall, in the absence of a published operational schedule, be used to determine “scheduled time.”
- JJ.** “Initial Qualification Training” means training (ground and flight, including OE and any associated proficiency check(s) for a category for which the pilot has not previously

qualified, including such training conducted pursuant to an Advanced Qualification Program (AQP). Under AQP, the term “Qualification Training” is the equivalent of the term “initial qualification training” in a non-AQP training program. See [Section 2 S.](#) for definition of Cross Crew Qualification (CCQ) Training.

- KK.** “Instructor Pilot” means an instructor who is a pilot on the NWA Integrated Pilots System Seniority List who trains pilots on the NWA Integrated Pilots System Seniority List in the NWA Flight Training Department of the NWA Flight Operations Department. → The term “Instructor Pilot includes the following:
- KK.1.** “Captain Instructor Pilot” or “Captain Instructor” means a pilot on the NWA Integrated Pilots System Seniority List who is current and qualified as a Captain and holds a permanent position as a Captain on the aircraft type on which he is acting as an Instructor Pilot. A Captain Instructor may perform the duties specified in [Section 11 H.5.b.\(1\)](#) and must perform the duties listed in [Section 11 H.5.c.](#)
- KK.2.** “First Officer Instructor Pilot” or “First Officer Instructor” means a pilot on the NWA Integrated Pilots System Seniority List who is current and qualified as a First Officer and holds the First Officer permanent position on the aircraft type on which he is acting as an Instructor Pilot. A First Officer Instructor may perform the duties specified in [Section 11 H.5.b.\(2\)](#) and shall not perform the duties listed in [Section 11 H.5.c.](#)
- KK.3.** “Second Officer Instructor Pilot” or “Second Officer Instructor” means a pilot on the NWA Integrated Pilots System Seniority List who is current and qualified as a Second Officer and holds a Second Officer permanent position, or First Officer permanent position on the aircraft type on which he is acting as an Instructor Pilot. A Second Officer Instructor may perform the duties specified in [Section 11 H.5.b.\(3\)](#) and shall perform (with respect to Second Officer training) the duties listed in [Section 11 H.5.c.](#)
- KK.4.** “Check Airman” means an Instructor Pilots listed in [Section 2 KK.1.](#) through [Section 2 KK.3.](#), (except that a First Officer Instructor Pilot may only act as a Check Airman for the purpose of conducting Second Officer checking and Maneuvers Validation (“MV”) on the aircraft type on which he holds a First Officer permanent position and upon which he is acting as an Instructor Pilot) who are designated by the FAA and the Company to perform Checking Events, Validations, Proficiency Checks, and/or Line Checks other than those that are required to be performed by an APD. See [Section 11 H.5.b.\(4\)](#) for a description of the allowed duties and limitations on the use of a Check Airman.
- KK.5.** “Aircrew Program Designee” (“APD”) means a Check Airman as described in [Section 2 KK.4.](#), who is designated by the FAA and the Company to perform checking events that are required for, or in connection with, the issuance of an Airman’s Certificate and/or a Type Rating. See [Section 11 H.5.b.\(5\)](#) for a description of the allowed duties and limitations on the use of an APD.

- LL.** “Integrated Pilots System Seniority List” means a listing in seniority order of the names of all pilots in the service of the Company that has been produced pursuant to ALPA merger policy.
- MM.** “International Flying” means all flying and deadheading outside the contiguous 48 states of the United States or the District of Columbia from the last point of departure at which the crew flying the trip outside the contiguous 48 states of the United States or the District of Columbia goes aboard the airplane, with the exception of the domestic run to Winnipeg, Manitoba. In the event local domestic operation to Canada, other than to Winnipeg, Manitoba, be inaugurated, it is agreed that negotiations will be conducted to further define the nature of the operation for purposes of this Agreement. “International Flying” also means all deadhead over domestic routes which occurs within a trip hour period where all other flying and deadheading is International Flying.
- NOTE: See [Section 12 C.2.c.](#) for purposes of the minimum rest provisions for pilots on non-augmented crews. See [Section 12 C.2.c.\(6\)](#) for purposes of the minimum rest period prior to a duty period scheduled to be performed entirely in the 48 contiguous states of the U.S. and Canada. See [Section 12 C.4.](#) for purposes of the minimum rest provisions for pilots on augmented crews.
- NN.** “International Relief Captain (IRC)” means a pilot in international flying who, as part of an augmented B747 crew, is next in command after the Captain of the aircraft and whose duty it is to relieve the Captain and the First Officer and the Second Officer, as required, and who is properly qualified to serve as and who holds currently effective airman’s certificates authorizing him to serve as such Captain and First Officer and Second Officer. An IRC must be currently qualified to manipulate the flight controls of an aircraft during takeoff and landing.
- NN.1.** An IRC (either regular or reserve) can be rescheduled to fly as a 747 Captain: (i) after report but prior to departure at commencement of a trip hour period; or (ii) after departure from base at commencement of a trip hour period. An IRC rescheduled under subparagraph (i) above will, for purposes of → pay guarantee, recovery and availability only, be treated as a voluntary call-out pilot.
- NN.2.** An IRC who has not yet reported for a trip hour period cannot be rescheduled as a 747 Captain, but a regular IRC can be called-out as a 747 Captain, subject to sequencing under the call-out rules. An IRC may submit a preference listing for a voluntary call-out assignment as a 747 Captain.
- OO.** “Involuntarily Displaced Pilot” means a pilot who does not have sufficient seniority to hold his present permanent position.
- PP.** “Line Pilot” means a pilot who has been awarded or assigned a regular or reserve schedule.
- QQ.** “Longevity” means the length of time between a pilot’s Employment Date As Adjusted (EDAA) and the current date.

RR. “Month” and “Flying Month” mean the first day through the last day of the periods designated below:

<u>Month</u>	<u>Actual Days</u>
January	December 31-January 29
February	January 30-February 28(29)
March	March 1-March 30
April	March 31-April 30
May	May 1-May 31
June	June 1-June 30
July	July 1-July 30
August	July 31-August 29
September	August 30-September 29
October	September 30-October 30
November	October 31-November 30
December	December 1-December 30

NOTE: At the time of allocation of vacation for the annual vacation bidding process, the Company may redefine months subject to the following limitations: (i) only June, July, August and December may be 29 day months; (ii) no more than 3 months in a year may be 29 day months; and (iii) no month may contain more than 31 days.

SS. “Month-end Transitions” means changes to pilot trips which were originally scheduled to operate over the end of a bid period, provided such changes were made in time to publish them with the monthly schedule bidding information. Pilots shall be notified of month-end transitions by publication of such transitions with monthly schedule bidding information. A change to a pilot’s trip which was not originally scheduled to operate over the end of a bid period shall not be a month-end transition.

TT. “Multiple Bid Trip” means any trip erroneously assigned or awarded to more than one line pilot in a given position.

UU. “Operating Experience” or “OE” means that phase of either Initial Qualification Training or Requalification Training in which the pilot receiving such training is performing flight deck duty prior to completion of such training program. OE performed during Initial Qualification Training may be referred to in this Agreement as Initial Operating Experience or IOE. OE performed during Requalification Training may be referred to in this Agreement as Requalification Operating Experience or ROE.

VV. “Pattern” means a predetermined trip appearing on the scheduling analysis.

WW. “Pay Time” means all time credited to a pilot for pay purposes, including all pay-no credit items, (e.g. Reporting Pay, Taxi Pay, Standby Pay, SVT if the pay-no credit option is selected). See also [Section 2 II.](#) and [Section 2 R.3.](#)

XX. “Pilot” means Captain, International Relief Captain, First Officer and Second Officer as herein defined.

- YY.** “Position” means a combination of a pilot’s category, status and base.
- ZZ.** “Preliminary Staffing” or “Preliminary Staffing Formula” means the process for complying with the staffing formula in [Section 24 B.](#) for each position, conducted approximately 3-1/2 months prior to the commencement of the flying month. As part of this process the projected monthly maximum is established and permanent positions are awarded or assigned.
- AAA.** “Proficiency Check” means proficiency evaluation of maneuvers and procedures conducted in a simulator or airplane as part of an initial, a recurrent or a requalification training program, and is the equivalent of Line Operational Evaluation (LOE) under an Advanced Qualification Program (AQP).
- BBB.** “Rank” means a pilot’s designation as Captain, First Officer, Second Officer or International Relief Captain.
- CCC.** “Recovery Period” or “Recovery Day(s)” means the day or period of days for which a pilot is obligated to be available for assignment to recovery flying as a result of being rescheduled, finishing scheduled training early, or having an entire scheduled training period cancelled. (See [Section 2 III.](#), [Section 4 H.](#), [Section 11 D.3.](#), [Section 30 C.10.c.](#), [Section 30 E.](#), and [Section 30 G.](#) See [Section 30 C.10.c.\(6\)](#) for the merger of separate recovery periods on contiguous calendar days.)
- DDD.** “Regular Pilot” means a Captain, International Relief Captain, First Officer or Second Officer who is awarded or assigned a regular position.
- EEE.** “Regular Schedule” means a pilot’s monthly schedule with planned sequences of trips and intervening days off.
- FFF.** “Remote Access” means a method for pilots to submit and revise their bid preferences for computer bidding and to access information in the NWA computers for other specified purposes by usage of their personal computers via a service provider mutually agreed to by the Company and the Association. After implementation of the Atlas Phase 2 remote access system, “Remote Access” shall mean a Company-provided method for pilots to submit and revise their bid preferences for computer bidding and to access information in the NWA computers for other specified purposes by usage of their personal computers via Atlas Phase 2, through an internet service provider (ISP) of an individual pilot’s choice.
- GGG.** “Requalification Training” means training (ground and/or flight) and any associated proficiency check(s) for a category for which the pilot is initially qualified but is no longer currently qualified, including such training conducted pursuant to an Advanced Qualification Program (see also [Letter of Agreement 1989-03](#)).
- HHH.** “Required Available Day(s)” means the day or period(s) of days for which a pilot is obligated to be available for assignment to flying as a result of being projected below the regular schedule holder guarantee point at the conclusion of the Schedule Completion Bid (see [Section 30 F.4.h.](#) and [Section 30 G.](#)).

III. “Rescheduled Pilot” means a regular pilot who:

III.1. Is removed for any reason (other than [Section 24 J.2.](#) or trip trade under [Section 30 C.3.](#), or trip exchange under [Section 30 D.8.](#)) from his scheduled trip or any portion thereof. “Removed” means removal whether before or after departure from the pilot’s base, including but not limited to loss of a trip or any portion thereof by a pilot as a result of:

- Cancellation.
- Equipment substitution.
- Schedule adjustment required by [Section 25 B.](#)
- Personal illness, injury or emergency.
- Flight time and/or duty limitations under [Section 12 B.](#) and [Section 12 C.](#)
- Flight time limitations under applicable FARs.
- His training.
- A multiple bid trip.
- Jury duty.

NOTE: A pilot shall not be considered to be a rescheduled pilot with respect to the portion of the trip in the 2nd month if he is removed from any portion of an over-the-end of a month trip which is in month 2 due to changes published in the month-end transitions.

III.2. Flies or deadheads on a flight(s) which was not part of his scheduled trip, except he shall not be considered to be a rescheduled pilot when:

III.2.a. Within a duty period, a landing is made at an alternate airport due to weather, an inoperative runway or other similar operational reason, or

III.2.b. Within a duty period, one intermediate special stop in the general path of his flight plan route is added to his scheduled trip, or

III.2.c. Within a duty period, a scheduled intermediate stop(s), for which the flight has been released by Flight Dispatch and for which the flight plan has been filed by the captain, is cancelled by a subsequent re-release by Flight Dispatch.

III.3. Flies or deadheads on a flight(s) which was part of his scheduled trip but which departed 24 hours or more after its originally scheduled departure time.

EXAMPLE: Flight No. 100 of 3/24/01 was originally scheduled to depart at 0800 local time, but due to weather was delayed to 1000 local time on 3/25/01, at which time it operated as Flight No. 100 of 3/24/01. The pilot is a rescheduled pilot since the flight was delayed 26 hours.

III.4. Performs an additional duty period which was not part of his scheduled trip except he shall not, subject to [Section 2 III.3.](#) →, be considered to be a rescheduled pilot under this subparagraph when the additional duty period:

III.4.a. Is due to the delayed operation of a flight which was part of his scheduled trip, and

III.4.b. Includes only flying or deadheading which was part of his scheduled trip.

III.5. Flies or deadheads on a flight which originated his scheduled trip, but for which the required reporting time was delayed at Company request.

NOTE: See [Section 4 H.](#) for pay guarantee coverage, [Section 30 C.10.c.](#) and [Section 30 G.](#) for recovery rights and obligations and [Section 30 E.](#) for awarding and assigning of open flying.

JJJ. “Reserve Pilot” means a Captain, International Relief Captain, First Officer or Second Officer who is awarded or assigned a reserve position.

KKK. “Reserve Schedule” means a pilot’s monthly schedule with intervening periods of availability and planned days off.

LLL. “Schedule Adjustment Request” means a filing made by a pilot for the purpose of adding a trip(s) to his schedule and/or dropping a trip(s) from his schedule or exchanging a trip(s) on his schedule for a trip(s) on the open flying list. This filing may be accomplished by use of Company computer terminal, Voice Response, remote access or any other means mutually agreed upon by the Company and the Association.

MMM. “Scheduled Flight(s)” means a flight(s) with an identified point of departure and arrival, departure and arrival time and date of operation, which is assigned or awarded to a pilot.

NNN. “Scheduled Trip” means a trip assigned to a pilot as a result of: schedule bidding, completion bid, assignment or awarding of open flying and authorized trip trades.

OOO. “Second Officer” means a pilot who is next in command after the First Officer and whose duty it is to assist or relieve the Captain or the First Officer, as required, and who is properly qualified to serve as and who holds currently effective airman’s certificates authorizing him to serve as such Second Officer and who holds at least a currently effective commercial pilot license and instrument rating.

PPP. “Second Officer Right Seat Training” means training of a Second Officer to perform the duties of a First Officer.

QQQ. “Seniority” means a length of time established, accrued and retained as a pilot in accordance with the provisions of this Agreement.

RRR. “Short Overnight Duty Period” (aka “Illegal Overnight”) means a duty period which:

- (i) commences between 1900 and 2400 inclusive local time, and
- (ii) has a scheduled en route stop of more than 6 hours, and
- (iii) is scheduled to end at the pilot’s base, and

- (iv) includes a Company-provided single hotel room for each pilot at the en route stop.

SSS. “SIV Date” or “Sick, Injury, Vacation Date” means the date each month that will trigger a vacation and sick leave accrual for a pilot who is on payroll on that date as provided for in [Letter of Agreement 2002-01](#). A pilot’s original SIV Date shall be the pilot’s Employment Date As A Pilot, as provided in [Section 2 Y.1.](#) or [Section 2 Y.2.](#), as applicable (e.g. May 5, 1980). A pilot’s original SIV Date shall be subject to adjustment as provided for in [Letter of Agreement 2002-01](#).

TTT. “Special Project Pilot” means a pilot who occupies a Special Project Pilot job, including a job as a Test Pilot, Engineering Pilot or Flight Standards Pilot.

UUU. “Status” means a pilot’s designation as a regular or a reserve.

VVV. “Supervisory Pilot” means a pilot on the Integrated Pilots System Seniority List, other than an Instructor Pilot or Special Project Pilot, who occupies a management job in the Flight Operations Department. The position of **Fleet Director or Fleet Chief Pilot or Base Director or Base Chief Pilot or any equivalent position** shall be, for purposes of the Company’s internal management structure, a “Director” position (Grade 9), or above. In the event a position is accorded a lesser stature, the → position shall thereafter be considered an “Instructor Pilot” position (see [Section 2 KK.](#) of the Agreement). **The position of Fleet Training Captain, or any equivalent position, shall be, for purposes of the Company’s internal management structure, a Grade 8 position or above. In order to be appointed to the position of Fleet Director, Fleet Chief Pilot or Fleet Training Captain, or any equivalent position, the pilot must, at the time of the effective date of the appointment possess sufficient seniority to hold a permanent position as a Captain on the aircraft fleet of the position to which he is being appointed. If the pilot thereafter bids to or is displaced to a lower-paying permanent position he will be allowed to continue in said supervisory position for 6 months following the effective date of the new permanent position, provided the pilot is paid at a rate based on the position from which he was displaced, or in the case of a voluntary downbid, the lower permanent position during such period.**

WWW. “Time Available Day” means a day which a time available pilot is required to be available for assignment to flying and which, pursuant to [Section 30 D.9.](#) shall be the last day of the month, and pursuant to [Section 30 D.8.a.](#) shall be the last 2 days of the month (see [Section 30 G.](#)).

XXX. “Time Available Pilot” means:

XXX.1. A pilot who has become a rescheduled pilot because of a schedule adjustment required by [Section 25 B.](#) and who is not eligible for bid scheduled trip guarantee and whose accumulated actual credit time plus his projected scheduled credit time is more than 7 hours less than the scheduled monthly maximum; and

XXX.2. A regular pilot who becomes “time available” by operation of [Section 30 D.8.a.](#)

A regular pilot whose schedule has not been adjusted shall not be considered a time available pilot.

NOTE 1: See note in [Section 30 D.9](#).

NOTE 2: For availability obligation, see [Section 30 D.9](#). and [Section 30 G](#).

YYY. “Trip” means all the flights within a pilot’s trip hour period.

ZZZ. “Trip Hours” or “Trip Hour Period” means all of the elapsed time between:

ZZZ.1. The start of an on-duty period as defined in [Section 2 X](#). → originating at a pilot’s base, and

ZZZ.2. The completion of the first on-duty period which terminates at his base.

ZZZ.3. A pilot who is on a scheduled trip other than a Bid Scheduled Trip and who is rescheduled shall not have his Trip Hour Period interrupted if such rescheduled flying returns him to his base for a rest period as part of such rescheduled flying.

ZZZ.4. Where the inbound flight which a pilot flies to his base station is scheduled as the termination of a Trip Hour Period, and the pilot is assigned to flying out of his base prior to an off-duty period of 10 hours, such other flying will be considered as starting a new duty and Trip Hour Period for pay purposes only, except that in such case release time and report time shall be the actual time between arrival and departure time.

AAAA. “Trips Missed” means all the scheduled pay time and scheduled credit time for trips shown on the pilot’s schedule which were not flown by such pilot, including all trip hour pay time and credit time, duty hour pay time and credit time, deadheading pay time and credit time and international flying rate.

BBBB. “Voluntarily Displaced Pilot” means a pilot who has been displaced from his permanent position pursuant to the exercise of his rights under [Section 24 G.1](#). or [Section 24 H.3](#). to be voluntarily displaced from his permanent position.

CCCC. “Y1” (and similar pass classification codes) means a pass provided by the Company to travel on Company aircraft on a “must ride” basis in the coach class section of the aircraft. The “Y” signifies coach class seating and the number “1” signifies the priority for access to such seating (as compared to other prospective pass riders) (“1” equals must ride). “YT” means coach class seating on a must ride pass for purposes of traveling to and from flight training, and for purposes of first class or business class seating, “FT” means Y1/F2, or Y1/F6, as applicable (see [Section 11 H.8](#).). “Y1/F6”, “Y1/F2”, etc., means coach class seating on a must ride pass, with seating in the first class section (or equivalent), if available, then seating in the business class section (or equivalent), if available. The “F” signifies the first class and business class access and the “6” or other number indicates the priority of access to the first class and business class (as compared to other prospective pass riders).

DDDD. “Volunteer,” “voluntary,” “pilot’s option,” “option of the pilot,” “no pilot shall be required,” and similar phraseology, shall mean that the pilot has no obligation to accept assignment to the duty in question. No pilot will be coerced to accept such duty. The pilot will not be required to give a reason for declining such duty. If a reason is given by the pilot for declining such duty, the reason will not be recorded in writing by the Company. No pilot will be reprimanded or counseled for declining such duty, or for the reason given for declining such duty.

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SECTION 3
COMPENSATION

A. General

A.1. Date for Automatic Longevity Step Progression

A.1.a. A pilot's employment date as adjusted (EDAA) shall govern the effective date of his automatic progression from one longevity step to another in accordance with his years of accrued longevity (automatic pay progression).

A.1.b. If his EDAA falls between the 1st day and the 16th day of a calendar month (inclusive of both days), a pilot's effective date for automatic pay progression shall be the first day of the flying month that predominantly covers the 1st through 16th calendar day period of that calendar month. If his EDAA falls after the 16th day of a calendar month, a pilot's effective date for automatic pay progression shall be the first day of the flying month in the calendar month following the calendar month in which the EDAA occurs.

EXAMPLES: The March flying month runs from March 2 through 31; the October flying month runs from September 30 to October 30; and the November flying month runs from October 31 to November 30:

- (1) A pilot's EDAA is March 1; therefore, the date for his automatic pay progression is March 2 since it is the first day of the March flying month;
- (2) A pilot's EDAA is October 1; therefore, the date for his automatic pay progression is September 30 since it is the first day of the October flying month;
- (3) A pilot's EDAA is October 31; therefore, the date for his automatic pay progression is October 31 since it is the first day of the November flying month.

A.2. Longevity Accrual

A pilot shall accrue longevity for pay purposes except:

A.2.a. A pilot who has less than one year of accrued longevity shall not accrue longevity for pay purposes during his layoff.

A.2.b. A pilot who has one or more years of accrued longevity shall not accrue longevity for pay purposes during that portion of his layoff in excess of one year.

A.2.c. A pilot shall not accrue longevity for pay purposes during that portion of any continuous leave of absence, other than military leave, in excess of 3 months.

A.2.d. A pilot shall not accrue longevity for pay purposes during a period of his disciplinary suspension, or during a period he is on strike, or during the first 4 months that he is not returned to service following cessation of a strike in which he was a participant.

A.3. Forfeiture of Longevity

Any pilot who resigns from the service of the Company or is discharged for just cause shall forfeit all longevity accrued to the date of such resignation or discharge.

A.4. Base Allowances

When pilots are assigned to base stations outside the **50** states of the United States, → the Association and the Company will meet to agree upon provisions for allowances which may be reasonably applicable. Consideration will be given to such matters as educational, excess tax, cost of living, moving and lodging allowances. In such case, the allowance provided at existing Company foreign bases will be used as a guide. Should the parties be unable to agree upon such allowances, a neutral will be appointed, in the manner provided for under the System Board of Adjustment provision, for the purpose of establishing what allowances should be reasonably applicable. The decision of such neutral shall be incorporated in this Agreement by reference and shall be retroactive to the date of first assignment to such base.

→
B. Pilots shall be paid in accordance with the provisions of this Section 3 for all pay time.

C. Equipment Pay

In addition to other rates of compensation set forth in this Agreement, pilots shall be paid the following equipment pay based upon pay time as a Captain at the following hourly rates:

C.1. Effective on the first day of the month following the date of signing of this Agreement through December 31, 2007:

B747-400	\$69.68
B747/B747F	\$76.40
B747 IRC	\$76.40
787	\$66.30
A350	\$69.04
A330-200/300	\$74.61
DC10	\$84.15
B757	\$83.96
A320	\$81.97
DC9	\$92.81
SJ (77–100 seat)	\$62.32
EMB195	\$70.22

SJ (101-110 seat) \$83.32

C.2. Effective January 1, 2008 through December 31, 2008:

B747-400	\$70.73
B747/B747F	\$77.55
B747 IRC	\$77.55
787	\$67.29
A350	\$70.08
A330-200/300	\$75.73
DC10	\$85.41
B757	\$85.22
A320	\$83.20
DC9	\$94.20
SJ (77–100 seat)	\$63.25
EMB195	\$71.27
SJ (101–110 seat)	\$84.57

C.3. Effective January 1, 2009 through December 31, 2009:

B747-400	\$71.79
B747/B747F	\$78.71
B747 IRC	\$78.71
787	\$68.30
A350	\$71.13
A330-200/300	\$76.87
DC10	\$86.69
B757	\$86.50
A320	\$84.45
DC9	\$95.62
SJ (77–100 seat)	\$64.20
EMB195	\$72.34
SJ (101–110 seat)	\$85.84

C.4. Effective January 1, 2010 through December 31, 2010:

B747-400	\$72.86
B747/B747F	\$79.89
B747 IRC	\$79.89
787	\$69.33
A350	\$72.19
A330-200/300	\$78.02
DC10	\$87.99
B757	\$87.80
A320	\$85.71
DC9	\$97.05
SJ (77–100 seat)	\$65.17

EMB195	\$73.43
SJ (101–110 seat)	\$87.13

C.5. Effective January 1, 2011:

B747-400	\$74.32
B747/B747F	\$81.49
B747 IRC	\$81.49
787	\$70.72
A350	\$73.64
A330-200/300	\$79.58
DC10	\$89.75
B757	\$89.55
A320	\$87.43
DC9	\$98.99
SJ (77–100 seat)	\$66.47
EMB195	\$74.90
SJ (101–110 seat)	\$88.87

D. Mileage Pay

- D.1. In addition to other rates of compensation set forth in this Agreement, pilots shall be paid monthly mileage pay for pay time as a Captain of 3¢ for each mile flown during the month.
- D.2. Mileage, for this purpose, shall be computed by multiplying the pay time during a month by the following speeds:

<u>Equipment Flown</u>	<u>MPH</u>
DC9	525
A320	525
B757	525
DC10	525
A330-200/300	525
A350	525
787	525
B747	525
B747F	525
B747-400	525
SJ (77–100 seat)	525
EMB195	525
SJ (101–110 seat)	525

E. Range Pay

- E.1. In addition to other rates of compensation set forth in this Agreement, pilots shall be paid range pay for pay time as a Captain of \$.0075 per mile of range per hour.

- E.2. For the purpose of this Paragraph E., range shall be calculated utilizing the maximum range of the aircraft at its maximum fuel loading at its maximum certificated takeoff weight, utilizing charts supplied by the Company or the manufacturer, whichever is higher.
- E.3. For the purpose of this Paragraph E., the maximum ranges of the following aircraft are:

<u>Aircraft</u>	<u>Range</u>
DC9	1,560 miles
A320	4,500
B757	4,750
DC10	5,200
A330-200/300	6,750
A350	7,950
787	8,500
B747/B747F	5,975
B747-400	7,370
SJ (77–100 seat)	2,300
EMB195	2,100
SJ (101–110 seat)	1,800

Range Pay Example:

DC10 = Maximum Range = 5,200 miles
 5,200 x \$.0075 = \$39.00 per hour

F. Lift Pay

- F.1. In addition to other rates of compensation set forth in this Agreement, pilots shall be paid lift pay for pay time as a Captain of 15¢ per ton of lift capacity per hour.
- F.2. For the purpose of this Paragraph F., lift capacity shall be calculated by subtracting the aircraft basic operating weight from the aircraft maximum certificated takeoff weight, utilizing the figures supplied by the Company or the manufacturer, whichever is higher.
- F.3. For the purpose of this Paragraph F., the maximum lift of the following aircraft are:

<u>Aircraft</u>	<u>Lift</u>
DC9	45,630 pounds
A320	72,900
B757	92,500
DC10	259,100
A330-200/300	241,900
A350	239,220
787	220,800
B747/B747F	415,083

<u>Aircraft</u>	<u>Lift</u>
B747-400	479,800
SJ (77–100 seat)	43,452
EMB195	43,695
SJ (101–110 seat)	50,600

Lift Pay Example:

DC10 = Lift Capacity = 259,100 pounds
 259,100 pounds divided by 2,000 pounds = 129.55 ton lift capacity
 129.55 x \$.15 = \$19.43 per hour

- G. Pilots shall be paid for pay time as Captains at the rates set forth in [Section 3 C.](#), [Section 3 D.](#), [Section 3 E.](#) and [Section 3 F.](#) → multiplied by the following percentages applicable to their accrued longevity:

<u>Accrued Longevity</u>	<u>Percentage</u>
12 th year and thereafter	100.00
11 th year	99.25
10 th year	98.50
9 th year	97.75
8 th year	97.00
7 th year	96.25
6 th year	95.50
5 th year	94.75
4 th year	94.00
3 rd year	93.25
2 nd year	92.50
1 st year	91.75

- H. International Flying Rate

In addition to other compensation set forth in this Agreement, pilots shall be paid for hours flown or credited in international flying at the following rates per hour for each hour so flown or credited:

<u>Captain</u>	<u>First Officer</u>	<u>Second Officer</u>
\$5.17	\$3.88	\$2.59

EXCEPTION: Pilots in their first year of longevity will be paid **\$1.29** per hour for each hour so flown or credited.

International pay shall not offset any guarantee compensation otherwise provided for in the Agreement.

- I. First Officer and Second Officer Pay

- I.1. Each First Officer and Second Officer in his first year of longevity, as established in [Section 3 A.](#), shall be paid at the **following** rate → for each hour of pay time.

- I.1.a. Effective on the first day of the month following the date of signing of this Agreement, \$29.65;**
I.1.b. Effective January 1, 2008, \$30.09;
I.1.c. Effective January 1, 2009, \$30.54;
I.1.d. Effective January 1, 2010, \$31.00;
I.1.e. Effective January 1, 2011, \$31.62.

- I.2. Each pilot who has a longevity accrual of one year or more as a pilot shall be paid, for pay time as a First Officer, depending on his longevity accrual, a percentage of Captain's equipment, mileage, lift and range pay, as follows:

<u>Longevity Accrual</u>	<u>Percentage</u>
In 2 nd year of longevity	→ 50 →
In 3 rd year of longevity	→ 60 →
In 4 th year of longevity	→ 61 →
In 5 th year of longevity	62
In 6 th year of longevity	63
In 7 th year of longevity	64
In 8 th year of longevity	65
In 9 th year of longevity	66.5
In 10 th year of longevity	67.5
In 11 th year of longevity	68
In 12 th year of longevity accrual & thereafter	68

- I.3. Each pilot who has a longevity accrual of one year or more as a pilot shall be paid, for pay time as a Second Officer, depending on his longevity accrual, a percentage of Captain's equipment, mileage, lift and range pay, as follows:

<u>Longevity Accrual</u>	<u>Percentage</u>
In 2 nd year of longevity	→ 42 →
In 3 rd year of longevity	→ 50 →
In 4 th year of longevity	→ 53 →
In 5 th year of longevity	55
In 6 th year of longevity	56
In 7 th year of longevity	57
In 8 th year of longevity	58
In 9 th year of longevity	59
In 10 th year of longevity	59.5
In 11 th year of longevity	59.5
In 12 th year of longevity accrual & thereafter	60

J. Instructor Pilot Pay

- J.1. A pilot who performs duty as an Instructor Pilot in a month shall receive a salary for such month equal to the scheduled monthly maximum at his appropriate rate in his

current permanent position, **subject to the limitations set forth in Section 12 E.6. herein; (see also Section 12 E.).**

→

J.2. When an Instructor Pilot is not on payroll for a full month, his pay (salary →) for the month will be paid in the proportion that the number of his days on payroll bears to the number of days in the month.

J.3. An Instructor Pilot shall receive pay time of 2:40 at his appropriate rate for his attendance at Instructor Standardization meetings. Such payment is to be for pay time purposes, but not credit time purposes, shall not constitute an instructor pilot duty period, and shall be paid in addition to any other compensation provided for under the Agreement. The Company reserves the right to determine whether an Instructor Pilot shall be permitted to attend any particular Instructor Standardization meeting.

K. Special Project Pilot Pay

K.1. A Special Project Pilot shall receive a monthly salary equal to the scheduled monthly maximum at his applicable rate, in his current permanent position.

→

K.2. When a Special Project Pilot is not on payroll for a full month, his pay (salary →) for the month will be paid in the proportion that the number of his days on payroll bears to the number of days in the month.

L. Retirement Savings Plan Contributions

L.1. The Company shall make employer contributions to the Retirement Savings Plan under Section 3.5.1. of said plan at a rate of 3% of Recognized Compensation (as defined in the Retirement Savings Plan).

L.2. Notwithstanding anything to the contrary contained in the collective bargaining agreement, the compensation of each pilot who is a Participant in the Retirement Savings Plan shall be reduced semimonthly in such a manner so as to offset, dollar for dollar, the amount contributed by the Company to said pilot's Employer Contribution Account as an employer contribution.

L.3. All benefits and benefit calculations which are based on a pilot's W-2 earnings, including, but not limited to:

- L.3.a. Retirement benefits
- L.3.b. Survivor benefits
- L.3.c. Insurance pay
- L.3.d. Layoff pay
- L.3.e. ALPA dues

shall be made on the basis of what would have been the pilot's W-2 earnings if there had been no reduction to earnings caused by his participation in the Retirement Savings Plan for Pilots.

NOTE: Consistent with the Association's current policy, ALPA dues shall not be calculated based on the mandatory Company contribution to the Retirement Savings Plan for Pilots (3%).

M. Premium Pay

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M.1. Voluntary Call-Out Premium and Call-Down Premium

A pilot shall receive for all pay time for both a voluntary call-out trip and call-down flying, in addition to his applicable rate of pay ("basic pay"), and in addition to any "premium pay" earned pursuant to [Section 3 M.2.](#) → and [Section 3 M.3.](#) →, "premium pay" at a rate of 42.5% of such rate.

M.2. Involuntary Call-Out Premium

A pilot shall receive for all pay time for an involuntary call-out trip, in addition to his applicable rate of pay ("basic pay"), → "premium pay" at a rate of 85% of such rate.

M.3. Designated Premium Pay Open Trip

At its sole discretion, the Company may designate a selected open trip on the open flying list as a Designated Premium Pay Open Trip that will pay a regular pilot to whom it is awarded, in addition to his applicable rate of pay ("basic pay"), "premium pay" at a rate of 42.5% of such rate. The Company may designate an open trip as a Designated Premium Pay Open Trip at any time after it is placed on the open flying list and it shall remain a Designated Premium Pay Open Trip at least until all schedule adjustment requests of regular pilots have been processed in a trip filling period. A reserve pilot who voluntarily accepts assignment to a Designated Premium Pay Open Trip that originates on a Reserve Will-Fly Day or on a regular and/or inviolate day off, or originates on a reserve duty day and is scheduled to fly into an inviolate day off shall, in addition to his applicable rate of pay ("basic pay"), receive "premium pay" at a rate of 42.5% on a regular day(s) off or Reserve Will-Fly Day(s) (on either a regular day or inviolate day off) and 85% on inviolate days off of such basic pay rate for duty periods that fall on such regular days off, Reserve Will-Fly Days or inviolate days off. Reserve replacement days off associated with any awarded Designated Premium Pay Trips shall all be non-inviolate days off, provided that any inviolate day off flown into as a result of the Designated Premium Pay Open Trip operating beyond its originally scheduled footprint shall be replaced with an inviolate day off. Reserve pilots may be called, pursuant to [Section 30 E.1.n.](#) and [Section 30 E.2.n.](#), on their regular days off to assign, and on their inviolate days off to offer, such Designated Premium Pay Open Trips.

Unless otherwise authorized by Crew Scheduling, a regular pilot who drops a trip to pick up a trip(s) that operates on a calendar day(s) the dropped trip(s) was scheduled to operate, shall not be entitled to premium pay for any pay time earned on such overlapping calendar day(s). Premium pay shall be paid for any trip hour credit for the trip picked up as long as the trip that is picked up has duty periods in excess of the overlapping calendar days. With respect to a duty period of the dropped trip which spans two calendar days, only the calendar day on which the duty period commenced shall be considered to overlap (unless the dropped trip has a matching duty period that spans two calendar days).

M.4. Premium Pay shall not offset any regular or reserve pay guarantee.

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N. Miscellaneous Items Related To → Pay In A Month Flexed Pursuant to [Section 12 I.](#)

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N.1. Full Month Of Vacation

In a month flexed pursuant to [Section 12 I.](#) in which a pilot is on vacation for the entire month, he shall be paid **in an amount** equal to the flex scheduled monthly maximum. → Neither the pilot's accrued vacation account nor his time bank account shall be used for the pay time over **86:48**. Instead, the Company shall be responsible for pay for these hours. For purposes of this subparagraph **N.1.**, an entire month of vacation is a month in which **31** days or more of vacation appears on the pilot's bid deadline, and in which the pilot is actually on vacation for **31** days or more.

N.2. Full Month Of Training

In a month flexed pursuant to [Section 12 I.](#) in which a pilot is in training for the entire month, he shall be paid **in an amount** equal to the flex scheduled monthly maximum. → His time bank account shall not be used for the pay time over 80 hours. Instead, the Company shall be responsible for pay for these hours. For purposes of this subparagraph **N.2.**, an entire month of training is a month in which the pilot is actually in training for 30 days or more.

→

N.3. Mixed Month Of Training And/Or Vacation And/Or Sick Leave, But No Other Pay Time

In a month flexed pursuant to [Section 12 I.](#) in which a pilot has an entire month that consists solely of a mixture of vacation and/or training and/or sick leave, he shall be **paid in an amount** equal to the flex scheduled monthly maximum. → If the pilot received sick leave for part of the month, his sick leave account will be debited accordingly. If the pilot received vacation pay time, but no sick leave pay time, his vacation will be debited at **2:48** per day thereafter for each day of vacation used. (See subparagraph c. above.) For purposes of this subparagraph **N.3.**, an entire month is defined as a month in which 30 days or more of any combination of vacation which

appears on the bid deadline, and/or training and/or sick days, and in which the pilot is actually in training, on vacation or on paid sick leave for 30 days or more.

O. Premium Pay and Bank

O.1. See [Section 12 G.1.](#) regarding crediting of a pilot's time bank.

O.2. Premium pay shall be paid and not banked.

→

P. Pay Summary

The chart (Appendix 1) attached to this Section 3 states the total hourly rates produced by the pay schedules set forth in [Section 3 C.](#), [Section 3 D.](#), [Section 3 E.](#), [Section 3 F.](#), [Section 3 G.](#) and [Section 3 I.](#) →

Effective: January 1, 2008

Longevity	747-400	747	787	A350	A330	DC-10	757	A320	DC-9	101-110	EMB195	77-100			
	CA	CA	CA	CA	CA	CA	CA	CA	CA	CA	CA	CA	CA	747	DC-10
	FO	FO	FO	FO	FO	FO	FO	FO	FO	FO	FO	FO	FO	SO	SO
12	179.34	170.61	164.80	164.80	161.52	160.70	144.41	138.99	125.54	118.12	106.58	100.06			
11	177.99	169.33	163.56	163.56	160.29	159.50	143.33	137.95	124.60	117.20	104.14	98.09			
10	176.64	168.05	162.32	162.32	159.08	158.29	142.25	136.90	123.67	112.78	101.69	96.16			
9	175.31	166.78	161.09	161.09	157.86	157.08	141.16	135.86	122.71	108.51	99.26	94.28			
8	173.96	165.50	159.85	159.85	156.66	155.88	140.08	134.81	121.78	104.41	96.82	92.44			
7	172.62	164.23	158.61	158.61	155.45	154.68	138.99	133.79	120.83	100.47	94.38	90.63			
6	171.27	162.94	157.38	157.38	154.24	153.48	137.92	132.73	119.88	96.68	91.94	88.84			
5	169.92	161.66	156.15	156.15	153.03	152.27	136.84	131.71	118.95	93.02	89.50	87.11			
4	168.58	160.37	154.91	154.91	151.81	151.06	135.76	130.65	118.01	89.51	87.07	85.22			
3	167.23	159.09	153.67	153.67	150.59	149.84	134.67	129.62	117.07	86.13	84.63	83.37			
2	165.89	157.81	152.43	152.43	149.39	148.65	133.58	128.56	116.13	82.87	82.18	81.57			
1	164.54	156.53	151.20	151.20	148.17	147.44	132.51	127.52	115.19	79.75	79.75	79.75			
12	121.95	116.01	112.07	112.07	109.83	109.29	98.20	94.52	85.36	70.64	62.18	58.38	102.37	96.43	
11	121.03	115.14	111.22	111.22	108.99	108.45	97.46	93.81	84.73	67.25	60.55	57.24	100.75	94.90	
10	119.24	113.43	109.58	109.58	107.38	106.85	96.01	92.42	83.47	64.02	58.94	56.12	100.00	94.17	
9	116.58	110.90	107.12	107.12	104.99	104.46	93.87	90.35	81.61	60.94	57.32	55.02	98.39	92.68	
8	113.08	107.57	103.91	103.91	101.83	101.32	91.06	87.64	79.16	58.02	55.69	53.94	95.99	90.42	
7	110.48	105.10	101.52	101.52	99.49	98.98	88.95	85.62	77.33	55.24	54.07	52.88	93.60	88.16	
6	107.90	102.66	99.16	99.16	97.18	96.69	86.88	83.63	75.53	52.58	52.46	51.85	91.25	85.95	
5	105.36	100.22	96.81	96.81	94.87	94.42	84.84	81.66	73.75	50.83	50.83	50.83	88.91	83.76	
4	102.84	97.83	94.49	94.49	92.60	92.15	82.80	79.70	71.98	48.44	48.44	48.44	85.00	80.06	
3	100.34	95.45	92.20	92.20	90.36	89.91	80.80	77.77	70.24	45.95	45.95	45.95	79.56	74.93	
2	82.95	78.91	76.23	76.23	74.69	74.32	66.80	64.28	58.06	43.46	43.46	43.46	66.28	62.43	
1	30.09	30.09	30.09	30.09	30.09	30.09	30.09	30.09	30.09	30.09	30.09	30.09	30.09	30.09	

Effective: January 1, 2009

Longevity	747-400	747	787	A350	A330	DC-10	757	A320	DC-9	101-110	EMB195	77-100
	CA	CA	CA	CA	CA	CA	CA	CA	CA	CA	CA	CA
12	182.03	173.17	167.27	167.27	163.94	163.11	146.58	141.07	127.42	119.89	108.18	101.56
11	180.66	171.87	166.01	166.01	162.69	161.89	145.48	140.02	126.47	118.96	105.70	99.56
10	179.29	170.57	164.75	164.75	161.47	160.66	144.38	138.95	125.53	114.47	103.22	97.60
9	177.94	169.28	163.51	163.51	160.23	159.44	143.28	137.90	124.55	110.14	100.75	95.69
8	176.57	167.98	162.25	162.25	159.01	158.22	142.18	136.83	123.61	105.98	98.27	93.83
7	175.21	166.69	160.99	160.99	157.78	157.00	141.07	135.80	122.64	101.98	95.80	91.99
6	173.84	165.38	159.74	159.74	156.55	155.78	139.99	134.72	121.68	98.13	93.32	90.17
5	172.47	164.08	158.49	158.49	155.33	154.55	138.89	133.69	120.73	94.42	90.84	88.42
4	171.11	162.78	157.23	157.23	154.09	153.33	137.80	132.61	119.78	90.85	88.38	86.50
3	169.74	161.48	155.98	155.98	152.85	152.09	136.69	131.56	118.83	87.42	85.90	84.62
2	168.38	160.18	154.72	154.72	151.63	150.88	135.58	130.49	117.87	84.11	83.41	82.79
1	167.01	158.88	153.47	153.47	150.39	149.65	134.50	129.43	116.92	80.95	80.95	80.95

	747-400	747	787	A350	A330	DC-10	757	A320	DC-9	101-110	EMB195	77-100	747	DC-10
	FO	FO	FO	FO	FO	FO	FO	FO	FO	FO	FO	FO	SO	SO
12	123.78	117.75	113.75	113.75	111.48	110.93	99.67	95.94	86.64	71.70	63.11	59.26	103.91	97.88
11	122.85	116.87	112.89	112.89	110.62	110.08	98.92	95.22	86.00	68.26	61.46	58.10	102.26	96.32
10	121.03	115.13	111.22	111.22	108.99	108.45	97.45	93.81	84.72	64.98	59.82	56.96	101.50	95.58
9	118.33	112.56	108.73	108.73	106.56	106.03	95.28	91.71	82.83	61.85	58.18	55.85	99.87	94.07
8	114.78	109.18	105.47	105.47	103.36	102.84	92.43	88.95	80.35	58.89	56.53	54.75	97.43	91.78
7	112.14	106.68	103.04	103.04	100.98	100.46	90.28	86.90	78.49	56.07	54.88	53.67	95.00	89.48
6	109.52	104.20	100.65	100.65	98.64	98.14	88.18	84.88	76.66	53.37	53.25	52.63	92.62	87.24
5	106.94	101.72	98.26	98.26	96.29	95.84	86.11	82.88	74.86	51.59	51.59	51.59	90.24	85.02
4	104.38	99.30	95.91	95.91	93.99	93.53	84.04	80.90	73.06	49.17	49.17	49.17	86.28	81.26
3	101.85	96.88	93.58	93.58	91.72	91.26	82.01	78.94	71.29	46.64	46.64	46.64	80.75	76.05
2	84.19	80.09	77.37	77.37	75.81	75.43	67.80	65.24	58.93	44.11	44.11	44.11	67.27	63.37
1	30.54	30.54	30.54	30.54	30.54	30.54	30.54	30.54	30.54	30.54	30.54	30.54	30.54	30.54

Effective: January 1, 2010

Longevity	747-400	747	787	A350	A330	DC-10	757	A320	DC-9	101-110	EMB195	77-100
	CA	CA	CA	CA	CA	CA	CA	CA	CA	CA	CA	CA
12	184.76	175.77	169.78	169.78	166.40	165.56	148.78	143.19	129.33	121.69	109.80	103.08
11	183.37	174.45	168.50	168.50	165.13	164.32	147.66	142.12	128.37	120.74	107.29	101.05
10	181.98	173.13	167.22	167.22	163.89	163.07	146.55	141.03	127.41	116.19	104.77	99.06
9	180.61	171.82	165.96	165.96	162.63	161.83	145.43	139.97	126.42	111.79	102.26	97.13
8	179.22	170.50	164.68	164.68	161.40	160.59	144.31	138.88	125.46	107.57	99.74	95.24
7	177.84	169.19	163.40	163.40	160.15	159.36	143.19	137.84	124.48	103.51	97.24	93.37
6	176.45	167.86	162.14	162.14	158.90	158.12	142.09	136.74	123.51	99.60	94.72	91.52
5	175.06	166.54	160.87	160.87	157.66	156.87	140.97	135.70	122.54	95.84	92.20	89.75
4	173.68	165.22	159.59	159.59	156.40	155.63	139.87	134.60	121.58	92.21	89.71	87.80
3	172.29	163.90	158.32	158.32	155.14	154.37	138.74	133.53	120.61	88.73	87.19	85.89
2	170.91	162.58	157.04	157.04	153.90	153.14	137.61	132.45	119.64	85.37	84.66	84.03
1	169.52	161.26	155.77	155.77	152.65	151.89	136.52	131.37	118.67	82.16	82.16	82.16

	747-400	747	787	A350	A330	DC-10	757	A320	DC-9	101-110	EMB195	77-100	747	DC-10
	FO	FO	FO	FO	FO	FO	FO	FO	FO	FO	FO	FO	SO	SO
12	125.64	119.52	115.46	115.46	113.15	112.59	101.17	97.38	87.94	72.78	64.06	60.15	105.47	99.35
11	124.69	118.62	114.58	114.58	112.28	111.73	100.40	96.65	87.29	69.28	62.38	58.97	103.79	97.76
10	122.85	116.86	112.89	112.89	110.62	110.08	98.91	95.22	85.99	65.95	60.72	57.81	103.02	97.01
9	120.10	114.25	110.36	110.36	108.16	107.62	96.71	93.09	84.07	62.78	59.05	56.69	101.37	95.48
8	116.50	110.82	107.05	107.05	104.91	104.38	93.82	90.28	81.56	59.77	57.38	55.57	98.89	93.16
7	113.82	108.28	104.59	104.59	102.49	101.97	91.63	88.20	79.67	56.91	55.70	54.48	96.43	90.82
6	111.16	105.76	102.16	102.16	100.12	99.61	89.50	86.15	77.81	54.17	54.05	53.42	94.01	88.55
5	108.54	103.25	99.73	99.73	97.73	97.28	87.40	84.12	75.98	52.36	52.36	52.36	91.59	86.30
4	105.95	100.79	97.35	97.35	95.40	94.93	85.30	82.11	74.16	49.91	49.91	49.91	87.57	82.48
3	103.38	98.33	94.98	94.98	93.10	92.63	83.24	80.12	72.36	47.34	47.34	47.34	81.96	77.19
2	85.45	81.29	78.53	78.53	76.95	76.56	68.82	66.22	59.81	44.77	44.77	44.77	68.28	64.32
1	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00

Effective: January 1, 2011

Longevity	747-400	747	787	A350	A330	DC-10	757	A320	DC-9	101-110	EMB195	77-100		
	CA	CA	CA	CA	CA	CA	CA	CA	CA	CA	CA	CA	CA	CA
12	188.46	179.29	173.18	173.18	169.73	168.87	151.76	146.05	131.92	124.12	112.00	105.14		
11	187.04	177.94	171.87	171.87	168.43	167.61	150.61	144.96	130.94	123.15	109.44	103.07		
10	185.62	176.59	170.56	170.56	167.17	166.33	149.48	143.85	129.96	118.51	106.87	101.04		
9	184.22	175.26	169.28	169.28	165.88	165.07	148.34	142.77	128.95	114.03	104.31	99.07		
8	182.80	173.91	167.97	167.97	164.63	163.80	147.20	141.66	127.97	109.72	101.73	97.14		
7	181.40	172.57	166.67	166.67	163.35	162.55	146.05	140.60	126.97	105.58	99.18	95.24		
6	179.98	171.22	165.38	165.38	162.08	161.28	144.93	139.47	125.98	101.59	96.61	93.35		
5	178.56	169.87	164.09	164.09	160.81	160.01	143.79	138.41	124.99	97.76	94.04	91.55		
4	177.15	168.52	162.78	162.78	159.53	158.74	142.67	137.29	124.01	94.05	91.50	89.56		
3	175.74	167.18	161.49	161.49	158.24	157.46	141.51	136.20	123.02	90.50	88.93	87.61		
2	174.33	165.83	160.18	160.18	156.98	156.20	140.36	135.10	122.03	87.08	86.35	85.71		
1	172.91	164.49	158.89	158.89	155.70	154.93	139.25	134.00	121.04	83.80	83.80	83.80		
	747-400	747	787	A350	A330	DC-10	757	A320	DC-9	101-110	EMB195	77-100	747	DC-10
	FO	FO	FO	FO	FO	FO	FO	FO	FO	FO	FO	FO	SO	SO
12	128.15	121.91	117.77	117.77	115.41	114.84	103.19	99.33	89.70	74.24	65.34	61.35	107.58	101.34
11	127.18	120.99	116.87	116.87	114.53	113.96	102.41	98.58	89.04	70.67	63.63	60.15	105.87	99.72
10	125.31	119.20	115.15	115.15	112.83	112.28	100.89	97.12	87.71	67.27	61.93	58.97	105.08	98.95
9	122.50	116.54	112.57	112.57	110.32	109.77	98.64	94.95	85.75	64.04	60.23	57.82	103.40	97.39
8	118.83	113.04	109.19	109.19	107.01	106.47	95.70	92.09	83.19	60.97	58.53	56.68	100.87	95.02
7	116.10	110.45	106.68	106.68	104.54	104.01	93.46	89.96	81.26	58.05	56.81	55.57	98.36	92.64
6	113.38	107.88	104.20	104.20	102.12	101.60	91.29	87.87	79.37	55.25	55.13	54.49	95.89	90.32
5	110.71	105.32	101.72	101.72	99.68	99.23	89.15	85.80	77.50	53.41	53.41	53.41	93.42	88.03
4	108.07	102.81	99.30	99.30	97.31	96.83	87.01	83.75	75.64	50.91	50.91	50.91	89.32	84.13
3	105.45	100.30	96.88	96.88	94.96	94.48	84.90	81.72	73.81	48.29	48.29	48.29	83.60	78.73
2	87.16	82.92	80.10	80.10	78.49	78.09	70.20	67.54	61.01	45.67	45.67	45.67	69.65	65.61
1	31.62	31.62	31.62	31.62	31.62	31.62	31.62	31.62	31.62	31.62	31.62	31.62	31.62	31.62

SECTION 4
MINIMUM PAY GUARANTEE

A. Minimum Monthly Guaranteed Pay

A.1. Regular Pilot

A pilot who holds a regular schedule shall receive as a minimum pay guarantee for each month of service, compensation equal to → **68** hours → at his rate of pay, as set forth in this Agreement for the category of his schedule award.

NOTE: With respect to the pilot who is projected below the regular schedule holder guarantee as a result of becoming a rescheduled pilot ([Section 2 III.](#)), see [Section 30 C.10.c.](#) for recovery rights and obligations. With respect to the pilot who, at the end of the Schedule Completion Bid procedures, has a schedule below the regular schedule holder guarantee, see [Section 25 A.4.b.](#) for his required available rights and obligations.

A.2. Reserve Pilot

A pilot who holds a reserve schedule shall receive as a minimum pay guarantee for each month of service, compensation equal to **75** hours → at his rate of pay as set forth in this Agreement for the category of such reserve schedule. → (**Note: For special rules regarding SJ 77–110 Seat Aircraft Reserve Minimum Monthly Guarantee Pay see [Letter of Agreement 2006-13.](#)**)

A.3. Pilot Flying In A Position Other Than His Permanent Position

A.3.a. Over the End of Month Flying in a Category Other Than the Category of His Permanent Position in the Second Month

A pilot who flies in one category in Month 1 and a different category in Month 2, and has a trip extend from Month 1 into Month 2, will receive a minimum guarantee as set forth in this [Section 4 A.](#) based on his category assignment for the balance of Month 2.

A.3.b. Involuntary Temporary Guarantee

A pilot who is involuntarily assigned by the Company under [Section 24 J.1.c.\(3\)](#) as a temporary pilot shall receive for that month as a minimum guarantee compensation equal to the scheduled monthly maximum for the month as established in the final staffing formula, provided that the pilot does not submit a “MIN SKED” bid for monthly schedule bidding. If such pilot does submit a “MIN SKED” bid he shall receive as a minimum guarantee compensation equal to the reserve guarantee for that month.

A.4. When a pilot is not on pilot payroll for a full month, the amount of the minimum pay guarantee computed as above set forth will be the proportion that the number of days on pilot payroll bears to the number of days in the month.

A.5. When a pilot does no flying during a month, his minimum pay guarantee shall be based on his category at the beginning of that month.

B. Duty Hours and Trip Hours

B.1. Duty Hour Credit

B.1.a. A pilot shall receive a minimum of one hour pay time and credit time for each 2 duty hours as defined in [Section 2 X](#). →. (Note: For special rules regarding SJ 77–110 Seat Aircraft Duty Hour Credit see [Letter of Agreement 2006-13](#).)

→

B.1.b. The pay time and credit time for **each** on-duty period → **within a trip hour period** shall not be less than **an average of 5:00 per on-duty period, provided that a trip hour period which contains a single duty period shall receive a minimum of 4:15 pay time and credit time.** For purposes of this subparagraph, any seat occupancy performed by a line pilot who is not assigned to training shall constitute a **single** duty period. (See [Section 11 H.6.d](#). regarding assignment of seat occupancy duties to a pilot assigned to training.)

B.1.c. When a pilot is scheduled to begin a duty period during one month, the date on which he was scheduled to begin the first flight of the duty period, regardless of delays, shall be considered the date on which his duty period was accomplished and to which all pay time and credit time in that duty period shall be credited.

EXCEPTION: When a duty period is scheduled to commence on a particular day and scheduled to terminate on the prior day due to an International Dateline crossing, all pay time and credit time earned in such duty period shall be credited on the day the duty period was scheduled to terminate.

B.1.d. Pay time and credit time for a pilot under the provisions of this subparagraph B.1. shall be computed and credited as a continuation of the last flight in his duty period.

B.2. Trip Hour Credit

B.2.a. For pay purposes, a pilot shall receive as a minimum, the difference, if any, between pay time (exclusive of standby pay and taxi pay) earned during a trip hour period and one hour of pay time for each **3:45** trip hours, as defined in [Section 2 ZZZ](#)., prorated. Pay time for a pilot under the provisions of this subparagraph B.2. shall be computed and credited as a continuation of the last flight in his trip hour period.

- B.2.b. For flight time limitations purposes, a pilot shall receive as a minimum the difference, if any, between credit time earned during a trip hour period and one hour credit time for each **3:45** trip hours, as defined in [Section 2 ZZZ.](#), prorated. Credit time for a pilot under the provisions of this subparagraph B.2. shall be computed and credited as a continuation of the last flight in his trip hour period.
- B.3. General
- B.3.a. If personal reasons, or a work stoppage or picketing (by an employee group of the Company), results in additional time away from base, such additional time shall not be included in the computation of an on-duty or trip hour period except that this subparagraph shall not apply in those cases where a pilot returns on his scheduled flight or he is assigned to other flying.
- B.3.b. When a pilot has commenced a trip hour period for which he would receive pay time and credit time based on the minimum set forth in [Section 4 B.1.](#) or [Section 4 B.2.](#) → in one month, having been scheduled to return to his base on a flight for which the pay time and credit time would have been credited in the same month, returns to his base on a flight for which pay time and credit time is credited in the following month, the minimum pay time and credit time provided in this Paragraph B. shall be credited as follows:
- B.3.b.(1) In the month in which the pilot commenced such trip hour period up to the scheduled monthly maximum.
- B.3.b.(2) The balance, if any, of such pay time and credit time shall be credited to the following month.
- B.3.c. When a pilot leaves his base to commence a trip which is scheduled to terminate at his base in the month following the month in which he departs his base and for which trip hour period he would receive pay time and credit time based on the minimum set forth in [Section 4 B.1.](#) or [Section 4 B.2.](#) → and a flight(s) within such trip hour period is canceled in the month in which he leaves his base, the minimum pay time and credit time provided in this Paragraph B. shall be credited as follows:
- B.3.c.(1) In the month in which the pilot commenced such trip hour period up to the amount of scheduled hours he lost as a result of cancellation of such flight(s).
- B.3.c.(2) The balance, if any, of pay time and credit time shall be credited to the following month.
- B.3.d. The provisions of this Paragraph B. shall not apply where a pilot performs or reports to perform flying as set forth below, when such flying is confined to a single geographical location:
- B.3.d.(1) Engine, instrument, aircraft and radio test flights.

B.3.d.(2) Experimental and navigation aid test flights.

B.3.d.(3) Flights conducted solely for the purpose of training.

C. Standby Pay

C.1. Standby pay (at commencement of a trip hour period at the base of the pilot involved) shall be paid when a pilot, at Company request, reports to the airport for his assigned flight or to deadhead for flight assignment and his flight is delayed 2 hours or more after quoted departure at the rate of one hour flight pay on the equipment used on the flight protected for each 6 hour period or portion thereof figured from quoted departure time to time of departure (or definite cancellation of flight relieving pilot from standby).

NOTE: See [Section 30 C.12](#). concerning availability obligations of a pilot who has reported and been given a departure time later than originally scheduled on either the original flight or a different flight.

C.2. If the Company elects it may furnish a pilot adequate sleeping accommodations at or near the airport during the standby period in which case the pilot shall receive standby pay as described in [Section 4 C.1](#). → only if the flight cancels. He shall receive one hour of standby pay if the flight eventually departs provided the flight departure is delayed more than 2 hours past the original departure time.

C.3. For purposes of determining eligibility for standby pay, it is agreed that a pilot who has stood by for the requisite period of time, will be eligible for standby pay regardless of the identity of the flight he actually departs on.

EXAMPLE 1: A pilot stands by at his base for Flight #100. Flight #100 is delayed and he stands by for 1:30 for Flight #100. He is then rescheduled for Flight #200 which leaves 45 minutes later. The pilot is entitled to one hour standby pay because his total standby time was 2:15. The standby pay will be used to offset BSTG, if any, because the pilot did not standby 2:00 prior to being rescheduled. (See [Section 4 C.4](#). →)

EXAMPLE 2: A pilot stands by at his base for 2:30 for Flight #100, then is rescheduled for Flight #200 and stands by for an additional 1:30. The pilot is entitled to one hour standby pay. The standby pay will not be used to offset BSTG, if any, because the pilot stood by for 2:00 prior to being rescheduled. (See [Section 4 C.4](#). →)

EXAMPLE 3: A pilot stands by at his base for 2:30 for Flight #100, then he is rescheduled for Flight #200 and stands by for an additional 4:00. The pilot is entitled to 2:00 of standby pay. Only one hour of standby pay will be used to offset BSTG, if any, because one hour was earned prior to the rescheduling, and one hour was earned after the rescheduling. (See [Section 4 C.4](#). →)

C.4. Such standby pay shall not be banked, shall be paid in addition to any other compensation, and shall be used to offset monthly guarantee pay provided for in

Section 4 A.1. through Section 4 A.3. →, and bid scheduled trip guarantee provided for in Section 4 H. It is understood that standby pay shall be used to offset bid scheduled trip guarantee provided for in Section 4 H. only if such standby pay is earned during a recovery period resulting from Section 4 H. For purposes of standby pay offset, such recovery period starts at the time a pilot is notified that he is rescheduled, (see Section 2 III. for the definition of “rescheduled pilot”). Such pilot shall not be paid international pay for standby.

NOTE: The period of time spent waiting from the notification of rescheduling to the departure time of the rescheduled trip is considered to be standby time.

D. Taxi Pay

- D.1. A pilot reporting for or performing a taxi movement which movement does not involve flying shall be paid a minimum of one hour pay for the category for which he reported to duty, except that a pilot performing such a taxi movement on the aircraft actually used on his scheduled flight, commencing within one hour prior to the scheduled or quoted departure of, or one hour after the actual arrival of, that flight, shall be paid on the basis of actual block-to-block time of the movement at such applicable rate.
- D.2. Such taxi pay shall not be banked, shall be paid in addition to any other compensation, and shall be used to offset monthly guarantee pay provided for in Section 4 A.1. through Section 4 A.3. →, and bid scheduled trip guarantee provided for in Section 4 H. It is understood that taxi pay shall be used to offset bid scheduled trip guarantee provided for in Section 4 H. only if such taxi pay is earned with respect to a pilot’s scheduled flight and during a recovery period resulting from Section 4 H. For purposes of taxi pay offset, such recovery period starts at the time a pilot is notified that he is rescheduled (see Section 2 III. for the definition of “rescheduled pilot”). Such pilot shall not be paid international pay for a taxi movement.
- D.3. Nothing in this Agreement shall prohibit the Company from assigning other than pilot personnel to taxi aircraft.

E. Reporting Pay

- E.1. When a pilot reports to the airport for the purpose of serving as a pilot or to deadhead on a flight as set forth in Section 2 DD., and he fails to fly or deadhead, he shall receive a minimum of one hour pay for the category for which he reported to duty. This provision shall not apply when the pilot has been notified of such cancellation at least **two** hours prior to scheduled departure or earns standby pay in the same duty period.
- E.2. Reporting pay shall not be banked, shall be paid in addition to any other compensation, and shall be used to offset monthly guarantee pay provided for in Section 4 A.1. through Section 4 A.3. →, and bid scheduled trip guarantee provided for in Section 4 H. It is understood that reporting pay shall be used to offset bid scheduled trip guarantee provided for in Section 4 H. only if such reporting pay is

earned during a recovery period resulting from [Section 4 H](#). For purposes of reporting pay offset, such recovery period starts at the time a pilot is notified that he is rescheduled (see [Section 2 III](#) for the definition of “rescheduled pilot”). Such pilot shall not be paid international pay for reporting.

F. Equipment Qualification

F.1. When a pilot who has not completed his initial qualification training within the time limitations of [Section 24 E.2.b](#) or [Section 24 G.3.](#), is assigned by operation of such paragraphs to his awarded position, but is unable, because of lack of initial qualification, to bid a schedule in his awarded position, he shall receive as a minimum guarantee for that month compensation equal to 75 hours in his awarded position. If such pilot is not on pilot payroll for the full month, his minimum guarantee shall be prorated in accordance with [Section 4 A.4](#). Such pilot shall not receive any international pay guarantee.

F.2. The provisions of [Section 4 F.1](#) above shall not apply to any pilot who has previously failed to qualify in the category. When such pilot who has not completed his initial qualification training within the time limitations of [Section 24 E.2.b](#) or [Section 24 G.3.](#), is assigned by operation of such subparagraph to his awarded position, but is unable, because of lack of initial qualification, to bid a schedule in his awarded position, he shall receive as a minimum guarantee for that month compensation equal to 75 hours in his previous permanent position. If such pilot is not on pilot payroll for the full month, his minimum guarantee shall be prorated in accordance with [Section 4 A.4](#).

G. International Pay Guarantee (Diversion or En Route Stop at a Domestic Station)

A pilot on an international flight who is diverted or makes an unscheduled en route stop at a domestic station, upon submission of a pilot pay claim, shall receive international pay for each flight(s) which results from such diversion or en route stop.

H. Bid Scheduled Trip Guarantee

H.1. A rescheduled pilot who loses a bid scheduled trip or a portion thereof for any reason other than:

H.1.a. Personal illness, injury or emergency,

H.1.b. A schedule adjustment required by [Section 25 B.](#),

H.1.c. Training, vacation, leave, retirement, suspension, termination, layoff, or strike or other work stoppage by Company employees,

H.1.d. Failure to properly report for his assigned flight,

H.1.e. A removal due to flying operating at the end or over the end of the preceding bid period, which was known by the pilot (at the time he bid, or was awarded

requested open flying) to conflict on a scheduled basis with such bid scheduled trip. This exclusion will not apply where the conflicting flying was assigned by Crew Scheduling without request by the pilot,

- H.1.f. A removal due to FAR flight time limitations arising because of a pilot's accomplishment of flying operating at the end or over the end of the preceding bid period, which was known by the pilot (at the time he was awarded requested open flying) to cause an FAR flight time limitations conflict on a scheduled basis with such bid scheduled trip (this exclusion will not apply where the flying causing the FAR flight time limitations conflict was assigned by Crew Scheduling without request by the pilot),

shall be guaranteed pay time and credit time equal to the scheduled credit time of the bid scheduled trip lost, but shall be subject to assignment in accordance with [Section 30 C.10.c.](#)

PAY TIME EXAMPLE: Trip value equals 25 hours, of which 10 hours are international flying. The pilot's hourly rate is \$100 and he gets no international pay because he did not perform international flying. The pilot's total BSTG would be calculated as follows:

$$(\$100 \times 25) = \$2500.00$$

NOTE: The Note following [Section 9 A.1.](#) provides pay guarantee and recovery rights and obligations for a pilot who is removed from his scheduled trip or a portion thereof and replaced by a pilot other than a line pilot (including supervisory pilots, OE instructors and trainees).

- H.2. A rescheduled pilot who loses a bid scheduled trip by reason of a schedule adjustment required by [Section 25 B.](#) and caused by his assignment to flying or deadheading under [Section 30 C.10.c.\(1\)\(b\)2'](#) or [Section 11 D.3.c.](#) shall be guaranteed pay time for that amount of the scheduled credit time of the bid scheduled trip lost which will not cause him to exceed his scheduled monthly maximum. Such pilot shall be guaranteed credit time in an amount equal to the difference between the total of his scheduled time for the month (trips flown, plus future trips, if any) and the scheduled monthly maximum, or the difference between his actual time for the month (trips flown, plus projected scheduled time for future trips, if any) and the actual monthly maximum, whichever is less. The pilot shall be subject to assignment in accordance with [Section 30 C.10.c.](#) However, if the amount of the guaranteed credit time is less than the original value of the Bid Scheduled Trip, the number of recovery days for which the pilot must be available shall be calculated by dividing the total guaranteed credit time by 4:15. Any fraction shall be rounded down to the next whole number. For example, the guaranteed credit time is 9 hours. Divide 9 by 4.25 = 2.18 days. Round to 2 days. If the number of recovery days so calculated is less than the number of days the Bid Scheduled Trip was scheduled to operate, then the pilot shall be required to be available for only the lesser number of days. These recovery days shall be consecutive, shall be within the [Section 30 C.10.c.](#) recovery period, and shall be

mutually agreed to by the pilot and Crew Scheduling. If mutual agreement cannot be reached, then Crew Scheduling shall assign the consecutive days of required availability within the [Section 30 C.10.c.](#) recovery period. The number of available days shall not be calculated until the end of the pilot's last trip prior to the recovery period. The recovery days shall be selected or assigned, and in the case of assignment the pilot shall be notified, no later than 0900 on the day prior to the day the Bid Scheduled trip was scheduled to commence.

NOTE: In determining whether the [Section 25 B.](#) adjustment was caused by a rescheduling or by additional actual time on a trip where the pilot was not rescheduled, reference shall be made to whether the pilot had been rescheduled at any time for the month prior to the [Section 25 B.](#) adjustment. If so, then the pilot shall receive such Bid Scheduled Trip Guarantee for the adjusted trip. If not, then the pilot shall not receive Bid Scheduled Trip Guarantee.

- H.3. A rescheduled pilot who loses a bid scheduled trip by reason of a schedule adjustment required by [Section 25 B.](#) and caused by his assignment to training shall be guaranteed pay time and credit time for that amount of the scheduled credit time of the bid scheduled trip lost which will not cause him to exceed his scheduled monthly maximum. The pilot shall not be guaranteed any lost international flying pay time. The pilot shall be subject to assignment in accordance with [Section 30 C.10.c.](#) However, if the amount of the guaranteed credit time is less than the original value of the Bid Scheduled Trip, the number of recovery days for which the pilot must be available shall be calculated by dividing the total guaranteed credit time by 4:15. Any fraction shall be rounded down to the next whole number. For example, the guaranteed credit time is 9 hours. Divide 9 by 4.25 = 2.18 days. Round to 2 days. If the number of recovery days so calculated is less than the number of days the Bid Scheduled Trip was scheduled to operate, then the pilot shall be required to be available for only the lesser number of days. These recovery days shall be consecutive, shall be within the [Section 30 C.10.c.](#) recovery period, and shall be mutually agreed to by the pilot and Crew Scheduling. If mutual agreement cannot be reached, then Crew Scheduling shall assign the consecutive days of required availability within the [Section 30 C.10.c.](#) recovery period. The number of available days shall not be calculated until the end of the pilot's last trip prior to the recovery period. The recovery days shall be selected or assigned, and in the case of assignment the pilot shall be notified, no later than 0900 on the day prior to the day the Bid Scheduled trip was scheduled to commence.
- H.4. When a rescheduled pilot who is eligible for bid scheduled trip guarantee under [Section 4 H.1.](#), [Section 4 H.2.](#) or [Section 4 H.3.](#) above is assigned other flying pursuant to [Section 30 C.10.c.](#), he shall receive pay time and credit time, including deadhead pay time and credit time for the scheduled credit time of the bid scheduled trip lost or pay time and credit time for what he actually flies, whichever is greater.
- H.5. When a rescheduled pilot who is eligible for bid scheduled trip guarantee under [Section 4 H.1.](#), [Section 4 H.2.](#) or [Section 4 H.3.](#) above is unavailable, during his period(s) of required availability, for assignment to other flying pursuant to [Section](#)

30 C.10.c., he shall forfeit all or a portion of his entitlement to his bid scheduled trip guarantee on a pro rata basis based on the ratio of the number of days of unavailability to the number of days in the recovery period. A partial day of either unavailability or recovery period shall constitute a full day for purposes of this calculation. For example, if a pilot is unavailable for the first 2 hours of his availability obligation in day one of a 4 day recovery period and the total bid scheduled trip guarantee as calculated at the end of the recovery period is worth 10 hours, the bid scheduled trip guarantee to be paid and credited to the pilot will be reduced as follows:

- H.5.a. Two hours of unavailability is deemed to be one day of unavailability;
- H.5.b. One day of unavailability in a 4 day recovery period creates a fraction of 1/4 (0.25);
- H.5.c. Ten hours of bid scheduled trip guarantee X 0.25 = 2.5 hours. This amount of bid scheduled trip guarantee will be forfeited.

NOTE: A pilot shall forfeit all of his entitlement to his **Section 4 H.5.** bid scheduled trip guarantee unless he can establish that his unavailability was due to Company action or inaction, or circumstances beyond the pilot's control.

H.6. Trip Deemed to be Bid Scheduled Trip

- H.6.a. A regular pilot who acquires a trip as the result of a trade of his bid scheduled trip(s) for the bid scheduled trip(s) of another pilot shall be deemed to have acquired a bid scheduled trip for the purposes of applying this Paragraph H.
- H.6.b. A regular pilot who under **Section 30 D.8.** acquires a trip as the result of an exchange of his bid scheduled trip(s) for a trip from the open flying list shall be deemed to have acquired a bid scheduled trip for the purposes of applying this Paragraph H.

NOTE: It is recognized that if a trip is acquired from the open flying list in exchange for multiple trips, one or more of which is not a bid scheduled trip, then the acquired trip will not be deemed to be a bid scheduled trip.

- H.7. Bid scheduled trip guarantee will be computed and credited to a pilot for pay time and credit time purposes as of the conclusion of the attendant **Section 30 C.10.c.** recovery period. The pay time will not be subject to reduction by pay time accomplished outside such recovery period, and the credit time will not be reduced by credit time accomplished after such recovery period. Any pay time generated by bid scheduled trip guarantee in excess of 5 hours above the pilot's scheduled monthly maximum will be banked.
- H.8. When a rescheduled pilot who is eligible for bid scheduled trip guarantee under **Section 4 H.1.** above is assigned other flying, pursuant to **Section 30 C.10.c.** and in a merged recovery period as defined in **Section 30 C.10.c.(6)**, he shall receive pay time

and credit time including deadhead pay time and credit time for the combined scheduled credit times of the bid scheduled trips lost or pay time and credit time for what he actually flies during the entire merged recovery period, whichever is greater.

H.9. Bid Scheduled Trip Spanning **Two** Bid Periods

This subparagraph governs the extent to which flights within a given trip hour period fall within the definition of “Bid Scheduled Trip” in Section 2 of this Agreement, when that trip hour period spans **two** bid periods.

H.9.a. The definition of “Bid Scheduled Trip” in Section 2 of this Agreement shall be interpreted to include within its meaning all flights assigned or awarded to a regular pilot within a trip hour period which:

H.9.a.(1) as of 0900 MSP time on the 23rd day of the calendar month prior to the start of a bid period, or

H.9.a.(2) as the result of the Schedule Completion Bid

were scheduled to start in that bid period (first bid period) and end in the ensuing bid period (second bid period).

H.9.b. For the purposes of Bid Scheduled Trip Guarantee, the identity of that portion of such bid scheduled trip scheduled to operate in the first bid period shall be determined as follows:

H.9.b.(1) By reference to the pilot’s bid schedule, if the scheduled pay time of the portion of the trip in the first bid period as shown on his original bid schedule is greater than the scheduled pay time of the portion of the trip in the first bid period as shown on the “month-end transitions” published prior to the commencement of the bidding for the second bid period, or

H.9.b.(2) By reference to the “month-end transitions” published prior to the commencement of the bidding for the second bid period, if the scheduled pay time of the portion in the first bid period as shown on his original bid schedule is less than the scheduled pay time of the portion in the first bid period as shown on said “month-end transitions.”

H.9.c. For the purposes of Bid Scheduled Trip Guarantee, the identity of that portion of such bid scheduled trip scheduled to operate in such second bid period shall be determined:

H.9.c.(1) By reference first to the “month-end transitions” published prior to the commencement of the bidding for such second bid period, but if no such “month-end transition” is published then,

H.9.c.(2) By reference to the pilots’ pattern analyses which were available for pilots prior to bidding for such first bid period.

- H.9.d. As to an open flying list trip that is scheduled to span **two** bid periods and that is assigned or awarded to a regular or reserve pilot after the beginning of the first bid period, the definition of “Bid Scheduled Trip” in Section 2 of this Agreement shall be interpreted to exclude from its meaning both the portion of such trip scheduled to operate in the first bid period and the portion of such trip scheduled to operate in the second bid period.
- H.9.e. In regard to a pilot whose Bid Scheduled Trip Spanning **Two** Bid Periods has been rescheduled, and for the sole purpose of avoiding a [Section 25 B.](#) adjustment in the second bid period, credit time in the second bid period will be moved back to the first bid period up to the lesser of the following amounts:
- H.9.e.(1) the amount of scheduled hours lost in the portion of the Bid Scheduled Trip in the first bid period as defined hereinabove; or
- H.9.e.(2) the amount of credited hours in excess of the portion of the Bid Scheduled Trip in the second bid period as defined hereinabove.

NOTE: The pay time for such credit time shall remain with the second bid period.

This subparagraph H.9.e. will in no way modify the application of Bid Scheduled Trip Guarantee as set forth in [Section 4 H.9.a.](#) through [Section 4 H.9.d.](#) →.

- H.10. For purposes of Bid Scheduled Trip Guarantee, a pilot shall not be guaranteed the international pay time of the bid scheduled trip lost. However, international pay otherwise earned shall not be used to offset Bid Scheduled Trip Guarantee.
- H.11. In the 24 hour period prior to the 0400 deadline for submitting bid preferences, the Company shall make no change (except for the bank update) to a bidding requirement shown on the bid list (for example: vacation 1–14; training 1–20). In the event a change is initiated by the Company and made to such bidding requirement after its posting under [Section 25 A.1.](#) and up to the 24 hour period prior to the deadline for submitting bid preferences (except for the bank update) and the pilot is not notified of this change in time to adjust his bid preferences, the pilot shall, to the extent not provided for elsewhere in the Agreement, receive the pay time and the credit time lost as a result of the change. The Company shall make a reasonable effort to contact the pilot to notify him of the change. For the pilot who is not on a trip or in training, the Company shall seek to contact him in person or by telephone. A pilot shall be deemed to be notified if he calls the Voice Response System and acknowledges notice of such change. A telephone message (or note in the pilot’s mailbox if a telephone message is not available) will constitute notification. For the pilot who is on a trip or in training, the Company shall contact him by telephone, radio, ACARS or message at the layover station or layover hotel. The Company shall also post the change electronically both as a revision to the bid list and to the individual pilot (a copy of the original bid list shall be retained electronically and in paper form for use by ALPA and the Company). If a pilot receives notification of the change but cannot revise his bid due to lack of timely access to a Company-provided bid entry computer

or to remote access, the pilot may revise his bid by sending a telephone facsimile bid revision to a telephone fax number established by the Company for this purpose prior to the start of the bid run at 0900 MSP time on the day specified in [Section 25 A.2](#). Company personnel shall enter the timely submitted faxed revised bid entries into the computer schedule bidding program prior to the start of the bid run.

I. Call-Out/Down Guarantee

A pilot who, as a result of a call-out or call-down assignment, loses a trip(s), or portion thereof, in either the current month or ensuing month (for a trip that spans **two** bid periods), by reason of:

- I.1. a schedule adjustment required by [Section 25 B.](#), or
- I.2. a conflict with such trip(s),

shall be guaranteed pay time and credit time for that amount (but not including international pay) of the scheduled credit time of the trip(s), or portion thereof, lost which will not cause him to exceed his scheduled monthly maximum. Pay time for such guarantee shall be at straight time.

NOTE 1: (a) When a call-out assignment, including any required rest period, causes a physical conflict, FAR conflict, or other conflict not described in Note 1(b) below, with a pilot's scheduled trip(s), the Company must drop the conflicting scheduled trip(s) in its entirety. The pilot shall have no recovery obligation and the Company cannot assign recovery flying during the days of the dropped trip(s).

(b) When a call-out assignment causes the pilot to exceed his monthly maximum(s) or his modified monthly maximum(s) and there is no conflict as described in Note 1(a) above, the Company shall have the right to perform a downward schedule adjustment pursuant to [Section 25 B.](#) and [Section 30 C.11.](#) by dropping an entire trip or by dropping a portion of the trip and assigning the pilot to fly a portion of the trip, plus any deadhead required to allow the pilot to join his original trip. Should the Company choose not to assign the pilot to a portion of his original trip in this manner, the pilot shall have no further availability obligation and the Company cannot otherwise assign recovery flying.

NOTE 2: See [Section 24 J.2.](#) and [Section 24 J.3.](#) for call-out/down assignments and limitations, [Section 24 J.4.](#) for restrictions on availability and recovery and [Section 3 M.](#) for premium pay.

SECTION 5
TRAVELING EXPENSES

Pilots away from their base station on regular or special duty shall receive expenses as follows:

A. Lodging

A.1. The Company shall provide comfortable and adequate single occupancy lodging for pilots:

A.1.a. while at a layover station during a trip hour period; or

A.1.b. while assigned to training away from both their base and permanent residence, (NOTE: A pilot whose entire scheduled training period is canceled and who is required to be available away from his permanent residence under [Section 11 D.3.a.](#) shall be deemed to have remained in training for such days of required availability) (See also [Section 11 G.1.a.](#) and [Section 11 G.3.a.](#)); or

A.1.c. on voluntary temporary or voluntary call-out assignment while away from both their base and permanent residence; or

A.1.d. on involuntary temporary or involuntary call-out assignment while away from their permanent residence; or

A.1.e. when the pilot is assigned to training as an instructor pilot and is away from his permanent residence (this provision does not require the Company to provide such lodging to an instructor pilot prior to and following a trip when performing Operational Experience instruction, provided the OE instructor pilot had bid a flying schedule for the month); or

A.1.f. when a pilot who has been awarded a regular position completes training prior to the effective date of the position and both (i) serves as a reserve pilot while away from his residence and (ii) requests such lodging (See [Section 24 J.1.\(b\)](#)).

NOTE 1: A pilot will be considered to be “away from his permanent residence” for the purposes of this subparagraph A.1., and the note in [Section 5 B.1.](#) →, only if his point of assignment is more than **two** hours (normal surface transportation time) from such residence.

NOTE 2: See [Section 30 C.5.b.\(2\)](#) for a lodging option for an available pilot or a reserve pilot away from his permanent residence who is assigned a trip under [Section 30 C.5.a.](#) but who does not fly the trip because another pilot reports for the trip prior to him.

A.2. When lodging for a pilot is necessary in circumstances other than those listed in [Section 5 A.1.](#) →, and the Company has not provided such lodging, the pilot shall make arrangements for lodging. The Company shall reimburse the pilot for actual lodging expenses incurred which are reasonable according to the circumstances.

- A.3. The ALPA Hotel Committee Chairman shall be notified in writing at least 30 days (for domestic, HNL, ANC and Canadian city hotels) and at least 90 days (for international hotels) before any contract concerning layover lodging for pilots is entered into (including renewal or extension of a then-existing contract) or canceled by the Company; except that if the written notice specified above cannot be provided for reasons beyond the control of the Company, such notice shall be provided as soon as possible. No contract for lodging (including renewal or extension of a then-existing contract), or cancellation of contract for lodging, may be executed without notice to ALPA and an opportunity to respond, except in the circumstance of short notice contract cancellation by the hotel which does not permit time for such notice and response. The Company shall provide to the ALPA Hotel Committee Chairman, on an ongoing basis, a list of hotel contracts that are due to expire in the second ensuing quarter. Within the appropriate time frame specified above and at the request of ALPA, a meeting will be held between its representative(s) and the Managing Director of Flight Administration, or in his absence, his designee, to confer and make recommendations on the suitability of the suggested lodging. ALPA may review the suitability of any pilot lodging with the Company at any time and when in the opinion of ALPA the lodging does not meet the standards set forth above, an informal hearing shall be granted by the Vice President of Flight Operations to review the matter.
- A.4. No lodging decisions will be made on the basis of other employee preferences without giving ALPA an opportunity to participate in such decision. If no resolution between the parties can be reached:
- A.4.a. the pilots will be provided with a separate lodging location if the lodging cost of the separate location is the same or less than the preference of the other employees;
 - A.4.b. the Company will give reasonable consideration to a separate lodging location for pilots if the lodging cost of the separate location is greater than the preference of the other employees.
- A.5. A pilot shall be responsible for any incidental expenses incurred by him, such as personal telephone calls, room service, etc. These charges are to be paid by the pilot at time of check out.
- A.6. Lodging Facility Contract Provisions.
- The following provisions will be made a standard part of all future layover lodging facility contracts:
- A.6.a. With respect to any lodging facility where both pilots and flight attendants are lodged, separate room assignment/check-in lists will be provided for pilots and flight attendants and pilot room assignments shall be made by the lodging facility prior to arrival of the crew.
 - A.6.b. A flight crew member's room will be available for occupancy within 30 minutes of the time the crew member physically checks in at the registration desk.

- A.6.c.** Subject to cash availability at the hotel, pilots shall be provided domestic check-cashing privileges in the amount of \$100, and international check-cashing privileges in the amount of \$200. International check-cashing privileges shall be established at lodging facilities in cities that serve as a layover point for pilots who perform International Flying.
- A.6.d.** Rooms blocked for pilots will be in no-smoking sections, with smoking rooms provided upon pilot request subject to availability at the time of check-in.
- A.6.e.** Lodging facilities will have emergency fire plans which are in compliance with local fire ordinances and shall be equipped with fire/smoke detectors or sprinklers in the room.
- A.6.f.** Exterior room doors will have deadbolt locks and peepholes.
- A.6.g.** If pilots are “walked” by the lodging facility, advance notice will be provided to Northwest when possible, and pilots will be accommodated in a lodging facility which is of equal or better quality.
- A.6.h.** Lodging facilities will have a full service restaurant on or within one block of the hotel property. “Full service” shall mean a restaurant which is not a “fast food” restaurant, which offers a variety of meal options, and which is open for breakfast, lunch and dinner meals (but may be closed for up to **four** hours in mid-afternoons).

A.7. Location of Layover Hotel

Except with respect to hotels at Narita, Japan (NRT) and Amsterdam, Netherlands (AMS) (which are covered in [Section 5 A.7.e.](#) and [Section 5 A.7.f.](#) →), the following provisions will be used when determining hotel accommodations for pilots at layover stations:

A.7.a. **Domestic Layovers**

For purposes of this [Section 5 A.7.a.](#), “domestic layover” shall mean a layover in the 48 contiguous states of the United States and the District of Columbia. If a pilot is scheduled for a **domestic** layover →, hotels at or near the airport location will receive first consideration.

A.7.b. **Layovers at International Locations.**

For purposes of this [Section 5 A.7.b.](#), “international layover” shall mean a layover outside the 48 contiguous states of the United States and the District of Columbia.

A.7.b.(1) International Short Layovers

If a pilot is scheduled for an international layover period of less than 15 hours (release to report) at an international location, hotels at or near the airport location will receive first consideration.

A.7.b.(2) International Long Layovers**A.7.b.(2)(a)**

If a pilot is scheduled for an **international** layover period of 15 hours or greater (release to report), hotels in a downtown location will be selected, provided that, upon the request of either the Company or ALPA, consideration will be given to hotels in downtown-like locations. The parties will then promptly conduct a thorough joint market review of the options at both downtown-like and downtown locations. If the parties are thereafter unable to mutually agree upon a hotel selection, the matter shall be submitted to an expedited interest arbitration before an arbitration panel comprised of a neutral arbitrator to be jointly selected from the annual list of jointly approved arbitrators and one member selected by the Company and one member selected by ALPA. The arbitration panel shall determine, from the specific hotel options presented, which hotel is to be used to lodge pilots, provided that any hotel selected by the panel must meet the criteria set forth in [Section 5 A.](#) of the Agreement. This arbitration process shall not be used to select a hotel from two or more options consisting solely of hotels in downtown locations that meet the criteria set forth in [Section 5 A.](#) of the Agreement.

A.7.b.(2)(b)

The arbitration panel shall also interpret the Agreement to determine whether a suggested hotel(s) is in a downtown-like location. If more than one hotel in a downtown-like area is presented for consideration, the arbitration panel shall also determine which hotel is to be used if the panel decides that a downtown-like location is appropriate.

A.7.b.(2)(c)

Any agreement or expedited award concerning location of such hotel will remain valid for the life of the hotel contract, provided that if the hotel contract is longer than **two** years, such contract shall contain an escape clause exercisable at any time after **two** years. Such escape clause shall be invoked if, after a thorough market review, the parties agree to a new hotel, or an arbitration panel orders the usage of a new hotel (this subparagraph **A.7.b.(2)** shall be used to conduct the expedited interest arbitration).

A.7.b.(2)(d)

The term “downtown-like” shall mean easy access by foot to an area which has more than one choice for each of the following activities: dining (full service restaurant), recreation and shopping. On an exception basis, the Company and ALPA may agree to lodge pilots in a hotel that is neither in a downtown nor downtown-like location; such exception shall not be

admissible in evidence in any arbitration involving interpretation of the terms “downtown” or “downtown-like.”

- A.7.b.(3)** It is understood and agreed that a downtown or downtown-like location shall not be required at a location in the case of:
- A.7.b.(3)(a)** Infrequent scheduled operations;
 - A.7.b.(3)(b)** Scheduled operations of a short duration;
 - A.7.b.(3)(c)** Irregular operations, such as charter flights which do not repeat on a regular basis;
 - A.7.b.(3)(d)** Infrequent inability of the selected hotel to provide rooms.

In these circumstances the pilot shall be reimbursed by the Company for taxi expenses to and from downtown or other off-site locations in the area (receipt required with a pilot expense report submission). This reimbursement provision shall also apply in a situation where, due to a schedule change, a pilot who is entitled to a long-layover hotel location is lodged in a short-layover hotel location pending inspection and approval of a long-layover hotel location.

In the case of disagreement over the application of this subparagraph **A.7.b.(3)**, the Vice President of Flight Operations shall make the determination.

- A.7.c.** Factors to be used in selecting hotels under [Section 5 A.7.a.](#) and [Section 5 A.7.b.](#) → shall include such factors as length of duty period, required travel time, the desirability of the hotel/motel, the cost and availability of the accommodations **and ground transportation** and the comments and recommendations of the pilot hotel committee.
- A.7.d.** If a pilot is rescheduled from an **international** layover of less than 15 hours to an **international** layover of 15 hours or greater, the pilot may request a change from the contracted [Section 5 A.7.b.\(1\)](#) short layover hotel to the contracted [Section 5 A.7.b.\(2\)](#) long layover hotel at the layover city. If a pilot is rescheduled from an **international** layover of 15 hours or greater to an **international** layover of less than 15 hours, the pilot may request a change from the contracted [Section 5 A.7.b.\(2\)](#) long layover hotel to the contracted [Section 5 A.7.b.\(1\)](#) short layover hotel at the layover city. If rooms are available and the pilot’s request is made at least 48 hours in advance of the expected check-in time, the change in hotels shall be made. If rooms are available and the pilot’s request is made less than 48 hours in advance of the expected check-in time, the change in hotels shall be made unless substantial circumstances, such as a major weather event, should occur, in which case the Company will utilize its best efforts under the circumstances to comply with the request. In the event of a delay in arrival of a flight, the Company shall use its best efforts under the circumstances to comply with a pilot’s request

to change from the contracted [Section 5 A.7.b.\(2\)](#) long layover hotel to the contracted [Section 5 A.7.b.\(1\)](#) short layover hotel at the layover city.

A.7.e. Pilots with a layover period in NRT may be lodged at the Narita Radisson Hotel, provided that said hotel facility, or any successor at that location, shall at all times:

A.7.e.(1) meet or exceed the requirements of [Section 5 A.1.](#) and [Section 5 A.6.](#); and

A.7.e.(2) have a modern health club, including well-maintained exercise and weight training equipment and swimming pool available for use by crewmembers; renovation of facilities will be completed no later than the end of 2001; and

A.7.e.(3) provide free, scheduled bus service (with seating for at least 11 passengers) to downtown Narita, with a minimum of **three** daily departures from the hotel and a minimum of **three** daily departures from downtown Narita at mutually agreed upon times; and

A.7.e.(4) provide laundry services at the hotel, direct-billed to the Company (see [Section 5 B.8.](#) regarding laundry expenses to be reimbursed by the Company); and

A.7.e.(5) provide rental lockers at the current Narita flight kitchen location for use on a monthly basis, with the fee paid by payroll deduction. These lockers will be available for use by Company crewmembers (pilots and flight attendants) on a first come, first served basis, with a waiting list maintained, if necessary. This provision is not intended to require an increase in the number of lockers currently provided, which is 1,090 lockers; and

A.7.e.(6) have a full service restaurant on premises (see [Section 5 A.6.h.](#) → for definition); and

A.7.e.(7) diligently comply with the 30-minute room wait limit described in [Section 5 A.6.b.](#) with any deviations from this standard to be promptly investigated by the Company to determine the cause, and then promptly fixed.

A.7.f. Pilots with a layover period in AMS may be lodged primarily at the Golden Tulip Amsterdam North, provided that said hotel facility, or any successor at that location, shall at all times:

A.7.f.(1) meet or exceed the requirements of [Section 5 A.1.](#) and [Section 5 A.6.](#); and

A.7.f.(2) have a modern health club, including well-maintained exercise and weight training equipment available for use at no cost to pilots, and shall provide at least 20 well-maintained bicycles for use at no cost to pilots (which may also be used by other Company employees); and

- A.7.f.(3)** provide scheduled van service to and from downtown Amsterdam with such service scheduled to operate every 15 minutes from each location between the hours of 4 PM and 11 PM local time and on demand at all other times. At least **three** vans (seating at least **seven** passengers) shall be maintained by the hotel for the use of Northwest personnel for transportation to and from downtown Amsterdam; and
- A.7.f.(4)** provide Monday through Saturday laundry services at the hotel, direct-billed to the Company (see [Section 5 B.8.](#) regarding laundry expenses to be reimbursed by the Company); and
- A.7.f.(5)** provide rental lockers for pilot usage on a 3-months-at-a-time basis, with the fee paid to the hotel by the pilot; and
- A.7.f.(6)** have a full service restaurant on premises (see [Section 5 A.6.h.](#) → for definition); and
- A.7.f.(7)** diligently comply with the 30-minute room wait limit described in [Section 5 A.6.b.](#) with any deviations from this standard to be promptly investigated by the Company to determine the cause and then promptly fixed.
- A.7.f.(8)** Any other hotel(s) used for pilot layover lodging in AMS shall be in downtown Amsterdam and shall meet or exceed the requirements of [Section 5 A.1.](#) and [Section 5 A.6.](#)
- A.8.** Rest Facilities at En Route Stops Except in MSP, MEM, DTW and NRT
- A.8.a.** If a pilot crew is scheduled to remain at an en route stop for a period in excess of 4 hours and the en route stop commences between 0600 and 2059 (inclusive) local time, the pilot crew will be given a lounge room at a hotel/motel at or near the airport.
- A.8.b.** If a pilot crew is scheduled to remain at an en route stop for a period in excess of 4 hours and the en route stop commences between 2100 and 0559 (inclusive) local time, or the en route stop is used to extend a scheduled on-duty period under [Section 12 B.3.a.\(3\)](#), each pilot will be provided a single room at a hotel/motel at or near the airport.
- A.8.c.** Rooms otherwise required by [Section 5 A.8.a.](#) and [Section 5 A.8.b.](#) → shall not be required at MSP, MEM, DTW and NRT, provided: (i) the airport remains a Northwest hub; and (ii) a comfortable, adequate and reasonably accessible crew lounge is available at that location.
- B.** Meals
- B.1.** When pilots are on duty away from their base they shall be allowed expenses for meals at the rate of \$1.85 per hour (prorated) when engaged in domestic flying, and \$2.05 per hour (prorated) when engaged in international flying.

- NOTE: A pilot whose entire scheduled training period is canceled and who is required to be available away from his permanent residence under [Section 11 D.3.a.](#) shall be allowed expenses for meals at the rate specified above for such days of required availability.
- B.2. Duty away from base shall commence at the local standard time of block departure from the base and end at the local standard time of block arrival at the base.
- B.3. No expense shall be allowed when the duty away from base is less than 3 hours or where the pilot does not receive credit time.
- B.4. Inflight Meals
- B.4.a. Meals appropriate to the time of day will be boarded for pilots **engaged in transpacific and transatlantic flying** whenever they are scheduled for a period of duty over 6:15 without a scheduled intervening en route stop of at least 1:15. Such meals will be boarded during the first 6:15 of this period of duty. A second meal appropriate to the time of day will be boarded for the pilots if they are scheduled for a period of duty over 13 hours without a scheduled intervening en route stop of at least 1:15. **For purposes of this subparagraph B.4.a.: (i) “transpacific flying” includes flights between the U.S. and Asia, the U.S. Mainland and Hawaii, the U.S. Mainland and Alaska, and Asian interport flights (including flights to and from Guam and Saipan); and (ii) “transatlantic flying” includes flights between the U.S. and Europe, but excludes flights between the U.S. and destinations in Mexico, the Caribbean region and Bermuda.**
- B.4.b. Consideration will be given to time of day and facilities at each individual station, and, if in the Company’s judgment, there is no adequate eating facility available for a meal prior to reporting for duty or during an en route stop, a meal will be boarded at the first opportunity after start of the duty period.
- B.4.c. The Company shall, **for pilots engaged in either domestic or international flying**, use its best efforts to provide crew meals on the first flight of a duty period that commences at a layover station which (i) is scheduled to begin at or before 7 AM (local time), or (ii) is scheduled to begin after 7 AM but prior to 8 AM (local time) if the rest period preceding the duty period was scheduled **as a minimum rest period as described in [Section 12 B.3.c.\(2\)](#) and [Section 12 C.2.c.](#)** **In addition, the Company shall provide crew meals for (i) all flights departing from a west coast layover station (defined for this purpose as locations in the Pacific time zone, including Arizona) that are scheduled to depart after 10 PM local time and prior to 8 AM local time that have a scheduled block time of greater than two hours, and (ii) all augmented flights on narrowbody aircraft.** The Company’s best efforts shall include an attempt to purchase and schedule crew meals that require catering from another station (in some cases, on the previous day), but it is understood that crew meals provided for pursuant to

this subparagraph B.4.c. will not be ordered if the ordering of such crew meals will create a flight delay.

- B.4.d. Meals boarded for pilots shall be those provided to “first class” passengers. except that when “first class” meals are not available other meals offered to passengers will be deemed sufficient. When “first class” (FC) meals are provided to pilots on transpacific and transatlantic flights, lunch and dinner meals shall consist of a FC entree, FC appetizer salad, FC dessert (not a show piece or bulk packed dessert) and roll and butter. On all other flights when FC meals are provided to pilots, they shall consist of a FC meal appropriate to the time of day. In the event there is no first class section on the aircraft, meals equivalent to meals provided to first class or World Business Class passengers will be provided to the pilots.
- B.4.e. With respect to breakfast meals, the Company shall provide a “lighter fare” breakfast option which shall, as a minimum, consist of:
- B.4.e.(1) yogurt;
 - B.4.e.(2) bread with spread (e.g. bagel with cream cheese or muffin with butter);
 - B.4.e.(3) cereal and reduced fat milk;
 - B.4.e.(4) fruit (such as whole orange or banana) or fruit plate.
- B.5. In the event trip pairings in a scheduled duty period are such that a pilot is scheduled to return to base after original departure and to depart such base within the same duty period, the expense allowance will continue during the layover at such base.
- B.6. Pilots assigned to training or proficiency checks or assigned to temporary assignment at an international location which is away from both their base and residence will receive a meal expense allowance on the basis of duty away from base at the international rate. Pilots assigned to training or proficiency checks, or assigned to temporary assignment at a domestic location which is away from both their base and residence will receive a meal expense allowance on the basis of duty away from base at the domestic rate. Pilots traveling to and from training or proficiency checks or assigned to a temporary assignment away from their base will have such meal expense allowance computed from their home or from their base, whichever is less. (See also [Section 11 G.2.](#))
- B.7. Pilots assigned as instructor pilots at an international location which is away from both their base and their permanent residence will receive a meal expense allowance on the basis of duty away from base at the international rate. Pilots assigned as instructor pilots at a domestic location which is both away from their base and their permanent residence will receive a meal expense allowance on the basis of duty away from their base at the domestic rate.
- B.8. The above meal allowances are intended to reimburse pilots for all expenses at such station except as provided in [Section 5 B.9.](#) →.
- B.9. Laundry Expenses. Laundry expenses for pilots will be reimbursed as follows:

- B.9.a. Laundry Expenses - Domestic Pilots: Pilots engaged in domestic flying are not entitled to laundry expense reimbursement except as provided in [Section 5 B.9.f.](#) →.
- B.9.b. Laundry Expenses - International Pilots: Pilots engaged in international flying and away from base, shall be reimbursed for laundry expenses for clothing soiled during a trip hour period of more than 4 calendar days, and shall be reimbursed as follows:
- B.9.b.(1) Calendar days 1–4 of the trip hour period: No reimbursement with the exception of accidental soiling or damage (See [Section 5 B.9.f.](#) →);
- B.9.b.(2) Calendar day 5 of the trip hour period: **one** set of undergarments and **two** outer garments;
- B.9.b.(3) Calendar day 6 and beyond of the trip hour period: **one** additional set of undergarments for each calendar day beyond calendar day 5 of the trip hour period, and **two** additional outer garments for each calendar day beyond calendar day 5 of the trip hour period.

NOTE: After completion of the 4th calendar day, the Company will reimburse the pilot for laundering of uniform shirts up to the number of duty periods remaining in the trip hour period.

- B.9.c. Covered Clothing Items. Items laundered at Company expense may be personal clothing or items of uniform clothing, but the items must be clothing items such as pants, skirts, shirts (including items such as sweatshirts, blouses, and sweaters not requiring dry cleaning) and undergarments. Expenses for the laundry of ancillary items (such as athletic shoes) and non-clothing items (such as draperies and blankets) are not subject to reimbursement.
- B.9.d. Calculation of trip hour period days. The entitlement for the 5th calendar day of the trip hour period begins when the pilot has been on duty in excess of 4 calendar days. Back-to-back trip hour periods that provide the pilot with less than 30 hours in base between the two trip hour periods shall be deemed to be one trip hour period for purposes of this [Section 5 B.9.](#) and such time in base shall not restart the count of trip hour period days toward the laundry expense reimbursement entitlement.
- B.9.e. Submission of Laundry Expenses. Except for laundry washed in AMS or NRT (see below) requests for laundry expense reimbursement shall be made on a Company Business Expense form and shall not be direct billed to the Company via a hotel room bill or other method. Direct billing through the hotel will be available at the NRT Radisson and AMS Golden Tulip hotels. The Company reserves the right to modify the direct billing procedures at these hotels in the event of tax law changes or other significant problems with the administration of the program. The Company shall provide ALPA with 30 days notice before modifying the above NRT or AMS procedures. Laundry direct billed will be

audited to determine pilot eligibility pursuant to this [Section 5 B.9](#). If it is determined that a pilot was not eligible, the Company may recoup any such ineligible amount via payroll deduction. All items laundered at the NRT hotel must be picked up within 120 days or they will be discarded. After 60 days, but before the expiration of 90 days after the laundry is due for pick up, pilots will receive a PENTRY e-mail reminding them to claim their laundry.

- B.9.f. Uniform Cleaning and Mending due to Accidental Soiling or Damage - All Pilots. In case of accidental or incidental soiling or damage to an item of any pilot's uniform clothing (coat, pants, shirt, tie or overcoat) during a trip hour period, consideration will be given to reimbursement for laundering or mending of such uniform part. Accidental or incidental damage or soiling events during any day of a trip hour period include, but are not limited to, spills, ripped fabric, livestock or other odor. Laundry, dry cleaning or mending in such events may include rush service surcharges and reimbursement will be accomplished by a Company Business Expense form submitted by the pilot within 60 days, except at the NRT Radisson or the AMS Golden Tulip, where direct billing procedures will be followed.
- C. Transportation.
- C.1. The Company shall provide safe and suitable transportation for pilots between the airport and their place of lodging whenever lodging is required under [Section 5 A.1](#). or [Section 5 A.8](#). →. In all future contracts for such ground transportation, the Company will include the following provisions:
- C.1.a. working seats belts are to be provided for each passenger in vehicles with passenger seating capacity of **nine** or less; and
- C.1.b. no smoking in the vehicle when pilots are being transported; and
- C.1.c. vehicles are to be equipped with a working heater and air conditioner.
- C.2. Where a trip hour period originates at one airport at his base and the last flight of such period terminates at another airport at his base, the pilot shall be provided transportation, which may be via public common carrier, directly back to the airport at which his trip hour period originated.
- C.3. When transportation is not provided by the Company as above set forth or where transportation is not provided at layover stations within 15 minutes after the release time of the operating crew, pilots shall be allowed actual expenses incurred for transportation between the airport and their place of lodging.
- C.4. The Company shall provide safe and suitable transportation for pilots when travel from one on-airport location to another on-airport location is necessary for purposes of flight operation or return at the conclusion of a flight.

- C.5. Temporary pilots and call-out pilots shall be provided, at no cost to the pilot, with Y1/F6 passes (on flights designated by the Company) to travel to/from an on-line station convenient to his residence or his permanent position base from/to his temporary position base or his call-out base, provided such temporary position base or call-out base is not the same as his permanent position base, and provided further that, a pilot shall be provided a Y1/F2 pass on international flights scheduled for over 6 hours (including pilots on “one-stop through flights,” even if one segment thereof is between domestic stations or is domestic flying). A pilot will be allowed to change his originally designated flight to another flight, provided that there is space available on the other flight at the time of booking. For purposes of this subparagraph C.5., in addition to designating on-line flights, the Company may designate flights on aircraft operated by Northwest Airlinck carriers, provided that the Company has purchased all of the inventory of passenger seats on such Airlinck carrier flight operated on behalf of Northwest.
- C.6. The Company shall provide safe and suitable ground transportation between the training facility and the hotel at which any pilot in training is provided lodging by the Company while the pilot is in training. Such transportation shall be provided during, and for at least ½ hour before and after, any training session attended by any such pilot. At MSP, ground transportation service to and from hotels primarily lodging pilots in training shall be provided in no greater than 20-minute intervals.
- C.7. A pilot who is changing bases (on a permanent or temporary basis) and who must travel from an assignment from the first base to an assignment in the second base without an opportunity to first return to his residence for adequate rest (both required and reasonable) shall be provided by the Company, at no cost to the pilot, with Y1/F6 passes (on flights designated by the Company) to travel on-line from his first base to his second base.

D. General

Pilots who are away from their base on a temporary position assignment, call-out/down assignment, or training assignment shall not be required by the Company to return to their base on days off. If the pilot elects to remain at the assignment location while on days off, he shall be provided lodging, as specified in [Section 5 A. →](#), during the period of days off. However, said pilot shall receive meal expenses, as specified in [Section 5 B. →](#), as if he had returned to his base; except that, if the Company does not provide timely transportation, the pilot shall receive the meal expense specified in [Section 5 B. →](#) while on days off.

SECTION 6
MOVING AND/OR TRANSFER EXPENSES

- A. A pilot who actually moves his household goods and personal effects to, and establishes his residence at, a point that is: (i) at least 45 miles closer to the base at which his new permanent position is located; and (ii) within 300 miles of the base at which his new permanent position is located, shall be entitled to move at Company expense under any one or combination of the following circumstances:
- A.1. Move to a new base as defined in [Section 24 A.4](#).
- A.2. Move of a displaced pilot. This entitlement will apply (i) to an involuntarily displaced pilot who is a successful bidder for a vacant position, (ii) an involuntarily displaced pilot who is exercising his displacement right, and (iii) a voluntarily displaced pilot.
- A.3. Move of a pilot who is a successful bidder for a vacancy, including a pilot recalled from layoff, provided:
- A.3.a.** The pilot currently resides more than 300 miles from the base of his new permanent position; or
- A.3.b.** The pilot currently resides 150 to 300 miles from the base of his new permanent position and moves to within 150 miles of that base.
- A.4. Move of a pilot returning from a military leave or medical leave pursuant to the provisions of [Section 13 D.6](#) to the extent provided therein.
- A.5. Move resulting from the insufficient bidder provisions of [Section 24 E.14](#).
- A.6. Move resulting from the closing of a base.
- A.7. Move of a new hire pilot who, upon completion of his initial training, is assigned or awarded a permanent position in the ANC or HNL base, provided that the pilot actually moves to the location (“location” means Alaska or Hawaii) of his permanent position.
- A.8. Move of a pilot at a foreign base exercising his seniority rights for a permanent position pursuant to [Section 24 H.2](#).
- NOTE: As used in this Paragraph A.: “Miles” shall mean statute miles; “Base” shall mean the center of the pilot’s base airport; distance shall be measured in a straight line.
- B. All other moves will be at the pilot’s expense, except that the Company shall furnish space available first class no-cost accommodation transportation for such pilots and their families.
- C. Pilots, when entitled to move at Company expense pursuant to [Section 6 A](#). above, will be allowed the following:

C.1. Transportation

C.1.a. Such pilot will be allowed space available first class (F2 Company business priority, after all other F2 pass travel for Company business, subject to Company policy regarding minimum age for first class seating) no-cost accommodation air transportation (when air transportation is not available, rail transportation will be allowed) or automobile transportation for himself and the dependent members of his immediate family.

C.1.b. When automobile transportation is used, the Company shall pay mileage at the rate of 22¢ per mile for the first car and 22¢ per mile for the second car, if owned by the pilot at the time of transfer, or 6¢ with trailer in lieu of the second car, for the most direct usable mileage, as shown by the Rand McNally Road Atlas, from the point of the former residence to the point of the new residence. No other automobile expense will be allowed.

NOTE: Pilots shipping automobiles to/from HNL or ANC shall be reimbursed for automobile mileage only to/from the west coast port where the automobiles are boarded on ship. (See [Section 6 F.](#) regarding shipment of automobiles and other vehicles to/from HNL or ANC.)

C.2. Household Goods and Personal Effects

C.2.a. Such pilots will be allowed moving expenses for household goods and personal effects as set forth herein when the arrangements to handle the moving have been made by the Company or have had the prior approval of authorized Company supervisors.

C.2.b. Such moving expenses shall include amounts paid or payable to moving or transportation companies or others for normal packing, small truck or dolly transfer (e.g., from house to moving van), insurance afforded under bill of lading, shipping, en route storage for a maximum of 60 days, cartage and unpacking, including such charges from old to new residence.

C.2.c. The Company shall pay the moving expenses for a maximum of 20,000 pounds. All charges for weight in excess of this amount shall be paid by the pilot.

C.2.d. The Company shall not be liable to the employee for any damage to such household goods and personal effects incurred during any move.

C.3. Travel and Relocation Expenses

C.3.a. When such transfers are made by plane, water, rail or automobile, the Company will allow the pilots and the dependent members of their immediate families while en route and for a period not to exceed 10 days at either the pilot's new or old base, or a combination thereof, at the pilot's option, their actual expenses for reasonable lodging and actual expenses for reasonable meals not to exceed the rate set forth in [Section 5 B.1.](#) When transfer is made by automobile, pilots shall

be allowed and shall receive pay time and credit time at the daily rate of 2:40 for a maximum of one day's travel time for each 400 miles or fraction thereof in excess of 75 miles, determined as outlined in [Section 6 C.1.b.](#) above.

NOTE: When determining expenses for reasonable meals in [Section 6 C.3.a.](#) above, the maximum expense allowed for children 4 years and younger is 25% of the maximum rate provided in [Section 5 B.1.](#), the maximum expense allowed for children 5–12 years of age is 50% of the maximum rate provided for in [Section 5 B.1.](#) and the maximum expense provided for children 13 years and older is the maximum rate allowed in [Section 5 B.1.](#)

- C.3.b.** To prepare for departure from his old base or upon arrival at his new base, or within 60 days after the date of transfer, a pilot may request and shall then receive a period of 7 consecutive days free from duty without pay time or credit time in order to facilitate the transfer and settlement of his family. The timing of the 7 days shall be determined by mutual agreement between the pilot and the Company.
- C.3.c.** Pilots who are entitled to a paid move to Alaska or Hawaii and who are establishing their primary residence in Alaska or Hawaii shall be provided reasonable meal and lodging expenses for the period during which the pilot is awaiting delivery of household goods from the mainland and may not extend beyond the date of the move into the new, permanent quarters at the new base. Under normal circumstances these expenses will not be allowed for more than 30 days at Honolulu and 21 days at Anchorage. These may be extended, if, through no fault of the pilot's, the household goods are not made available within the normal time limits. In this event the expenses will cease upon the time the mover is prepared to effectuate delivery of the household goods. The hotel reimbursement rates will not exceed \$50 in Alaska and \$80 in Hawaii.
- C.4.** All expenses except for meals and automobile mileage allowances must be supported by receipts and all expenses must be submitted within 30 days after arrival at his new residence or within 30 days after the pilot receives a billing for such expense, whichever is later.
- C.5.** A pilot who is laid off at a base outside the 48 contiguous United States shall be allowed moving expenses (except for the pay time and credit time benefits provided under [Section 6 C.3.a.](#) above) during the 12 months following his layoff not to exceed the value of moving expenses from his residence to the base (as defined in [Section 6 A.](#) above) of his last permanent position within the 48 contiguous United States. The geographic and distance limitations set forth in [Section 6 A.](#) above shall not be applicable; however, the pilot must move at least 45 miles from his former residence.
- D.** A pilot's entitlement to moving and/or transfer expenses shall expire 12 months following the effective date of his award to the permanent position giving rise to such entitlement, except that the expiration date of such entitlement may be extended with the approval of the Managing Director of Flight Administration. A pilot's entitlement to

moving and/or transfer expenses attendant to any prior award will expire immediately upon the date of his award of a new permanent position, provided that such award also entitles the pilot to moving and/or transfer expenses.

- E. A pilot whose application for a Disability Retirement has been approved by the Retirement Board will be entitled to paid move benefits under [Section 6 C.](#) above (except for the pay time and credit time benefits under [Section 6 C.3.a.](#) above) provided:
- E.1. He held a permanent position at either the HNL or ANC base at the time of such approval; and
- E.2. He had received a paid move to, and had actually moved to, either the HNL or ANC base in connection with his permanent position at such base; and
- E.3. He has, or is projected to have as of his Disability Retirement Date, less than 15 years of Benefit Accrual Service (see the Retirement Pension Plan for Pilot Employees for definition of these terms); and
- E.4. He actually moves his residence back to any of the contiguous 48 states of the United States within a period commencing with the date of approval of the Disability Retirement by the Retirement Board and ending with a date 6 months after his Disability Retirement Date, or 6 months after approval of his Disability Retirement by the Retirement Board, whichever is later.
- F. **Special Moving Benefits for Pilots Moving To/From Hawaii or Alaska**

In addition to the benefits provided in [Section 6 A.](#) through [Section 6 E.](#) above, pilots who are entitled to a paid move to/from Alaska or Hawaii and who are establishing or had, established their primary residence in Alaska or Hawaii, shall be provided a credit of up to \$2,600 toward the shipment of any vehicle(s) of their choice (including recreational boats/vehicles which can be trailered behind a normal non-commercial vehicle). This allowance is based on the quoted cost of the shipment of two vans, pickups, trucks, or mini-vans by “TN’T, Inc.,” as set forth in its March 5, 1991, letter to the Company and is subject to the condition therein set forth. It is understood that as “TN’T” may raise its rate for vans, pick-up trucks, and mini-vans, the dollar allowance noted above will be adjusted correspondingly.

SECTION 7 VACATION

A. Vacation Accrual

Pilots shall accrue vacation credit on the basis of each “month of service as a pilot” in the employ of the Company. (Note: See subparagraph C.1. of [Letter of Agreement 2002-01](#) for definition of “month of service as a pilot.”) Vacation credit shall accrue during leaves of absence granted due to injury sustained while on duty. In all cases, accrual of vacation credit shall terminate with the last day of service as a pilot with the Company. Such vacation credit, depending on years of service with the Company, shall be as follows:

- A.1. Pilots who have not completed **6** years of service with the Company shall accrue vacation credit at the rate of **1-1/6** days (**3:15**) for each month of service as a pilot.
- A.2. Pilots who have completed **6** years of service but have not completed 13 years of service with the Company shall accrue vacation credit at the rate of **1-2/3** days (**4:40**) for each month of service as a pilot.
- A.3. Pilots who have completed 13 years of service but have not completed **21** years of service with the Company shall accrue vacation credit at the rate of **2-1/4** days (**6:18**) for each month of service as a pilot.
- A.4. Pilots who have completed **21** years of service but have not completed **29** years of service with the Company shall accrue vacation credit at the rate of **2-3/4** days (**7:42**) for each month of service as a pilot.
- A.5. Pilots who have completed **29 or more** → years of service with the Company shall accrue vacation credit at the rate of **3-1/3** days (**9:20**) for each month of service as a pilot.
- A.6. In addition to the applicable vacation accrual as set forth in [Section 7 A.1.](#) through [Section 7 A.5.](#) →, a pilot shall accrue 1-1/6 days (**3:15**) of vacation for each full month such pilot is based at a base station outside the United States, provided that such accrual shall not increase the total monthly accrual above 2-1/2 days (**7:00**) per month.

NOTE: For purposes of this [Section 7 A.](#), a “year of service with the Company” shall mean a total of 12 completed “months of service as a pilot” as defined in subparagraph C.1. of [Letter of Agreement 2002-01](#) (i.e. a pilot must have been “on payroll” as defined in such subparagraph C.1. of [Letter of Agreement 2002-01](#) on 12 SIV Date Marker dates, or Adjusted SIV Date Marker dates, as applicable).

B. Use of Vacation Accruals

- B.1. During each vacation year (January through December flying months), each pilot shall, through the annual vacation bid process set forth in [Section 7 C.2.](#) →, take a vacation equal to **90%** of the number of days accrued to his vacation account at the

end of the previous vacation year and 100% of monthly vacation carried forward from the prior year, except that during the vacation year in which his normal retirement date will occur, a pilot must take, prior to such date, vacation at least equal to **90%** of his vacation credit to be accrued in such year. (See [Section 7 B.4.](#) → for the actual calculation of such days and the Table in [Section 7 B.3.](#) → for a summary of such calculation.)

B.2. During each vacation year, each pilot may be required, through the monthly vacation bid process set forth in [Section 7 C.3.](#) →, to take a vacation of up to 10% of the number of days accrued to his vacation account at the end of the previous vacation year. (See [Section 7 B.4.](#) → for the actual calculation of such days and the Table in [Section 7 B.3.](#) → for a summary of such calculation.)

B.3. Annual/Monthly Vacation Allocation Table

<u>Total Days</u>	<u>Annual Days</u>	<u>Monthly Days</u>	<u>Total Days</u>	<u>Annual Days</u>	<u>Monthly Days</u>
1	1	0	22	20	2
2	2	0	23	21	2
3	3	0	24	22	2
4	4	0	25	23	2
5	5	0	26	24	2
6	6	0	27	25	2
7	7	0	28	26	2
8	8	0	29	27	2
9	9	0	30	27	3
10	9	1	31	28	3
11	10	1	32	29	3
12	11	1	33	30	3
13	12	1	34	31	3
14	13	1	35	32	3
15	14	1	36	33	3
16	15	1	37	34	3
17	16	1	38	35	3
18	17	1	39	36	3
19	18	1	40	36	4
20	18	2	→		
21	19	2			

NOTE: See [Section 7 B.4.](#) → for the actual calculation of vacation days to be taken. The table above represents the calculation when the total vacation accrual is a whole number. If the total vacation accrual is not a whole number, then see the examples in [Section 7 B.4.](#) →.

B.4. When calculating the number of days to be taken in the annual vacation bid process (total vacation accrual X **0.90**), any fraction of a day is rounded up to the next whole number. Such whole number shall be subtracted from the pilot's total vacation

accrual to determine the number of days available to be taken in the monthly bid award process. When calculating the number of days to be taken in the monthly bid process, any fraction of a day of **0.5** or more is rounded up to the next whole number, and any fraction of a day of less than **0.5** is rounded down to the next whole number. Any remaining fraction of a day, whether positive or negative, as applicable, will be reflected in the pilot's vacation accrual and shall be carried forward to the next year. Monthly vacation carried forward from the prior year shall be converted to annual vacation and added to the annual vacation days calculated above.

EXAMPLE 1 – 30.14 days total accrual

$30.14 \times 0.90 = 27.126$ days rounded to next higher whole number = **28** days annual vacation

$30.14 - 28 = 2.14$ days rounded to nearest whole number = **2** days monthly vacation

$30.14 - 28 - 2 = 0.14$ days vacation carried forward to the following year

EXAMPLE 2 – 29.5 days total accrual

$29.5 \times 0.90 = 26.55$ days rounded to next higher whole number = **27** days annual vacation

$29.5 - 27 = 2.5$ days rounded to nearest whole number = **3** days monthly vacation

$29.5 - 27 - 3 = -0.5$ days vacation carried forward to the following year

B.5. Vacation Weeks

Each flying month shall consist of **four** Vacation Weeks that are defined as follows:

- B.5.a.** Vacation Week 1: commences on the 1st day of the flying month and consists of 7 consecutive days, concluding on the 7th day of the flying month.
- B.5.b.** Vacation Week 2: commences on the 8th day of the flying month and consists of 7 consecutive days, concluding on the 14th day of the flying month.
- B.5.c.** Vacation Week 3: commences on the 15th day of the flying month and consists of 7 consecutive days, concluding on the 21st day of the flying month.
- B.5.d.** Vacation Week 4: commences on the last day of the flying month and consists of the last 7 days of the flying month.

B.6. Annual Vacation Allocation

- B.6.a.** The total amount of annual vacation to be allocated per position for the annual vacation award process shall be at least **90%** of the total amount of accrued pilot vacation credit. This calculation shall be based on permanent position awards for February of the vacation year that are made in October of the current year.

B.6.a.(1) Exclusion for Retiring Pilots

The total annual vacation allocation in [Section 7 B.6.a.](#) → may be reduced by an amount equal to the unbid portion of the vacation accruals that are not required to be bid by pilots who are retiring, as described in [Section 7 B.1.](#),

during the year for which vacation weeks are being bid in the following manner:

- B.6.a.(1)(a)** Round 1: The total amount of vacation accrual that is not required to be bid, as described in [Section 7 B.1.](#), may be excluded from the Round 1 vacation allocations.
- B.6.a.(1)(b)** Round 2: The amount of the vacation accrual of pilots scheduled to retire in the vacation year being bid that is actually bid by individual pilots during Round 1 of vacation bidding in excess of the amount required to be bid in [Section 7 B.1.](#) shall be totaled following the completion of Round 1. An amount equal to this total shall be shifted from the amount excluded in [Section 7 B.6.a.\(1\)\(a\)](#) → to the allocation available to be bid in Round 2 of vacation bidding.
- B.6.a.(1)(c)** Round 3: The amount of the vacation accrual of pilots scheduled to retire in the vacation year being bid that is actually bid by individual pilots during Round 2 of vacation bidding in excess of the amount required to be bid in [Section 7 B.1.](#) shall be totaled following the completion of Round 2. An amount equal to this total shall be shifted from the amount excluded in [Section 7 B.6.a.\(1\)\(a\)](#) → to the allocation available to be bid in Round 3 of vacation bidding.
- B.6.a.(2)** Exclusion for Pilots on Extended Illness or Injury
- The total annual vacation allocation as calculated in [Section 7 B.6.a.](#) → may be reduced by excluding a portion of the vacation accruals for pilots who at the time of preparation of the vacation bid list are on an Extended Illness or Injury, as defined in [Section 2 Y.](#), as follows:
- B.6.a.(2)(a)** Round 1: The total of accrued vacation may be reduced by an amount not to exceed 75% of the accruals of pilots on an Extended Illness or Injury.
- B.6.a.(2)(b)** Round 2: The total of accrued vacation may be reduced by an amount not to exceed 75% of the accruals of pilots on an Extended Illness or Injury that did not actually bid for vacation in Round 1 of vacation bidding.
- B.6.a.(2)(c)** Round 3: No reductions for pilots on an Extended Illness or Injury may be made for Round 3 of annual vacation bidding process.
- B.6.b.** In allocating vacation for the annual vacation award process, the Company must allocate a minimum of 4% of accrued vacation per position in each month.
- B.6.c.** Vacation allocations for a position in a month shall be placed in the Vacation Weeks specified in [Section 7 B.5.](#) above. When the weekly allocations assigned do not utilize all Vacation Weeks in a month, the weeks that are given allocations will be consecutive.

B.6.d. Once vacation bidding has commenced the Company shall not reduce Vacation Week allocations in any position.

C. Vacation Bidding Procedures

C.1. General

C.1.a. The vacation allocations for a month, as well as for specific Vacation Weeks, will be adjusted by reducing them by an amount equal to the number of days awarded in each pilot's bid up to the maximum number of days in that Vacation Week as specified in [Section 7 B.5.](#) →. Vacation bids that request a number of days greater than the maximum number in that Vacation Week shall be awarded by reducing the allocation in the subsequent Vacation Week(s) by an amount equal to the additional days bid to the extent allowed by [Section 7 C.2.c.\(4\)](#) → for annual vacation and [Section 7 C.3.h.](#) → for monthly vacation. For Vacation Weeks 1-3, vacation days bid in excess of the maximum vacation days in the Vacation Week shall be subtracted from the allocation for a Vacation Week adjoining and later in the same month. For Vacation Week 4, vacation days bid in excess of the maximum vacation days in the Vacation Week shall be subtracted from the allocation for a Vacation Week adjoining and earlier in the same month.

C.1.b. The maximum number of vacation days a pilot may bid in a month shall be **30** days.

C.1.c. A pilot who has less than 7 days of annual vacation following the division of his total vacation accrual into annual and monthly vacation days as specified in [Section 7 B.1.](#) →, shall be allowed to bid under the provisions of [Section 7 C.2.](#) → and be awarded one annual vacation period equal to the total number of annual days resulting. The monthly vacation days resulting from this division shall be bid and awarded under the provisions of [Section 7 C.3.](#) →.

C.2. Annual Vacation Bidding

C.2.a. Posting of Vacation Periods

C.2.a.(1) No later than 0900 MSP local time on October 22 of each year, the Company will post at each pilot base and make available via Company computer terminals and remote access the planned annual vacation periods, by positions, for the following vacation year (based on permanent position awards for February made earlier in October).

C.2.a.(2) No later than September 15 of each year, the Company shall publish and distribute to the pilots an annual vacation bidding document outlining the procedures and bid entry syntax to be used during vacation bidding.

C.2.b. Annual vacation days accrued by a pilot shall be bid by requesting the number of days within the 4 vacation weeks specified in [Section 7 B.5.](#) → in any month from the accruals described in [Section 7 B.1.](#) →.

C.2.c. Annual Vacation Bidding Process**C.2.c.(1)** Round 1 – 5 Minute Window

C.2.c.(1)(a) No later than 0900 MSP local time on October 29 of each year, the Company shall post at each pilot base and make available via Company computer terminals, remote access and voice response system, an annual vacation bid deadline by position, based on February permanent position awards made in October. Such posting shall include each pilot's total vacation accruals for the year and the vacation accruals to be used in the annual vacation process, and the date and time in seniority order of the 5 minute time slot in which a pilot must make his bid. Round 1 shall commence no earlier than 72 hours after such posting. The commencement date and time will not thereafter change unless at least 120 hours notification is given.

C.2.c.(1)(b) Each pilot will, in seniority order within position, be assigned a 5 minute time slot on a specific date during which he must make his bid of one continuous period of at least 7 days. A pilot who is not physically present at the time of bidding may indicate his preference in writing, by telephone or (at the Company's discretion) by electronic device.

C.2.c.(2) Round 2 – 5 Minute Window

C.2.c.(2)(a) Each pilot who was not awarded his entire annual vacation for the ensuing vacation year in Round 1 shall participate in Round 2. Round 2 shall commence no earlier than 96 hours after the posting of the results of Round 1. The commencement date and time will not thereafter change unless at least 120 hours notification is given.

C.2.c.(2)(b) Each pilot will, in seniority order within position, be assigned a 5 minute time slot on a specific date during which he must make his bid of one continuous period of at least 7 days. A pilot who is not physically present at the time of bidding may indicate his preference in writing, by telephone or (at the Company's discretion) by electronic device.

C.2.c.(3) Round 3 – Batch Bid

C.2.c.(3)(a) Each pilot who was not awarded his entire annual vacation for the ensuing vacation year in Rounds 1 or 2 shall participate in Round 3 of vacation bidding. Round 3 shall commence no earlier than 48 hours after the posting of the results of Round 2. Each pilot participating in Round 3 shall submit his bid via Company computer, remote access or voice response system. Such bid shall include the pilot's desired vacation period(s) of at least 7 consecutive days each. Awards shall be made in seniority order within position of those pilots submitting bids.

- C.2.c.(3)(b)** If a pilot with annual vacation accruals fails to bid or fails to submit sufficient choices, he will be assigned his remaining unbid annual vacation in Round 3. Such assignment(s) shall be in accordance with seniority within position after awards have been made to pilots submitting bids. Such assignments of vacation period(s) shall be at the discretion of the Company.
- C.2.c.(4)** Closing of Annual Vacation Weeks
- C.2.c.(4)(a)** Closed Weeks: For annual vacation bidding a vacation week shall be considered closed if less than 7 days remain to be bid in that week. However, for vacation weeks 1, 2 and 3, a vacation bid of 8-10 days shall be awarded, even if the subsequent week is closed, by first decrementing 7 days from the open week and the remaining 1-3 days from the subsequent closed week until the closed week reaches an allocation value of -3 days. A bid for week 4 vacation of greater than 7 days with a closed week 3 shall first decrement the remaining allocation of week 4 by up to 3 additional days before utilizing any remaining days in week 3 until week 3 reaches an allocation value of -3 days.
- C.2.c.(4)(b)** Open Week: For annual vacation bidding a vacation week shall be considered open if at least 7 days or more remain to be bid in that week.
- C.2.c.(4)(c)** Annual Vacation Bids of Greater Than a Vacation Week: For annual vacation bidding, pilots shall be allowed to bid and be awarded a vacation in an open week that exceeds the number of days in that vacation week as specified in Section 7.B.5., up to 10 days, provided the bid would not take the allocation in the appropriate adjoining week as described in Section 7 C.2.(4)(a) above to -4 days or greater negative.
- C.2.c.(4)(d)** A vacation bid in any open week of 10 days or less shall be awarded even if the following vacation week (for vacation weeks 1, 2 and 3) or preceding vacation week (for vacation week 4) has already reached an allocation value of -3 days.
- C.2.c.(4)(e)** If all vacation weeks in a month are closed (allocation above zero but less than 7 days), but enough days remain in the sum of the closed vacation weeks in that month to form a vacation of 7 days or greater, then such days may be combined to form a week or more of vacation to be taken in the vacation week that closed last in that month.
- C.2.c.(5)** The Company shall post, on a real time basis during annual vacation bidding, the actual allocations remaining in each vacation week. Such allocations shall be posted for all weeks, including "open" and "closed" weeks and any negative allocation values of up to -3 days. The Company shall also post the last vacation week to close in each month for the purposes of [Section 7 C.2.c.\(4\)\(e\)](#) →.

C.2.d. Annual Vacation Bidding Rules

- C.2.d.(1)** C.2.d.(1) A vacation bid requesting 1-10 days in one open week shall be awarded.
- C.2.d.(2)** C.2.d.(2) A vacation bid requesting 11-17 days in two consecutive open weeks will be awarded.
- C.2.d.(3)** A vacation bid requesting 18-~~24~~ days in three consecutive open weeks shall be awarded.
- C.2.d.(4)** **A vacation bid requesting 25-30 days in four consecutive open weeks shall be awarded.**
- C.2.d.(5)** Any vacation bid of less than **30** days requires a remainder of at least 7 days to be bid in a subsequent round, except a pilot with 11 to 13 days of accrued annual vacation or remaining annual vacation accrual to be bid shall have the option of splitting such vacation into 2 blocks provided that the first block bid shall be 7 days.
- C.2.d.(6)** Pilots with an accrual of greater than **30** days shall be allowed to bid the entire accrual in a single round provided that they bid **30** days of vacation in week 4 of the 1st month and the remainder of his accrual in week 1 of the following month. Note: This subparagraph **C.2.d.(6)** is only applicable to pilots bidding their entire annual vacation accrual in 1 round.
- C.2.d.(7)** Pilots who, after bidding a full month of vacation in 1 round, and who have less than 7 days remaining, must bid such remaining days in a subsequent round or in a separate round 3 bid. Such remaining days must be consecutive with each other.
- C.2.d.(8)** A vacation bid spanning 2 bid periods shall be awarded during a single round provided the pilot's total accrual is 14 days or greater, and a minimum of 7 days must be bid and awarded in each the 4th week of the 1st month and the 1st week of the subsequent month provided any remaining accrual to be bid in a subsequent round must be 7 days or greater.

C.2.e. Posting of Annual Vacation Bid Awards

At the end of each day's vacation bidding the awards for bidding accomplished in that round shall be posted and available for pilot review via Computer terminal, remote access and voice response system.

C.2.f. Options for Waiving Annual Vacation Days for Regular Pilots

- C.2.f.(1)** A regular pilot may, at the time of monthly computer schedule bidding, exercise the option to have all annual vacation days be considered as credit-only for the award and/or assignment of trips. At the conclusion of such

pilot's computer schedule bidding, such credit-only vacation days shall be assigned to a consecutive period of scheduled days off, if possible. If such assignment is not possible, vacation days will be assigned in a manner that minimizes the number of blocks of vacation days.

C.2.f.(2) A regular pilot participating in Schedule Completion Bidding (SCB) may exercise the option to have all annual vacation days appearing on his schedule at the start of SCB be considered as credit-only for the award and/or assignment of trips. At the conclusion of such pilot's Schedule Completion schedule bidding, such credit-only vacation days shall be assigned to a consecutive period of scheduled days off, if possible. If such assignment is not possible, vacation days will be assigned in a manner that minimizes the number of blocks of vacation days.

C.2.f.(3) A regular pilot who is required to participate in Schedule Options Selection (SOS) and who chose to exercise the options in [Section 7 C.2.f.\(1\)](#) and/or [Section 7 C.2.f.\(2\)](#) → may, during the SOS change the assignment of vacation days that was made during Monthly or Schedule Completion Bidding. The change of assigned credit-only vacation days shall be awarded during SOS provided that the number of blocks of credit-only vacation previously assigned is not increased. However, a pilot who chooses the reserve schedule option during the SOS shall have no option to waive the days of vacation under this subparagraph and shall have the vacation days originally shown on the bid deadline assigned to the reserve schedule that is constructed pursuant to [Section 25 C.1.e.](#)

EXCEPTION to [Section 7 C.2.f.\(1\)](#), [Section 7 C.2.f.\(2\)](#) and [Section 7 C.2.f.\(3\)](#) →: For the flying months of November and December, the Company may also process a bid run for any position requiring all awarded and/or assigned monthly vacation days to be taken as originally scheduled. At the conclusion of the bid run(s) made under this exception, the Company and the ALPA Computer Bidding Committee Chairman, or his designee will attempt to jointly reach consensus on which bid group will be final and published, with the goal of causing the least amount of "stacking" of open time during holiday periods.

C.2.f.(4) A regular pilot may, after Scheduled Completion Bid and at his option, move annual vacation days to other consecutive days in the same month in order to add open flying or to do an exchange for open flying, provided the moved days may not conflict with training or any other unavailabilities scheduled on the bid deadline, and provided further, the moved days may not be placed on a holiday without the concurrence of the Company. A pilot may move annual vacation to non-consecutive days in the same month with the concurrence of the Company. A pilot may move vacation days pursuant to this paragraph in order to pick up or exchange for open flying operating over the end of the month in which the vacation is scheduled, and over the beginning of the month in which the vacation is scheduled.

C.3. Monthly Vacation Bidding Procedures

C.3.a. At least 30 days prior to the first day of a flying month, the Company shall post electronically and make available via Company computer terminals, remote access and voice response system, the monthly vacation allocations (if any) for each position.

C.3.b. The Company shall be required to award monthly vacation allocations previously posted for a position only to the extent to which pilots have submitted bids.

C.3.c. If the Company awards or assigns the monthly vacation allocations previously posted for a position, then such awards or assignments shall be made in the following sequence at least 25 days in advance of the flying month, but no less than 5 days after the posting of the available vacation:

C.3.c.(1) Monthly vacation awards shall be made in seniority order from among the pilots who have submitted timely monthly vacation bids, except that Instructor Pilots and Special Project Pilots who are scheduled to be in these positions for the full month shall not be permitted to bid for monthly vacation;

NOTE: A pilot who submits a bid for monthly vacation with the condition that it be combined with a vacation bid under [Section 7 C.3.c.\(2\)](#) →, shall have his entire bid processed under [Section 7 C.3.c.\(2\)](#) →.

C.3.c.(2) Monthly vacation awards shall be made in seniority order among pilots with annual vacation scheduled to be taken later in the vacation year who have submitted timely bids to have such vacation used in such open monthly Vacation Weeks;

C.3.c.(3) Monthly vacation assignments shall be made in reverse seniority order from among the pilots who were eligible to participate in the monthly vacation bidding process and with Instructor Pilots and Special Project Pilots. When assigning monthly vacation in reverse seniority order the following process shall be used:

C.3.c.(3)(a) The Company shall determine the identity of all pilots in a permanent position who will have vacation assigned by tentatively assigning vacation in reverse seniority order until the Company desired weekly allocation levels are met. It is understood these allocations can be no larger than the difference between the posted overall monthly vacation allocation and the voluntary vacation already awarded in the monthly vacation process.

C.3.c.(3)(b) The Company will then determine which pilots in this pool have filed contingency preferences for assigned vacation days (see note below) and will actually assign vacation days to these pilots in seniority order to the extent possible that maintains the overall weekly allocations identified in [Section 7 C.3.c.\(3\)\(a\)](#) →.

C.3.c.(3)(c) The Company will then actually assign remaining vacation to the pilots in the pool identified in [Section 7 C.3.c.\(3\)\(a\)](#) →, including remaining pilots from the group in [Section 7 C.3.c.\(3\)\(b\)](#) → (i.e. pilots whose contingency vacation bids could not be awarded).

NOTE: The Company will maintain a methodology in Company computer terminals, remote access, and the voice response system for pilots to make contingent monthly vacation preference bids each month in the event the Company decides to assign monthly vacation in their permanent position for that month.

C.3.c.(4) The Company will neither allow a pilot to bid, nor will it assign, monthly vacation which:

C.3.c.(4)(a) conflicts with a carry-in trip; or

C.3.c.(4)(b) conflicts with scheduled unavailability (e.g. training, military leave, union leave, company business) except that, pursuant to [Section 7 C.3.c.\(3\)](#) →, the Company will assign monthly vacation which conflicts with scheduled unavailability resulting from Instructor Pilot or Special Project Pilot duties; or

C.3.c.(4)(c) would cause the pilot to exceed the scheduled monthly maximum.

C.3.d. A pilot shall be eligible to be awarded or assigned all, or any portion of his monthly vacation, provided that such days of vacation must be taken consecutively.

C.3.e. A pilot with monthly vacation, who has annual vacation scheduled in a month and who wishes to combine such annual vacation with monthly vacation shall be allowed to bid any amount of days of monthly vacation provided that such annual and monthly days are consecutive. (See [Section 7 C.1.b.](#) for maximum vacation days in any month.)

C.3.f. A pilot with annual vacation scheduled to be taken in a month later in the year may bid such vacation during monthly bidding in accordance with [Section 7 C.3.c.\(1\)](#) → without bidding to use any monthly vacation accrual, provided that at least 7 days of such annual vacation is bid (a pilot with less than 7 such days may bid them but must bid all of them). However, less than 7 days of annual vacation may be bid in such circumstances if such vacation runs consecutively with annual vacation previously bid. (See [Section 7 C.1.b.](#) for maximum vacation days in any month.) Any annual vacation not moved pursuant to this subparagraph shall remain in the original bid month as annual vacation, and shall start on the first day of the vacation week originally awarded or assigned (for Vacation Week 4, the vacation shall start on the last day of the flying month.)

C.3.g. A pilot with annual vacation scheduled to be taken in a month later in the year may bid any number of days of annual vacation during monthly bidding in

accordance with [Section 7 C.3.c.\(1\)](#) →, if such vacation runs consecutively with monthly vacation awarded or assigned for such month. If the number of annual vacation days to be moved is 7 or more, then they need not be consecutive with monthly vacation (but must be consecutive with each other). (See [Section 7 C.1.b.](#) for maximum vacation days in any month.)

C.3.h. Monthly vacation shall be allocated in the same manner as annual vacation (see [Section 7 C.2.c.\(4\)](#)) A pilot bidding for monthly vacation may specify the dates of vacation he is bidding, provided that the requisite number of days must be available in the week(s) impacted. A week shall not be considered closed until after a bid brings the remaining allocation in the week to -3 days. A bid which would cause the allocation to be -4 days or more negative need not be awarded.

C.3.i. Options for Waiving Monthly Vacation Days for Regular Pilots

C.3.i.(1) A regular pilot may, at the time of monthly computer schedule bidding exercise the option to have all awarded and/or assigned monthly vacation days to be considered as credit-only for the award and/or assignment of trips. At the conclusion of such pilot's computer schedule bidding, such credit-only vacation days shall be assigned to a consecutive period of scheduled days off, if possible. If such assignment is not possible, vacation days will be assigned in a manner that minimizes the number of blocks of vacation days.

C.3.i.(2) A regular pilot participating in Schedule Completion Bidding (SCB) may exercise the option to have all awarded and/or assigned monthly vacation days appearing on his schedule at the start of SCB to be considered as credit-only for the award and/or assignment of trips. At the conclusion of such pilot's computer schedule bidding, such credit-only vacation days shall be assigned to a consecutive period of scheduled days off, if possible. If such assignment is not possible, vacation days will be assigned in a manner that minimizes the number of blocks of vacation days.

C.3.i.(3) A regular pilot who is required to participate in Schedule Options Selection (SOS) and who chose to exercise the options in [Section 7 C.3.i.\(1\)](#) and/or [Section 7 C.3.i.\(2\)](#) → may, during the SOS change the assignment of vacation days that was made during Monthly or Schedule Completion Bidding. The change of assigned credit-only vacation days shall be awarded during SOS provided that the number of blocks of credit-only vacation previously assigned is not increased. However, a pilot who chooses the reserve schedule option during the SOS shall have no option to waive the days of vacation under this subparagraph and shall have the vacation days originally shown on the bid deadline assigned to the reserve schedule that is constructed pursuant to [Section 25 C.1.e.](#)

EXCEPTION to [Section 7 C.3.i.\(1\)](#), [Section 7 C.3.i.\(2\)](#) and [Section 7 C.3.i.\(3\)](#) →: For the flying months of November and December, the Company may also process a bid run for any position requiring all awarded and/or assigned monthly

vacation days to be taken as originally scheduled. At the conclusion of the bid run(s) made under this exception, the Company and the ALPA Computer Bidding Committee Chairman, or his designee will attempt to jointly reach consensus on which bid group will be final and published, with the goal of causing the least amount of “stacking” of open time during holiday periods.

- C.3.i.(4) A regular pilot may, after schedule completion bid and at his option, move monthly vacation days awarded or assigned to other consecutive days in the same month in order to add open flying, provided the moved days may not conflict with training or any other unavailabilities scheduled on the bid deadline, and provided further, the moved days may not be placed on a holiday without the concurrence of the Company. A pilot may move vacation days to non-consecutive days in the same month with the concurrence of the Company. A pilot may move vacation days pursuant to this subparagraph (4) in order to pick up or exchange for open flying operating over the end of the month in which the vacation is scheduled, and over the beginning of the month in which the vacation is scheduled.
- C.3.j. Pilots will be notified of their monthly vacation award or assignment via the monthly schedule bid list. In addition, such award or assignment can be obtained via Company computer terminal, remote access or voice response system.
- C.3.k. A pilot is not required to bid any monthly vacation in the calendar year of his planned retirement, but is subject to having monthly vacation assigned to him pursuant to the provisions of this subparagraph C.3.

D. Rate of Pay During Vacation

- D.1. A pilot on vacation shall receive pay time and credit time at the rate of **2:48** for each day of vacation taken. Pay will be at the applicable rate for the category to which he is assigned at the beginning of his vacation (except that a pilot who continues flying as a Second Officer beyond the regulated age pursuant to [Section 24 M.](#) shall be paid vacation at the rate of his Second Officer position for any vacation days taken after reaching the regulated age).
- D.2. Notwithstanding the provisions of [Section 12 B.1.](#) and [Section 12 C.1.](#), and subject to the limitation set forth in [Section 7 C.1.b.](#) →, a pilot whose credit time in a month consists only of vacation time, may exceed his applicable scheduled and actual credit time limitations. →
- D.3. International flying pay shall not be paid for any vacation usage.
- D.4. A pilot who is on vacation after completion of initial qualification or requalification training in the same month shall be paid for the vacation at the applicable rate for the position to which he is released from training.

E. General

- E.1. Scheduled vacation missed by a pilot either while engaged in a work stoppage, or, for a period of 4 months and 4 days after the end of a pilot work stoppage, if not returned to active duty, shall be deemed to be monthly vacation for purposes of this Agreement and handled under the provisions of [Section 7 C.3.](#) → and [Section 7 F.7.](#) →.
- E.2. Pilots shall forego an awarded vacation to engage in initial or requalification training associated with a permanent position award. Pilots may voluntarily forego an awarded vacation to accommodate other Company requirements. Such deferred vacation shall be rescheduled to be taken no later than 6 months from the date of the originally scheduled vacation period. Such rescheduled vacation shall not be subject to further deferment. An involuntarily displaced pilot whose vacation is deferred for training shall be allowed to select a vacation period(s) of his choice regardless of availability, provided it does not touch a holiday (see [Section 30 D.8.f.](#) for definition of holiday) in the 6 month period following the date of the originally scheduled vacation. In the alternative, a pilot who foregoes vacation shall have the right to utilize the monthly vacation procedures of [Section 7 C.3.](#) → with respect to such vacation accruals except such vacation shall not be assigned. Such vacation not taken or scheduled to be taken in the current vacation year shall be added to the pilots vacation accruals to be bid in the subsequent year in the annual vacation bidding process.
- E.2.a. Upon submission of reasonable proof, an involuntarily displaced pilot whose vacation is required to be deferred for training shall be reimbursed by the Company for unrefundable prepaid expenses incurred by the pilot as a direct result of the deferral, to a maximum reimbursement of \$2,500 or such higher reimbursement as may be approved on an individual basis by the Vice President of Flight Operations. As a condition precedent to reimbursement, the pilot shall, first on his own and thereafter if necessary in full cooperation with the Company, make every reasonable effort to secure a refund of such prepaid expenses.
- E.2.b. If a pilot's training is delayed or extended for any reason causing his scheduled vacation to fall between the completion of simulator training and the commencement of OE, the pilot shall be given the option to defer such vacation, and his vacation shall be rescheduled in accordance with the provisions of [Section 7 E.2.](#) →. In the event of such delayed or extended training, the Company shall not schedule vacation for the pilot during the period between the completion of simulator training and the commencement of OE.
- E.3. No pilot shall be required to take a vacation other than that assigned in accordance with this section.
- E.4. A pilot holding a regular or reserve schedule shall, → at the time of bidding his **monthly** schedule for the vacation month →, be allowed the option of shifting his assigned vacation period 3 days from the originally scheduled starting date of his

- vacation as indicated on the bid deadline. The vacation must remain within the same month and cannot be shifted to conflict with training or other unavailabilities scheduled on the bid deadline. **In addition, a regular pilot shall also have the option of shifting his assigned vacation during Schedule Completion Bidding in the same manner as allowed for monthly schedule bidding.** During Schedule Completion Bidding, a **regular** pilot shall be allowed to drop flying to accommodate such shift providing his schedule for the month, including vacation credit, is not reduced below 7 hours less than the scheduled monthly maximum.
- E.5. A pilot who is taking vacation in a month and is unable to build a schedule that exceeds 7 hours less than the scheduled monthly maximum by the end of Schedule Completion Bid, shall have the option of importing the minimum amount of remaining vacation days in the current vacation year necessary to exceed an amount 7 hours less than the scheduled monthly maximum. The date(s) of the vacation day(s) imported into the month will be mutually agreed to by the pilot and Crew Scheduling. If mutual agreement cannot be reached, no vacation shall be imported into the month. Such vacation shall first come from the monthly portion of the pilot's remaining vacation accrual account, if any, and thereafter from the annual portion of the pilot's remaining vacation accrual account.
- E.6. Except as provided in [Section 7 E.2.](#) →, a pilot changing positions shall retain his previously awarded or assigned vacation period(s).
- E.7. Any monthly vacation not taken or scheduled to be taken in the current vacation year may, at pilot option, be redeemed, in whole or in part, at the pilot's applicable vacation rate as provided in [Section 7 D.1.](#) →, and utilizing the provisions of [Section 7 F.7.](#) →. Such monthly vacation which is not redeemed shall be added to the pilot's vacation accruals to be bid in the subsequent year in the annual vacation bidding process.
- E.8. If a pilot is unavoidably flown into a vacation period (there was no physical way to return him to his base prior to the first day of his vacation period), the vacation day(s) "lost" will be handled as follows:
- E.8.a. The "lost" day(s) shall be returned to the pilot's appropriate annual or monthly vacation accrual account for future use, or
- E.8.b. The "lost" day(s) may be attached to a future scheduled vacation. If the pilot has more than one future vacation period scheduled, concurrence of the pilot and Crew Scheduling is required regarding which vacation period shall be augmented by such day(s), or
- E.8.c. Provided that no adjustment to the pilot's work schedule is required, the pilot may opt to add the "lost" vacation day(s) to the end of the vacation period involved by so informing Crew Scheduling at his earliest opportunity.

The pilot is not required to use such day(s) within 6 months.

- E.9. In order to accommodate the vacation moving provisions of [Section 7 C.2.f.](#) and [Section 7 C.3.i.](#), a single code will be used in ACCESS, CMS and AtlasBid for both monthly and annual vacation. Future programming will be accomplished to allow separate and distinct coding for annual vacation and monthly vacation, but until such time as this reprogramming is accomplished, the code “VM” will temporarily be used for both. Both the monthly bid deadlines and the PENTRY vacation award screen shall continue to differentiate between annual and monthly vacation.
- F. Payoff of Vacation
- F.1. Any pilot who is laid off shall receive pay for vacation accumulated prior to such layoff. A pilot who is laid off may, at his option, defer such payment until, but not later than, the date of his scheduled vacation in the calendar year of layoff.
- F.2. A pilot who resigns from the service of the Company and has given the Company **two** weeks advance written notice of his intention to resign shall be entitled to his accumulated vacation credit to the date of termination provided he has had 12 months of service with the Company as a pilot.
- F.3. A pilot who is discharged or who retires from the service of the Company shall be entitled to all of his accumulated vacation credit at the date of his separation.
- F.4. A pilot who is granted a military leave pursuant to [Section 13 C.](#) may, at his option, use accrued vacation in lieu of such military leave of absence until such time as he has exhausted his accrued vacation, or a portion thereof. The pilot shall determine which accrued vacation shall be used (choosing between (i) annual vacation to be used in the current calendar year, if any; (ii) monthly vacation to be used in the current calendar year, if any; (iii) total vacation accrual to be used in the next calendar year when requested prior to the date for posting the Round 1 vacation bid list as specified in [Section 7 C.2.c.\(1\)\(a\)](#), if any; (iv) annual vacation accrual to be used in the next calendar year if requested after the date specified in [Section 7 C.2.c.\(1\)\(a\)](#), if any; and (v) monthly vacation accrual to be used in the next calendar year if requested after the date specified in [Section 7 C.2.c.\(1\)\(a\)](#), if any).
- NOTE: Annual or monthly vacation that has already appeared on the bid deadline cannot be so used unless such vacation is the only vacation credit accrued for usage in that year the pilot has remaining in his accruals.
- F.5. Upon the death of a pilot any unused accrued vacation credits will be paid to his spouse to the extent provided by the law of the state of residence, with the balance, if any, to his estate.
- F.6. Without prior consent from ALPA, pilots shall not be asked or allowed to sell back vacation days which have already been taken.

F.7. Voluntary Monthly Vacation Redemption

A pilot seeking to redeem monthly vacation not taken or scheduled to be taken in the current vacation year must submit, on a form provided by the Company, a request therefor, to Crew Resources, by October 15. Such redeemed vacation shall be paid at the hourly vacation rate the pilot would be entitled to receive for the flying month of November and paid on the pilot's December 13 check, and shall not be considered in calculating a pilot's Final Average Earnings for retirement purposes. However, such pilot is not precluded from being awarded or assigned December vacation in which case the vacation redemption payment shall be adjusted as necessary.

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SECTION 8 DEADHEAD

A. When a pilot is assigned by the Company to deadhead to a station for the purpose of being scheduled out of that station as a pilot, or from a station having flown into that station as a pilot, such deadhead time shall be credited for pay time and credit time purposes at the rate of **50%** → pay time and **100%** credit time for each hour of such deadhead time (on-line: scheduled or actual, whichever is greater) (off-line: scheduled) based on the type of aircraft to which such pilot is assigned to fly out of the station, or which he flew into the station. See [Section 11 D.5.](#) re pay time and credit time for travel to and from training and proficiency checks. See [Section 8 I.](#) for **limitations on deadheading of augmented crewmembers.**

B. Surface Deadhead

“Surface Deadhead” means deadheading accomplished by transportation other than flight between any combination of airports and/or layover points in separate geographical locations with or without an intervening rest period.

B.1. Pay Time and Credit Time for Surface Deadhead.

B.1.a. Pay Time. For surface deadheads, pilots shall receive full pay time for the established scheduled flight time between such airports and/or the airport nearest the layover point, or one hour pay time, whichever is greater.

B.1.b. Credit Time. With respect to monthly maximums and other related purposes (see [Section 12 B.1.](#) and [Section 12 C.1.](#), for example), pilots shall receive credit time for surface deadheads for the established scheduled flight time between such airports and/or the airport nearest the layover point, or one hour credit time, whichever is greater. (See [Section 12 C.2.d.](#) for calculation of duty time and rest requirements related to ground transportation at an international location.)

B.1.c. Special Rule for Calculating On-Duty Limitations and Rest Requirements for Surface Deadheads.

With respect to calculating on-duty time, rest and other related purposes, pilots shall receive all of the scheduled or actual surface deadhead time, whichever is greater, pursuant to [Section 2 P.3.d.](#) and [Section 2 V.](#) When the actual time for a surface deadhead exceeds the scheduled time, the pilot must advise the Crew Coordinator as soon as feasible (e.g. by ACARS or telephone) to allow for proper calculation of on-duty, rest and related purposes, and any necessary schedule changes.

NOTE 1: See [Section 12 C.2.d.](#) regarding calculation of duty time and rest requirements related to ground transportation at an international location.

NOTE 2: See [Section 12 A.](#), [Section 12 B.](#), [Section 12 C.](#) and [Section 12 D.](#) for additional rules concerning on-duty limitations and rest requirements.

B.2. It is agreed that the following are not airports in separate geographical locations:

- B.2.a. Seattle-Tacoma International and Boeing Field Airports.
- B.2.b. LaGuardia, J. F. Kennedy and Newark Airports.
- B.2.c. Midway and O'Hare Airports.
- B.2.d. London Gatwick and London Heathrow Airports.
- B.2.e. Dulles and Washington National Airports.
- B.2.f. Osaka International and New Kansai Airports.

C. On-Line Deadheading, at Pilot Request, on Flight(s) other than as Scheduled or Rescheduled

C.1. General

A pilot who, at his request, deadheads on a flight which departs his base earlier or arrives at his base later than the flight on which he was scheduled or rescheduled to deadhead shall be considered for pay time and credit time purposes as having deadheaded on the flight(s) for which he was scheduled or rescheduled to deadhead. The pilot must make all arrangements with Crew Scheduling. The Company shall not incur any additional expenses such as extra hotel rooms, meal expenses or transportation. See [Section 12 C.4.k.](#) for applicability of on-duty limitations and rest provisions if part of an augmented crew.

C.2. Early or Late Mid-Trip Deadheads, at Pilot Request

C.2.a. With respect to any mid-trip deadhead flight(s), a pilot may request, subject to Crew Scheduling approval, to deadhead on a flight(s) other than the flight(s) on which he was scheduled or rescheduled to deadhead, and shall be handled for pay and credit purposes in the same manner as provided in subparagraph a. above. Crew Scheduling shall issue an NR-1 Crew Trip Pass on a Y2/F6 basis by PLT to the pilot. Travel by XCM/XFA Travel Request will be permitted on a space-available basis.

C.2.b. If after actual departure on such a mid-trip deadhead, the pilot is rescheduled, it will be the pilot's obligation to return to the station from which such deadhead departed in time to be legal to take the rescheduled flight. Crew Scheduling shall issue an NR-1 Crew Trip Pass on a Y1/F6 basis by PLT to the pilot (but the pilot may be required to travel by XCM/XFA, if available, and if necessary to avoid displacing a revenue passenger from the flight). If the pilot fails to return to such station in time to be legal to take his rescheduled flight, the pilot will fall within the provisions of [Section 4 H.5.](#), if a bid scheduled trip was involved.

C.3. Deadheading, at Pilot Request, Early from Base

C.3.a. A pilot will be permitted to deadhead on an earlier flight than his scheduled deadhead provided he is not rescheduled before his actual departure. Such pilot scheduled for a domestic deadhead shall be entitled to boarding priority on a Y2/F6 basis on domestic flights. Such pilot scheduled for an international

deadhead shall be entitled to boarding priority on a Y2/F6 basis on international flights. Travel by XCM/XFA Travel Request will be permitted on a space-available basis.

- C.3.b. If, after actual departure from the pilot's base on an early deadhead, the pilot is rescheduled, it will be the pilot's obligation to return to his base in time to be legal to take his rescheduled flight. Crew Scheduling shall issue an NR-1 Crew Trip Pass on a Y1/F6 basis by PLT to the pilot (but the pilot may be required to travel by XCM/XFA, if available, and if necessary to avoid displacing a revenue passenger from the flight). If the pilot fails to return to his base in time to be legal to take his rescheduled flight, the pilot will fall within the provisions of [Section 4 H.5.](#), if a bid scheduled trip was involved.

C.4. Deadheading, at Pilot Request, When Trip Ends With Deadhead

Permission for deadheading on a flight other than scheduled will be conditionally granted at the time of the pilot's request, but the pilot shall be required to remain available until one hour before the scheduled or quoted departure time of the originally scheduled flight. Such pilot may request that he be released prior to such one hour period, and Crew Scheduling shall have discretion whether to grant or deny such request. In the event of a deadhead revised pursuant to this subparagraph, the NR-1 Crew Trip Pass will be reissued by PLT from Crew Scheduling and will be on a Y2/F6 basis. Travel by XCM/XFA Travel Request will be permitted on a space available basis. This subparagraph applies to both pilots returning to base and to pilots traveling directly to the destination of their choice, provided that, in order for a pilot not returning to his base to receive a Y2/F6 pass, he must be traveling from outside the contiguous 48 states of the United States (excluding travel from Canada, Mexico and the Caribbean Islands) to the first station reached inside the contiguous 48 states of the United States. If such deadhead on a flight other than scheduled interferes with the pilot's next scheduled or rescheduled trip, the provisions of [Section 4 H.1.e.](#) and [Section 4 H.5.](#) of the pilot contract will apply, if a bid scheduled trip is involved.

D. Off-Line Deadheading, at Pilot Request, on Flights other than as Scheduled or Rescheduled

D.1. General

Except as provided below, the same rules as apply to on-line deadhead in [Section 8 C.](#) → shall apply to off-line deadhead.

D.2. Deadheading, at Pilot Request, Early from Base

The pilot must make all arrangements with Crew Scheduling prior to the early deadhead, but at least 72 hours prior to the start of the trip hour period.

D.3. Delayed Deadhead to Base, at Pilot Request

The pilot must make all arrangements with Crew Scheduling prior to the start of the trip hour period, or at least 72 hours prior to the scheduled departure time of the scheduled deadhead to base, whichever is earlier.

E. Seating for Deadheading Pilots

E.1. Pilots deadheading at Company request on Company aircraft shall be provided with positive space on a Y1/F2 pass basis on international flights scheduled for over 6 hours (including pilots on “one-stop through flights”, even if one segment thereof is between domestic stations or is Domestic Flying), and a Y1/F6 pass basis on all domestic flights and all other international flights.

E.2. Such pilots will be accommodated in the first class section on a space-available basis, and then in the executive class, or similar class, section on a space-available basis, in accordance with their F6 (or, F2, if applicable) pass classification. Remaining pilots will be accommodated in the tourist section.

E.3. Such pilots will be entitled to non-smoking seats in tourist class. The entitlement of such pilots to non-smoking seats in the first class or executive class (or similar class) section is subject to space availability.

E.4. The Company shall have the right to designate seat selection for deadheading pilots when they are to be accommodated in the first class or executive class (or similar class) sections, provided that if a non-smoking seat(s) is available the pilot is entitled to such a seat.

E.5. No pilot deadheading under this Section 8 will be required to deadhead in the cockpit of any aircraft, except as provided in [Section 8 C.2.b.](#) and [Section 8 C.3.b.](#) →.

NOTE: See [Section 5 C.5.](#) for pass travel priority and related subjects for temporary pilots and call-out pilots. See [Section 11 H.8.](#) for pass travel priority and related subjects for pilots traveling to/from training and proficiency checks. See [Section 12 C.5.](#) for the seating priority for deadheading pilots on an extended duty period on an augmented flight.

F. Freighter Deadheading

F.1. General

Deadheading on aircraft in an all-cargo configuration (freighters) will not be performed when there are other on-line passenger flights available. An on-line passenger flight is not “available” within the meaning of this [Section 8 F.](#) if such flight would result in the delayed departure of a subsequent downline flight of the deadheading pilot, an additional duty period for such pilot or an inability to utilize the pilot due to the impact of such flight upon applicable contractual monthly maximums, FARs or rest time limitations for such pilot.

F.2. Scheduled Deadheading On Freighters

At the time of monthly pattern construction, the Company may construct patterns which include deadheading on an on-line aircraft in an all-cargo configuration on all international flights or domestic flights involving deadheading of 747 pilots.

F.3. Deadheading On Freighters Which Is Scheduled or Rescheduled After Completion of Pattern Construction

In the period of time following monthly pattern construction, the Company may schedule or reschedule pilots to deadhead on aircraft in an all-cargo configuration subject to the limitations set forth in subparagraph 4. below.

F.4. Deadheading on Freighters Carrying Live Animals

F.4.a. Deadheading on freighters will not be performed on dedicated live animal flights known at the time of monthly pattern construction.

F.4.b. With respect to the scheduling or rescheduling of deadheading after completion of pattern construction, the Company will make every reasonable effort to avoid deadheading on dedicated live animal flights, but a pilot may be required to deadhead on that aircraft if no other on-line flight is available.

F.4.c. In each case where a pilot flies or deadheads on a freighter carrying live animals, the Company will reimburse such pilot for reasonable dry cleaning and laundry costs actually incurred as a result of such deadhead flight.

F.4.d. A flight shall be considered a “dedicated live animal flight” for purposes of this section if 8 or more pallet positions contain live animals.

F.4.e. The Company shall make every reasonable effort to position live animals as far from the cabin area as operationally feasible.

F.5. Deadheading On Freighter Aircraft Carrying Hazardous Materials

Hazardous material cargo will not be stored in the internal stairway area unless there is no other operationally feasible location for such storage, including the lower lobe, or the Captain otherwise directs. The Company will not be required to leave cargo behind in order to store such hazardous material cargo in such alternate location.

F.6. The Company will not deadhead pilots on aircraft in an all-cargo configuration which are not in its fleet on the date of signing of this Agreement until such time as the parties reach agreement with respect thereto.

F.7. Freighter Aircraft Deadheading Modifications

The Company shall maintain its current fleet of 747 freighter aircraft so as to retain the following modifications previously made for deadheading pilots and other authorized passengers on such aircraft:

- F.7.a. 4 first class seats with fully extending seat backs and foot rests;
 - F.7.b. Passenger Service Units for provision of emergency oxygen masks and reading lights to each of the 4 seats;
 - F.7.c. Paneling in the passenger area behind the cockpit will have a finished appearance;
 - F.7.d. The partition in the aft of the passenger area will be insulated in an effort to provide better noise and heat control.
- G. Pilots deadheading at Company request on Company aircraft shall not be rescheduled to deadhead on a later flight in order to provide seating for passengers, provided that the pilot has reported at the boarding gate no less than 15 minutes prior to the quoted departure time of a domestic flight or 20 minutes prior to the quoted departure time of an international flight.
- H. Pilots shall be required to deadhead only on U.S. carriers operating under FAR Part 121, or under both FAR Parts 121 and 135, or in the case of international deadhead, on comparable foreign air carriers. The Company will request that such carriers provide no-smoking seats to such deadheading pilots.

I. Deadheading of Augmented Crewmembers

Augmented crewmember(s) awarded or assigned to a trip containing a flight(s) on which the augmented crewmember(s) is not required to act as a required augmented crewmember as a result of the scheduled block time being less than 8 hours (less than 12 hours for an augmented crew of four or more pilots), shall not be scheduled or rescheduled by the Company to deadhead on such flights merely to utilize the reduced pay provisions of Section 8 A. Such augmented crewmember(s) may be rescheduled to deadhead on the flight(s) on which he was scheduled or assigned only if required due to FAR or contractual flight time, duty time and/or rest requirements. Such pilot may be rescheduled to deadhead on a different flight(s) pursuant to Section 30 C.10.c. and Scheduling Rule 30 E.

SECTION 9
MISCELLANEOUS FLYING

A. General Rules

- A.1. When any pilot other than a line pilot flies any flight specified in [Section 2 GG](#). of this Agreement, the line pilot who would otherwise have flown the flight shall be determined and advised thereof prior to the flight departure, and the compensation, including pay time and credit time due per [Section 4 B](#). but not international pay, if any, for such flight shall be credited and paid to the pilot so determined.

NOTE 1: A regular or reserve pilot who is removed from his scheduled trip or a portion thereof and replaced by a pilot other than a line pilot, **excluding** OE instructors and trainees, shall be guaranteed pay time and credit time, but not international pay, if any, equal to the credit time of the original trip lost or the lost trip as rescheduled, whichever is greater. Such pay time will be calculated on the basis of scheduled credit time or actual credit time, whichever is greater. Such pilot shall not be required to be available for assignment to other flying pursuant to [Section 30 C.10.c](#). but must remain reasonably available for assignment to the remainder of the original trip lost, or the lost trip as rescheduled, as applicable, provided that the pilot shall not be required to be reasonably available beyond the trip hour period of the lost trip as originally scheduled. This requirement to be “reasonably available” shall not preclude a pilot from being available at a location other than his base.

NOTE 2: A regular pilot who is removed from his scheduled trip or a portion thereof and replaced by an OE instructor or an OE trainee shall be guaranteed pay time and credit time equal to the credit time of the original trip lost or the lost trip as rescheduled, whichever is greater. Such pay time will be calculated on the basis of scheduled credit time or actual credit time, whichever is greater. Such regular pilot shall be required to be available for assignment to other flying pursuant to [Section 30 C.10.c.](#), and shall serve any availability obligation, at the Company’s discretion, either (i) at base, in which case the Company shall provide him with lodging, or (ii) at home. A reserve pilot who is removed from his scheduled trip or a portion thereof and replaced by an OE instructor or an OE trainee, shall be returned to his reserve schedule.

- A.2. When any pilot other than a line pilot flies any flight specified in [Section 2 EE](#). of this Agreement, for reasons due to the lack of sufficiently qualified or available line pilots, and it is, therefore, not possible to assign the flight pursuant to [Section 9 A.1.](#) →, then at the end of the month in which such flight is performed the compensation for the flight performed, including pay time due per [Section 4 B.](#), but not international pay, if any, shall be deposited in the ALPA Bank.

B. Exceptions to General Rules

- B.1. The provisions of [Section 9 A.](#) → shall not apply to publicity flights (to which no line pilot has been assigned), scenic flights (to which no line pilot has been assigned),

- ferry flights performed to deliver aircraft, to replace an aircraft out of service and to return the out-of-service aircraft, experimental, engine, instrument, aircraft and radio test flights.
- B.2. The provisions of [Section 9 A.2.](#) → shall not apply to the first 25 credit hours in a month at a base flown by Supervisory Pilots who are assigned to supervisory positions at that base. Supervisory Pilots whose offices are located in MSP will be considered to be based in MSP. Flying described in [Section 9 A.2.](#) → which is flown under [Section 30 E.1.r.](#) by a Supervisory Pilot who bid a schedule for that month (see [Section 25 A.9.](#)) shall not be covered by this subparagraph.
- C. Posting
- C.1. The Company shall post daily on the pilot bulletin boards a summary of all revenue flying accomplished by other than line pilots within the preceding 24-hour period. Such posted summary shall include:
- C.1.a. Name of pilot scheduled to fly the trip and trip number.
 - C.1.b. Name of pilot who flew the trip.
 - C.1.c. Name of pilot receiving pay time and credit time for the trip, if applicable.
 - C.1.d. Total pay time and credit time for trip hours.
 - C.1.e. Reason for coverage.
- C.2. A monthly summary of the information listed in [Section 9 C.1.](#) shall be furnished to the MEC Chairman and the LEC Chairman, and a copy shall be posted on pilot bulletin boards where pilots are based no later than the 10th day of the following month.
- C.3. The Company shall post monthly on the pilot bulletin boards, and provide to the MEC Chairman monthly, a statement which details for each pilot who worked as an Instructor Pilot or Special Project Pilot the prior month the number of days and/or credit time worked in that capacity. Such statement shall include:
- C.3.a. The name, seniority number, and permanent position of the Instructor Pilot or Special Project Pilot.
 - C.3.b. The dates worked in that capacity.
 - C.3.c. The credit time worked in that capacity.

SECTION 10
TRANSFER TO INSTRUCTOR PILOT, SPECIAL PROJECT PILOT
OR SUPERVISORY PILOT DUTY

- A. A pilot assigned as an Instructor Pilot, Special Project Pilot or Supervisory Pilot shall retain and continue to accrue seniority.
- B. A pilot assigned as an Instructor Pilot, Special Project Pilot or Supervisory Pilot on account of sickness or injury, or who becomes sick or injured while on such assignment, shall retain and continue to accrue his seniority during such sickness or injury for a period not to exceed 7 years from the exhaustion of the pilot's accrued sick leave and vacation.
- C. A pilot assigned as an Instructor Pilot, Special Project Pilot or Supervisory Pilot shall continue to hold a permanent position in accordance with the provisions of Section 24. Each pilot's position will be identified and included in the appropriate permanent position lists and monthly bid list.
- D. Any disputes arising hereunder concerning the physical fitness of an Instructor Pilot, Special Project Pilot or Supervisory Pilot shall be handled in accordance with the provisions of Section 15.

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SECTION 11 TRAINING

A. Assignment to Training or a Recurrent Proficiency Check

A pilot shall be required to enter training or take a recurrent proficiency check only under the following conditions:

- A.1. To receive initial new hire training.
- A.2. As a result of an award of a permanent position under Section 24.
- A.3. To meet the requirements of [Section 22 C.4.](#) and Section 24 of this Agreement.
- A.4. To meet and maintain the requirements of the pilot's permanent position in which he is serving.
- A.5. To fulfill a NASAP Event Review Committee training prescription.**

B. Flight Training

Flight training shall include all training which is normally conducted in flight and in conjunction with flight training including:

- B.1. Ground operational periods conducted in the aircraft on the ground for the purpose of aircraft familiarity.
- B.2. Captain, First Officer and Second Officer operating experience (OE) requirements' flights.
- B.3. Route qualification flights.
- B.4. Recent experience requirement (FAR 3 takeoff/landing rule).
- B.5. Training in a Flight Training Device which does not take place as part of Ground Training.
- B.6. Training in a **Flight** Simulator → which does not take place as part of Ground Training.
- B.7. Second Officer right seat training.
- B.8. Proficiency checks (including those associated with initial qualification training, requalification training, or Single Visit Training, **or Continuing Qualification**).
- B.9. **Flight** Simulator warm-up.

C. Ground Training

Ground training shall mean all training conducted in a classroom or at any place which is not usually conducted in conjunction with flight training, such as the Ground School phase of a training program. **Additionally, combination training conducted in the ground training phase of a training program shall be limited to systems and procedures knowledge, training, and validation on the aforementioned subjects conducted in:**

- C.1. an aircraft while parked; or
- C.2. a Flight Training Device →; or
- C.3. a **Flight** Simulator →.

D. Pay Time and Credit Time

D.1. Regular Pilot

A regular pilot who is assigned to:

- D.1.a. initial qualification or requalification training, including required attendance at ground school, or
- D.1.b. flight training (except route qualification flights), or
- D.1.c. a proficiency check (in an aircraft or a flight simulator), or
- D.1.d. recurrent or refresher ground training

shall receive pay time and credit time for any scheduled trips missed or pay time and credit time at 2:40 per day **(80:00 in a 30-day month and 82:40 in a 31-day month → and** shall not be eligible to receive international pay for such missed trip(s)) for each day in such assignment in a month, based on his permanent position for that month, whichever is greater →. A regular pilot who has a scheduled trip(s) missed due to assignment to training and who is not eligible to receive scheduled training guarantee under [Section 11 D.3.](#) → shall not be subject to any recovery obligations under [Section 30 C.10.c.](#)

EXCEPTION 1: Such regular pilot shall receive neither pay time nor credit time for any scheduled trips missed, for training that is actually conducted within the scheduled period shown on the bid list, or that is actually conducted outside such period but does not cause a conflict with or an adjustment to his remaining schedule.

EXCEPTION 2: Such regular pilot who is assigned to attend recurrent or refresher ground training at a time when he does not miss a scheduled flight shall receive pay time (but no credit time) at 2:40 per day for each day in such training, based on his permanent position for that month. Such pay time shall not be banked, shall be paid in

addition to any other compensation and shall be used to offset (i) minimum monthly pay guarantee provided for in [Section 4 A.1.](#), (ii) Instructor Pilot salary provided for in [Section 3 J.](#) to the extent that his accumulated pay time is less than the Instructor Pilot salary, (iii) Special Project Pilot salary provided for in [Section 3 K.](#) to the extent that his accumulated pay time is less than the Special Project Pilot salary, and (iv) scheduled training guarantee provided for in [Section 11 D.3.](#) if such ground training occurred during the period of the scheduled training guarantee.

NOTE: See also [Section 4 F.](#), [Section 24 E.2.b.](#), [Section 24 G.3.](#) and [Section 24 J.1.a.](#) See [Section 11 K.](#) for SVT pay. See [Section 11 G.](#) regarding travel, per diem and lodging associated with training. See [Section 11 D.8.](#) regarding pay and credit for a training period which includes OE. See [Section 24 G.3.a.\(3\)](#) regarding pay for a pilot who is not qualified for a lower paying permanent position pursuant to [Section 24 F.](#) on the effective date of such permanent position.

D.2. Reserve Pilot and Benched Pilot

A reserve pilot or a pilot assigned to his new position by operation of [Section 24 E.2.b.](#) or [Section 24 G.3.](#) (benched pilot), who is assigned to:

- D.2.a. initial qualification or requalification training, including required attendance at ground school, or
- D.2.b. flight training (except route qualification flight) or
- D.2.c. a proficiency check (in an aircraft or a flight simulator), or
- D.2.d. recurrent or refresher ground training

shall receive pay time and credit time at 2:40 per day → (**such pilot** shall not be eligible to receive international pay for such missed trip(s)) for each day in such assignment based on his permanent position for that month.

EXCEPTION: Such reserve pilot who is assigned to attend recurrent or refresher ground training at a time when he does not miss a scheduled flight shall receive pay time (but no credit time) at 2:40 per day for each day in such training, based on his permanent position for that month. (See [Section 11 G.](#)) Such pay time shall not be banked, shall be paid in addition to any other compensation and shall be used to offset (i) minimum monthly pay guarantee provided for in [Section 4 A.2.](#) if such recurrent or refresher training is done on a reserve duty day, (ii) Instructor Pilot salary provided for in [Section 3 J.](#) to the extent that his accumulated pay time is less than the Instructor Pilot salary, (iii) Special Project Pilot salary provided for in [Section 3 K.](#) to the extent that his accumulated pay time is less than the Special Project Pilot salary, and (iv) scheduled training guarantee provided for in [Section 11 D.3.](#) if such ground training occurred during the period of the scheduled training guarantee.

NOTE: See also [Section 4 F.](#), [Section 24 E.2.b.](#), [Section 24 G.3.](#) and [Section 24 J.1.a.](#) See [Section 11 K.](#) for SVT pay. See [Section 11 D.8.](#) regarding pay and credit for a

training period which includes OE. See [Section 24 G.3.a.\(3\)](#) regarding pay for a pilot who is not qualified for a lower paying permanent position pursuant to [Section 24 F.](#) on the effective date of such permanent position.

D.3. Scheduled Training Guarantee

D.3.a. A pilot who is eligible under [Section 11 D.1.](#) or [Section 11 D.2.](#) → to receive training pay time and credit time, and who does not both start and finish his scheduled training within his scheduled training period as shown on the bid list, for any reason other than:

- D.3.a.(1) his personal unavailability, or
- D.3.a.(2) his failure of a proficiency check, or
- D.3.a.(3) his failure to qualify, or
- D.3.a.(4) a work stoppage directly affecting training,

shall be guaranteed the pay time and the credit time to which he would have been entitled under [Section 11 D.1.](#) or [Section 11 D.2.](#) →, had his training been conducted within the scheduled period shown on the bid list (however, such pilot shall not be eligible to receive international pay under this subparagraph D.3.a.). Such pilot whose entire scheduled training period is canceled shall be subject to assignment to recovery flying as set forth in [Section 11 D.3.c.](#) →. A pilot's "entire scheduled training period" shall be considered to be "canceled," for purposes of this paragraph, only if the start of the training period is moved from the bid period in which it was scheduled to a subsequent bid period. If, at the time of postponement, the training is rescheduled for a time later in the same bid period, or is not rescheduled to a time certain, then the pilot shall not be subject to assignment to recovery flying as set forth in [Section 11 D.3.c.](#) →. A pilot whose training is canceled due to movement (effective the next bid period) from the position in which he is being trained shall be subject to assignment to recovery flying as set forth in [Section 11 D.3.c.](#) →.

D.3.b. A pilot who is eligible under [Section 11 D.1.](#) or [Section 11 D.2.](#) → to receive training pay time and credit time, and who starts his training later and/or completes his training earlier than scheduled within his scheduled training period as shown on the bid list, shall be guaranteed the pay time and the credit time to which he would have been entitled under [Section 11 D.1.](#) or [Section 11 D.2.](#) →, had he started and completed his training as scheduled. Such pilot who completes his training early shall be subject to assignment to recovery flying as set forth in [Section 11 D.3.c.](#) →.

D.3.c. Recovery Obligations for Scheduled Training Guarantee

D.3.c.(1) A regular pilot eligible for scheduled training guarantee who is released from training shall be required to be available from 0700 to 1500 hours (local time)

at his base on the recovery days specified in [Section 11 D.3.c.\(9\)](#) → and may be assigned to any recovery flying or deadheading as follows:

- D.3.c.(1)(a) which is scheduled to depart his base during his scheduled training period, and
- D.3.c.(1)(b) which is scheduled to return him to his base by midnight of the last day of his scheduled training period, and
- D.3.c.(1)(c) the scheduled credit time of which will not require adjustment of his schedule for the current or the ensuing bid period.
- D.3.c.(2) Such pilot shall have no option to refuse the flying or deadheading assigned to him.
- D.3.c.(3) Such pilot may be contacted outside of his period of required availability to be advised of assignment.
- D.3.c.(4) Such pilot whose assigned recovery flight returns him to his base after the start of a scheduled day off will have his free-from-duty period extended on the same basis as set forth for a reserve pilot under [Section 25 C.8.j](#).
- D.3.c.(5) Such pilot shall be treated as if he were a pilot eligible for bid scheduled trip guarantee for the purpose of the order of his assignment to open flying under [Section 30 E](#).
- D.3.c.(6) Such pilot who is unavailable during a period of required availability shall forfeit his entitlement to his Scheduled Training Guarantee.
- D.3.c.(7) Such pilot who is released after completion of OE training shall be available as provided for in this subparagraph D.3.c., except that a pilot shall be released if: (i) his total credit time in training, including OE and FFAD days, if any, are within 4:15 of the scheduled training guarantee credit time for his training in the bid period, or (ii) he is awarded or assigned open flying which, when added to the credited hours in training, including OE and FFAD days, if any, brings the difference between such credit time and the open flying hours flown or credited and the credit time of said scheduled training guarantee to less than 4:15 of credit time.
- D.3.c.(8) A pilot who is projecting a credit time within 4:15 of the scheduled monthly maximum shall be released from this obligation.
- D.3.c.(9) Calculation and Assignment of Recovery Days.
- D.3.c.(9)(a) The number of recovery days under [Section 11 D.3.c.\(1\)](#) → for which the pilot must be available shall be calculated by dividing the total guaranteed credit time by 4:15. The value of the “guaranteed credit time” is calculated by subtracting the credit time of the actual training assignment from the

credit time of the total scheduled training guarantee. Any fraction shall be rounded to the nearest whole number, with .5 rounded down. When the amount of the credit time for the actual training assignment is equal to or more than the scheduled training guarantee, or when the result is a fraction of .5 or less, the pilot shall have no recovery obligation. For example: The pilot is shown on the bid list as in training on days 1-12 of the month. The total scheduled training guarantee is 32:00 (12 days times 2:40); the credit time for the actual assignment is 18:00 for 3 days of OE. The pilot finished training on day 3 of the 12 day period. The calculation is as follows: $32:00 - 18:00 = 14:00$; $14:00 \div 4:15 = 3.29$ days, round to 3 days.

D.3.c.(9)(b)

If the number of recovery days so calculated is less than the number of days of such scheduled training remaining after release from training, then the pilot shall be required to be available for only the lesser number of days. The recovery days shall be within the scheduled training period, and shall be mutually agreed to by the pilot and Crew Scheduling. If mutual agreement cannot be reached, the days of required availability assigned by Crew Scheduling shall be consecutive within the scheduled training period; provided that if more than **five** days are to be assigned, the days may be split into **two** blocks of required available days with at least **two** days of required availability in each block and at least **two** days off between the blocks. The number of available days shall not be calculated until the day prior to the day of expected release from training. The recovery days shall be selected or assigned, and in the case of assignment the pilot shall be notified no later than 0900 on the day of expected release from training. If the pilot is released later than expected, or if the total pay time and credit time is more or less than expected, the above calculation shall be redone and the required available days adjusted as necessary.

D.3.c.(10)

Credit for training, including scheduled training guarantee, will be computed and credited to a pilot for credit time purposes upon release from training in the same time frame after release and in the same manner Bid Scheduled Trip Guarantee is credited pursuant to [Section 4 H.7](#).

D.3.d.

A reserve pilot who is eligible for scheduled training guarantee and who completes his initial qualification training early shall return to his previously awarded or assigned reserve schedule after release from training (see [Section 25 C.8.k](#) for possible adjustment to his scheduled reserve days off). If the pilot was not previously awarded or assigned a reserve schedule for the month, he shall, upon release from training, receive a reserve schedule pursuant to [Section 25 C.8.k](#).

D.3.e.

A pilot who completes initial qualification training prior to the effective date of his permanent position award shall be deemed to be a reserve pilot in the category at the base of his awarded position until the effective date of the award. See [Section 25 A.6](#) for schedule bidding by such pilot. See [Section 11 D.3.f](#) for early completion of requalification training.

D.3.f. Recovery Obligations For a Pilot Scheduled To Complete Requalification Training Prior to the Effective Date of His New Permanent Position

D.3.f.(1) A pilot whose new permanent position requires requalification training shall normally be scheduled to complete such training at the end of the month prior to the effective date of his new permanent position, or during the month his new permanent position becomes effective.

D.3.f.(2) A pilot who is scheduled (whether such scheduling appears on the bid list or not) for requalification training in the month prior to the effective date of his new permanent position shall be scheduled for such training through the end of the month, regardless of the expected length of the requalification training.

D.3.f.(3) A pilot who completes his requalification training early in the month prior to the effective date of his new permanent position and who holds a regular position for that month, shall have the recovery rights and obligations specified in [Section 11 D.3.c.](#), with such recovery to be served in the category of his new permanent position. If the category of his new permanent position exists in the base of his current permanent position, the pilot shall have the option to serve his recovery obligation either in his current base or the base of his new permanent position. Said pilot shall not receive the hotel lodging, the Y1/F6 passes or the per diem specified below. If the category of his new permanent position does not exist in his current base, the pilot shall serve his recovery obligation in the base of his new permanent position, provided that the Company shall provide a hotel room, Y1/F6 passes to/from the base as provided to temporary pilots under [Section 5 C.5.](#) and per diem (calculated in the same manner as per diem is calculated in [Section 5 B.6.](#) and [Section 5 B.7.](#)). These benefits shall not be provided if the pilot's permanent residence is at the base of the new permanent position.

D.3.f.(4) A pilot who completes his requalification training early in the month prior to the effective date of the new permanent position and who holds a reserve position for that month shall be a reserve pilot for the remainder of the month. The number of reserve available days shall be calculated in the same manner as recovery days are calculated in [Section 11 D.3.c.\(9\)](#) and shall be served in the category of his new permanent position. If the category of his new permanent position exists in the base of his current permanent position, the pilot shall have the option to serve his reserve days either in his current base or the base of his new permanent position. Said pilot shall not receive the hotel lodging, the Y1/F6 passes or the per diem specified below. If such category does not exist in his current base, the pilot shall serve his reserve days in the base of his new permanent position, provided that the Company shall provide a hotel room, Y1/F6 passes to/from the base as provided to temporary pilots under [Section 5 C.5.](#) and per diem (calculated in the same manner as per diem is calculated in [Section 5 B.6.](#) and [Section 5 B.7.](#)). These benefits shall not be provided if the pilot's permanent residence is at the base of his new permanent position. The reserve available days shall be served on

days which are agreed upon by Crew Scheduling and the pilot. In the event agreement between Crew Scheduling and the pilot cannot be reached, Crew Scheduling shall assign the reserve available days, provided that both the reserve available days and the reserve days off shall, to the extent possible, be grouped in the same manner as days off are grouped under [Section 25 C.1.](#), except that if there is a total of **two** days of reserve availability they shall be grouped into **one** period of **two** consecutive days of reserve availability. In the event it is not possible to group both reserve available days and reserve days off in this manner, priority will be given to the grouping of reserve available days in this manner. All reserve days off created pursuant to this subparagraph (4) shall be inviolate days off.

NOTE: For pay and credit, see the following provisions: (i) [Section 4 A.1.](#) and [Section 4 A.2.](#) for minimum monthly pay guarantee; (ii) [Section 11 D.1.](#) and [Section 11 D.2.](#) when scheduled training guarantee is not involved; (iii) [Section 11 D.3.](#) when scheduled training guarantee is involved; and (iv) [Section 11 D.8.](#) if Operating Experience is involved.

D.4. Scheduled Recurrent Proficiency Check Guarantee

In those cases where a recurrent proficiency check is entered on a pilot's schedule and is canceled, he shall receive pay time and credit time for such canceled recurrent proficiency check. Nothing shall preclude the Company from scheduling an aircraft recurrent proficiency check in lieu of a canceled recurrent proficiency check in a **flight** simulator.

D.5. For the purpose of this section, a pilot shall be considered to be assigned to training or a proficiency check as set forth in this Paragraph D. above during any of the following:

- D.5.a. Any portion of a calendar day traveling to or from such training or proficiency check.
- D.5.b. Any portion of a calendar day spent in such training or proficiency check.
- D.5.c. Any portion of a calendar day the pilot is assigned and available for such training or proficiency check but is unable to complete or perform same because of postponement or cancellation of any portion thereof.

NOTE: When travel to training and training can be accomplished on the same calendar day, the pilot shall be paid a total of 2:40 for the entire day, and if the training in question is a credit event, he shall receive a total of 2:40 credit for the entire day.

D.6. Except as provided in [Section 11 D.8.](#) →, a pilot assigned to training will not be paid training pay for more than the scheduled monthly maximum hours in a month plus any training pay for which credit time is not provided.

D.7. When a pilot is assigned to training or a proficiency check as set forth in this Paragraph D. above at a regular layover station other than his base, he shall receive pay time and credit time at the appropriate rate as provided in [Section 11 D.1.](#) or [Section 11 D.2.](#) →. When the regular layover is expanded to accommodate such training, or proficiency check, he shall receive pay time and credit time as provided in [Section 11 D.1.](#) or [Section 11 D.2.](#) → or the additional trip hour credit which may become due because of such expanded layover, whichever is greater.

D.8. Operating Experience (“OE”) Pay and Credit

In a month in which OE training is received, or in which a pilot is assigned to FFAD days, the pilot shall receive pay time and credit time for training as set forth below:

D.8.a. Training Not Shown on the Bid List

D.8.a.(1) Operating Crewmember

Such pilot who receives OE as an operating crewmember shall receive pay time and credit time for the greater of (for pay time purposes, as measured by total dollars):

D.8.a.(1)(a) 2:40 for each day of the actual training period, excluding FFAD days (see [Section 11 D.8.d.](#) →), based on his permanent position for that month, or

D.8.a.(1)(b) 2:40 for each day of the actual training period, excluding FFAD days, based on his permanent position for that month up to the day OE actually commences, plus the hours flown or credited in OE at the rate for the category in which the OE is performed, or

D.8.a.(1)(c) the value of any trips missed, excluding any international pay included in the value of such trip(s).

D.8.a.(2) Jumpseat

Such pilot who receives OE from the jumpseat, shall receive pay time and credit time for the greater of (for pay time purposes, as measured by total dollars):

D.8.a.(2)(a) 2:40 for each day of the actual training period, excluding FFAD days, based on his permanent position for that month, or

D.8.a.(2)(b) the value of any trips missed, excluding any international pay included in the value of such trip(s).

D.8.b. Training Shown On the Bid List But Which Is Conducted In Whole Or In Part Outside The Scheduled Training Period

D.8.b.(1) Operating Crewmember

Such pilot who receives OE as an operating crewmember shall receive pay time and credit time for the greater of (for pay time purposes, as measured by total dollars):

D.8.b.(1)(a) 2:40 for each day of the scheduled training period as shown on the bid list and for each day of training outside the scheduled training period, excluding FFAD days, based on his permanent position for that month, or

D.8.b.(1)(b) 2:40 for each day of the scheduled training period as shown on the bid list and for each day of training outside the scheduled training period, if any, excluding FFAD days, up to the commencement of OE based on his permanent position for that month, plus the hours flown or credited in OE at the rate for the category in which the OE is performed, or

D.8.b.(1)(c) 2:40 for each day of the scheduled training period as shown on the bid list and for each day of training outside the scheduled training period, if any, excluding FFAD days, up to the commencement of OE based on his permanent position for that month, plus the value of any trips missed, or

D.8.b.(1)(d) the value of the pilot's bid schedule as of 0900 on the 23rd day of the preceding month plus any trips awarded or assigned in Schedule Completion Bid, excluding any international pay included in the value of such trip(s).

D.8.b.(2) Jumpseat

Such pilot who receives OE from the jumpseat, shall receive pay time and credit time for the greater of (for pay time purposes, as measured by total dollars):

D.8.b.(2)(a) 2:40 for each day of the scheduled training period as shown on the bid list and for each day of training outside the scheduled training period, excluding FFAD days, based on his permanent position for that month, or

D.8.b.(2)(b) 2:40 for each day of the scheduled training period as shown on the bid list and for each day of training, outside the scheduled training period, if any, excluding FFAD days, up to the commencement of OE based on permanent position for that month, plus the value of any trips missed.

NOTE: See [Section 30 C.10.c.\(5\)](#) to determine if there is an availability obligation for a missed trip.

D.8.c. Training Shown On The Bid List And Which Is Conducted Inside The Scheduled Training Period

D.8.c.(1) Operating Crewmember

In a month where a pilot who is eligible for scheduled training guarantee performs OE training within the training period shown on the bid list, and the OE is performed as an operating crewmember, the pilot shall receive pay time and credit time for the greater of (for pay time purposes, as measured by total dollars):

D.8.c.(1)(a) 2:40 for each day of the scheduled training period as shown on the bid list, excluding FFAD days, based on his permanent position for that month, or

D.8.c.(1)(b) 2:40 for each day of the scheduled training period as shown on the bid list, excluding FFAD days, up to the commencement of OE based on his permanent position for that month, plus the hours flown or credited in OE at the rate for the category in which the OE is performed plus any recovery flying which commenced inside the scheduled training period.

D.8.c.(2) Jumpseat

In a month where a pilot who is eligible for scheduled training guarantee performs OE training within the training period shown on the bid list, and the OE is performed from the jumpseat, the pilot shall receive 2:40 for each day of the scheduled training period as shown on the bid list, excluding FFAD days, based on his permanent position for that month.

D.8.d. Free-From-All-Duty Days (FFAD Days)

D.8.d.(1) The purpose of this provision is to permit, by the usage of FFAD Days, the completion of OE in a month when the accumulation of credit time in training would otherwise prevent such completion, provided that the requirements of this subparagraph d. are complied with.

D.8.d.(2) A pilot who has completed all **flight** simulator training and who is (i) awaiting an OE trip; (ii) awaiting aircraft training subsequent to **flight** simulator training; (iii) between OE trips; or (iv) between an OE trip and **flight** simulator training, may, at the Company's option, be released from all duty until commencement of such assignment.

D.8.d.(3) In order for this release to be effective, the pilot must be orally notified in advance by Training Scheduling personnel of his placement on free-from-all-duty (FFAD) days and, within 12 hours of such oral notification, confirmation of such placement on FFAD days, including the dates of such release, must be sent to the pilot's electronic mailbox. The Company shall retain an electronic archive of the date and time of the electronic notification. Non-compliance with either of these notice requirements shall mean that the release to FFAD

days is void and that the pilot shall remain in his training assignment for pay time and credit time purposes.

- D.8.d.(4) Upon a proper release to FFAD days, such pilot will not then accrue pay time and credit time for the free-from-all-duty (FFAD) days.
- D.8.d.(5) Upon the pilot's release to line flying, due to completion of OE, or delay or cancellation of the OE, he shall be credited for credit time purposes with 2:40 per day for each training day, including FFAD days, plus the OE trip, or missed trips, (not including any scheduled international pay associated with such trip(s)), whichever is greater, but in no case shall he be projected for more than the scheduled monthly maximum. With respect to the FFAD days, such days will be credited for credit time purposes after any required schedule adjustment is made.
- D.8.d.(6) In addition to the pay time generated by [Section 11 D.8.a.](#) through [Section 11 D.8.c.](#) →, the pilot shall receive, at the end of the bid period, pay time at 2:40 per day for each FFAD day, up to the actual monthly maximum. Credit time and pay time for FFAD days, and portions thereof, shall be used to fill regular pilots to the scheduled monthly maximum and the actual monthly maximum, respectively, for their permanent position, and fill reserve pilots to an amount 2:30 above the reserve pilot monthly maximum for their permanent position.

D.8.e. Monthly Guarantee

In a month where a pilot completes OE and then becomes a reserve pilot for the remainder of the bid period, he shall receive, as a minimum monthly pay guarantee, compensation as provided in [Section 4 A.2.](#) on a prorated basis. The proration shall be calculated as follows:

Step One—calculate the proportion that the number of days up through completion of OE bears to the number of days in the month;

Step Two—multiply this fraction times the dollar value of the reserve monthly guarantee in the position for which he is receiving training pay for that month;

Step Three—subtract the fraction from Step One from the number one;

Step Four—multiply the resulting fraction from Step Three times the dollar value of the reserve monthly guarantee in the position for which he is sitting reserve;

Step Five—add the dollar value calculated in Step Two and Step Four.

EXAMPLE: A 12th year pilot is being trained for DC-10 Captain in a 30-day month. His training pay is at the 757 Captain rate. The pilot completes OE on the 18th of the month.

Step One: 18/30

Step Two: $18/30 \times \$13,693.50$
 (75 hours at the 9/13/98 rate) = \$8,216.10

Step Three: 12/30

Step Four: $12/30 \times \$15,238.50$
 (75 hours at the 9/13/98 rate) = \$6,095.40

Step Five: $\$8,216.10 + \$6,095.40 = \$14,311.50$

In this example, the prorated minimum monthly guarantee is \$14,311.50.

- D.8.f. When OE is conducted and the pilot is at the location of the **flight** simulator training site, the pilot shall not receive deadhead pay or credit as if he had deadheaded to or from his base. However, when the last flight of a pilot's OE terminates at a location other than the base to which the pilot is assigned for subsequent flight duty, Crew Scheduling personnel shall work with the pilot who is changing bases to ensure that he obtains adequate rest (both required and reasonable) prior to commencing his assignment at that base. In addition, the pilot shall receive transportation to such new base as provided in [Section 11 H.8](#).
- D.8.g. A pilot shall be allowed to utilize the provisions of [Section 12 B.1.i](#). (Negative Bank Flyback) and [Section 12 B.1.j](#). (HIT Flying) to accomplish OE.
- D.9. When the Company schedules a pilot for ground school training which includes pay time and credit time and which (i) is scheduled to last one hour or less, and (ii) is scheduled to start no earlier than 1½ hours prior to the report time for a trip, the pilot's pay time and credit time for such training shall be one hour; provided that the total period from the start of training to release from the trip shall be considered one duty period for purposes of Section 12 limitations.
- D.10. Except in the case of OE international flying, a pilot shall not be paid international pay for training, training guarantee, FFAD or missed trip for training.

E. Training Scheduling Rules

- E.1. Known training shall be scheduled and entered on the pilot's schedule at the time of bidding.
- E.2. Ground Training Scheduling Rules
- E.2.a. All Ground Training
- E.2.a.(1) Ground school training shall be scheduled on a basis of **five** calendar days of ground school during any week with **two** consecutive calendar days off during that week. That period of **seven** calendar days constitutes a Training Week. Such days off shall be considered as part of the training period. Ground school training may be extended to a sixth calendar day for the concluding day of a

particular course, and to accomplish the systems written examination for a non-AQP training program or the Systems Validation for an AQP training program. In such case, that period of **six** calendar days shall be followed by **two** consecutive calendar days off and such period of **eight** calendar days shall constitute a Training Week. **A ground training week that ends with combined ground training which starts on a calendar day and ends on the ensuing calendar day no later than 0200 may count the remainder of that calendar day as the pilot's first calendar day off of his two consecutive calendar days off.**

- E.2.a.(2) Each hour of ground training shall include a 5-minute rest period, except that ground training in a flight training device **or flight simulator** that exceeds 2:00 shall include a 10-minute rest period after 2:00 in the flight training device **or flight simulator**.
- E.2.a.(3) A pilot who is entitled to a travel day, who commences travel to training and attends ground school on the same calendar day as his travel to training, shall not attend ground school on that day in excess of **8:00. Provided that in no case may such pilot be scheduled to attend ground school later than 2000 local time at the location of training.**
- E.2.a.(4) Except as otherwise provided in this Agreement, a pilot receiving ground training shall be removed from his regular schedule or reserve schedule for the duration of the training period, allowing a period of 10:00 free from all duty (including deadheading) prior to any flight following such training, except by consent of the pilot. Such rest period shall be considered as part of the training period only for the purpose of computing pay time and credit time for trips missed.
- E.2.a.(5) For each 4:00 of **scheduled** ground training, there shall be a **45-minute** period for meals **that shall be scheduled during normal meal periods. In addition, the Company shall provide adequate meals for all trainees at the training center during normal daily meal times on any calendar day on which training is conducted during a normal meal period. Vending products will be available but shall not satisfy this requirement. When the training center cafeteria is not open, to satisfy this requirement, at a minimum a selection of take-out menus will be available for the pilot to order directly with the vendor. Upon delivery the vendor will contact the pilot directly via his designated contact number. All meals shall be received and paid for by the pilot. This provision shall not apply to off-site training.**
- E.2.b. Classroom **Ground** Training and/or Computer-Based **Ground** Instruction (CBI) Training **Hours**
- E.2.b.(1) A pilot shall not be required to be present for the purpose of attending ground school classroom training and/or CBI training for more than 8 consecutive hours in any calendar day (exclusive of a **45-minute** meal period).

E.2.b.(2) Classroom training and/or CBI training shall not begin prior to 0800 or end later than **2000** local time at the station at which training is being conducted.

EXCEPTION: Captain Leadership School (see [Section 11 H.17](#). →) may end no later than 2200 local time at the station at which such training is being conducted; however, the Company shall exercise its best efforts to schedule such training to end no later than 1800.

E.2.c. **Ground Training Conducted in a Flight Training Device or Flight Simulator:**

E.2.c.(1) A pilot shall not be scheduled for more than a total of 8 consecutive hours of **training beginning on** any calendar day (exclusive of a **45-minute** meal period), but may be required to remain continuously present for no more than 10:00 following commencement of the training session. A 10-minute break shall be provided after **every 2:00 of training in a flight training device or flight simulator**.

E.2.c.(2) A pilot must be scheduled to have a minimum of **14** consecutive hours off duty for rest following completion of a **flight training device session or flight simulator period**. With the pilot's agreement, this off-duty period for rest can be reduced to 11 consecutive hours once during each training week, **or with the pilots concurrence the company may schedule the rest period prior to the last day of a training week at such reduced amount**.

E.2.c.(3) **Ground Training comprised solely of training in a flight simulator or flight training device shall not begin prior to 0500 or end later than 0200 local time at the location at which training is conducted. To the extent possible (based on training demand), such training will normally be scheduled between the hours of 0500 and 2200 local time. To accommodate unforeseen circumstances or in the event a pilot requires additional training and with his concurrence, flight training device training may be scheduled between the hours of 0200 and 0500 local time.**

E.2.c.(4) A pilot attending flight training device training shall not be required to train in a flight training device for more than 4:00 per calendar day **exclusive of any briefing and debriefing time. In the event that there is no flight training device for a particular fleet or aircraft type or for some reason the flight training device is unavailable flight training device training may be conducted in a flight simulator.**

E.2.d. **Combined Ground Training:**

Combined training is any combination of Ground Training conducted in a flight simulator, flight training device and any other Ground Training in a calendar day within a training week. →

E.2.d.(1) A pilot shall not be scheduled for more than a total of 8 consecutive hours of **combined training** in any calendar day (exclusive of a **45-minute** meal

period), but may be required to remain continuously present for no more than 10:00 following **scheduled** commencement of the training session. A 10-minute break shall be provided after **every 2:00** of **flight simulator or flight training device training**.

- E.2.d.(2) A pilot must be scheduled to have a minimum of **14** consecutive hours off duty for rest following completion of a Combined Training session. With the pilot's agreement, this off-duty period for rest can be reduced to **11** consecutive hours once during each training week, **or with the pilot's concurrence the Company may schedule the rest period prior to the last day of a ground training week at such reduced amount.**
- E.2.d.(3) Combined Training shall not begin prior to **0500** or end later than **0200** local time at the **location** at which training is conducted. **To the extent possible based on training demand, such training will normally be scheduled between the hours of 0500 and 2200 local time. To accommodate unforeseen circumstances or in the event a pilot requires additional training and with his concurrence, flight training device training may be scheduled between the hours of 0200 and 0500 local time.**
- E.2.d.(4) A pilot attending Combined Training shall not be required to train in a flight training device **and/or flight simulator** for more than **6:00** per calendar day.

E.3. **Flight Simulator Training Scheduling Rules**

The provisions of this subparagraph **E.3.** apply only to Company-required flight training conducted in **flight** simulators or flight training devices when not used in conjunction with ground training **and covering flight training, flight maneuvers, aircraft flight characteristics, airmanship, SOPA and SMAC.**

- E.3.a. **Flight** simulator training shall be scheduled on a basis of **five** calendar days of training during any week with **two** consecutive calendar days off during that week. That period of **seven** calendar days constitutes a Training Week. Such days off shall be considered as part of the training period. **Flight** simulator training may be extended to a sixth calendar day for the concluding day of a particular course. In such case, that period of **six** calendar days shall be followed by **two** consecutive calendar days off and such period of **eight** calendar days shall constitute a Training Week. **A flight training week that ends with flight simulator training which starts on a calendar day and ends on the ensuing calendar day no later than 0200 may count the remainder of that calendar day as the pilot's first calendar day off of his two consecutive calendar days off.**
- E.3.b. **Flight Simulator Periods** are defined as follows:
- E.3.b.(1) Period S1: Show Time - 0500; Period Times - 0600-1000
- E.3.b.(2) Period S2: Show Time - 0900; Period Times - 1000-1400
- E.3.b.(3) Period S3: Show Time - 1300; Period Times - 1400-1800

- E.3.b.(4) Period S4: Show Time - 1700; Period Times - 1800-2200
 E.3.b.(5) Period S5: Show Time - 2100; Period Times - 2200-0200

NOTE: Based on the needs of individual pilots or the training program, the above standard flight simulator periods may be adjusted on a temporary basis. Pilots will be afforded reasonable advance notice of any such adjustments and such adjustments will be published in the flight simulator schedules.

- E.3.c. Pilots shall not **be scheduled to train** in a flight simulator between the hours of 0200 and 0600 **local time at the location of the flight training. To accommodate unforeseen circumstances or in the event a pilot requires additional training and with his concurrence, flight simulator training may be scheduled between the hours of 0200 and 0500 local time.**
- E.3.d. A pilot shall be scheduled to have a minimum of **14** consecutive hours off duty for rest following completion of a session of **flight** simulator training. With the pilot's agreement, this off-duty period for rest can be reduced to 11 consecutive hours once during each training week, **or with the pilot's concurrence the Company may schedule the rest period prior to the last day of a flight training week at such reduced amount.**
- E.3.e. A pilot shall not be scheduled for or required to receive more than 4:00 of training per day → in a **flight** simulator →. (See **Section 11 E.2.c.(4)** regarding the use of a flight simulator for flight training device training)
- E.3.f. A pilot shall not be scheduled to be present for the purpose of performing **flight** simulator training for more than 6:00 per **calendar day** (including a 1:00 briefing period and a 1:00 debriefing period), but may be required to remain continuously present for no more than 10:00 following **the scheduled** commencement of **such training.**
- E.3.g. A 10-minute break shall be provided after **every 2:00 of → flight training.**
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- E.3.h.** If the end time of an S4 simulator session at an off-site training facility (non-Company facility or non-Company affiliate facility) is **two** hours or less later than that of the Company's S4 simulator session (1800-2200), it shall nevertheless be deemed to be an S4 period which is in compliance with the requirements of **Section 11 E.3.c. →** and **Section 11 E.4.a.** and **Section 11 E.5.b. →.**
- E.3.i.** A pilot reporting for flight simulator training shall be allowed at least 10:00 off duty (12:00 upon request) from his last previous arrival at the station at which such flight simulator training is conducted and at least 48:00 off duty following a trip hour period which includes a transpacific flight, or other transoceanic flight (of greater than 6:00 scheduled flight time). These periods may be shortened upon mutual consent **to no less than 10:00. →**

E.4. Proficiency Check Scheduling Rules

The provisions of this subparagraph apply only to Company-required proficiency checks conducted in **flight** simulators (or → flight training devices **where allowed by the FAA as part of the approved training program**). **The Company shall notify the ALPA Training Committee prior to any change to the approved training program related to the type of device in which a Proficiency Check or validation will be given.**

- E.4.a. Pilots shall not take a proficiency check in a flight simulator between the hours of 0200 and 0600 and shall not be given a proficiency check in a flight simulator during an S5 period (2200-0200).
- E.4.b. A pilot shall have a minimum rest period of 12:00 prior to the scheduled report time for any proficiency check and, upon request, 48:00 following a trip hour period which includes a transpacific flight, or other transoceanic flight (of greater than 6:00 scheduled flight time). → **The 48:00 rest period may be shortened to no less than 12:00 with the concurrence of the pilot.**
- E.4.c. A pilot shall not be scheduled to be present for the purpose of performing a proficiency check for more than 6:00 per calendar day (including a 1:00 briefing period and a 1:00 debriefing period) and shall not be required to be continuously so present for more than 10:00 per calendar day following commencement of the session.
- E.4.d. A 10-minute break shall be provided after 2:00 of a 4:00 **flight** simulator period that is a proficiency check, provided that for purposes of an LOE conducted pursuant to an AQP program, a break will be provided after 2:00 at an appropriate point during the LOE.

E.5. **Flight** Simulators General Rules

- E.5.a. No pilot shall be scheduled to receive Flight Training prior to → 0500 on the calendar day following any calendar day during which the pilot received Ground Training.

EXCEPTION: With the consent of the pilot and the ALPA Training Committee Chairman, and subject to the same scheduling limits set forth in [Section 11 E.2.d.](#) → for Combined Training, a pilot may receive a remedial training session consisting of both Ground Training and **Flight** Simulator Training.
- E.5.b. Pilots shall not train in a flight simulator between the hours of 2200 and 0200 local time as a result of the Company or NATCO equipment which otherwise could have been used to perform the training or proficiency check, being used by other than Company personnel on the day such training is required.
- E.5.c. Unless required by the FAA or consented to by the pilot, no persons other than the crew and the performing instructor(s) shall be allowed in the flight simulator

during a period when the pilot is undergoing a proficiency check. Unless required by the FAA or consented to by the pilot, no persons other than the crew and the performing instructor(s) shall be allowed in the flight training device or flight simulator during ground training or flight training.

E.5.d. A pilot shall be permitted to complete any briefing given in connection with the flight simulator before undertaking flight simulator training or a proficiency check.

E.5.e. Proficiency checks in the flight simulator shall be subject to the following:

→

E.5.e.(1) No maneuvers will be given during proficiency checks in flight simulators that are not required by the Northwest Airlines' Proficiency Check Form or by an Advanced Qualification Program.

E.5.e.(2) Adequate time shall be given for a pilot to adapt himself to the particular flying characteristics of the flight simulator **before the start of** a proficiency check →.

E.5.e.(3) Flight simulator periods and a requested warm-up period in conjunction with recurrent proficiency checks shall be scheduled and posted for bid for the ensuing month so as to provide not less than 5 days notice of a scheduled **flight** simulator appointment, except that this time may be shortened by mutual consent.

E.5.e.(4) When proficiency checks are scheduled for days on which other **flight** simulator training is also scheduled, the proficiency checks will normally take precedence for scheduling during the second and third scheduled **flight** simulator periods for that day **unless the pilot has either requested or agreed to another time period. Pilots shall not be scheduled for a proficiency check after 2200 local time if any simulator time on the fleet was sold to another party during that calendar day.**

E.6. No pilot shall be required to perform international or domestic flying after undergoing training or a proficiency check, except for completing recency of experience requirements, without first receiving no less than the minimum rest provided for in [Section 12 B.3.c.\(2\)](#) or [Section 12 C.2.c.](#), as appropriate. Such rest period shall commence at the actual block-in time of the first available flight on which he could be returned to his base. Such rest period shall be considered as part of the training period only for the purpose of computing pay time and credit time for trips missed.

F. **Flight** Simulator Warm-ups and Supplemental Instrument Procedures Training

F.1. Not Conducted Under SVT or CQ

With respect to a recurrent or requalification proficiency check which is not conducted pursuant to an SVT or CQ training program, the Company will afford a

pilot with one **flight** simulator training (warm-up) period, upon the individual pilot's request to the Training Division, prior to and in preparation for the proficiency check. The warm-up period must be scheduled at the time of scheduling the individual pilot's recurrent or requalification proficiency check in accordance with [Section 11 E.5.e.\(4\)](#) →.

F.2. Conducted Under SVT

With respect to a proficiency check conducted pursuant to an SVT training program, a pilot will receive one **flight** simulator training (warm-up) period prior to and in preparation for the proficiency check (presently conducted on Day 3 of SVT and also referred to as a LOFT session).

F.3. Conducted Under CQ

With respect to a proficiency check conducted pursuant to a CQ training program, a pilot shall not receive a **flight** simulator training (warm-up) period prior to the MV. Instead, the MV shall function as a training session to prepare the pilot for the LOE. Any items not completed on the MV shall be carried over to another training session prior to the LOE. A pilot who is not validated in the MV session shall be handled pursuant to [Section 11 J.5](#). →.

F.4. Pay and Credit for Warm Up Periods

F.4.a. If such proficiency check is associated with requalification training and the pilot has been absent from the type of equipment involved for 6 or more months but less than one year and the pilot is not otherwise receiving pay time for the day on which such warm-up period is taken, then the pilot will receive for such warm-up period the applicable pay time and credit time provided in [Section 11 D](#).

F.4.b. If such proficiency check is associated with Second Officer requalification training and the pilot has been absent from the type of equipment for less than 6 months and the pilot is not otherwise receiving pay time for the day on which such warm-up period is taken, then the pilot will receive for such warm-up period the applicable pay time and credit time provided in [Section 11 D](#).

F.4.c. All warm-up periods not covered under [Section 11 F.4.a.](#) or [Section 11 F.4.b.](#) → will be taken without pay time or credit time.

EXCEPTION: A pilot required to provide seat support prior to or after his warm-up, who is not otherwise receiving pay time for the day shall receive the applicable pay time provided in [Section 11 D](#).

NOTE: Travel, lodging and per diem to and from a paid warm-up period shall be allowed pursuant to the provisions of [Section 11 G](#). →.

F.5. The warm-up period shall be scheduled for 2:00 in length, but may be reduced at the pilot's option. The Company shall provide a qualified instructor pilot to conduct the

warm-up period. The content of the warm-up shall be for the purpose of preparing for the upcoming proficiency check, and shall concentrate on the maneuvers or procedures requested by the pilot.

F.6. The Company shall continue to provide a supplemental instrument procedures training opportunity to individual pilots, at their request. It is understood that such training shall be done without pay time and credit time, and at times when an appropriate flight training device(s) or **flight** simulator(s) is not being used for assigned training.

G. Travel, Per Diem and Lodging Associated With Training

G.1. Travel Days For Training

Pilots will be entitled to pay at 2:40 per day, or any portion of a calendar day, spent traveling either to or from any training events or proficiency checks. The Company may schedule domestic based pilots to travel in conjunction with the first day of training provided the requirements of [Section 11 G.1.a](#) → are met. When travel to training and training can be accomplished on the same calendar day, the pilot shall be paid a total of 2:40 for the entire day, and if the training in question is a credit event, he shall receive a total of 2:40 credit for the entire day. International pay shall not be paid to a pilot for time spent traveling either to or from any training events or proficiency checks.

G.1.a. Domestic Based Pilots (Other Than Pilots Based in Alaska and Hawaii)

Domestic pilots (other than pilots based in Alaska and Hawaii) assigned to training away from both their base and their permanent residence will be eligible for travel days subject to the following: Pilots will be deemed to travel to training on the first day of training if NWA flights at their base (or the nearest NWA station to their residence) are scheduled to depart no earlier than 0700 local time and are scheduled to arrive at the location of training no later than 1:30 prior to the start of training. However, if a pilot opts to take a flight on the first day of training which is scheduled to depart earlier than 0700 local time he will not receive pay for an additional travel day. Domestic pilots assigned to training away from both their base and their residence will be provided a paid hotel room in the location of training if they elect to come in the day prior to the first day of training, provided they have advised the Company of such decision at least 96 hours prior to commencement of training. Pilots who advise the Company of such election less than 96 hours prior to commencement of training will be provided a paid hotel room only if hotel rooms are available. There will be no per diem or pay associated with such elected travel prior to the first day of training.

G.1.b. Foreign and Alaska and Hawaii Based Pilots

Travel to and from training for foreign and Alaska and Hawaii based pilots will be handled as follows:

G.1.b.(1) General Principles

G.1.b.(1)(a) The following are, on a scheduled basis, the maximum potential travel days that a foreign or Alaska and Hawaii based pilot may be eligible to receive for travel to and from training in MSP:

<u>Location</u>	<u>Travel to Training</u>	<u>Travel from Training</u>
HNL	2 days	1 day
ANC	1 day	1 day

NOTE: The above-referenced days are based on current flight schedules and are subject to change consistent with flight schedule changes. If training occurs at a location away from base and away from MSP, current flight schedules will be used to determine maximum potential travel days. If ALPA disputes a change by the Company, or the Company refuses a change proposed by ALPA, the dispute or refusal will be handled pursuant to Section 20 and Section 21 of the Agreement.

G.1.b.(1)(b) A pilot shall be paid for actual travel days in excess of the maximum scheduled travel days set forth in [Section 11 G.1.b.\(1\)\(a\)](#) →, only if the excess actual travel days are caused by factors beyond the pilot’s control such as flight cancellations or delays.

G.1.b.(1)(c) The maximum potential travel days (pursuant to [Section 11 G.1.b.\(1\)\(a\)](#) →) shall be set forth on the bid deadline (for bidding purposes only) as part of the overall travel/training period. However, a regular pilot may choose to bid trips that conflict with such travel days, provided that such pilot assumes responsibility for any trip conflicts created by his obligation to attend training, except that it shall be the Company’s responsibility if the conflict is caused by flight cancellation or rescheduling beyond the pilot’s control.

G.1.b.(1)(d) The principles set forth in this subparagraph G.1. shall be applied to any foreign base which is opened after the date of signing of this agreement.

G.1.b.(2) Travel to Training

A pilot who is → based **at a foreign base or Alaska or Hawaii, who is scheduled to travel directly from such location to the location of training** → for the month of commencement of training will be entitled to the maximum potential travel days set forth in [Section 11 G.1.b.\(1\)\(a\)](#) →, regardless of his actual travel days.

→

G.1.b.(3) Travel from Training

A pilot who is → based **at a foreign base or Alaska or Hawaii, who is scheduled to travel directly from the location of training back to his foreign base or Alaska or Hawaii → following the completion of training** will be entitled to the maximum potential travel days set forth in [Section 11 G.1.b.\(1\)\(a\)](#) →, regardless of his actual travel days.

→

G.1.c. Travel and Other Duty On The Same Calendar Day

A pilot who is eligible for pay and credit in a trip hour period on a calendar day who also is eligible for pay for travel pursuant to this Paragraph G. on the same calendar day shall receive pay for both events.

G.2. Training Per Diem

Per diem for training (including any travel days for which the pilot is eligible pursuant to [Section 11 G.1.](#) →) will be paid as set forth below. A pilot who is based or has his permanent residence in the location of training will not be entitled to any per diem.

G.2.a. Commencement of Per Diem

The per diem entitlement shall commence based upon the departure time of the last possible flight from his base or residence, whichever is less, which meets the requirements of [Section 11 G.1.a.](#) or [Section 11 G.1.b.](#) → (excluding red eye flights which terminate on the first day of training) that could have been taken by the pilot to attend training. This entitlement will be reviewed and subject to change with every schedule change.

G.2.b. Termination of Per Diem

The per diem entitlement shall terminate based upon the arrival time of the first possible flight to his base or residence, whichever is less, which meets the requirements of [Section 11 G.1.a.](#) or [Section 11 G.1.b.](#) → (excluding flights that depart on the last day of training and fly into the next calendar day based on the time zone for the location of training) that could have been taken by the pilot. This entitlement will be reviewed and subject to change with every schedule change.

In the event of factors beyond a pilot's control such as flight cancellations or substantial flight delays, additional per diem may be authorized on a case by case basis.

G.3. Training Lodging

G.3.a. Domestic Based Pilots (Other Than Pilots Based in Alaska and Hawaii)

Lodging for domestic based pilots (other than pilots based in Alaska and Hawaii) will be provided as set forth in Section 5 of the Agreement and pursuant to [Section 11 G.1.a.](#) →.

G.3.b. Foreign and Alaska and Hawaii Based Pilots

Except as specifically modified herein, training lodging arrangements for foreign and Alaska and Hawaii based pilots will be subject to the normal contractual provisions. The travel day provisions set forth in [Section 11 G.1.b.\(1\)](#), [Section 11 G.1.b.\(2\)](#) and [Section 11 G.1.b.\(3\)](#) → will be utilized to determine lodging entitlements.

G.3.b.(1) Lodging for travel to training will be provided as follows:

G.3.b.(1)(a) A pilot entitled to paid travel days pursuant to Section 11 G.1.b.(2)(a) or Section 11 G.1.b.(2)(b)1' → will be provided lodging based upon the last possible flight from his base (excluding red eye flights terminating on the first day of training) that could have been taken by the pilot to attend training. This entitlement will be reviewed and subject to change with every schedule change. Such lodging will be provided in major gateways en route from the pilot's base to the location of training and in the location of training.

EXCEPTION: Permanent residents in the location of training will not be provided lodging in the location of training.

G.3.b.(1)(b) A pilot who falls under Section 11 G.1.b.(2)(b)2' → will be handled as a domestic based pilot.

G.3.b.(2) Lodging for travel from training will be handled as follows:

G.3.b.(2)(a) A pilot entitled to paid travel days pursuant to Section 11 G.1.b.(3)(a) or Section 11 G.1.b.(3)(b)1' → will be provided lodging based upon the first possible flight from training to his base (excluding flights that depart on the last day of training and fly into the next calendar day based on the time at the location of training) that could have been taken by the pilot. This entitlement will be reviewed and subject to change with every schedule change. Such lodging will be provided in the location of training and major gateways en route from the location of training to base.

EXCEPTION: Permanent residents in the location of training will not be provided lodging in the location of training.

G.3.b.(2)(b) A pilot who falls under Section 11 G.1.b.(3)(b)2' → will be handled as a domestic based pilot.

H. General

H.1. A pilot shall neither enter or reenter any training duty nor take a recurrent proficiency check, for which credit time is provided, if his accumulated credit time plus the projected scheduled credit time for the training or recurrent proficiency check (including travel time) will exceed his monthly maximum if he is a reserve pilot, or exceed either of his monthly maximums if he is a regular pilot, except:

H.1.a. He may be assigned to an FAA-type rating flight, and

H.1.b. A regular pilot may be assigned a recurrent proficiency check which causes him to exceed his monthly maximum provided he waives the credit time for such recurrent proficiency check at the time he enters his schedule bid. He shall either claim or waive the credit time for such recurrent proficiency check when he enters his schedule bid. A failure to claim the credit time shall be deemed a waiver. The option selected (to either claim or waive the credit time) cannot be changed after the bid submission deadline, except that a waiver of credit time (whether by selection or default) can later be changed to a claim for credit time prior to the commencement of Schedule Completion Bid by advising Crew Scheduling of the change. A regular pilot who waives the credit time may take a recurrent proficiency check (including any travel time and warm-up period) which will cause him to exceed the scheduled monthly maximum. The pay time for such recurrent proficiency check (including any travel time and warm-up period) which exceeds the scheduled monthly maximum shall be credited to his bank account as set forth in [Section 12 G.](#) and [Section 12 H.](#)

H.1.c. A regular pilot may be assigned to training to satisfy a recent experience requirement (see [Section 11 B.4.](#)) which causes him to exceed his monthly maximum, provided he waives the credit time for such recent experience training at the time of the assignment. He shall, at the time of the assignment, either claim or waive the credit time for such recent experience training. A failure to claim the credit time shall be deemed a waiver. The option selected (to either claim or waive the credit time) cannot be changed at a later time. A regular pilot who waives the credit time may take recent experience training (including any travel time and warm-up period) which will cause him to exceed the scheduled monthly maximum. The pay time for such recent experience training (including any travel time and warm-up period) which exceeds the scheduled monthly maximum shall be credited to his bank account as set forth in [Section 12 G.](#) and [Section 12 H.](#)

H.1.d. A regular pilot may be assigned to a one day Cockpit Resource Management (CRM) training program. This CRM training program shall be for pay time, but not for credit time. The pay time for such CRM training program (including any travel time) which exceeds the scheduled monthly maximum shall be credited to his time bank account as set forth in [Section 12 G.](#) and [Section 12 H.](#)

- H.1.e. A reserve pilot who has performed, or is scheduled to perform, a recurrent proficiency check (including any travel time and warm-up period), recent experience training (including any travel time and warm-up period), or a one day CRM training program (including any travel time) may, at the request of the Crew Scheduling Office and with the agreement of the pilot, be assigned a trip which would cause him to exceed his monthly maximum, provided that:
- H.1.e.(1) absent the recurrent proficiency check (including any travel time and warm-up period), the recent experience training (including any travel time and warm-up period), or CRM training (including any travel time), the trip could be assigned to the pilot under [Section 12 B.1.a.](#) or [Section 12 C.1.](#); and
- H.1.e.(2) there is no other pilot under [Section 30 E.1.a.](#) through [Section 30 E.1.m.](#) or [Section 30 E.2.a.](#) through [Section 30 E.2.m.](#) or [Section 30 E.3.](#) who is available for assignment to the trip.

Any pay time which exceeds the scheduled monthly maximum shall be credited to his time bank account as set forth in [Section 12 G.](#) and [Section 12 H.](#)

- H.1.f. Recurrent proficiency checks, CRM training and recent experience training shall not be included in pilot schedules for bidding purposes, except in the case of pilots returning from extended absences which require training or checking. Pilots who are assigned to a recurrent proficiency check shall, in seniority order, be given a choice of days from which to select a day for the recurrent proficiency check. Pilots assigned to CRM training shall, in seniority order within the CRM crew mix parameters, be given a choice of scheduled CRM days from which to make a prioritized selection of a day for CRM training. Pilots assigned to recent experience training shall, in consultation with Training Scheduling and Crew Scheduling, select a day(s) to undergo such training. For a regular pilot assigned to a recurrent proficiency check or CRM training, the selected day (including travel time and warm-up, if any) must be on a scheduled day off. For a regular pilot assigned to recent experience training, the selected day (including travel time and warm-up, if any) must, to the extent possible and reasonable, be on a scheduled day off. For a reserve pilot assigned to either a recurrent proficiency check, or CRM training, or recent experience training, the selected day (including travel time and warm-up, if any) may be on either a scheduled day of availability or a scheduled day off (excluding inviolate days off). If a scheduled day off is selected, the reserve pilot shall be given an equal number of replacement days off within that bid period. With respect to a recurrent proficiency check or CRM training, in the event that the pilot does not select a day or selects insufficient days, then Crew Scheduling may select a day for the pilot consistent with the provisions stated above.
- H.1.g. No pilot shall be assigned to both a recurrent proficiency check and to CRM training in the same bid period.

- H.1.h. A pilot may, at his option, do CRM training or annual refresher training on a day(s) off during a training assignment or on a Free-From-All-Duty days(s) (FFAD Day(s)). However, a pilot who is in his grace month and who will have no opportunity to accomplish his annual refresher training outside the training assignment, must do such training on a day(s) off (excluding days off for ground school provided for in [Section 11 E.2.a.\(1\)](#)) or FFAD day(s). If a pilot does perform CRM or annual refresher training on a FFAD day(s), that day(s) is converted for pay and credit purposes to a training day(s).
- H.1.i. CRM or annual refresher training during a training assignment
- H.1.i.(1) A pilot who is requested to and does attend CRM or annual refresher training on a day(s) off during an initial or requalification training assignment shall be paid and credited for that day(s) as a training day (2:40 per day) and shall be paid an additional day (2:40 per day) for the CRM or annual refresher training.
- H.1.i.(2) A pilot who performs CRM or annual refresher training on an FFAD day(s) shall have such day(s) converted, for pay and credit purposes, to a training day(s).
- H.1.i.(3) Any travel day(s) associated with such training shall not be paid and credited.
- H.1.i.(4) Pay time for CRM which exceeds the scheduled monthly maximum shall be banked and shall be used to offset minimum monthly pay guarantee provided for in [Section 4 A.1.](#) and [Section 4 A.2.](#), Instructor Pilot salary provided for in [Section 3 J.](#) to the extent that his accumulated pay time is less than the Instructor Pilot salary, Special Project Pilot salary provided for in [Section 3 K.](#) to the extent that his accumulated pay time is less than the Special Project Pilot salary, and scheduled training guarantee provided for in [Section 11 D.3.](#) if such ground training occurred during the period of the scheduled training guarantee.
- H.1.i.(5) Pay time for annual refresher training shall not be banked, shall be paid in addition to any other compensation and shall be used to offset minimum monthly pay guarantee provided for in [Section 4 A.1.](#) and [Section 4 A.2.](#), [Section 3 J.](#) to the extent that his accumulated pay time is less than the Instructor Pilot salary, Special Project Pilot salary provided for in [Section 3 K.](#) to the extent that his accumulated pay time is less than the Special Project Pilot salary and scheduled training guarantee provided for in [Section 11 D.3.](#) if such ground training occurred during the period of the scheduled training guarantee.
- H.1.i.(6) In a month in which such pilot performs both CRM training and annual refresher training, the CRM pay shall be calculated last.
- H.1.j. International pay shall not be paid to a pilot for any training or travel time covered by this [Section 11 H.1.](#)

- H.2. At the conclusion of each flight training period in a **flight** simulator or flight training device, and each proficiency check, including each **flight** simulator session involved in a proficiency check, and each line check, a copy of the check or training form will be given to the pilot. This form will be signed by the pilot and the instructor. At the conclusion of each ground training period in a **flight** simulator or flight training device, a copy of the training form, if any, will be given to the pilot and will be signed by the pilot and the instructor.
- H.3. Oral examinations which are required in connection with proficiency checks, or LOE under an Advanced Qualification Program, shall normally be conducted on the same day as the flight check.
- H.4. **Except as provided for in Section 2 D. and Section 11 H.5.b.(6) with regard to ATIs, all → Instructor Pilots**, Supervisory Pilots (excluding the Vice President of Flight Operations) and Special Project Pilots (hereinafter “such pilots” or “such junior pilots”) will be selected from the pilots named on the Integrated Pilots System Seniority List to the extent that qualified pilots are available and accept such assignment. If such pilots are selected who are junior to the senior pilot on layoff:
- H.4.a. The senior pilot(s) on layoff who is available for recall shall be matched in seniority order, on a one-for-one basis, with such junior pilot(s) and shall, for the period of his matchmate’s assignment, be treated as if he were on active payroll in the lowest category in operation with pay time equivalent to the pay time credited to their matchmate.
- H.4.b. The period during which such pilots may be assigned in such capacity shall not exceed 45 days from the date the first such pilot is so assigned following the incidence of an event causing a reduction of at least 15% of the active line pilot work force. However, the 45 day period specified above may be extended by mutual agreement of the Vice President of Flight Operations and the MEC Chairman.
- H.4.c. The provisions of subparagraphs a. and b. above shall not apply with respect to any such junior pilots whose selection results from an insufficiency of “qualified” active line pilots willing to accept assignment as a check airman, → **Instructor Pilots** or Special Project Pilot in the category involved, or Supervisory Pilot. The term “qualified” in the context of this subparagraph H.4. means:
- H.4.c.(1) With respect to → **Instructor Pilots and ATIs**, initially qualified in the category involved.
- H.4.c.(2) With respect to Special Project Pilots, possession of comparable qualifications to the incumbent junior pilot. The prior experience of the junior pilot as a Special Project Pilot shall not be considered in this comparison.

H.5. Persons Authorized to Train NWA Pilots and Instructor Pilot Duties

H.5.a. NWA pilot training, **validations**, and proficiency checks shall be performed by → Instructor Pilots listed and defined in **Section 2 KK**, or ATIs as defined in **Section 2 D**, under the terms of **Section 11 H.4**, and as provided for in **Section 11 H.5.b.**, **Section 11 H.5.c.** and **Section 11 H.5.d.**

H.5.b. Instructor Duties

H.5.b.(1) **Captain Instructor Pilot.** A Captain Instructor Pilot may perform Ground Training and Flight Training in flight training devices and/or flight simulators including conducting any validation and/or checking events in flight simulators, and/or flight training devices not required to be performed by a Check Airman or APD. In addition, a Captain Instructor shall be required to perform all Captain and First Officer OE and the training events described in **Section 11 H.5.c.**

H.5.b.(2) **First Officer Instructor Pilot.** A First Officer Instructor Pilot may perform Ground Training and Flight Training in flight training devices and/or flight simulators. A First Officer Instructor Pilot will be a Check Airman for the purpose of conducting the maneuvers validation (MV) only. A First Officer Instructor Pilot may be an APD and/or Check Airman for the purpose of checking and training Second Officers (except however, he may conduct Procedures Validations (PV) and Maneuvers Validations (MV)). First Officer Instructor Pilots may not conduct Captain or First Officer OE or the training events listed in **Section 11 H.5.c.**

H.5.b.(3) **Second Officer Instructor Pilot.** A Second Officer Instructor Pilot may perform Ground Training and shall perform all Second Officer Flight Training in flight simulators and/or flight training devices. A Second Officer Instructor Pilot shall be required to perform all Second Officer OE and the training events described in **Section 11 H.5.c.**

H.5.b.(4) **Check Airman.** A Check Airman must perform Validations, Proficiency Checks, LOEs, other Checking Events, and Line Checks that are not required to be conducted by an APD.

H.5.b.(5) **Aircrew Program Designee (“APD”).** An APD must perform Check Airman functions that require FAA certification as part of the checking event.

H.5.b.(6) **Aircrew Training Instructor (“ATI”).** An ATI may perform Ground Training in classrooms and/or flight training devices and flight simulators. In addition, Systems Validations and Procedures Validations (“PV”) may be performed by an ATI. A type-rated ATI may perform seat support for training events other than for those training events specifically excepted in **Section 11 H.5.d.**

H.5.c. **A Captain Instructor Pilot (Second Officer Instructor Pilot with respect to Second Officer Training) must perform the following training events:**

- (i) **Training required following a trainee's failure to pass an LOE, or his inability to progress to or past an LOE;**
- (ii) **Training required following a trainee's failure to pass an MV, or his inability to progress to or past an MV;**
- (iii) **Training that is recommended and/or required as a part of a Training Review Board recommendation;**
- (iv) **Any training or checking required as a result of the occurrence of an abnormal line operational event;**
- (v) **Any training or checking required as a result of an unsatisfactory Line Check;**
- (vi) **Training conducted to fulfill a NASAP Event Review Committee training prescription.**

H.5.d. **An ATI may not perform seat support for any of the following Flight Training events performed in flight training devices or flight simulators:**

- (i) **If a NWA seniority list pilot trainee has exercised his right to require a seniority list pilot to perform seat support as provided for in [Section 11 H.6.](#);**
- (ii) **An MV or LOE;**
- (iii) **Any training or checking events required by the Company resulting from the occurrence of an abnormal line operational event;**
- (iv) **Any training recommended or required as a part of a Training Review Board recommendation;**
- (v) **Any training or checking required as a result of an unsatisfactory Line Check;**
- (vi) **Any training and/or checking recommended or required to fulfill a NASAP Event Review Committee training prescription.**

H.6. **Seat Occupancy Limitations During Flight Training**

H.6.a. **→ Crew member seat occupancy functions in Flight Training (including Second Officer panel watch) may be performed by either ATIs who are type-rated on the aircraft type in question and who possess sufficient experience and knowledge of NWA operations to act as a competent crewmember, or pilots on the Integrated Pilots System Seniority List (subject to the provisions of this subparagraph H.6.) provided that, in a checking event, no First Officer (other than a First Officer Instructor Pilot) may perform seat support duties in the Captain seat. Crew member seat occupancy functions for Second Officer panel watches in Flight Training may be performed by ATIs who are appropriately trained on the aircraft type in question but who are not on the Integrated Pilots System Seniority List and who possess sufficient experience and knowledge of NWA operations to act as a competent crewmember. Except as provided in [Section 11 H.12.](#), ATIs may not perform seat**

occupancy duties during any checking event, Proficiency Check, Maneuvers Validation or LOE.

- H.6.b. **In the event a line pilot is assigned to perform a seat occupancy function during flight training**, the Company shall notify **him**, at the time of assignment, if the seat occupancy assignment is for a checking event for another pilot. If so, the line pilot shall have the option to decline the assignment.
- H.6.c. A pilot who is being checked shall have the right to decline the assignment of a line pilot to a seat occupancy function during such checking, provided that this right shall not extend to another **NWA Integrated Pilots System Seniority List pilot** trainee with whom the pilot has been previously paired.
- H.6.d. A pilot who is assigned to training shall only perform seat occupancy duties for his scheduled (or rescheduled) **flight** simulator partner during such training.
- H.6.e. See [Section 4 B.1.c.](#) for the pay and credit provision which applies to seat occupancy duties by pilots not assigned to training. Seat occupancy duties performed by pilots assigned to training pursuant to [Section 11 H.6.d.](#) → shall not be separately paid and credited, but shall be considered part of the pilot's training assignment (see [Section 11 D.](#) for training pay and credit).
- H.7. A pilot shall be granted, at his request: (i) one change of an in-flight instructor, a **flight** simulator instructor, → a flight training device instructor, **or an ATI teaching in a flight training device and/or flight simulator** while in either ground training or flight training, and one change of an NWA check airman per training assignment, and (ii) one change of an NWA check airman per recurrent proficiency check. To be valid, such request must be made in writing to the Flight Training Scheduling office at least **three** hours prior to the pilot's scheduled report time for his proficiency check or training assignment. In the event the pilot does not file a request for change as provided above, but an instructor other than the originally scheduled instructor reports for the session, the pilot can verbally request a change of the instructor and confirm the request in writing thereafter, stating the reasons therefor.
- H.8. For travel to and from training and proficiency checks (including travel of a pilot from and to his home), "must ride" "positive space" (Y1/F6) transportation, or extra crew member authority will be provided over the Company's system on flights designated by the Company, provided that, a pilot shall be provided a Y1/F2 pass on international flights scheduled for over 6 hours (including pilots on "one-stop through flights," even if one segment thereof is between domestic stations or is domestic flying). No pilot being transported to or from training and proficiency checks will be required to ride in the cockpit as extra crew if unoccupied seats are available in the passenger cabin. For purposes of this subparagraph H.8., in addition to designating on-line flights, the Company may designate flights on aircraft operated by Northwest Airlink carriers, provided that the Company has purchased all of the inventory of passenger seats on such Airlink carrier flight operated on behalf of Northwest.

H.9. Notification Requirements for Training and Proficiency Checks

H.9.a. No pilot shall be required to commence any training or a recurrent proficiency check in a **flight** simulator without receiving a minimum of 5 days advance notice of such training or recurrent proficiency check.

H.9.b. No pilot shall be required to take a proficiency check in an aircraft without at least 48 hours notice, except when the proficiency check is given by operation of [Section 11 E.5.e.\(1\)](#).

H.10. Release from Training

H.10.a. A pilot who enters training pursuant to [Section 11 A](#). shall not be released from said training assignment prior to becoming currently qualified in the category he is being trained for, except that he may be released from said training assignment if the release is made:

H.10.a.(1) At the completion of the **flight** simulator portion but prior to commencement of the aircraft portion of said assignment,

NOTE: A pilot released from his training assignment for more than 30 days will be given at least 2:00 of training on that aircraft prior to commencement of his operating experience. A pilot released from his training assignment for 30 or less days and who during that period flies in another position will, upon his request, be given at least 2:00 of training prior to commencement of his operating experience. Such training will be in a flight simulator or flight training device (whichever is deemed appropriate for the pilot by the Company), or

H.10.a.(2) Pursuant to a withdrawal, both voluntary and involuntary, from training; or

H.10.a.(3) During any portion of said assignment due to his personal unavailability for **three** or more days, an act of nature, a work stoppage directly affecting training, unavailability of the **flight** simulator for **three** or more days due to mechanical reasons; or

H.10.a.(4) Under other circumstances agreed to between the Vice President of Flight Operations and the MEC Chairman; or

H.10.a.(5) At the Company's option, if a pilot is awarded a new permanent position pursuant to [Section 24 E](#). prior to the completion of training.

H.10.b. With respect to a pilot in training who has been released pursuant to a withdrawal, as provided in [Section 11 H.10.a.\(2\)](#) →, whether voluntary or involuntary, he shall not be returned to his training assignment except as provided in [Section 11 J.3](#).

H.10.c. With respect to a pilot in training who has been released from his training assignment due to his personal unavailability pursuant to [Section 11 H.10.a.\(3\)](#) →,

it will be the normal practice of the Company to return the pilot to his training assignment as soon as his availability and a compatible training opening permit.

- H.10.d. With respect to a pilot in training who has been released from his training assignment due to any reason other than a withdrawal or his personal unavailability, his return to his training assignment will be determined by the Company on an individual basis.
- H.10.e. Except as provided in [Section 11 J.5.d.](#), a pilot shall remain assigned to training for pay and credit purposes under [Section 11 D.](#) → regardless of his progress in training until such time as he completes such training, withdraws from such training or is otherwise released pursuant to [Section 11 H.10.a.](#)
- H.10.f. Normal practice will be for the Company to provide written notice of release to a pilot personally on the last day he is assigned to training. However, if such personal notice is not given, the Company may mail notice to the pilot that his training assignment has ended, with such notice deemed to be effective on the day after depositing in the U.S. mail for delivery to the pilot. The postmarked date of the letter shall be deemed the date on which the letter was deposited with the U.S. Post Office for delivery.
- H.11. Second Officer Right Seat Training
- H.11.a. Each Second Officer shall be qualified by the Company by means of Second Officer right seat training to provide relief for the First Officer in the event of emergency. Such qualifications shall include the ability to fly the aircraft.
- H.11.b. Second Officer right seat training shall be performed in conjunction with all Second Officer initial qualification training and annual proficiency checks. If such training cannot be accomplished during the annual proficiency check, it shall be performed at another time and shall constitute a separate training period for pay and credit purposes.
- H.11.c. There shall be no requirement to provide Second Officer right seat training to a Second Officer who is currently qualified as a First Officer on the equipment in which he is receiving a Second Officer proficiency check. Furthermore, there shall be no requirement to provide Second Officer right seat training to a Second Officer who, within 12 months preceding his Second Officer proficiency check, has flown as a First Officer or Captain on any equipment.
- H.12. Persons not on the Integrated Pilots System Seniority List shall not occupy a seat as a trainee **or to perform seat support** in an aircraft or **flight** simulator or flight training device during the training, **validation (except for Procedures Validations)**, or checking of any pilot on such list, **unless such pilot being trained or checked has provided his advance consent, which may be withdrawn if such non-seniority list pilot cannot adequately perform his required duties. To be valid, such withdrawal of request must be made in writing to the Flight Training**

Scheduling office at least 3-hours prior to the pilot's scheduled report time for his proficiency check or training assignment.

- H.13. Except as provided below, during a Captain proficiency check, the other crew member(s) will be currently qualified on the aircraft type for which the proficiency check is being conducted.

EXCEPTION: An LOE may be conducted as part of an AQP program wherein the crew members are checked simultaneously and one or more of the crew members being checked is not currently qualified, provided that in the event a crew member does not successfully complete the LOE session, such session shall not constitute a failed proficiency check for purposes of [Section 11 J.](#), and provided further, that in any subsequent LOE session, the other crew member(s) shall be currently qualified on the aircraft type for which the LOE is being conducted.

- H.14. A pilot undergoing training or a proficiency check may, if he so desires, select a qualified line pilot of his choice to act as an observer providing an observer seat is available. Said observer will be mutually agreed upon by the Company and the ALPA Training Committee Chairman or his designated representative.

- H.15. **Except as provided in [Section 2 KK.2.](#)**, Instructor Pilots, Special Project Pilots and Supervisory Pilots shall not instruct or check in a higher-paying position (as in [Section 24 F.](#)) than their current permanent position.

EXCEPTION 1: Such pilots who are displaced to a lower paying position (as in [Section 24 F.](#)) than their current permanent position shall be allowed to continue to instruct or check in the higher paying position for 6 months following the effective date of their displacement. **During the 6 months following displacement, such pilot shall be paid for such instruction at the hourly rate of the position from which he was displaced. This exception only applies to hours worked as an Instructor Pilot. In addition to the 6-month period provided for herein, for the one-year period commencing on the effective date of this Agreement, Instructor Pilots displaced and covered under this Exception 1 may instruct in the higher paying position for up to 6 additional months or one year following the effective date of this Agreement, whichever occurs first. Any instructing done following the initial 6 month period shall be paid at the rate of the pilot's applicable permanent or temporary position.**

EXCEPTION 2: This restriction shall not apply to instructing and checking performed with respect to a new aircraft type during the 18 month period following the date of commencement of training by the first line pilot.

EXCEPTION 3: This restriction shall not apply with respect to instructing and checking by B-747 International Relief Captains in the position of B-747 Captain.

- H.16. Whenever the Company posts a scheduled training period for a pilot on the bid list, such scheduled training period shall include adequate time for completion of any required OE training.

H.17. Captain Leadership School

The Company may offer a Captain Leadership training program. Known Captain Leadership training shall be placed on the bid deadline. The provisions of [Section 11 G.](#) → shall apply with respect to travel, per diem and lodging associated with the training. Pilots taking Captain Leadership training shall have the option to take Captain Leadership training on a pay/no credit basis, using the provisions of [Section 11 K.2.e.](#) →.

I. Designated Training Trips

Notwithstanding any provisions of this Agreement to the contrary:

- I.1. A number of First Officer trips (determined from month to month by a joint committee of one representative each from Flight Operations and ALPA) will not be subject to selection by line First Officers, but will instead be utilized for the purpose of providing line checks and operating experience (OE).
- I.1.a. The total scheduled credit time of such designated training trips for a regular position shall not exceed 5% of the total scheduled credit time in that position used for purposes of [Section 24 B.1.](#) for that month.
- I.1.b. In the event the joint committee is unable to reach agreement on the appropriate number of designated training trips to be used for a given month, the matter will be referred to the Vice President of Flight Operations for review and final decision.
- I.2. First Officer trips not utilized for the purpose of providing line checks and OE shall be placed on the open flying list.
- I.3. No pay time or credit time shall be generated for any line pilots or for the ALPA Bank by any flying performed by a trainee being administered a line check or OE on a designated training trip.
- I.4. Scheduled credit time to be included in designated training trips shall not be included in the total scheduled credit time for First Officers set forth in [Section 24 B.1.](#) (staffing formula).
- I.5. Trips may be removed pursuant to [Section 30 E.1.1.](#) and [Section 30 E.2.1.](#) from the open flying list for the purpose of administering OE.
- I.6. The Company shall, for each bid period, prepare and make available electronically to ALPA no later than 1200 MSP time on the day following completion of schedule awarding, a report on the trips which were designated as training trips for the ensuing bid period. This report shall be prepared by regular position, and shall include for each designated trip, the pattern number, date of origin, scheduled credit time and the name and employee number of the Captain who was awarded it. The report shall also

include, by position, the calculation indicating the percentage of the total scheduled credit time actually blocked from selection by First Officers.

J. Initial Qualification Training, Requalification Training, Recurrent Line Check and Recurrent Proficiency Check - Training Review Process and Procedures for Withdrawal From Training

J.1. Definitions

J.1.a. “Training Review Board (TRB)” means a board established by the Company and the Association consisting of the Managing Director, Flight Procedures, Training and Standards, the Fleet Training Captain and the ALPA Training Committee Chairman, or their respective designees, for the purpose of reviewing a pilot’s training consistent with the provisions of this Agreement. Any meeting of the TRB wherein a decision is contemplated regarding the training of a pilot or a pilot’s petition for additional training shall require a full Board and provide opportunity for attendance by the pilot, his ALPA representative, appropriate instructors/check airmen, and any other party the TRB deems necessary. The TRB shall act by unanimous agreement. In the event unanimous agreement cannot be reached, the matter will be referred to the Vice President of Flight Operations for review and final decision (no designee is permitted).

NOTE 1: It is understood and agreed that the provisions of Section 19, Section 20 and Section 21 of the Agreement shall be applicable with respect to decisions of the TRB and/or the Company concerning training and checking.

NOTE 2: When warranted by special conditions, and with the concurrence of the ALPA Training Committee Chairman or his designee, a Fleet Training Captain or his designee may call for a TRB.

J.1.b. “Withdrawal from Training” means either a pilot’s voluntary withdrawal from a training assignment or the Training Review Board’s required withdrawal of such pilot from his training assignment. A pilot shall have the right of voluntary withdrawal from initial qualification training or from requalification training at pilot option, subject to the provisions of [Section 11 J.3.d.](#) →. For purposes of this subparagraph, the term “training assignment” shall not include a recurrent line check or a recurrent proficiency check or training associated therewith. Furthermore, a “withdrawal from training” shall also require the removal of the pilot from the permanent position associated with such training.

J.2. Training Progression for Pilots in an Initial Qualification or Requalification Program

A pilot candidate for initial qualification or requalification in a category must successfully complete the prescribed FAA approved ground and flight training syllabus within the following parameters:

J.2.a. Ground Training: TRB Intervention Point #1

- J.2.a.(1) Ground Training Not Conducted Under an Advanced Qualification Program (AQP)
- J.2.a.(1)(a) Ground Training shall consist of that which is contained within the approved training syllabus. A pilot who does not achieve a passing grade on the ground school written final exam will be provided with additional training prior to reexamination. A passing grade on the oral examination shall be satisfactory accomplishment of the FAA standard. A pilot who does not meet the FAA standard will be provided with additional training prior to reexamination. A pilot who does not complete either the written or the oral examination after two attempts shall be referred to the TRB, where specific training or medical evaluation recommendations may be made, withdrawal may be recommended, or withdrawal may be required.
- J.2.a.(1)(b) Except for the ground school written final examination and the FAA oral examination, ground school training will not be graded. Satisfactory completion of scheduled items will be noted. A pilot who has not completed all scheduled items will progress through the syllabus with the expectation that uncompleted items will be completed during the ensuing flight training.
- J.2.a.(2) Ground Training Conducted Under an Advanced Qualification Program (AQP)
- J.2.a.(2)(a) Ground Training shall consist of that which is contained within the approved training syllabus.
- J.2.a.(2)(b) Systems Validation (“SV”)
- J.2.a.(2)(b)1' A pilot who does not satisfactorily complete the SV will be provided with additional training prior to a second attempt.
- J.2.a.(2)(b)2' A pilot who does not satisfactorily complete the SV on his second attempt shall be provided with additional training prior to a third attempt.
- J.2.a.(2)(b)3' A pilot who does not satisfactorily complete the SV on his third attempt shall be referred to the TRB, where specific training or medical evaluation recommendations may be made, withdrawal may be recommended, or withdrawal may be required.
- J.2.a.(2)(b)4' With respect to any oral examination conducted as part of the SV, all attempts, including the first attempt, will be administered by a **Captain Instructor Pilot/Check Airman, Second Officer Instructor Pilot/Check Airman or APD as appropriate.**
- J.2.a.(2)(b)5' A pilot who does not satisfactorily complete the SV shall not progress from Ground Training to Flight Training.

- J.2.a.(2)(c) Procedures Validation (“PV”)
- J.2.a.(2)(c)1' A pilot who does not satisfactorily complete the PV will be provided with additional training prior to a second attempt.
- J.2.a.(2)(c)2' A pilot who does not satisfactorily complete the PV on his second attempt shall be provided with additional training prior to a third attempt.
- J.2.a.(2)(c)3' A pilot who does not satisfactorily complete the PV on his third attempt shall be referred to the TRB, where specific training or medical evaluation recommendations may be made, withdrawal may be recommended, or withdrawal may be required.
- J.2.a.(2)(c)4' → **The first attempt, may be administered by an ATI. All subsequent attempts shall be administered by an Instructor Pilot as defined in Section 2 KK.**
- J.2.a.(2)(c)5' A pilot who does not satisfactorily complete the PV shall not progress from Ground Training to Flight Training.
- J.2.b. Flight Training
- J.2.b.(1) The flight portion of the training syllabus will not be graded. Satisfactory completion of scheduled items will be noted. A pilot who has not completed all scheduled items will progress to the next period with the expectation that uncompleted items will be completed during the ensuing flight periods.
- J.2.b.(2) Recommendation/Training Period
- J.2.b.(2)(a) Training Not Conducted Under an Advanced Qualification Program (AQP)
- The period preceding the proficiency check will serve as a Recommendation/Training Period (RTP). The purpose of the period is to determine the pilot’s readiness for a proficiency check . A pilot who can be recommended for a proficiency check at the conclusion of the RTP, shall be so recommended. A pilot who requires additional training shall be provided with such training during the remaining time in the period and in up to **three** additional periods, if necessary. The ALPA Training Committee shall be promptly advised of any pilot receiving such additional training.
- J.2.b.(2)(b) Training Conducted as Part of Qualification or Requalification Training Under an Advanced Qualification Program (AQP)
- The Maneuvers Validation (“MV”) session(s) conducted as part of Qualification Training or Requalification Training pursuant to an AQP

training program shall be the equivalent of a Recommendation/Training Period (RTP). The purpose of the MV is to determine the pilot's readiness for an LOE. **A first attempt at an MV may administered by a First Officer Instructor Pilot (or Second Officer Instructor Pilot as appropriate).** A pilot who can be recommended for an LOE at the conclusion of the MV, shall be so recommended. A pilot who requires additional training shall be provided with such training during the remaining time in the period and in up to **three** additional periods, if necessary. **Such additional training must be administered by a Captain Instructor Pilot (Second Officer Instructor Pilot with respect to Second Officer training as described in [Section 11 H.5.c.](#)).** With respect to assignment to CCQ training, a pilot who requires additional flight training shall be provided with such additional flight training during the remaining number of periods in the CCQ training curriculum plus as many additional periods as are normally provided to a pilot in the Initial Qualification Training curriculum for the same category (e.g. if the Initial Qualification Training curriculum for a category provides for **nine** flight training periods prior to LOE, and the CCQ training curriculum for the same category provides for **four** flight training periods prior to LOE, a pilot in the CCQ training program shall be entitled to up to **five** additional flight training periods), but in no case shall the entitlement be less than **three** additional flight training periods. The ALPA Training Committee shall be promptly advised of any pilot receiving such additional training.

NOTE: A pilot who, for whatever reason, does not complete the lesson plan for a specific **flight** simulator period shall continue the lesson plan in the next scheduled **flight** simulator period. No **flight** simulator period shall be considered an "additional" period until a pilot has been through all **flight** simulator training periods called for in that training curriculum for the applicable position. Only **flight** simulator training periods provided after all the periods in the training curriculum for that position have been provided will be considered "additional" training periods for purposes of this subparagraph and [Section 11 J.2.g.](#) ➔.

J.2.c. TRB Intervention Point #2

A pilot who is not recommended for a proficiency check after **three** additional periods, or after the full number of additional flight training periods available in CCQ training, as provided above, shall be referred to the TRB, where specific training or medical evaluation recommendations may be made, withdrawal may be recommended or withdrawal may be required. **Any such additional training must be administered by a Captain Instructor Pilot (Second Officer Instructor Pilot with respect to Second Officer training as described in [Section 11 H.5.c.](#)).**

J.2.d. Failure of Proficiency Check #1

A pilot who does not meet the required standard will be provided with additional training and rechecked. **Such additional training must be administered by a Captain Instructor Pilot (Second Officer Instructor Pilot with respect to Second Officer training as described in [Section 11 H.5.c.](#)).**

J.2.e. Failure of Proficiency Check #2: TRB Intervention Point #3

A pilot who does not meet the required standard after his second proficiency check will be referred to the TRB, where specific training or medical evaluation recommendations may be made, withdrawal may be recommended or withdrawal may be required. **Such additional training must be administered by a Captain Instructor Pilot (Second Officer Instructor Pilot with respect to Second Officer training as described in [Section 11 H.5.c.](#)).**

J.2.f. Failure of Proficiency Check #3

A pilot who does not meet the required standard after his third proficiency check will be withdrawn from his training assignment.

J.2.g. Availability and Use of Additional Flight Training

Up to **five** flight training periods (exclusive of proficiency checks and inclusive of the **three** additional periods provided in [Section 11 J.2.b.\(2\)](#) →) shall be available for additional training throughout the period following the RTP but before a pilot's last proficiency check (whether or not successful). Any additional ground training sessions during Flight Training shall not be counted as additional flight training periods.

J.2.h. Operating Experience (OE)

J.2.h.(1) Initial Operating Experience (IOE)

The IOE syllabus shall normally consist of 25 hours (subject to being expanded to 50 hours at the discretion of the TRB) for a domestic category and 50 hours (subject to being expanded to 100 hours at the discretion of the TRB) for an international category. It is understood that, in applying these 50 hour and 100 hour maximums, a pilot who is below the applicable maximum may be assigned to an IOE trip which takes him past the applicable maximum. Upon completion of the IOE syllabus (including the expansion referred to above, if approved by the TRB), which may be completed early, a pilot may be:

J.2.h.(1)(a) given a line check (released to line flying in case of First Officer or Second Officer); or

J.2.h.(1)(b) referred to the TRB.

A pilot who undergoes a line check but fails to meet the required standard shall be referred to the TRB.

A pilot who does not meet the required standard during his third line check will be withdrawn from his training assignment and returned to his previous permanent position, subject to the provisions of [Section 11 J.3.](#) →.

J.2.h.(2) Requalification Operating Experience (ROE)

The Company shall prepare an individualized ROE syllabus for a pilot in requalification training, which shall not exceed the number of hours permitted for IOE. (See also [Letter of Agreement 1989-03.](#)) Upon completion of the individualized ROE syllabus, which may be completed early, a pilot may be:

J.2.h.(2)(a) given a line check (released to line flying in case of First Officer or Second Officer); or

J.2.h.(2)(b) referred to the TRB.

A pilot who undergoes a line check but fails to meet the required standard shall be referred to the TRB.

A pilot who does not meet the required standard during his third line check will be withdrawn from his training assignment and be subject to the provisions of [Section 11 J.3.](#) →.

J.2.i. In the event that a pilot is unable to become current and qualified in any category, he shall be handled in accordance with the procedures of Section 19, Section 20 and Section 21.

J.3. Freeze for Withdrawal from Either an Initial Qualification or Requalification Training Program

J.3.a. A pilot who withdraws or is withdrawn from a training program after the award of a permanent position shall be returned to his former permanent position with appropriate training for requalification and shall be treated as if he successfully completed training for purposes of his freeze. (See [Section 24 E.3.](#) for Initial Qualification Training freezes, and [Section 24 E.4.](#) for Requalification Training freezes.)

J.3.b. In the event a pilot who has withdrawn from training cannot return to his previous permanent position (or be retained in his current permanent position if the training was scheduled prior to the effective date of a new permanent position) due to a lack of seniority, or the position's non-existence, he shall first be required to exercise his seniority at the time of his withdrawal to choose a position in a category in which he is initially qualified to which to return. Such position need not be on his EPL, and shall be awarded whether or not a vacancy exists. If such position is not available, then he shall move to a position in accordance with his

existing EPL. In the event the pilot has insufficient choices on his EPL, [Section 24 C.2.b.](#) shall be used. The applicable freeze provisions specified above shall apply.

NOTE: A pilot who has withdrawn from training and whose withdrawal is covered by [Section 11 J.3.b.](#) may not choose a permanent position in the same category as that from which the training withdrawal occurred, except as provided in [Section 11 J.4.](#)

EXAMPLE: A pilot who is awarded a permanent position as a MSP DC-10 First Officer withdraws from training. Such pilot may not elect to move to a DTW DC-10 First Officer position.

J.3.c. In the event a pilot who (i) has withdrawn from training; (ii) has returned to a permanent position which requires requalification training; and (iii) has been required by the TRB to withdraw from such requalification training, he shall be required to exercise his seniority at the time of his withdrawal to choose a new position in a different category in which he is initially qualified. Such position need not be on his EPL, and shall be awarded whether or not a vacancy exists. If such position is not available, then he shall move to a position in accordance with his existing EPL. In the event the pilot has insufficient choices on his EPL, [Section 24 C.2.b.](#) shall be used. The applicable freeze provisions specified above shall apply.

J.3.d. A pilot who has voluntarily withdrawn from training may voluntarily withdraw from the next initial qualification or requalification training program he enters only after consideration and approval by ALPA and the Company.

J.4. Opportunities to Qualify for a Category

A pilot who withdraws or is withdrawn from training for a category will (after his freeze), his seniority permitting, have a second opportunity to become qualified in that category. A pilot who withdraws or is withdrawn from a second opportunity to become qualified in the same category may (after his freeze), his seniority permitting, elect to receive a third opportunity to become qualified in the same category. A pilot who is disqualified or withdraws (whether voluntarily or involuntarily) from a category during his third opportunity to demonstrate his proficiency shall be referred to the TRB and handled in accordance with the provisions of Section 19, Section 20 and Section 21.

J.5. Opportunities for a Recurrent Line Check or a Recurrent Proficiency Check or an LOE Associated with Continuing Qualification

J.5.a. A pilot who during a recurrent line check or a recurrent proficiency check, or an MV or an LOE associated with Continuing Qualification (CQ) does not meet the required standard will be promptly provided additional training and a second opportunity to demonstrate that he possesses the required degree of proficiency in that category, or referred to the TRB, where specific training or medical

evaluation recommendations may be made. The additional training will, at a minimum, consist of one day of training, the content of which will concentrate on the areas in which the pilot's proficiency was found to be deficient. The ALPA Training Committee shall be promptly advised of any pilot receiving such additional training.

- J.5.b. A pilot who does not meet the required standard during his second opportunity to demonstrate his proficiency shall be referred to the TRB, where specific training or medical evaluation recommendations may be made. A pilot will be promptly provided a third opportunity (with additional training as directed by the TRB) to do so.
- J.5.c. A pilot who does not meet the required standard during his third opportunity to demonstrate his proficiency shall be referred to the TRB and handled in accordance with the procedures of Section 19, Section 20 and Section 21.
- J.5.d. A pilot who does not meet the required standard on a recurrent line check or a recurrent proficiency check or an MV or an LOE under CQ, shall be retained on payroll status for all purposes, including monthly guarantee pay purposes, and shall thereafter receive pay time and credit time at the rate of 2:40 for each day of training and checking. In addition, such pilot who has a resultant missed trip(s) shall receive pay time and credit time at the rate of 2:40 for each day in excess of 3 days waiting to continue training or checking, provided that, (i) a pilot shall not receive training pay and credit during any delay caused by his personal unavailability (however, such pilot shall be eligible to use accrued sick leave if a delay is caused by his or the TRB's request for a medical evaluation); and (ii) such pay time and credit time shall not exceed the value of the trip(s) missed. Credit time provided for pursuant to this subparagraph shall be waived to the extent necessary to permit the training and checking provided for in [Section 11 J.5.](#) in the same bid period.
- J.5.e. With respect to a pilot who needs further training for both an MV and an LOE as part of a CQ event, the provisions of subparagraphs a. through d. above shall apply first to the MV portion of the CQ event, and then, provided the pilot progresses, again, separately and completely to the LOE portion of the CQ event.
- J.6. Schedule Bidding Procedures for Pilots Who Withdraw or are Withdrawn from Training
- J.6.a. A pilot who withdraws or is withdrawn from training prior to schedule bidding for the ensuing month shall participate in schedule bidding.
- J.6.b. A regular pilot who withdraws or is withdrawn from training after commencement of monthly schedule bidding but prior to commencement of schedule completion bidding for the ensuing month shall be required to participate in schedule completion bidding if his scheduled credit time for the

ensuing month is below the applicable minimum monthly schedule guarantee level.

- J.6.c. A regular pilot who withdraws or is withdrawn from training after commencement of schedule completion bidding for a given month shall, on the day he withdraws, be required to contact Crew Scheduling and select one of the options set forth in [Section 25 A.4.](#) for the remainder of that month.
- J.6.c.(1) If such pilot selects the [Section 25 A.4.a.](#) option and becomes a reserve, he shall be assigned a reserve schedule utilizing the procedures and table in [Section 25 C.8.k.](#)
- J.6.c.(2) If such pilot selects the [Section 25 A.4.b.](#) option and remains a regular pilot, the provisions of that subparagraph shall be fully applicable to him.
- J.6.d. A reserve pilot who withdraws or is withdrawn from training after the commencement of reserve schedule bidding for the month in question shall be assigned a reserve schedule utilizing the procedures and table in [Section 25 C.8.k.](#)

K. Single Visit Training (SVT)

K.1. Definitions

- K.1.a. Single Visit Training (hereinafter “SVT”) means the Company’s annual and semi-annual recurrent training conducted pursuant to its petitions for exemption from FAR Sections 121.427(d)(1), 121.433(a)(1), 121.433(c), 121.433(c)(1), 121.433(c)(1)(i), 121.433(c) (1)(iii), 121.440(a), 121.441(a)(1), 121.441(b)(1) and Appendix “F”, requested in an effort to transition to the Advanced Qualification Program (AQP) as described in SFAR #58, and includes all training days and travel days (if any) associated with such training.
- K.1.b. No Single Visit Training Days (hereinafter “NSVT” days) means pilot-designated days in a month wherein SVT cannot be conducted for that pilot.

K.2. General Provisions Applicable To All Pilots

- K.2.a. SVT will consist of 3 ½ consecutive days of training commencing at 1400 local time on Day One. Day One will consist of ground school only and will end by 1800 local time. While the location of SVT may vary from pilot to pilot, a pilot’s SVT shall be accomplished in a single location. If unusual circumstances, such as a **flight** simulator malfunction, require additional days of SVT, the pilot shall receive 2:40 pay for each additional day or missed trip pay and credit, whichever is greater (see [Section 11 D.1.a.](#) and [Section 11 D.2.](#)). International pay shall not be paid to a pilot for SVT, or missed trip for SVT. A pilot may opt to claim the daily rate credit time associated with the additional SVT day(s) by notifying Crew Scheduling no later than 24 hours after the completion of SVT training days. If such extra credit time causes an adjustment, [Section 30 C.11.c.](#) and [Section 30 C.11.d.](#) shall be applicable.

K.2.b. SVT will be assigned by the Company in one of **three** months (preceding month, due month, or grace month). The Company will advise the pilot of his 3-month SVT window no later than 75 days prior to his preceding month, by placing a notification/NSVT days request form in the pilot's mailbox. The NSVT days request form will state the due date for submission of the NSVT days request.

K.2.c. Pilots will be allowed to designate **seven** consecutive NSVT days per month within which SVT cannot be scheduled. No later than 50 days prior to the commencement of their preceding month, Training Scheduling must receive the pilot's request setting forth his NSVT days for the preceding month, due month and grace month. A pilot who fails to submit his NSVT days request form in accordance with this paragraph will forfeit his right to receive NSVT days. However, the Company will give consideration to NSVT days request forms that are received after the due date provided the pilot has not yet been scheduled for SVT.

K.2.d. SVT Scheduling

K.2.d.(1) The Company shall, after determining which pilots will be attending SVT in a given month, pre-assign SVT periods so as to avoid NSVT days designated by the pilot pursuant to subparagraph c. above.

K.2.d.(2) Pilots shall be notified on the bid list, both on paper and electronically, of their dates of SVT training for the upcoming bid period.

K.2.e. SVT Pay and/or Credit

K.2.e.(1) SVT Pay

Training days (and travel days, if any) associated with SVT will be paid at the rate 2:40 per day. (See [Section 12 G.1.](#) and Section 3 for pay in excess of the scheduled monthly maximum.) A pilot shall not be paid international pay → for SVT, travel days or missed trip due to SVT.

K.2.e.(2) SVT Credit Options

K.2.e.(2)(a) Regular and Reserve Pilots

A pilot will have the option during the schedule bidding process in [Section 30 B.](#) to claim credit time for SVT which is scheduled during the bid month (including the number of SVT travel days which the pilot anticipates using—see [Section 11 G.1.a.](#) for domestic based pilots or [Section 11 G.1.b.](#) for foreign based pilots regarding maximum potential SVT travel days).

NOTE: A regular or reserve pilot whose SVT is scheduled or rescheduled following his monthly schedule bidding under [Section 30 B.](#) will have the

option to either waive or claim SVT credit time as provided in [Section 11 K.3.d.](#) or [Section 11 K.4.a.](#) →, respectively.

K.2.e.(2)(b) Monthly Schedule Bidding: Pay/No Credit Default

A pilot must opt to either claim or waive credit time for SVT which is scheduled during the bid month during the bidding process. The default position in the case of a pilot who does not exercise the option to claim credit time for SVT shall be to provide pay and no credit for SVT (including SVT travel), provided that such regular pilot may thereafter opt to claim the credit time via Company computer terminals, remote access or Voice Response System at any time prior to the commencement of Schedule Completion Bid, regardless of whether or not (i) the pilot is participating in SCB, or (ii) the claim results in a trip(s) drop.

K.2.e.(2)(c) SVT Travel Days Which Exceed The Number Claimed At The Time Of Monthly Schedule Bidding

K.2.e.(2)(c)1' Due to Company Scheduling or Rescheduling

A pilot who claimed credit for SVT in his monthly schedule bid and whose SVT travel days exceeded the number he claimed in his monthly schedule bid due to Company scheduling or rescheduling (of the pilot's flying, training, or the flight(s) the pilot would have taken to or from SVT), shall have the option to claim credit for SVT travel days to which he is entitled which are in excess of those claimed in his monthly schedule bid. Such option shall be exercised by the pilot informing Crew Scheduling no later than 24 hours after completion of SVT travel days.

NOTE: A pilot whose SVT travel day(s) is his last event of a flying month, and who opts to claim credit time for such travel day(s), shall receive credit time in an amount not to exceed that which will bring his credit time for the month up to but not in excess of his monthly maximums.

K.2.e.(2)(c)2' Due To Reasons Other Than Company Scheduling Or Rescheduling

A pilot who claimed credit for SVT in his monthly schedule bid and whose SVT travel days exceeded the number he claimed in his monthly schedule bid for reasons other than Company scheduling or rescheduling (of the pilot's flying, training, or the flight(s) the pilot would have taken to or from SVT), shall receive pay and no credit for such excess travel days.

K.2.f. Each pilot qualified in more than one position shall be given SVT in his permanent position unless there is mutual agreement between the Company and

the pilot to take SVT in a position for which the pilot is qualified other than his permanent position.

K.2.g. A pilot who claims credit for SVT travel days pursuant to [Section 11 G.1.a.](#), [Section 11 G.1.b.\(2\)\(b\)2'](#) and [Section 11 G.1.b.\(3\)\(b\)2'](#) → which he did not utilize, and whose pay time for the month is below his pay guarantee, shall have his pay guarantee reduced by an amount equal to the excess travel day(s) claimed.

K.3. Provisions Specifically Applicable To Regular Pilots

K.3.a. In the case of regular pilots, who do not opt to claim credit time for SVT, pay for SVT will not be used to offset pay guarantees (e.g., the minimum monthly schedule holder guarantee).

K.3.b. If a regular pilot misses SVT because of personal illness, injury or pregnancy, he shall draw against his sick leave accounts for pay purposes as provided in [Section 14](#). If a pilot misses SVT because of jury duty, the missed SVT shall be treated as a missed trip for pay purposes as provided for in [Section 18](#). If the pilot had previously waived the credit time for the SVT, then the credit time for the sick leave or absence due to jury duty shall automatically be waived.

K.3.c. If a regular pilot's SVT is canceled or postponed by the Company, in whole or in part, after his monthly bidding under [Section 30 B.](#) to a later bid period, the pilot shall receive pay time and credit at the daily rate of 2:40 for the canceled or postponed SVT. If the pilot had previously opted to waive the credit time for his SVT, the credit time for this canceled or postponed SVT shall remain waived in that bid period.

K.3.d. Scheduling or Rescheduling of SVT After Monthly Bidding Under [Section 30 B.](#)

K.3.d.(1) If a regular pilot's SVT is scheduled or rescheduled after his monthly bidding under [Section 30 B.](#) but prior to a point 24 hours before the start of Schedule Completion Bidding, and the inclusion of credit time for such SVT scheduling or rescheduling would cause a [Section 25 B.](#) adjustment or such SVT causes a trip conflict, and the pilot does not then opt to waive the SVT credit time, the pilot shall be required or eligible to participate in Schedule Completion Bidding, as applicable. Only such pilot who agrees to waive the credit time for SVT shall be entitled to pay and credit for the trip(s) missed and pay for SVT.

K.3.d.(2) If a regular pilot's SVT is scheduled or rescheduled after a point 24 hours prior to the start of Schedule Completion Bidding, and the inclusion of credit time for such SVT assignment would cause a [Section 25 B.](#) adjustment or SVT causes a trip conflict, and such pilot claims credit for SVT, he shall be handled in accordance with [Section 11 D.1.](#) However, if under such circumstances such pilot does not claim credit for SVT, the pilot shall receive pay and credit for the missed trip(s) and pay for SVT. The provisions of [Section 12 B.1.i.](#) ("negative bank flyback") are not available with respect to a pilot who claims credit for SVT under this subparagraph.

Availability obligations.

K.3.d.(2)(a) A pilot whose SVT is scheduled or rescheduled under the circumstances set forth in [Section 11 K.3.d.\(2\)](#) and who claims credit time for SVT and inclusion of credit time for such SVT scheduling or rescheduling causes a [Section 25 B.](#) adjustment shall have an availability obligation pursuant to [Section 4 H.2.](#)

K.3.d.(2)(b) A regular pilot whose SVT is scheduled or rescheduled under the circumstances set forth in [Section 11 K.3.d.\(2\)](#) to a timeframe which causes a conflict with a trip shall have an availability obligation as if such missed trip were a BSTG trip.

K.3.d.(3) If a regular pilot's SVT is scheduled after his monthly bidding under [Section 30 B.](#), and the inclusion of credit time for such SVT scheduling would not cause a [Section 25 B.](#) adjustment and the SVT would not cause a trip conflict, the pilot shall receive pay and credit for the SVT, provided that he may elect to waive such credit time.

NOTE: A regular pilot who desires to claim credit under [Section 11 K.3.d.\(1\)](#) or [Section 11 K.3.d.\(2\)](#) →, or waive credit under [Section 11 K.3.d.\(3\)](#) →, shall inform Crew Scheduling within 24 hours of being actually notified of such scheduling or rescheduling of SVT. A pilot's failure to claim credit under [Section 11 K.3.d.\(1\)](#) or [Section 11 K.3.d.\(2\)](#) → shall be deemed a waiver of such credit. For purposes of this Note, a pilot is "actually notified" of SVT scheduling or rescheduling when the pilot first physically receives verbal or written notification thereof. Credit time for SVT scheduled or rescheduled pursuant to [Section 11 K.3.d.\(1\)](#), [Section 11 K.3.d.\(2\)](#) or [Section 11 K.3.d.\(3\)](#) →, if claimed or not waived, will be added to the pilot's projected credit time when the pilot informs Crew Scheduling of his election, or 24 hours after actual notification, whichever occurs first.

K.3.d.(4) If a regular pilot's SVT is rescheduled after a point 24 hours prior to the start of Schedule Completion Bidding, and the inclusion of credit time for such rescheduling of SVT would not cause a [Section 25 B.](#) adjustment and SVT would not cause a trip conflict, credit for SVT shall be deemed to be claimed or waived based on the election previously made by the pilot.

K.3.e. In the case of pilots who do not opt to claim credit time for SVT:

K.3.e.(1) Regular pilots who (i) are assigned SVT in the month; and (ii) do participate in schedule completion bid pursuant to [Section 30 F.1.](#) (provided such pilots submit a schedule adjustment request pursuant to [Section 30 F.4.c.\(1\)](#)) and [Section 30 F.2.](#), and (iii) end up with a schedule that is **seven** hours or greater below the scheduled monthly maximum will, for pay purposes only, receive a minimum monthly schedule holder guarantee equivalent to **seven** hours below the scheduled monthly maximum for that month.

NOTE: A pilot shall not be considered to have participated in Schedule Completion Bid for purposes of this subparagraph if, during Schedule Completion Bid, he only (i) bids a trip which conflicts with SVT or other training shown on the bid list, (ii) bids a trip he is already scheduled to fly, (iii) bids a trip which conflicts with his vacation, or (iv) bids a trip which is not open at any time during Schedule Completion Bid and is being flown by a pilot who is not eligible to participate in Schedule Completion Bid.

- K.3.e.(2) Regular pilots who (i) are assigned SVT in a month; and (ii) have their SVT rescheduled for the following month after the deadline for their participation in the schedule completion bid for the following month; and (iii) end up with a schedule that is **seven** hours or greater below the scheduled monthly maximum for the following month will, for pay purposes only, receive a minimum monthly schedule holder guarantee equivalent to **seven** hours below the scheduled monthly maximum for the following month.
- K.3.e.(3) Regular pilots eligible for a minimum monthly schedule holder guarantee equivalent to **seven** hours below the scheduled monthly maximum pursuant to [Section 11 K.3.e.\(1\)](#) and [Section 11 K.3.e.\(2\)](#) →, whose SVT occurs over the end of the month (in **two** bid periods) will receive such guarantee for any month in which **three** or more days of the SVT takes place. In the event SVT is equally distributed between both months with **two** days in each month, such guarantee will apply in the first month only.
- K.3.e.(4) Regular pilots who receive a minimum monthly schedule holder guarantee equivalent to **seven** hours below the scheduled monthly maximum pursuant to [Section 11 K.3.e.\(1\)](#), [Section 11 K.3.e.\(2\)](#) and [Section 11 K.3.e.\(3\)](#) → will, for purposes of required availability pursuant to [Section 30 F.4.h.](#), have the appropriate minimum monthly schedule holder guarantee apply.
- K.3.f. For purposes of [Section 30 C.3.](#) (Trip Trades) SVT shall be considered to be a trip (permitting an SVT trade only).
- K.4. Provisions Specifically Applicable To Reserve Pilots
- K.4.a. Reserve pilots will attend SVT on the calendar days assigned (except that a reserve pilot shall be permitted to trade his SVT assignment in a month with that of another reserve pilot in his category at his base who also has an SVT assignment in that month).
- K.4.b. No pilot shall be required to attend SVT on more than **two** off-duty days. Such day(s) shall be subject to recovery under subparagraph c. below.
- K.4.c. Recovery of Off-Duty Days
- K.4.c.(1) The following reserve pilots who attend SVT on off-duty days shall have the option to recover such off-duty days:

- K.4.c.(1)(a) Reserve pilots who opt to claim credit time for SVT, and who bid reserve schedules that result in SVT occurring on one or more off-duty days; and
- K.4.c.(1)(b) Reserve pilots who are scheduled for SVT, or have SVT rescheduled, after their monthly bidding under [Section 30 B](#).
- K.4.c.(2) Such off-duty day(s) will be rescheduled for date(s) in the current month. The pilot shall select the replacement day(s) off. Such replacement days off need not be consecutive, but they must be attached to existing days off. However, the Company has the right to block from the pilot's selection one set of consecutive days equal to the amount of replacement days and adjacent to existing days off. If there is only one place remaining to select replacement days, the Company shall not have the right to block the pilot's selection of those days. If there are no existing days off in the bid period, or if the pilot desires days off separate from existing days off, the pilot shall request a specific alternate date(s). Consent for such alternate date(s) shall not be unreasonably withheld by the Company. In the event of denial of such alternate date(s), upon written request by the pilot, the Company will provide a written explanation of the basis for denial of any requested alternate date(s). If there are no existing days off remaining in the month, and alternate days off are not used, the pilot must use the replacement day(s) off in the subsequent month in the same manner specified in this paragraph. If he does not have reserve days off in the subsequent bid period (e.g. vacation, sick leave, leave of absence, training or becomes a regular pilot), he shall be subject to the provisions of [Section 11 K.4.g](#). →.
- K.4.d. A reserve pilot cannot, at the time of inviolate day off selection, designate an SVT day which falls on a reserve day off as an inviolate day off. The Company cannot schedule or reschedule an SVT day on an inviolate day off without the pilot's consent.
- K.4.e. Reserve pilots who do not opt to claim credit time for SVT and who bid reserve schedules that result in SVT occurring on one or more on-duty days may adjust such on-duty days to be off-duty days with the consent of the Company. Such on-duty days may be rescheduled for date(s) in the current month by mutual agreement. Absent Company consent or mutual agreement on replacement days, there shall be no adjustment of the on-duty days.
- K.4.f. Reserve guarantee
- K.4.f.(1) In the case of reserve pilots who do not opt to claim credit time for SVT and who attend SVT on their on-duty days, pay for SVT conducted on "on-duty day(s)" will be used to offset the minimum monthly reserve guarantee.
- K.4.f.(2) In the case of reserve pilots who do not opt to claim credit time for SVT, and who attend SVT on their off-duty day(s), pay for SVT conducted on off-duty day(s) will not be used to offset the minimum monthly reserve guarantee.

- K.4.f.(3) In the case of reserve pilots who opt to claim credit time for SVT, pay for SVT will be used to offset the minimum monthly reserve guarantee.
- K.4.g. In the case of a reserve pilot who does not claim credit time for SVT, and SVT, in whole or in part, is conducted on off-duty day(s), the pilot shall have the following options: (i) receive 2:40 pay for such day(s), (ii) have 2:40 credit time for such day(s) added to his vacation accrual account.
- K.4.h. Pilots who are reserve pilots as a result of [Section 25 A.4.a.](#) shall have SVT conducted pursuant to this subparagraph K.4.

L. System Safety Audit

- L.1. Currently qualified Instructor Pilots who occupy a cockpit jumpseat during a flight will be requested by the Company to voluntarily conduct a System Safety Audit of the flight and complete and return to the Company an Internal Safety Survey Report, a copy of which is attached to this Section 11 as Exhibit A. No changes to the Internal Safety Survey Report form may be made by the Company without the Association's consent.
- L.2. The System Safety Audit shall not be used by the Company (i) to assess individual pilot proficiency, (ii) to initiate a Company investigation of an individual pilot's or crew's performance or conduct, (iii) as a basis to support a decision to discipline or discharge a pilot or require training or checking of a pilot, or (iv) to question an Instructor Pilot about the conduct of a flight. Only the Instructor Pilot performing the audit shall be identified in the Internal Safety Survey Report, together with the month and year in which the flight occurred and the aircraft type involved, and airport of departure and/or arrival as shown on Exhibit A. The identities of the working crew members on the flight shall not be disclosed in any manner as part of the System Safety Audit. The System Safety Audit is not aircraft specific and may be conducted on any flight by any currently qualified instructor or check pilot.
- L.3. An Instructor Pilot who conducts a System Safety Audit shall not receive any pay or credit therefor, except in the case in which such Instructor Pilot is already receiving pay and credit while on the flight (e.g., deadheading).
- L.4. Out of consideration to commuting pilots, the System Safety Audit program shall not affect in any way the current system of Extra Crew Member (XCM) access to the Company's cockpit jumpseats. If an Instructor Pilot is traveling in the cabin on a Y1 pass, and a commuting pilot is occupying the cockpit jumpseat, the two may exchange seats if both agree to do so, and the pilot in command agrees.

M. Training and Instructor Critique and Review Program

- M.1. The Company and ALPA will maintain a program for pilot trainees to critique and provide feedback regarding the training program in general and the performance of individual Instructor Pilots, ATIs, and other training and fleet**

- personnel with whom they interact during any training event or program for which they are scheduled.**
- M.2. The results of such comments and critiques shall be tabulated and reviewed between the Company and the ALPA Training Committee on a regular basis and as requested by either ALPA or the Company.**
- M.3. The parties understand that the Company will observe established Corporate HR Policies when an unsatisfactory report regarding an individual's performance is identified.**

SECTION 12 HOURS OF SERVICE

A. General

- A.1. Credit time shall be used in determining compliance with the provisions of this section.
- A.2. Notwithstanding [Section 12 B.1.d.](#), [Section 12 B.1.e.](#), [Section 12 B.1.f.](#), [Section 12 B.1.g.](#), and [Section 12 C.1.b.](#) through [Section 12 C.1.f.](#) ↗, when, at a layover or turnaround station other than the pilot's base on the last trip of a month, a pilot is reassigned to a flight(s) other than the flight(s) he was scheduled to fly from that station and his accumulated credit time, plus his projected scheduled credit time for the flight(s) to which he is reassigned exceeds either of his monthly maximum(s), he will not be required to fly the flight(s) to which he is reassigned if the projected scheduled credit time for the flight(s) to which he is reassigned (excluding the scheduled flight time for deadhead flight(s) to base), when added to this accumulated scheduled credit time, exceeds the total of the pilot's accumulated scheduled credit time immediately prior to the rescheduling, plus the projected scheduled credit time of his remaining schedule as it existed immediately prior to the rescheduling by more than one hour. If a pilot's last trip has been previously rescheduled using [Section 12 A.2.](#) to project the pilot over either of his monthly maximums, [Section 12 A.2.](#) cannot be used again. However, if the pilot's last trip was previously rescheduled without using [Section 12 A.2.](#) (i.e. the rescheduling did not cause the pilot to exceed either of his monthly maximums), then such earlier rescheduling shall not preclude the use of [Section 12 A.2.](#)

EXAMPLE: Pilot A has completed day **two** of a 5-day trip, which is his last trip of the month. The scheduled monthly maximum for his position is 78 hours. Pilot A has a bank balance of zero. The Company contacts the pilot on his layover and reschedules him to fly different flights over the next **three** days, with a deadhead home on the 4th day (this rescheduling does not violate [Section 30 C.10.c.\(1\)\(b\)2'](#) because Pilot A was the correct pilot to use.) The scheduled value of the trip immediately prior to rescheduling was 31:20. The scheduled credit time of the rescheduled trip is 36:20, of which 4:20 is deadhead credit home. The pilot declines to use HIT. The pilot's accumulated scheduled credit time, plus his projected scheduled credit time as it existed immediately prior to the rescheduling, was 77:50. The pilot's accumulated scheduled credit time plus his projected scheduled credit time as rescheduled, but excluding the deadhead to base credit time, was 78:30. The difference is 40 minutes. This rescheduling complies with [Section 12 A.2.](#) because (i) the rescheduling commenced at a layover or turnaround station that was not the pilot's base; and (ii) the rescheduled trip was the last trip of the month for the pilot; and (iii) the increase in credit time, excluding the scheduled flight time of the deadhead flight to base, was less than **one** hour.

B. Domestic Limitations

B.1. Variable Monthly Maximums

B.1.a. The monthly maximum for reserve pilots shall range by position **as follows:**

- (i) **for the period from the 2nd month following the date of signing of this Agreement through the 13th month following the date of signing of this Agreement from 75 hours to 88 hours (up to 90 hours as provided in Section 12 I.) of actual credit time, in ½ hour increments;**
- (ii) **for the period beginning the 14th month following the date of signing of this Agreement, from 80 to 88 hours (up to 90 hours as provided in Section 12 I.) of actual credit time, in ½ hour increments.**

NOTE: It is understood that the transition from the lower variable monthly maximum floor provided in Section 12 B.1.a. (i) to the floor in Section 12 B.1.a. (ii) shall occur in such a manner that no displacements or layoff of pilots will occur as a direct result of this change.

B.1.b. The scheduled monthly maximum for regular pilots shall range by position **as follows:**

- (i) **for the period from the 2nd month following the date of signing of this Agreement through the 13th month following the date of signing of this Agreement from 75 hours to 88 hours (up to 90 hours as provided in Section 12 I.) of scheduled credit time in ½ hour increments;**
- (ii) **for the period beginning the 14th month following the date of signing of this Agreement, from 80 to 88 hours (up to 90 hours as provided in Section 12 I.) of actual credit time, in ½ hour increments.**

The actual monthly maximum for regular pilots shall be 2:30 of credit time greater than the pilot's scheduled monthly maximum.

NOTE: It is understood that the transition from the lower variable monthly maximum floor provided in Section 12 B.1.b. (i) to the floor in Section 12 B.1.b. (ii) shall occur in such a manner that no displacements or layoff of pilots will occur as a direct result of this change.

B.1.c. The scheduled monthly maximum for a pilot in training, including OE, for an entire 29 or 30-day month shall be 80 hours of scheduled credit time. The scheduled monthly maximum for a pilot in training, including OE, for an entire 31-day month shall be 82:40 of scheduled credit time. The actual monthly maximum for a regular pilot in training, including OE for an entire month, shall be 2:30 of credit time greater than the pilot's scheduled monthly maximum.

- B.1.d. A regular pilot shall not be scheduled, do a trip trade or do an open flying transaction so that the sum of his accumulated scheduled credit time, plus his projected scheduled credit time, exceeds his scheduled monthly maximum. A regular pilot shall not be rescheduled to such an extent that his scheduled credit time cannot be reduced below the scheduled monthly maximum by a [Section 25 B.](#) adjustment. (See [Section 30 C.10.c.](#) for the recovery rights and obligations of a rescheduled pilot.)
- B.1.e. A regular pilot shall not be scheduled, do a trip trade or do an open flying transaction so that the sum of his accumulated actual credit time, plus his projected scheduled credit time, exceeds his actual monthly maximum. A regular pilot shall not be rescheduled to such an extent that his actual credit time cannot be reduced below the actual monthly maximum by a [Section 25 B.](#) adjustment. (See [Section 30 C.10.c.](#) for the recovery rights and obligations of a rescheduled pilot.)
- B.1.f. A regular pilot shall not be scheduled, do a trip trade or do an open flying transaction so that the sum of his accumulated scheduled credit time, plus his projected scheduled credit time, and the sum of his accumulated actual credit time, plus his projected scheduled credit time, exceeds both his scheduled monthly maximum and his actual monthly maximum, respectively. A regular pilot shall not be rescheduled to such an extent that his scheduled credit time and actual credit time cannot be reduced below the scheduled monthly maximum and the actual monthly maximum, respectively, by a [Section 25 B.](#) adjustment. (See [Section 30 C.10.c.](#) for the recovery rights and obligations of a rescheduled pilot.)
- B.1.g. A reserve pilot shall not be scheduled or rescheduled so that his accumulated actual credit time plus his projected scheduled credit time exceeds his monthly maximum.
- B.1.h. A pilot at his base who has accumulated credit time equal to the applicable monthly maximum(s) shall not be scheduled for the balance of the month for any duty for which credit time is provided, except that he may be assigned to an FAA-type rating flight required for his schedule award in the following month, or he may take a proficiency check in accordance with [Section 11 H.1.](#)
- B.1.i. Modified Monthly Maximums for Regular and Reserve Pilots With Negative Time Bank Balances
- B.1.i.(1) A pilot who has a negative time bank balance shall, in accordance with and for the purpose of the provisions of this subparagraph B.1.i., have the option to increase both his scheduled and actual monthly maximum in any amount up to an amount equal to his current negative time bank balance, plus a maximum of an additional **five** hours. The scheduled and actual monthly maximums must both be increased and must be increased in the same amount. The amount of the increase to the monthly maximums shall be the amount necessary to avoid a [Section 25 B.](#) adjustment, to reschedule a regular pilot, to

reschedule a reserve pilot after departure from base on a trip, to accomplish training, or in the case of usage of the open flying list, or trip trade procedures, the amount necessary to accomplish the open flying list transaction, or the trip trade.

- B.1.i.(2) For purposes of this subparagraph B.1.i., “position” means a pilot’s permanent position, unless he has been assigned or awarded a temporary position for the month, in which case “position” shall mean his temporary position.
- B.1.i.(3) A pilot who has chosen to invoke his modified monthly maximums by a certain amount may not later revoke or reduce those maximums, except that for a reserve pilot, the invocation of his modified monthly maximum(s) shall be automatically revoked (i) in the event of trip cancellation prior to departure and the pilot is not rescheduled to perform other flying, and (ii) for any portion of the negative bank invocation unused at the completion of the trip. Any pilot (regular or reserve) may, at his option and to the extent his remaining negative bank, if any, would permit such option, invoke a further increase in his modified monthly maximums, provided that the provisions of this subparagraph B.1.i. are again complied with.
- B.1.i.(4) For purposes of this subparagraph B.1.i., a pilot’s time bank balance (whether negative or positive) for each bid period will be the pilot’s projected bank balance at the end of the prior bid period. This balance shall be published on the bid list and shall be used for the purposes of determining whether a negative bank balance exists and to determine the amount of that balance, provided that, on the 10th calendar day of the current calendar month the bank balance shall be updated to reflect the actual balance at the end of the prior bid period. These balances will be reported in the form of hours and minutes based on the position (permanent or temporary position, as applicable) which he had been awarded or assigned for the preceding bid period, or which he holds in the current bid period, as applicable. These balances will be maintained in the Crew Management System (CMS), or its equivalent, and shall be available to the pilot through the Voice Response System, Company computer terminals, and remote access. The update of the bank balance on the 10th calendar day of the current calendar month shall not require revision of a prior invocation of the modified monthly maximum(s), provided that, if the modified monthly maximum(s) invoked prior to the update on the 10th calendar day is greater than would have been permitted after such update, then any future open flying list transactions, trip trades or [Section 25 B.](#) adjustments must be equal to or reduce the modified monthly maximum(s). If said pilot is rescheduled after the update on the 10th calendar day, to an amount lower than the original scheduled credit time of the trip, then the modified monthly maximum shall be reduced in an equal amount, but to an amount no less than would have been permitted after such update. Exception: If a bid scheduled trip is rescheduled to an amount lower than the original scheduled credit time of the trip, the prior sentence shall not require the modified monthly maximums to be reduced below the sum of the accumulated

scheduled credit times (and accumulated actual credit times), plus the scheduled credit time of future scheduled trips. The intent of this exception is to avoid a reduction of bid scheduled trip guarantee for the pilot and to prevent the schedule adjustment of future scheduled trips.

EXAMPLE 1: A pilot who on the 5th has invoked his modified scheduled monthly maximum to 85 hours (87+30 actual), by adding on the 16th a scheduled trip (not a bid scheduled trip) from the open flying list worth 10 hours, but the update of the 10th would have permitted a maximum modification to only 82 hours (84+30 actual), who has by the 15th accumulated pay time and credit time of 50 hours scheduled (51 actual), who has a bid scheduled trip on the 25th worth 25 hours, who is rescheduled on his trip of the 16th to a value of **five** hours, shall have his modified monthly maximums reduced to 82 hours (scheduled) and 84+30 (actual).

EXAMPLE 2: A pilot who has invoked his modified scheduled monthly maximum to 85 hours (87+30 actual) by exchanging on the 5th a bid scheduled trip worth 10 hours for a trip from the open flying list worth 20 hours (which is deemed to be a bid scheduled trip pursuant to [Section 4 H.6.](#)) which is scheduled to depart on the 25th, but the update on the 10th would have permitted a maximum modification to only 82 hours (84+30 actual), who has by the 15th accumulated pay time and credit time of 50 hours scheduled (51 actual), who has a bid scheduled trip on the 16th worth 15 hours which is rescheduled to be worth 10 hours, shall not be required or allowed to reduce his modified monthly maximums.

B.1.i.(5) Pilot Otherwise Required To Make A [Section 25 B.](#) Adjustment

B.1.i.(5)(a) A regular pilot with a negative bank balance who would otherwise be required to make a [Section 25 B.](#) schedule adjustment because he is projected to exceed one or both of the original monthly maximums may, at his option, choose to increase his scheduled and actual monthly maximums as provided for in [Section 12 B.1.i.\(1\)](#), [Section 12 B.1.i.\(2\)](#), [Section 12 B.1.i.\(3\)](#) and [Section 12 B.1.i.\(4\)](#) ➔, provided that the amount of his negative bank (plus a maximum of **five** hours) is sufficient to fully cover the amount in excess of both of the original monthly maximums.

NOTE: A pilot who is at his base or who is returned to his base may, with his concurrence, be rescheduled in such a manner as to exceed his original monthly maximums as provided for in [Section 12 B.1.i.\(1\)](#), [Section 12 B.1.i.\(2\)](#), [Section 12 B.1.i.\(3\)](#) and [Section 12 B.1.i.\(4\)](#) ➔. However, [Section 30 C.10.c.\(3\)\(a\)](#) and [Section 30 C.10.c.\(3\)\(b\)](#) shall remain applicable to such rescheduling.

B.1.i.(5)(b) The pilot shall indicate his choice of option by adjusting his schedule within **eight** hours after completion of the trip hour period of his rescheduled trip. If such pilot does not so adjust his schedule, and his

negative time bank balance (plus a maximum of **five** hours) is large enough to preclude the need for a [Section 25 B.](#) adjustment, then he shall be deemed to have invoked his modified scheduled and actual monthly maximums.

- B.1.i.(5)(c) If the pilot's negative bank balance (plus a maximum of **five** hours) is insufficient to fully cover the amount of the rescheduling over the original monthly maximums, the pilot must, within **eight** hours of completion of the trip hour period of his rescheduled trip, indicate his choice of adjusting his schedule to a point below the original monthly maximums, or below his modified monthly maximums. If such pilot makes no adjustment, Crew Scheduling shall adjust his schedule to a point equal to or below his modified scheduled and actual monthly maximums. The trip(s) to be adjusted shall be determined in the same manner as in [Section 30 C.11.c.](#)

- B.1.i.(6) Pilot Usage Of Modified Monthly Maximums To Repay His Negative Time Bank Balance

A regular pilot with a negative time bank balance may, at his option, → elect to invoke his modified scheduled and actual monthly maximums, as provided for in [Section 12 B.1.i.\(1\)](#), [Section 12 B.1.i.\(2\)](#), [Section 12 B.1.i.\(3\)](#) and [Section 12 B.1.i.\(4\)](#) →, for the purpose of adding trips from the open flying list (see [Section 30 D.8.](#) and [Section 30 E.](#)), exchanging trips with the open flying list (see [Section 30 D.8.](#), [Section 30 E.2.](#) and [Section 30 E.3.](#)), or doing a trip trade (see [Section 30 C.3.](#)). The modified monthly maximums shall not be considered to be invoked until such time as the open flying has been awarded (to a regular or reserve), training (of a regular or reserve) has been scheduled, rescheduling (of a regular or reserve) has been accomplished or the trip trade has been reported to Crew Scheduling.

NOTE: See [Section 4 H.6.](#) for Bid Scheduled Trip Guarantee ramifications.

- B.1.i.(7) Trips Spanning Two Bid Periods

A pilot shall be permitted to use this subparagraph B.1.i. with respect to trips over the end of a month, provided that, with respect to [Section 12 B.1.i.\(6\)](#) →, the pilot must have a negative time bank balance (plus a maximum of **five** hours) sufficient to cover the added time in the first month the trip operates. If the portion of the trip in the second bid period projects the pilot over his monthly maximum(s) for the second bid period, the pilot may, at his option, → invoke his modified scheduled and actual monthly maximums, as provided for in [Section 12 B.1.i.\(1\)](#), [Section 12 B.1.i.\(2\)](#), [Section 12 B.1.i.\(3\)](#) and [Section 12 B.1.i.\(4\)](#) →, for the second bid period.

- B.1.i.(8) The Company shall have no right to require a pilot with a negative time bank balance to invoke his modified monthly maximums, or, with respect to

Section 12 B.1.i.(5) →, to deny the usage of modified monthly maximums if the pilot opts to use them. →

B.1.i.(9) With respect to a pilot who has invoked the modified monthly maximums for a bid period, the following contract provisions which use the terms “monthly maximum”, “monthly maximums”, “scheduled monthly maximum”, or “actual monthly maximum” shall be read as if the word “modified” modified the word “maximum”:

Section 4 A.3.b.	Section 12 A.2.	Section 12 C.1.e.
Section 4 B.3.b.(1)	Section 12 B.1.a.	Section 12 C.1.f.
Section 4 H.2.	Section 12 B.1.b.	Section 12 E.2.b.
Section 4 H.3.	Section 12 B.1.c.	Section 17 A.
Section 4 I.	Section 12 B.1.d.	Section 17 E.
Section 8 F.1.	Section 12 B.1.e.	Section 25 B.1.
Section 11 D.3.c.(7)	Section 12 B.1.f.	Section 25 B.2.
Section 11 D.3.c.(8)	Section 12 B.1.g.	Section 25 B.3.
Section 11 D.8.d.	Section 12 B.1.h.	Section 30 C.10.c.(8)(a)
Section 11 H.1.	Section 12 C.1.b.	Section 30 C.10.c.(8)(b)
Section 11 H.1.b.	Section 12 C.1.c.	Section 30 C.11.b.
Section 11 H.1.c.	Section 12 C.1.d.	Section 30 E.3.
Section 11 H.1.e.		

B.1.j. Voluntary High Time (HIT) Flying

B.1.j.(1) General

All pilots shall be allowed to voluntarily perform high time (HIT) flying. HIT flying shall be in addition to, and not a replacement for, all other provisions in the Agreement which permit or require a pilot to exceed the monthly maximum credit time limitations, provided that the maximum amount of high time flying scheduled credit time in a month shall be **five** hours. Notwithstanding any provisions of the Agreement to the contrary, a pilot shall be permitted to: (i) voluntarily bid for and be assigned open flying; (ii) voluntarily engage in training, including Operating Experience (OE); or (iii) voluntarily waive the contractual monthly maximum credit time limitations in the event of rescheduling, even if the credit time associated with such open flying, OE or rescheduling would project the pilot’s credit time for the flying month in excess of the maximum credit time limitations.

B.1.j.(2) Filing Notice to Decline HIT Flying

Both regular and reserve pilots shall have the option at any time to file a notice with the Company declining voluntary high time flying for a specific month or remainder of a month. The Company shall not call a pilot who has filed this notice for the purpose of requesting the pilot’s agreement to engage

in voluntary high time flying. Such notice can be filed on a form provided by the Company and filed with Crew Scheduling via Company computer terminal, Voice Response, or remote access.

B.1.j.(3) Crew Scheduling Responsibilities

Except in the case of regular pilots who have submitted schedule adjustment requests for high time flying, Crew Scheduling or Training Scheduling personnel must advise pilots that they have the right to decline voluntary high time flying or training, including OE assignments. The following script must be read to such pilots at the time of assignment: “This assignment involves voluntary high time flying. You have the right to decline this assignment.”

In the situation where a pilot has not requested open flying, and where Crew Scheduling is rescheduling, or assigning open flying to, a pilot who has previously used sick leave in a month, Crew Scheduling must, in addition to the “HIT script,” if applicable, read the following script to such pilot at the time of assignment: “This assignment will offset sick leave credit. You have the right to decline this assignment.” The Company will place a similar message in a system accessible via Company computer terminals, remote access and VRS.

If a pilot has put in an open flying request involving the use of HIT and, thereafter, but prior to award of a trip, has called in sick for a trip, the open flying request shall be considered void.

B.1.j.(4) Use of HIT Flying By a Regular Pilot To Acquire an Open Flying Trip Spanning Two Bid Periods

A regular pilot shall be permitted to use HIT flying in one or both months with respect to acquisition of open flying trips over the end of the month. For purposes of placement in the priority order for awarding of open flying under [Section 30 E.](#), such pilot shall use: (i) [Section 30 E.1.k.](#), [Section 30 E.2.k.](#), or [Section 30 E.3.k.](#) if he seeks to use HIT flying in the first month; and (ii) the appropriate subparagraph in [Section 30 E.](#), based on his circumstances in the first month, if he does not seek or need to use HIT in the first month (i.e. the pilot seeks to use HIT only for the portion of the trip in the second month). The pilot shall notify Crew Scheduling of his intent to use HIT at the time of the open flying request. The Company shall provide a means for such notification in both a system accessible via Company computer terminal or remote access and the Voice Response System. If a pilot receives an award for open flying prior to commencement of his bidding for the ensuing month, the portion of the trip in the ensuing month will be considered carry in time not eligible for HIT designation.

B.1.j.(5) Application of Negative Bank Flyback Concepts to HIT Usage

B.1.j.(5)(a) Increase in Monthly Maximums

For purposes of the monthly maximums, HIT usage will have the same effect as negative bank flyback usage under [Section 12 B.1.i.\(1\)](#) →. Thus, a pilot who uses HIT shall have “modified monthly maximum(s)” which shall increase by the amount necessary to avoid a [Section 25 B.](#) adjustment, or in the case of usage of open flying or trip trade, the amount necessary to accomplish the open flying list transaction or trip trade. The scheduled and actual monthly maximums must both be increased and must be increased in the same amount.

B.1.j.(5)(b) Decrease/Increase of HIT Modified Monthly Maximum Previously Invoked

A pilot who has chosen to invoke his modified monthly maximum(s) by a certain amount may not later revoke or reduce those maximum(s), except that for a reserve pilot, the invocation of his modified monthly maximum shall be automatically revoked (i) in the event of trip cancellation prior to departure and the pilot is not rescheduled (consistent with the requirements of [Section 25 C.](#) and [Section 30 E.1.](#) and [Section 30 E.2.](#)) to perform other flying, and (ii) for any portion of the negative bank invocation unused at the completion of the trip. A pilot may, at his option and to the extent his remaining HIT, if any, would permit such option, invoke a further increase in his modified monthly maximum(s), provided that the provisions of this subparagraph B.1.j. are again complied with.

B.1.j.(5)(c) Pilot Otherwise Required to Make a [Section 25 B.](#) Adjustment

[Section 12 B.1.i.\(5\)](#) shall apply to pilots for purposes of HIT flying, except that, in no circumstances shall the default position be the invocation of HIT flying.

B.1.j.(5)(d) Impact of HIT Usage on Related Contract Sections

With respect to a pilot who has invoked the modified monthly maximum(s) associated with HIT flying for a bid period, the provisions of [Section 12 B.1.i.\(9\)](#) which use the terms “monthly maximum(s)”, “scheduled monthly maximum” or “actual monthly maximum” shall be read as if the word “modified” modified the word “maximum(s)”.

B.1.j.(5)(e) Bid Scheduled Trip Guarantee

For purposes of Bid Scheduled Trip Guarantee, HIT flying will be handled in the same manner as Negative Bank Flyback under [Section 12 B.1.i.](#)

B.1.j.(6) Jury Duty and HIT Flying

Any HIT flying performed in a month shall not offset the pay and credit guaranteed to a regular pilot by [Section 18 B.2.](#)

B.1.j.(7) No Offset of FFAD Days by HIT Usage

HIT usage shall not offset credit time or pay time for a pilot's FFAD days. All pay time over 80 hours in a month attributable to FFAD days shall be paid at the premium rate provided in [Section 3 M](#). (Notwithstanding the above, it is understood that any actual time in excess of scheduled which is accrued during the course of the month, including the HIT flying, does serve to offset pay time for FFAD days).

→

B.2. Daily Limitations

When a pilot has been on duty aloft in domestic flying in excess of 8:30 in one duty period, he shall, at the conclusion of such duty period, be given an actual rest period of no less than 12 hours, release to report.

B.3. On-Duty Limitations**B.3.a. Scheduled On-Duty**

B.3.a.(1) When an on-duty period starts between the hours of 0501 and 2159 inclusive (local time), a pilot will not be scheduled to remain on duty for more than 13 hours.

B.3.a.(2) When an on-duty period starts between the hours of 2200 and 0500 inclusive (local time), a pilot will not be scheduled to remain on duty for more than 12 hours.

B.3.a.(3) Special Rule for Short Overnight Duty Periods (aka “Illegal” Overnights)

When a duty period is a Short Overnight Duty Period as defined in [Section 2 RRR](#), a pilot may be scheduled to remain on duty more than the applicable maximum set forth in [Section 12 B.3.a.\(1\)](#) and [Section 12 B.3.a.\(2\)](#) →, but no more than 14 hours.

B.3.b. Actual On-Duty

A pilot shall not be required to remain on duty in excess of **one** hour beyond his maximum scheduled on-duty period.

B.3.c. Rest Time to Break an On-Duty Period

B.3.c.(1) A pilot’s on-duty period shall be broken by an off-duty period as follows:

<u>Scheduled Rest Period (Release to Report)</u>	<u>Scheduled Ensuing Duty Period (Report to Release)</u>	<u>Maximum Required Duty Period (Report to Release)</u>
Less than 10 hours	11 hours	12 hours

B.3.c.(2) In no case shall an off-duty period be less than an actual time of 9:00 release to report.

B.3.c.(3) In no case shall an off-duty period be less than an actual time of 10:00 release to report when a pilot is scheduled to depart from an airport other than the airport of his arrival.

B.3.d. Red-eye Flying

B.3.d.(1) “Red-eye flying” or “red-eye duty period” means a domestic duty period, exclusive of report time and release time, which is scheduled to occur in the period 0200-0530 local base time. Local base time means the local time in the base to which the pilot is assigned. In addition to duty periods created for schedule bidding, the term “scheduled to occur” shall include duty periods contained in trips built by Crew Scheduling after schedule completion bid, including rescheduled trips.

EXCEPTIONS:

B.3.d.(1)(a) Short Overnight Duty Periods as defined in [Section 2 RRR](#).

B.3.d.(1)(b) A duty period scheduled to be no longer than 12 hours and where the last flight of the duty period is scheduled to terminate by 0300 local base time.

B.3.d.(1)(c) A duty period scheduled to be no longer than 12 hours and where the first flight of the duty period is scheduled to begin after 0430 local base time.

B.3.d.(2) A pilot shall not be scheduled to remain on duty for more than 12 hours during a red-eye duty period that does not end with a deadhead.

B.3.d.(3) Within a trip hour period, the scheduled rest period immediately preceding and immediately following a red-eye flying duty period will be a minimum of 12 hours release to report.

B.3.d.(4) No red-eye duty period will be scheduled to contain more than one flight.

EXCEPTIONS:

B.3.d.(4)(a) A second positioning flight after the red-eye flight can be added to deadhead a pilot.

B.3.d.(4)(b) A second positioning flight before a red-eye flight can be included in a red-eye duty period built by Crew Scheduling to protect an uncovered flight by either (i) creating a trip and placing it on the [Section 30 E.1](#). open flying list, or (ii) rescheduling a pilot. This provision will be applicable only if it is not physically possible to build the duty period without such second flight and still maintain the original scheduled departure time of the originally scheduled flight.

B.3.d.(4)(c) A second flight may be added if the scheduled ground time between the **two** flight segments is less than or equal to 2:00. This exception shall not apply to original month trip construction for passenger flight segments scheduled to operate with the same equipment at the same time **six** or more times per week between (i) DTW, MEM, or MSP and (ii) stations west of the Rocky Mountains.

B.3.d.(4)(d) Circumstances agreed to by the ALPA Scheduling Committee.

B.3.d.(4)(e) During irregular operations, this requirement may be waived with the concurrence of the pilot.

B.3.e. Special Rule Relating to Surface Deadhead

See [Section 8 B](#). for additional provisions relating to on-duty limitations and rest requirements for surface deadhead.

C. International Limitations

C.1. Variable Monthly Maximums

C.1.a. The variable monthly international maximums for pilots shall be the same as the variable monthly domestic maximums for pilots (see [Section 12 B.1.a.](#), [Section 12 B.1.b.](#), [Section 12 B.1.c.](#), and [Section 12 B.1.j.](#) →). The negative bank flyback provisions of [Section 12 B.1.i.](#) →, and the HIT flying provisions of [Section 12 B.1.i.](#) → shall also be applicable to the monthly limitations set forth in [Section 12 C.1.a.](#) and [Section 12 C.1.b.](#) through [Section 12 C.1.e.](#)

C.1.b. A regular pilot shall not be scheduled, do a trip trade or do an open flying transaction so that the sum of his accumulated scheduled credit time, plus his projected scheduled credit time, exceeds his scheduled monthly maximum. A regular pilot shall not be rescheduled to such an extent that his scheduled credit

time cannot be reduced below the scheduled monthly maximum by a [Section 25 B.](#) adjustment.

- C.1.c. A regular pilot shall not be scheduled, do a trip trade or do an open flying transaction so that the sum of his accumulated actual credit time, plus his projected scheduled credit time, exceeds his actual monthly maximum. A regular pilot shall not be rescheduled to such an extent that his actual credit time cannot be reduced below the actual monthly maximum by a [Section 25 B.](#) adjustment.
- C.1.d. A regular pilot shall not be scheduled, do a trip trade or do an open flying transaction so that the sum of his accumulated scheduled credit time, plus his projected scheduled credit time, and the sum of his accumulated actual credit time, plus his projected scheduled credit time, exceeds both his scheduled monthly maximum and his actual monthly maximum, respectively. A regular pilot shall not be rescheduled to such an extent that his scheduled credit time and actual credit time cannot be reduced below the scheduled monthly maximum and the actual monthly maximum, respectively, by a [Section 25 B.](#) adjustment.
- C.1.e. EXCEPTION: A regular pilot on a B747-400 schedule consisting entirely of international flying who is rescheduled while away from his base may be rescheduled so that the above sum of credit time exceeds his scheduled monthly maximum but does not exceed his actual monthly maximum.
- C.1.f. A reserve pilot shall not be scheduled or rescheduled so that his accumulated actual credit time plus his projected scheduled credit time exceeds his monthly maximum.
- C.2. On-Duty Limitations—Pilots Assigned to a Non-Augmented Flight Crew Consisting of 2 or 3 Pilots
- C.2.a. Scheduled Duty Aloft/On-Duty Limitations
- C.2.a.(1) A pilot shall not be scheduled to remain on duty for more than 13 hours.
- C.2.a.(2) A pilot on a non-augmented flight crew consisting of **two** pilots shall not be scheduled for duty aloft in excess of **eight** hours in one duty period.
- C.2.a.(3) A pilot on a non-augmented flight crew consisting of **two** pilots shall not be scheduled for duty aloft in excess of **eight** hours during any 24 consecutive hours unless he is given an intervening rest period at or before the termination of **eight** scheduled hours of duty aloft. Such rest period (release to report) shall be equal to twice the number of hours flown since the last rest period, and in no case less than 11:30 (release to report).
- C.2.a.(4) A pilot who is scheduled to perform international flying on a transpacific flight shall not be scheduled to perform international or domestic flying on any other flight during that duty period, except as provided in [Section 12 C.2.c.\(3\)](#) →. For the purpose of this subparagraph C.2., the term “transpacific

flight” is defined as a flight where a takeoff is from an airport in the United States and the next scheduled landing is in the continent of Asia including the Philippine Islands, or a flight where the takeoff is from an airport in the continent of Asia, including the Philippine Islands, and the next scheduled landing is in the United States.

EXCEPTION 1: [Section 12 C.2.a.\(1\)](#), [Section 12 C.2.a.\(4\)](#) and [Section 12 C.2.b.](#) notwithstanding, in the event of a down-line sick call or other down-line pilot unavailability, and in order to protect the on-time departure of, or minimize the delay of uncovered flying, the Company may, with the agreement of the pilot, reschedule a pilot or assign a pilot pursuant to [Section 30 E.1.](#) and [Section 30 E.2.](#), to deadhead on a flight immediately prior to a non-augmented transpacific flight in which he performs flight deck duty in the same duty period. Such pilot shall be provided with a C1/F2 pass or an F1 pass.

→

EXCEPTION 2: See the Letter of Agreement → regarding freighter operations ([Letter of Agreement 2004-02A](#)) →.

- C.2.a.(5) There shall be no more than **three** flights scheduled in a duty period that includes a scheduled transatlantic flight. For the purpose of this subparagraph C.2., the term “transatlantic flight” is defined as any flight where a takeoff is from an airport in the United States, and the next scheduled landing is in the continent of Europe, including Iceland, Ireland and Great Britain, or a flight where a takeoff is from an airport in the continent of Europe, including Iceland, Ireland and Great Britain, and the next scheduled landing is in the United States.
- C.2.a.(6) The Company shall not plan a fuel stop on a specific transpacific flight, except in the case where a fuel stop is necessary because of passenger and/or cargo load. In such case:
- C.2.a.(6)(a) Such fuel stop will be planned to be completed within one hour block-to-block. Ground personnel shall be instructed by the Company to give priority handling to the flight.
- C.2.a.(6)(b) Additional crew meals appropriate to the time of day will be provided.
- C.2.a.(6)(c) Except for MAC flights, no cargo, no passengers, no Comat will be enplaned or deplaned during the fuel stop.
- C.2.a.(6)(d) No fuel stop shall occur at a crew base without each pilot being given the option to be relieved from duty, providing the flying can be covered by other available pilots. In any case, if the on-duty period is projected to exceed 15 hours, [Section 12 C.2.b.](#) shall apply. A pilot so removed from a bid scheduled trip shall be eligible for bid scheduled trip guarantee.

The time parameters specified in [Section 30 C.10.c.\(1\)\(a\)](#) shall be extended by 24 hours if:

- C.2.a.(6)(d)1' the pilot is relieved at a base other than his own base, and
- C.2.a.(6)(d)2' the pilot is assigned pursuant to [Section 30 C.10.c.\(1\)](#) to the same pattern the following day.

C.2.b. Actual On-Duty

A pilot shall not be required to remain on duty in excess of 15 hours.

C.2.c. Rest Time to Break an On-Duty Period

A pilot's on-duty period shall be broken by an actual off-duty period of 11:30 release to report, except as follows:

- C.2.c.(1) The duty period prior to a transpacific flight, or prior to a duty period that includes a transatlantic flight, is broken by an actual off-duty period of 12 hours release to report.
- C.2.c.(2) The duty period after a transpacific flight, or after a duty period that includes a transatlantic flight, is broken by an actual off-duty period of 15:45 release to report at points other than Anchorage where the duty period can be broken by an actual off-duty period of 9:30 release to report when the next duty period is nonstop to Seattle.
- C.2.c.(3) A pilot may be scheduled to deadhead to his Seattle base in the same aircraft if his scheduled on-duty time, including such deadhead, does not exceed 13 hours and the actual on-duty time will not exceed 15 hours:
 - C.2.c.(3)(a) after a MAC flight from Japan to Travis Air Force Base, or
 - C.2.c.(3)(b) after a flight from Japan to Anchorage.
- C.2.c.(4) The minimum off-duty period at Korea, Taiwan, Philippine Islands, Hong Kong, Osaka, Okinawa, Shanghai, Guam, Saipan and Beijing (only after a non-stop NRT-PEK flight) may be shortened to an actual off-duty period of 9:30 release to report provided that:
 - C.2.c.(4)(a) There are no more than **three** scheduled landings in either the preceding or the succeeding on-duty periods.
 - C.2.c.(4)(b) The scheduled on-duty period in each of the preceding and succeeding on-duty periods is 8:30 or less, report to release.
 - C.2.c.(4)(c) The off-duty period before and after the **two** on-duty periods are no less than 11:30 actual release to report.

- C.2.c.(4)(d) The first duty period must originate in Japan or Korea, and the second duty period must terminate in Japan or Korea.
- C.2.c.(4)(e) A pilot shall not be scheduled for a second such shorter rest period series during a trip hour period unless there is an actual intervening rest period of 15:45 release to report.
- C.2.c.(4)(f) The shortened rest period permitted at a location(s) listed in this subparagraph C.2.c.(4) may, at the option of the Association, be withdrawn in the event of an award by the System Board of Adjustment finding the existence at such location(s) of “changed conditions that constitute good cause” for such withdrawal. The Association shall have the right to submit such a dispute directly to the System Board of Adjustment for expedited arbitration, with an arbitration decision to be due within 30 days of the close of the record in the case. A withdrawal of the shortened rest period at a location(s) shall be effective as of the first day of the month following a 90 day period after receipt by the Company of the written award of the System Board of Adjustment.
- C.2.c.(5) The same rest period set forth in [Section 12 C.2.c.\(4\)](#) → shall apply to flights that originate at Seattle, fly nonstop to Anchorage and then nonstop to Seattle.
- C.2.c.(6) The minimum off duty period prior to a duty period scheduled to be performed entirely within the area bounded by the 48 contiguous states of the United States and Canada shall be that as specified in [Section 12 B.3.c.](#) →.
- C.2.d. Ground Transportation at a Layover Station at an International Location Where the Same Airport is Used for Both Arrival and Departure

Where at a layover station in a location outside the contiguous 48 states of the United States or the District of Columbia, the established elapsed time of ground transportation from lodging to the airport of departure exceeds one hour, ½ of the time over one hour shall be included as duty time for the purpose of computing duty time as provided in [Section 2 X.](#) and shall affect the report and release time accordingly. Where at a layover station in a location outside the contiguous 48 states of the United States or the District of Columbia, the established elapsed time of ground transportation from the airport of arrival to lodging or from lodging to the airport of departure exceeds one hour, the time required to break the duty period shall be increased by the time over one hour from the airport of arrival to lodging and/or over one hour from lodging to the airport of departure but in no case to be more than 18:45 release to report.

NOTE: This [Section 12 C.2.d.](#) shall only apply in the case of pilots who arrive at and depart from the same airport. Such transportation shall not constitute surface deadhead (see [Section 8 B.](#)) If a different airport of arrival than airport of departure is involved, then the transportation shall constitute surface deadhead

and the provisions of [Section 8 B](#). shall apply to the transportation by means other than flight.

C.3. Special Rules Which Apply Only to a Non-Augmented Flight Crew Consisting of 3 Pilots

C.3.a. For the period of October 1 through the schedule change in April, any flight departing Los Angeles for Japan shall be flown with an augmented flight crew. →

EXCEPTION: Notwithstanding any provision of the Agreement to the contrary, any 747-200 freighter flight departing Los Angeles for Japan may be flown with a non-augmented flight crew consisting of three pilots.

C.3.b. All-Cargo Flights—SEA-ANC-TYO

Notwithstanding any provisions of this Section 12 to the contrary:

C.3.b.(1) The Company may schedule and the pilots will fly all-cargo flights Seattle-Anchorage-Tokyo with one crew operating the aircraft from Seattle through Anchorage to Tokyo.

C.3.b.(2) For the purpose of this operation, that portion of this Agreement ([Section 12 C.2.a.\(4\)](#)), which prohibits the scheduling of a crew on more than one consecutive segment of a transpacific flight, will not apply.

C.3.b.(3) For the purpose of this operation, that portion of this Agreement ([Section 12 C.2.a.\(1\)](#)), which limits the scheduled on-duty time in international operations to 13 hours, is changed to 13:30 for schedules of cargo flights Seattle-Anchorage-Tokyo.

C.3.b.(4) In the scheduling of Seattle-Anchorage-Tokyo cargo flights, the Company will not schedule nor will it plan to use more than one hour of ground time at the en route stop at Anchorage.

C.3.b.(5) The Seattle-Anchorage-Tokyo cargo flights will not be scheduled to depart from Seattle between the hours of 1800 and 0600 for summer flying operations and 1800 and 0500 for winter flying operations.

C.4. On-Duty Limitations—Pilots Assigned to an Augmented Crew (See Definition in [Section 2 F.](#))

C.4.a. A pilot shall not be scheduled to flight deck duty in excess of 11 hours in one duty period if a Second Officer is a required crew member. A pilot shall not be scheduled to flight deck duty in excess of **eight** hours in one duty period if a Second Officer is not a required crew member.

- C.4.b. When part of an augmented flight crew consisting of **three** pilots:
- C.4.b.(1) A pilot shall neither be scheduled to remain on duty for more than 15 hours, nor required to remain on duty in excess of 16 hours, and
- C.4.b.(2) A pilot shall not be scheduled to perform international flying on more than **three** flights in a duty period, and
- C.4.b.(3) A pilot who has duty aloft of 20 hours or more during any 48 consecutive hours, or 24 hours or more during any 72 consecutive hours, shall be given at least 18 hours free from all duty at the completion of the duty period in which he exceeded the applicable restriction.
- C.4.b.(4) The following minimum rest rules shall apply to pilots on trips where no flight had an augmented crew of more than **three** pilots:
- C.4.b.(4)(a) Regular pilot. Upon return to his base from a trip where no flight had an augmented crew of more than **three** pilots, a regular pilot shall be given a rest period of at least 15:45.
- C.4.b.(4)(b) Reserve pilot.
- C.4.b.(4)(b)1' General rule. Upon return to his base from a trip where no flight had an augmented crew of more than **three** pilots, a reserve pilot shall be given a rest period that is at least twice the total number of his hours of duty aloft since his last rest period at his base, subject to a maximum of 36:00 and subject to the election to reduce rest set forth in [Section 12 C.4.b.\(4\)\(b\)2'](#) →.
- C.4.b.(4)(b)2' Election to reduce rest. At the reserve pilot's option, such rest may be reduced anytime after the assignment or award is made to the trip which gives rise to such a rest period, to the minimum rest of 15:45. However, to ensure his position on the reserve assignment list, a reserve pilot must make this election to reduce his rest by notifying Crew Scheduling no later than 23:59 local base time on the day prior to the last day of the trip hour period giving rise to the rest period.
- C.4.b.(4)(b)3' Change of election to reduce rest. A reserve pilot may change an earlier election to reduce his rest by notifying Crew Scheduling no later than 23:59 local base time (i.e. prior to the start of the Trip Filling Period) on the day prior to the last day of the trip hour period giving rise to the rest period. However, no such change will be available to a reserve pilot to whom a trip assignment has already been made if such change would conflict with the trip assignment.
- C.4.c. A pilot shall not be required to remain on duty in excess of 20 hours when part of an augmented flight crew consisting of **four** or more pilots.

- C.4.d. When a pilot's on-duty period is broken at an unscheduled en route stop, the minimum rest period shall be 9:30 release to report.
- C.4.e. The minimum actual rest period to break an on-duty period, except as provided in [Section 12 C.4.d.](#) →, shall be 13:30 release to report.
- C.4.f. A pilot moving from an augmented flight crew to a non-augmented flight crew, or vice versa, shall be given an intervening rest period of at least 15:45 release to report.
- C.4.g. A pilot moving from one size of augmented flight crew to another size of augmented flight crew shall be given an intervening rest period of at least that which would have been required had the pilot's next scheduled duty period remained on the same size of augmented flight crew.
- C.4.h. Upon his return to his base from a trip, a pilot shall be given a rest period that is at least twice the total number of his hours of duty aloft since his last rest period at his base, except as provided in [Section 12 C.4.b.\(4\)](#).
- C.4.i. The Company shall provide comfortable and quiet sleeping quarters, including a separate bunk or bed, for the use of each crewmember while not on flight deck duty. A reclining seat, whether in the cockpit or cabin, will not satisfy the requirements of this provision.

EXCEPTION 1: With respect to an augmented flight crew, the Company shall not be required to provide such sleeping quarters to a pilot who is deadheading MSP-ORD, ORD-MSP, NYC-DTW, DTW-NYC, MSP-DTW, or DTW-MSP, in order to position for a transpacific flight or in order to return to his base after a transpacific flight.

EXCEPTION 2: With respect to an augmented **three** pilot flight crew on an **international flight with a scheduled block time of nine hours or less, on a narrowbody aircraft which is not equipped with a crew bunk(s)** → the Company may utilize a dedicated first class (**or equivalent**) seat for a pilot in place of sleeping quarters. Such **dedicated** seat shall be removed from passenger sales. Agents shall be notified of the prohibition against selling such dedicated seat and that no pilot of such augmented flight shall be required or requested to relinquish such seat. **With respect to an augmented three pilot flight crew on a narrowbody aircraft flight between the Continental United States and Mexico, the Caribbean area, the Bahamas or Bermuda, the following shall also apply:** →

- (i) The on-duty period will not be scheduled to commence prior to 0500 (local time) or to terminate later than 2359 (local time);
- (ii) All other applicable on-duty limitations and rest provisions of Section 12 of the Agreement will apply.



EXCEPTION 3: On augmented flights, Operating Experience (OE) and line checks may be conducted, provided that the OE instructor and the OE pilot and line check airman, if they cannot be accommodated in the existing crew bunks, shall have a dedicated first class seat(s) for the flight, or, if there is no first class section on the aircraft, then a world business class seat(s), or its equivalent. Such seat(s) shall be removed from passenger sales. Agents shall be notified, via bulletin, training and a provision in the appropriate agent manual, of the prohibition against selling such dedicated seat(s) and that no pilot of such augmented flight shall be required or requested to relinquish such seat(s).

C.4.j. [Section 12 C.4.f.](#) and [Section 12 C.4.i.](#) notwithstanding, in the event of a down-line sick call or other down-line pilot unavailability, and in order to protect the on-time departure of, or minimize the delay of, uncovered flying, the Company may, with the agreement of the pilot, reschedule a pilot or assign a pilot pursuant to [Section 30 E.1.](#) and [Section 30 E.2.](#), to deadhead in the same duty period immediately before an augmented flight segment in which he performs flight deck duty, even if all members of the augmented crew are not deadheading on the same flight. Such pilot shall be provided with a C1/F2 pass or an F1 pass.

C.4.k. When, at his request, a pilot who was scheduled to deadhead as part of an augmented crew has deadheaded on a flight(s) other than as scheduled or rescheduled (see [Section 8 C.](#)), the augmented crew on-duty limitations and rest provisions shall be utilized for a subsequent rescheduling (flying or deadheading) of the pilots on the augmented crew in order to reunite the crew prior to the next scheduled duty period.

C.5. Special Rules Which Apply Only To Deadheading Pilots On Flights With An Augmented Flight Crew Consisting Of 4 Or More Pilots

Deadheading Pilots:

C.5.a. whose only duty during a duty period is deadhead and whose scheduled duty period is in excess of 13 hours; and

C.5.b. who deadhead on a non-stop Company passenger flight with a required augmented flight crew consisting of **four** or more pilots; and

C.5.c. who are provided a C-1 /F-2 pass or an F-1 pass

shall not be scheduled to remain on duty for more than 20 hours, nor shall they be required to remain on duty in excess of 20 hours. Such deadheading pilot whose extended deadhead occurs on his return to base shall, upon return to base, be given a rest period that is at least twice the total number of his hours of duty aloft since his last rest period at his base.

C.6. Special Rule Relating to Surface Deadhead

See [Section 8 B.](#) for additional provisions relating to on-duty limitations and rest requirements for surface deadhead.

D. Determination of Applicable On-Duty Limitations And Rest Provisions

D.1. When a flight(s) within a duty period requires the application of the flight time limitation applicable to Flag (international) Carriers under FAR Part 121, international duty limitations shall apply.

D.2. When a flight(s) within a duty period falls within the flight time limitation applicable to Domestic Air Carriers under FAR Part 121, domestic duty limitations shall apply.

D.3. A pilot in an unaugmented crew shall not be scheduled to make an intermediate stop at a domestic station when arriving from an international station, if the total flight time in the duty period is scheduled to exceed **eight** hours and his next flight in the duty period is in domestic flying.

D.4. In determining whether International or Domestic rest provisions shall apply to a given rest period, reference shall be made to the flying scheduled or assigned for the next duty period. If such flying is International Flying, then the International rest provisions shall apply to the given rest period; if such flying is Domestic Flying, the Domestic rest provisions shall apply to the given rest period.

EXCEPTION 1: For a rest period following a transpacific flight, or a duty period that includes a transatlantic flight, the rest period specified in [Section 12 C.2.c.\(2\)](#) shall be provided regardless of whether the flying scheduled or assigned for the next duty period is Domestic Flying or International Flying.

EXCEPTION 2: For an otherwise international rest period preceding a duty period that consists entirely of deadheading back to his base over a domestic route, the Company may provide a domestic minimum rest if there is a flight back to the pilot's base which departs after a domestic minimum rest period, but prior to the completion of an international minimum rest period, and if the pilot would otherwise be required to remain overnight before deadheading back to base.

D.5. Federal Aviation Regulations (FAR's) 121.471(d) and 121.481(d) shall be applied as 24 consecutive hours off in a **seven** calendar day period. (Note: This application may change with future FAA interpretations of the FAR's.)

E. Instructor Pilot and Special Project Pilot Limitations

E.1. Scheduled Monthly Maximum

No Instructor Pilot shall be scheduled to work more than **17** Instructor Pilot Duty Periods in a month (**18** in a flex-up month in accordance with [Section 12 I.](#), for Instructor Pilots assigned to the aircraft type(s) subject to the flex). Since each

Instructor Pilot Duty Period is equal to **five** hours of credit time, the scheduled monthly maximum for an Instructor Pilot accomplishing only Instructor Pilot Duty Periods during the month shall be **85** hours (**90** hours in a flex-up month in accordance with [Section 12 I.](#)), regardless of the scheduled monthly maximum in his permanent position for that month. (See [Section 3 J.](#) for Instructor Pilot pay.)

E.2. Actual Monthly Maximum

E.2.a. Whole Month of Instructor Pilot Duty Periods

E.2.a.(1) No Instructor Pilot shall be required to work in excess of the scheduled monthly maximum in [Section 12 E.1.](#) → **(as modified in a flex month provided for in [Section 12 I.](#))** →

E.2.a.(2) An Instructor Pilot may, on a voluntary basis and with the permission of the Company, actually work up to **18 or 19 (19 or 20, respectively, in a flex month as provided for in [Section 12 I.](#))** Instructor Pilot Duty Periods in a month. Such pilot shall receive additional compensation in an amount equal to **five** hours at his applicable rate → for each Instructor Pilot Duty Period in excess of **17**.

E.2.b. Mixed Month of Instructor Pilot Duty Periods and Other Credit Time Activity

An Instructor Pilot who actually performs both Instructor Pilot Duty Periods and other credit time activity, including, but not limited to, line flying, vacation, sick leave, OE or other training in a month may in combination work up to **85** hours (**90** hours in a flex-up month in accordance with [Section 12 I.](#)) of credit time, regardless of the scheduled monthly maximum in his permanent position for that month. In making such computation, each Instructor Pilot Duty Period shall have a credit time value equal to **five** hours. An Instructor Pilot doing a combination of Instructor Pilot Duty Periods and other credit time activity during the month will be allowed to either use his negative bank, if any, and perform HIT flying, or perform additional Instructor Pilot Duty Periods (up to the equivalent of **19 Instructor Pilot Duty Periods, or 20 in a flex month as provided for in [Section 12 I.](#)**) but not both, based on the type of work he was engaged in immediately prior to an assignment which would cause him to exceed **85** hours (**90** hours in a flex-up month in accordance with [Section 12 I.](#)). An Instructor Pilot doing additional Instructor Pilot Duty Periods under this subparagraph **E.2.b.** shall receive compensation in accordance with [Section 12 E.2.a.\(2\)](#) →.

NOTE 1: An Instructor Pilot who is administering OE and/or performing line flying for the entire month, is entitled to perform HIT flying and negative bank flyback, subject to the provisions of [Section 12 B.1.i.](#), [Section 12 B.1.j.](#) and [Section 12 C.1.a.](#) of the Agreement.

EXAMPLE 1: Pilot A starts the month as an Instructor Pilot and conducts four Instructor Pilot Duty Periods. He is subsequently released to the line and puts together a schedule. He is entitled to fly HIT flying.

EXAMPLE 2: Pilot B has an **80**-hour schedule, is in a category with an **85**-hour maximum, and picks up a 6:00 trip at the beginning of the month using HIT flying. After flying the first **24** hours of his schedule plus the six hours picked up using the HIT option, he is called in to perform Instructor Pilot Duty Periods for the remainder of the month. Since he has already flown **30** hours during the month, he can be required to do **11** more Instructor Pilot Duty Periods during the month (**17** events minus the six events already credited due to flying during the month). He may also volunteer to do additional Instructor Pilot Duty Periods pursuant to [Section 12 E.1.](#) and [Section 12 E.2.](#) He may not count any time flown as HIT flying, since it is not where he finished the month.

EXAMPLE 3: Pilot C conducts five Instructor Pilot Duty Periods, then is assigned to fly a 30-hour trip under [Section 30 E.1.q.](#) After flying, he completes the remainder of the month conducting Instructor Pilot Duty Periods. He may volunteer to do additional Instructor Pilot Duty Periods but will not be allowed to consider any of the flying done as HIT flying.

NOTE 2: Any fraction of an Instructor Pilot Duty Period resulting from the conversion shall be rounded up to the next whole number of duty periods.

E.2.c. International pay shall not be paid for performance of Instructor Pilot Duty Periods, provided that the pilot will be paid international pay for Instructor Pilot Duty Periods which include international flying and international line checks.

E.3. → Special Project Pilot and Supervisory Pilot

E.3.a. The Instructor Pilot Limitations of this Paragraph E. shall **also apply to a Special Project Pilot or a Supervisory Pilot in any month in which he performs an Instructor Pilot Duty Period(s) or line flying, in which case his actual monthly maximum shall be computed in the manner set forth in [Section 12 E.3.b.](#)** →

EXCEPTION: A **Fleet Director, Fleet Chief Pilot or Fleet Training Captain** → shall not become subject to the limitations of this Paragraph E.3. as a result of performing an Instructor Pilot Duty Period(s) and/or performing line flying, for the purpose of:

E.3.a.(1) Instructor standardization, or

E.3.a.(2) Training syllabus evaluation, or

E.3.a.(3) Administration of training, or a recurrent proficiency check, or a line check to a pilot who has been disqualified under [Section 11 J.](#), or

E.3.a.(4) Administration of OE to pilots in training whose progress has been determined by the **Fleet Director, Fleet Chief Pilot or Fleet Training Captain** → to be unsatisfactory.

→

E.3.b. No → Special Project Pilot or Supervisory Pilot who also performs an Instructor Pilot Duty Period(s) or line flying, except as permitted in the EXCEPTION in [Section 12 E.3.a.](#) →, shall in combination work more credit time than the actual monthly maximum of [Section 12 B.1.c.](#), or **17** Instructor Pilot Duty Periods. In making such computation, each day worked as a → Special Project Pilot or Supervisory Pilot shall have a **4:03** credit time value. Each Instructor Pilot Duty Period performed shall have a 5:00 credit time value.

E.3.c. International pay shall not be paid to → Special Project Pilots or Supervisory Pilots for the performance of non-flying duties.

E.4. One Instructor Pilot Duty Period shall equal:

E.4.a. Each travel day required for Instructor Duty Periods conducted away from the contiguous 48 states of the United States or Canada and the instructor's residence; or

E.4.b. Each **6-hour flight** simulator period (**including** brief and debrief); or

E.4.c. Each ground training period (including classroom and/or ground operations, **and/or ground training conducted in a flight simulator, flight training device,** oral, and pre-oral); or

E.4.d. One or more line checks. The appropriate amount of Instructor Pilot Duty Period credit shall be determined by the Base Director of Flying or the Fleet Training Captain according to the length of time required to perform such line check(s).

E.4.e. Each seat occupancy event.

E.5. Limitations On The Number of Instructor Pilot Duty Periods That Can Be Performed In A Simulator Or Flight Training Device In A Calendar Day

E.5.a. Instructor Pilot Duty Periods

Except as otherwise provided in [Section 12 E.5.b.](#) →, an instructor pilot who has instructed or checked or is scheduled to instruct or check in a simulator or flight training device shall not perform any further instruction or checking duties in that calendar day, except that one additional instructor pilot duty period can be performed in that calendar day under the following circumstances:

E.5.a.(1) The instructor pilot duty period (whether scheduled in advance or not) consists of seat support, an oral examination, a recency of experience check, or a warm-up limited to **two** hours; or

E.5.a.(2) The instructor pilot duty period (whether scheduled in advance or not) was in the S5 period which finished on that calendar day, and the next simulator or flight training device period is in the S3, S4 or S5 period; or

- E.5.a.(3) A scheduled training or checking session in a simulator or a flight training device would otherwise be cancelled due to the unavailability of the scheduled instructor pilot and a lack of other available instructor pilot(s) to cover the session.
- E.5.b. **Calendar Days Which Include Instructor Pilot Duty Periods That Are Required To Be Performed By An APD**
- An APD may perform **two** instructor pilot duty periods in the same calendar day (whether scheduled or not) provided that:
- E.5.b.(1) Both of the events are either LOEs of a crew being checked under an AQP program, or proficiency checks of an airman, and such LOE or check is required to be administered by an FAA Operations Inspector or an APD in connection with the issuance of a “type-rating” at the completion of initial qualification training, and the total elapsed time required to complete both checks under this subparagraph **E.5.b.(1)** may not be scheduled to exceed 12 hours; or
- E.5.b.(2) The first scheduled event is an LOE of a crew member(s) checked under an AQP program, or a proficiency check of an airman, and such LOE or check is required to be administered by an FAA Operations Inspector or an APD in connection with an issuance of a “type-rating” at the completion of initial qualification training, and the second scheduled event is an event listed in [Section 12 E.5.a.\(1\)](#) or [Section 12 E.5.a.\(2\)](#) →, and the elapsed time required to complete both events under this subparagraph **E.5.b.(2)** may not be scheduled to exceed 12 hours; or
- E.5.b.(3) The first or second event of the calendar day is a scheduled training or checking session in a simulator or flight training device that would otherwise be canceled due to the unavailability of the scheduled instructor pilot and a lack of other available instructor pilot(s) to cover the session.
- E.5.b.(4) No more than **five** calendar days in a month may be scheduled with **two** events as described in [Section 12 E.5.b.\(1\)](#) in a calendar day, provided that a calendar day which starts with a partial S5 period as described in [Section 12 E.5.a.\(2\)](#) → shall not count for this purpose.
- E.5.c. An Instructor Pilot who is not an APD may perform up to two Instructor Pilot Duty Periods “IPD” that commence in the same calendar day only under the following circumstances:**
- E.5.c.(1) **Such Instructor Pilot may not be required to perform more than one Instructor Pilot Duty Period that commences in the same calendar day;**
- E.5.c.(2) **The two such Instructor Pilot Duty Periods may not be “back-to-back” (e.g. such IPDs may not be Flight Simulator Periods 1 and 2);**

- E.5.c.(3) An Instructor Pilot may not perform two IPDs in a calendar day on two consecutive calendar days;
- E.5.c.(4) Such Instructor Pilot may not perform up to two Instructor Pilot Duty Periods that commence in the same calendar day on more than five occasions in any month;
- E.5.c.(5) The two such Instructor Pilot Duty Periods may not both be Initial Qualification training sessions in the second week or later of the flight simulator phase and may not both be Initial Qualification LOE periods;
- E.5.c.(6) On any such calendar day in which the first IPD consists of an LOE period, the second IPD may not consist of an Initial Qualification LOE period;
- E.5.c.(7) On any such calendar day in which the first IPD consists of an MV period, the second IPD may not consist of an Initial Qualification MV period.

NOTE: The parties will meet and confer after this subparagraph E.5.c. has been in effect for six months for the purpose of evaluating the quality of training associated therewith.

E.6. Excluding Instructor Pilots performing Operating Experience training, an instructor pilot who performs 16 or less instructor pilot duty periods in a whole month of scheduled or actual instructor pilot duty periods or 80 hours or less of credit time activity in a mixed month of scheduled or actual instructor pilot duty periods and other credit time activity shall be paid a monthly salary as set forth below:

IP Duty Periods Performed in a <u>Whole Month</u>	Salary in Whole Month of <u>IP Duty Periods</u>
16	80:00
15 or less	75:00
Accumulated Pay Time Hours in <u>Mixed Month</u>	Salary in Mixed Month of IP Duty Periods and Other <u>Credit Time</u>
75:01–80:00	80:00
75:00 or less	75:00

F. Other Rest Provisions

F.1. Rest for Call-Out Pilots

When a pilot is called out from one base to perform flying at another base, he shall be provided adequate rest time at the call-out base prior to reporting for the flight, or he shall be transported to the call-out base in such a fashion that the total of the transportation time and the duty time for the call-out trip does not exceed the contractual duty time limitations.

F.2. Rest For Pilots Who Change Bases

Crew Scheduling personnel shall work with a pilot who is changing bases (on a permanent or temporary basis) to ensure that he obtains adequate rest (both required and reasonable) prior to commencing his assignment at his new base.

G. Positive Time Bank—Domestic and International

Each pilot who engages in domestic and/or international flying in a month shall be subject to the provisions of this Paragraph G.

G.1. Accrual of Credit

In a month in which a pilot's pay time exceeds a point **five** hours above the scheduled monthly maximum for his position (the "bank credit accrual point"), he will be paid for pay time up to the bank credit accrual point and the balance of such pay time will be accrued to his time bank account for future use (excluding premium pay—see [Section 3 M.](#)). The calculation to determine the pay time to be paid and the pay time to be banked will be made as follows:

G.1.a. Compute total pay time for the month. Subtract pay time not credited for credit time purposes. Convert that remainder to a dollar amount.

G.1.b. Divide the dollar amount in [Section 12 G.1.a.](#) →, by the remainder in [Section 12 G.1.a.](#) → to find the average rate per hour.

G.1.c. Multiply the average rate per hour in [Section 12 G.1.b.](#) → by an amount equal to the scheduled monthly maximum for his position plus **five** hours to determine the amount of pay time to be paid.

G.1.d. Subtract the dollar amount in [Section 12 G.1.c.](#) → from the dollar amount in [Section 12 G.1.a.](#) → and accrue the remainder, if any, to his account (excluding premium pay—see [Section 3 M.](#)).

G.2. Statement of Credit

- G.2.a. Each month, and for each pilot, the Company shall state on the bid list the projected balance in the pilot's bank at the end of the month prior to computer bidding.
- G.2.b. On the 10th of the calendar month the sum of the actual balance at the end of the month prior to computer bidding plus the projected bank usage for the current month shall be calculated and posted electronically and made available via Company computer terminals, remote access and the Voice Response System. However, if the projected bank usage for the current month is positive, only the actual balance at the end of the month prior to computer bidding shall be posted electronically, made available, and used during computer bidding. Electronic posting shall be accomplished in Class Bid, or its equivalent.
- G.2.c. At the commencement of the bid award process and for the sole purpose of the computer bidding bid award process, the bank balance of the 10th shall be updated with the projection of the expected usage of bank by each pilot during the current month, unless that projection of expected usage is positive, in which case no update will be made.
- G.2.d. If such statement reflects a positive bank balance in the category to be bid, the bid list shall have the amount of the balance by the individual name.

G.3. Use of Credit

G.3.a. Bank Usage By A Regular Pilot During Computer Bidding

- G.3.a.(1) When a regular pilot has a positive time bank balance in excess of 15 hours, the computer bidding process shall seek to reduce this amount using the following process. The positive balance shall be converted to hours and minutes for the pilot's position in the month for which he will be bidding. The amount in excess of 15 hours shall be subtracted from an amount **seven** hours below the scheduled monthly maximum. Once the pilot's scheduled credit time first equals or exceeds the resultant amount during the computer bidding process, the pilot will not be awarded any further trips, regardless of his bid preferences. (Note: The following bid preferences, if requested by the pilot, will be disregarded: **MAX SKED** and **MAX SKED SOFT**.) The pilot will then be credited with bank time to a value 3:00 below the scheduled monthly maximum.

EXAMPLE 1: A pilot has a positive bank balance of 16 hours (after conversion of bank dollars to time in the current position). The scheduled monthly maximum is 80 hours. Subtraction of **one** hour (the amount of positive bank in excess of 15 hours) from 73 hours (an amount **seven** hours below the scheduled monthly maximum) leaves a sum of 72 hours. The modified normal time range for this pilot is 72–80 hours, instead of the normal 73–80 hours. If the pilot's credit time prior to the start of the bid award

process is 72 hours or more, no trips will be awarded, and the pilot will then be credited up to **five** hours of bank time, but no more than a total of 77 hours of scheduled credit time (**three** hours below the scheduled monthly maximum). If the pilot's credit time prior to the start of the bid award process is less than 72 hours, then a trip(s) shall be awarded pursuant to the pilot's bid preferences, provided that, such trip awarding shall stop when the pilot is first awarded a trip which causes his scheduled credit time to equal or exceed 72 hours. The pilot will then be credited with bank time in an amount sufficient to bring his total scheduled credit time for the bid period to no more than 77 hours (**three** hours below the scheduled monthly maximum).

EXAMPLE 2: A pilot has a positive bank balance of 20 hours (after conversion of bank dollars to time in his current position). The scheduled monthly maximum is 80 hours. Subtraction of **five** hours (the amount of positive bank in excess of 15 hours), from 73 hours (an amount **seven** hours below the scheduled monthly maximum) equals 68 hours. The modified normal time range for this pilot is 68–80 hours, instead of the normal 73–80 hours. If the pilot's credit time prior to the start of the bid award process is 68 hours or more, no trips will be awarded, and the pilot will then be credited up to **nine** hours of bank time, but no more than a total of 77 hours of scheduled credit time (**three** hours below the monthly maximum). If the pilot's credit time prior to the start of the bid award process is less than 68 hours, then a trip(s) shall be awarded pursuant to the pilot's bid preferences, provided that such trip awarding shall stop when the pilot is first awarded a trip which causes his scheduled credit time to equal or exceed 68 hours. The pilot will then be credited with bank time in an amount sufficient to bring his total scheduled credit time for the bid period to no more than 77 hours (**three** hours below the monthly maximum).

EXAMPLE 3: A pilot has a positive bank balance of 50 hours (after conversion of bank dollars to time in his current position). The scheduled monthly maximum is 80 hours. Subtraction of 35 hours (the amount of positive bank in excess of 15 hours), from 73 hours (an amount **seven** hours below the scheduled monthly maximum) equals 38 hours. The modified normal time range for this pilot is 38–80 hours, instead of the normal 73–80 hours. If the pilot's credit time prior to the start of the bid award process is 38 hours or more, no trips will be awarded, and the pilot will then be credited up to 39 hours of bank time, but no more than a total of 77 hours of scheduled credit time (**three** hours below the monthly maximum). If the pilot's credit time prior to the start of the bid award process is less than 38 hours, then a trip(s) shall be awarded pursuant to the pilot's bid preferences, provided that such trip awarding shall stop when the pilot is first awarded a trip which causes his scheduled credit time to equal or exceed 38 hours. The pilot will then be credited with bank time in an amount sufficient to bring his total scheduled credit time for the bid period to no more than 77 hours (**three** hours below the monthly maximum).

G.3.a.(2) For a regular pilot who bids MIN SKED and who has a positive bank balance in excess of 15 hours, the positive bank balance shall be subtracted from **the bottom of the MIN SKED range** and from the scheduled monthly maximum for purposes of determining the modified MIN SKED time range. For a pilot who bids MIN SKED and who has a bank balance of 15 hours or less, the positive bank balance shall be subtracted from an amount 12 hours below the scheduled monthly maximum for purposes of determining the lower end of the modified MIN SKED time range. The pilot's total scheduled credit time shall be the total of his scheduled credit time awarded in computer bidding, plus his positive bank balance, provided that this total shall not exceed an amount **three** hours below the scheduled monthly maximum.

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G.3.a.(3) For a regular pilot who bids WIDE SKED and who has a positive bank balance, the positive bank balance (any amount) shall be subtracted from **the bottom of the MIN SKED range** the purpose of determining the lower end of the modified WIDE SKED time range. The pilot's total scheduled credit time shall be the total of his scheduled credit time awarded in computer bidding, plus his positive bank balance, provided that this total shall not exceed an amount **three** hours below the scheduled monthly maximum.

EXAMPLE 1: A pilot has a positive bank balance of 20 hours, and has bid WIDE SKED. The monthly maximum is 80 hours. Subtraction of 20 hours from 68 hours (an amount 12 hours below the scheduled monthly maximum) equals 48. The modified WIDE SKED time range for this pilot is 48–80 hours, instead of the normal WIDE SKED time range of 68–80 hours.

EXAMPLE 2: A pilot has a positive bank balance of **five** hours, and has bid WIDE SKED. The monthly maximum is 80 hours. Subtraction of **five** hours from 68 hours (an amount 12 hours below the scheduled monthly maximum) equals 63. The modified WIDE SKED time range for this pilot is 63–80 hours, instead of the normal WIDE SKED time range of 68–80 hours.

G.3.a.(4) A regular pilot who utilizes bank time under the provisions of this [Section 12 G.3.a.](#) shall have such bank time credited against both the scheduled monthly maximum and the actual monthly maximum. →

G.3.b. Withdrawal of Credit

When in any month the pilot's pay time, exclusive of pay time for which credit time is not provided, is less than **88** → hours, he will be paid for his pay time plus such sums as may be accrued to his account (reduced by the scheduled credit time of any bank used under [Section 12 G.3.a.](#) → in the ensuing month) to the extent that his pay for the month shall not exceed **88** hours (exclusive of pay time for which credit time is not provided) based on the current month's average rate per hour. In those cases where a pilot who has used bank pursuant to [Section 12](#)

G.3.a. → is eligible for guarantee pay, the withdrawal from his account will be computed as follows:

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- G.3.b.(1) Compute dollar amount for pay time (exclusive of pay time for which there is pay, but no credit or credit has been waived).
- G.3.b.(2) Add dollar value of bank used per [Section 12 G.3.a.](#) →,
- G.3.b.(3) Add guarantee pay to raise sum of [Section 12 G.3.b.\(1\)](#) and [Section 12 G.3.b.\(2\)](#) → to applicable guarantee level.
- G.3.b.(4) Withdraw from bank to extent available but not to exceed **88** hours (exclusive of pay time for which credit time is not provided).

EXAMPLE:

Scheduled Monthly Maximum: 80 hours
 Pilot Credit: 74:21
 BSTG: 3:00
 Standby Pay: 2:00 (earned during recovery period for the BSTG trip)
 Pilot Positive Time Bank Balance: 10:00

Calculation

74:21	Credit
<u>+1:00</u>	BSTG after Standby Pay Offset (3:00 - 2:00 = 1:00)
75:21	Subtotal
<u>+10:00</u>	Bank Withdrawal (“Bank to Fill” to 88:00)
85:21	Subtotal
<u>+2:00</u>	Standby Pay
87:21	Total Paid to Pilot →

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- H. Negative Time Bank—Domestic and International
 - H.1. There will be established and maintained for each pilot a negative time bank account. This account shall consist of a line of dollar credit equal to 15 hours of pay time at the pilot’s applicable rate.
 - H.2. In any month in which a pilot’s accumulated positive bank time is insufficient to increase his pay time to **88** hours, dollar credit will be drawn from his negative time bank (to the extent of his then-remaining line of dollar credit) in the amount necessary to bring his pay time for the month to **88** hours.
 - H.3. A pilot’s negative time bank withdrawal(s) will be repaid by automatically transferring to his negative time bank account from his positive time bank account, dollar accruals in subsequent months. Negative time bank withdrawal(s) of a pilot

who is off payroll and who is anticipated to remain off payroll for more than one month, will be automatically recouped via payroll deduction.

H.4. A pilot who is off payroll for more than **two** weeks during a month cannot draw any dollar credit from his negative time bank for such month.

I. Flexible Monthly Limitation

I.1. **Annual Flexible Monthly Limitations.** Notwithstanding any provisions of this Agreement to the contrary, the Company may at its option designate **up to four months per calendar year (by no later than the Final Staffing Point for any such month)** as → flexible time months for which the scheduled and actual monthly maximums may be increased (flex up) in half-hour increments for a **position** at a base, providing the following conditions are met:

I.1.a. The scheduled and actual monthly maximums for any **position** at a base shall not be increased in more than **four** months in any **calendar** year. **When a position at a base is flexed up for a month the Company may, or may not, in its discretion, flex-up Instructor Pilots in that position for that month, or flex-up in the same or a different amount. The Company, at its discretion, may choose to flex-up the Instructor Pilots in a position as provided for herein without also flexing-up the other pilots in the position**

I.1.b. The scheduled and actual monthly maximums for a **position** at a base for any given month shall not exceed **90** hours for scheduled maximum or **92:30** for actual maximum.

I.1.c. **The Company shall not, as part of the preliminary staffing portion of the APA process, use the annual flexible monthly maximums provided for herein when awarding positions or displacements. In addition, there shall be no layoffs or displacements as a direct result of the use of annual flexible monthly limitations.**

I.1.d. **The Company will make every effort, where practical, to balance the use of the flex month provisions herein in a calendar year across positions at the various bases for the equipment being affected by the flex up.**

I.2. **Other Flexible Monthly Limitations.** In addition to the annual flexible monthly limitations provided for in **Section 12 I.1.**, the Company may, at its option, designate an additional two months annually (other than the months designated in Section 12I.1.a.) as flexible time months for which the scheduled and actual monthly maximums may be increased (flex-up) in half hour increments for any category at a base, provided the following conditions are met:

I.2.a. **The scheduled and actual monthly maximum for a category at a base shall not exceed 90 hours for scheduled maximum or 92:30 for actual maximum.**

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I.2.b. The flex-up is the direct result of:

- I.2.b.(1)** Unanticipated accelerated delivery to the Company of new or additional aircraft.
- I.2.b.(2)** Short-notice acquisition of a new international route authority.
- I.2.b.(3)** Grounding by a government agency of a substantial number of aircraft operated by the Company or a competitor airline.

I.2.c. The Company shall notify ALPA and the pilots of the increase in the scheduled and actual monthly maximums for a category at a base → as applicable, at least 154 hours prior to the commencement of schedule bidding for the affected month.

I.2.d. Flex-up caused by the reasons listed in [Section 12 I.2.b.\(1\)](#) through [Section 12 I.2.b.\(3\)](#) → shall be limited to the aircraft types and bases directly affected by those reasons.

I.2.e. Layoff Provisions

I.2.e.(1) The scheduled and actual monthly maximums shall not be flexed up **under this subparagraph I.2.** while any pilot is on layoff status.

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I.2.e.(2) When flex-up months **under this subparagraph I.2.** are used nonconsecutively, no pilot shall be placed on layoff status in the flex-up month or in the month following the flex-up month.

I.2.e.(3) When flex-up months are used consecutively, no pilot shall be placed on layoff status:

I.2.e.(3)(a) in the flex-up months,

I.2.e.(3)(b) in the month following the block of flex-up months, and

I.2.e.(3)(c) thereafter for a period of time equal to ½ of the number of consecutive flex-up months used, exclusive of the first such month.

EXAMPLE:

<u>Flex-up Months</u>	<u>Layoff Protection Through</u>
June, July	September 15
July, August	October 16
June, July, August	October 31
November, December	February 14
December, January	March 16

I.2.e.(4) The layoff protection provisions of [Section 12 I.2.e.\(2\)](#) and [Section 12 I.2.e.\(3\)](#) → shall not apply in those cases where there is a layoff because of an act of nature, labor dispute or other circumstance over which the Company does not have control. The term “circumstance over which the Company does not have control” shall have the same definition in this subparagraph as is stated in [Section 2 O](#).

I.3. References to hours in the following provisions of this Agreement shall be increased for **any** flex-up month **provided for in this Section 12 I.**, on a one-for-one basis according to the change in the monthly maximums:

[Section 4 F.1.](#)
[Section 4 F.2.](#)
[Section 11 D.6.](#)
[Section 12 B.1.](#)
[Section 12 C.1.](#)

[Section 12 E.2.b.](#)
[Section 12 E.3.c.](#)
[Section 12 G.3.b.](#) (reference to 80 hours)
[Section 12 H.2.](#) (reference only to 80 hours)
[Section 24 B.](#) (staffing formula divisors)

SECTION 13
LEAVE OF ABSENCE

A. Personal Leave of Absence

- A.1. When requirements of the service will permit, a pilot may be granted a leave of absence for a continuous period not in excess of **three** months. When such leaves are granted, the pilot shall retain and shall continue to accrue seniority and longevity for pay purposes during such **three** month period. Such leave or leaves may be extended for additional periods of not to exceed **three** months for each such leave when approved in writing by the Company and upon written notice to the Master Executive Council. Should the Master Executive Council object in writing to the extension of such leave, no further extension shall be granted without the approval in writing of both the Company and the Master Executive Council. During such extended leaves, seniority shall continue to accrue provided, however, that the pilot shall not accrue any greater seniority nor shall his relative seniority be different than it would have been had he not gone on leave.

Notwithstanding the foregoing, a request for personal leave of absence in excess of **three** months may, at the discretion of the Company, be granted upon written application by a pilot on layoff. If granted, such leave shall become effective upon such date as the laid off pilot is eligible to return to service. During such extended leave, seniority shall continue to accrue subject to the provisions of [Section 22 D.2.](#) Upon expiration of such extended leave, the pilot shall not be permitted to exercise his seniority to return to service when such exercise would displace an active junior pilot, but shall be subject to reemployment in accordance with his seniority at the time of subsequent pilot recalls.

- A.2. A pilot shall be granted a leave of absence for a period not to exceed **seven** years to accept a job with the Association or to perform any duties relating to Council activities, or to accept an executive job with any agency of the Federal Government directly connected with aviation, and such pilot will continue to accrue all seniority while on such leave of absence, provided that the Company shall not be obligated to grant more than **two** such leaves concurrently.
- A.3. When a pilot undergoes requalification training upon return from a personal leave of absence, such pilot shall be placed on active payroll upon completion of the simulator portion of such requalification training, or after a period of 60 days from date of return to service, whichever occurs first. After return to active payroll and during requalification training, the pilot shall be handled in accordance with [Section 11 D.8.](#) for purposes of pay time and credit time, provided that such pilot shall receive pay, as a minimum, at the rate of the reserve guarantee for the category which he held prior to the granting of the leave. Such minimum pay shall be prorated for a partial month.

A.4. Personal Leaves of Absence with pilots laid off.

- A.4.a. With respect to pilot requests for personal leaves of absence in excess of **three** months made while any pilots are on layoff, the parties agree that, notwithstanding the provisions of [Section 13 A.1.](#) of the Agreement limiting leaves to **three** months, such requests may be granted by the Company. ALPA approval of such extended leave requests is not required. All other provisions of the Agreement relating to personal leaves of absence shall apply.
- A.4.b. Leaves of absence specified in [Section 13 A.4.a.](#) → shall be fully subject to the provisions of the Agreement regarding SIV Date adjustment and accruals (see Letter 63) applicable to pilots on personal leaves. In its sole discretion, the Company may permit any pilot to return from personal leave prior to the return date set forth in the pilot's leave request should such pilot inform the Company in writing of his request to do so.
- A.4.c. Should a pilot who has been granted a Leave Of Absence under this subparagraph A.4. later be laid-off before the end of his approved leave, such remaining Leave of Absence Period shall be converted to a Recall Deferral under the terms of [Section 23 B.2.f.](#), unless the pilot notifies the Company in writing of his desire not to have his leave so converted. Pilots whose leaves are not so converted to Recall Deferral status will be considered to be laid off and will be handled for the purposes of recall under the provisions of [Section 23 B.1.](#) of the Agreement. Pilots whose leaves are so converted to a Recall Deferral will thereafter be handled under the terms of [Section 23 B.2.f.](#) of the Agreement.

B. Medical Leave of Absence

When leaves are granted on account of sickness or injury, a pilot shall retain and continue to accrue his seniority, whether or not he is able to maintain his air line pilot's certificate or certificates required for his rank, until he is able to return to duty or is found to be unfit by the submission of proof of permanent and total disability for such duty, except that in no case shall a medical leave of absence exceed a total continuous period of **seven** years. Any disputes arising hereunder concerning the physical fitness of the pilot concerned shall be settled in accordance with the provisions of Section 15 of this Agreement.

C. Military Leave

- C.1. A pilot requesting leave of absence under this Paragraph C. for a weekend drill, annual service requirement or other military leave shall, as soon as his military obligation becomes known to him, request such leave on a form provided by the Company.
- C.2. Upon written request, any pilot shall be granted military leave, without pay, as provided by effective federal regulations applying thereto.

- C.3. Upon return to active payroll, reemployment rights and benefits shall be governed by and limited to the protection afforded in the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended.
- C.4. For the sole purpose of determining a pilot's availability requirement and not for the purpose of schedule adjustment, the following shall apply: for each day in a month that a regular pilot is actually on or is scheduled by the military to be on approved military leave of absence, he shall receive credit time equal to 1/30 of the scheduled monthly maximum. At the pilot's option (exercisable at any time before his leave commences or after his return to active flight duty), he may waive all or part of such credit time in order to pick up open flying.
- C.5. With respect to vacation accrual dates, it is understood that a probationary pilot returning from military leave of absence will be treated as if the probationary pilot had not been off payroll during the military leave of absence. [Section 3 A.2.c.](#) provides for accrual of longevity for pay purposes while on military leave of absence. The various pension plan documents cover longevity-type accruals while on military leave of absence. See [Section 22 E.3.](#) regarding tolling of the probationary period while on military leaves in excess of 15 days.
- C.6. See [Section 7 F.4.](#) for a provision which permits a pilot to substitute vacation for a military leave of absence.
- D. General
- D.1. A pilot on leave shall not, without prior written permission of the Company, engage in aviation employment.
- D.2. The Company shall place a pilot returning from unpaid medical leave or military leave under [Section 13 B.](#) or [Section 13 C.](#), respectively, in training at the earliest opportunity which will not disrupt the existing training plans of the Company. In no event shall such pilot's placement on payroll status be delayed more than **seven** days after such pilot both notifies the Company of his desire to enter such training and actually is in possession of licenses and medical documents necessary to return to work as a pilot. The provisions of this subparagraph shall have no applicability to pilots who are subject to [Section 14 G.](#)
- D.3. During requalification after extended medical leave or military leave, the pilot shall receive pay, as a minimum, at the rate of the reserve guarantee for the category for which he is being qualified.
- D.4. A pilot who does not return to pilot duty at the expiration of a leave of absence granted in accordance with the provisions of this section shall be permanently severed and shall forfeit all seniority rights as a pilot with the Company.
- D.5. A pilot on layoff may request, and will be given consideration for, a leave of absence.

- D.6. A pilot returning from an authorized leave or extension thereof as provided herein, which exceeds 365 calendar days in length, may elect to (i) return to the permanent position he held at the time of return from leave, or (ii) return to the permanent position he held at the time he commenced the leave, provided he is senior enough to hold that permanent position, or (iii) if the pilot is involuntarily displaced from said permanent position during his leave, return to any permanent position that is held by a more junior pilot, or (iv) if the pilot has not been involuntarily displaced during his leave, return to any other permanent position which has, during his absence, been awarded to and is held by a more junior pilot, provided that, in the case of (ii), (iii) or (iv) above, he is not otherwise subject to a freeze pursuant to [Section 24 E.3.](#), [Section 24 E.4.](#), [Section 24 E.7.](#) or [Section 24 H.](#) When a pilot who is on a military leave or a medical leave returns to a permanent position at a different base, he will be moved at Company expense, but moving expenses will not exceed that which would have been incurred for moving such pilot from the base to which he was assigned at the time of the leave to such different base. (See [Section 6 A.4.](#))
- D.7. Return to flying duty after a leave of absence shall be subject to a qualifying period not to exceed **six** months. For a period up to **six** months after return from a medical leave of absence, the Company shall have the right to control the flight assignment of the pilot.
- D.8. Notwithstanding the provisions of [Section 13 D.6.](#) and [Section 13 D.7.](#), a pilot returning to a Captain position from a leave which exceeded 36 months may request or be required by the Company to train and fly as a regular First Officer at the base and on the aircraft of his Captain position for up to **six** months following completion of any required training, including Operating Experience. During this period of up to **six** months, such pilot shall use his seniority for the purpose of monthly schedule bidding and open flying transactions, but shall hold the position of and be paid at the rate of his Captain permanent position. No pilot shall be displaced as a result of such pilot flying as a First Officer during such period.
- E. Maternity Leave
- E.1. A pilot who is on active duty, and whose personal physician has determined that it is not medically advisable for her to continue her pilot duties due to her pregnancy, may use accrued sick leave as provided in [Section 14 B.](#) **Such pilot shall be paid at 100% of her hourly rate for such sick leave usage irrespective of the provisions of Section 14 F.**
- E.2. Following the birth of a child, and following the period of disability associated with childbirth (for which the pilot may use accrued sick leave as provided in [Section 14 B.](#)), a pilot may request and shall be granted an unpaid personal leave of absence which, together with her post-delivery sick leave or medical leave of absence, as applicable, shall not exceed **six** months following delivery (except as provided in [Section 13 A.1.](#) →).

- E.3. A pilot who enters training from an unpaid personal leave of absence following the birth of her child, the duration of which leave (together with any period of disability associated with childbirth) has not exceeded **six** months following delivery, shall receive pay time and credit time during such training as provided in [Section 11 D.1.](#) or [Section 11 D.2.](#), as applicable. The provisions of [Section 13 D.2.](#) shall apply to placement of such pilot in training and on payroll.

- E.4. In the event that a pilot who has been on an unpaid personal leave of absence following the birth of a child pursuant to [Section 13 E.2.](#) →, is granted additional unpaid personal leave of absence pursuant to [Section 13 A.1.](#) →, beyond **six** months following delivery, she shall be returned to payroll in accordance with the provisions of [Section 13 A.3.](#) →.

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SECTION 14
SICK LEAVE

A. Accrual of Sick Leave Credit

A.1. Sick Leave Account

A pilot shall accrue **five** hours of sick leave credit for each full month of service as a pilot. → (Note: Paragraph C. of [Letter of Agreement 2002-01](#) sets forth the rules and definitions regarding crediting of accruals to sick accounts.)

A.2. No sick leave credit will accrue to a pilot who has a total accrued sick leave credit of 1,200 hours or more. Pilots who, as of the date of signing of this Agreement, have an accrued sick leave credit of more than 1,200 hours shall retain such sick leave credit →. **A pilot with sick leave accruals above 1,200 will not accrue additional sick leave credit until his total accrued sick leave balance has fallen below 1,200 hours. Once such pilot's sick leave credit has fallen below 1,200 hours, his sick leave accrual cap will be 1,200 hours. As a part of this Agreement, the Company agrees that until the bankruptcy proceedings begun on September 14, 2005 are complete, the Company will not file any further 1113(c) or (e) petition that would seek to reduce pilot accrued sick leave balances above 1,200 hours.**

A.3. The days or fractions of days of sick leave, credited for employees who have accrued sick leave credit expressed in days through other employment with the Company, will be converted to hours and nearest twelfths thereof by multiplying by 2.3.

A.4. A pilot shall retain his accrued sick leave credit for as long as he has an employee-employer relationship with the Company.

A.5. A pilot who resigns or is discharged and subsequently rehired, with a break in service, shall receive no credit for service performed previous to the date of rehire. In all cases accrual of sick leave credit shall terminate with the last day of service with the Company.

B. Use of Accrued Sick Leave Credit—**General** (All Pilots Not on Extended Sick Leave (“ESL”)):

B.1. A pilot who is unable to perform his regular duties because of personal illness, injury or pregnancy shall draw against his sick leave credit as provided herein.

B.2. The pilot shall promptly notify Crew Scheduling of his inability to report and of the general nature of the illness, injury or pregnancy. **In addition, a pilot shall promptly notify Crew Scheduling of his ability to return to work following his recovery from such illness, injury or pregnancy.**

B.3. No pilot shall be required to sign a medical information release or waiver unless the Company has reasonable cause to believe that misuse of sick leave by the pilot may have occurred.

- B.4. **Except as provided in Section 14 J.3.,** only if one of the following conditions exist will a pilot be required to present to his supervisor, if requested, a written statement from an accredited doctor confirming that the pilot is or was unable to perform his regular duties because of personal illness, injury or pregnancy:
- B.4.a. The Company has reasonable cause to believe that misuse of sick leave by the pilot may have occurred, or
- B.4.b. The pilot's absence from duty occurred in conjunction with his vacation period or on a holiday. "Holiday" as used herein means New Year's Day, Easter Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Eve Day, Christmas Day and New Year's Eve Day.

NOTE: A request for a written statement from an accredited doctor must be made to the pilot within 24 hours of his notification of illness or injury to the Company. If such request is not made within this time period then no such written statement will be required or requested.

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- B.5. Charges against sick leave accrual shall be determined at the end of the month during which sick leave with pay is claimed.
- B.6. A pilot, other than a pilot who is on Extended Sick Leave (see Section 14 E. →), who has been entitled to sick leave benefits for a full month or more may elect to use his sick leave credit and to be paid therefore **in accordance with the provisions of Section 14 F.,** at any rate, in increments of whole hours, from 50 hours **up to,** and including, the greater of the value of his trips missed as a result of sick leave or the Scheduled Monthly Maximum. This election may be changed from month to month and to be effective must be made not later than the end of the month for which the election is to be applied. In the absence of an election, a pilot will be deemed to have elected to receive sick leave pay and credit in an amount that will allow the pilot to receive pay time for such month that is equal to the greater of the value of his trips missed as a result of sick leave or the Scheduled Monthly Maximum. **(See Section 14 F. for the appropriate rate of pay for sick leave credit used.)**
- B.7. A pilot off payroll (e.g., leave of absence, layoff, suspension, strike) who, but for his personal illness or injury, would be entitled to be returned to active duty shall be returned to payroll and use his accrued sick leave credit. If such pilot has no accrued sick leave credit, he shall remain on or be transferred to medical leave of absence.
- B.8. A pilot who is removed from an assigned OE trip(s) or portion thereof due to illness or injury **prior to the start of the trip hour period** shall use sick leave credit → at the **daily** rate established in Section 11 D.1. for each day, or portion thereof, **and shall be paid for such credit at the rate set forth in Section 14 F. for each day, or portion thereof,** of the OE trip for which he is unavailable for duty because of such illness or injury. A pilot who is removed **from an OE trip, or portion thereof, after the start of the trip hour period and** during a duty period of an OE trip for such

reason and whose accumulated credit in such duty period is greater than or equal to **the daily rate established in Section 11 D.1.**, shall not receive any sick leave pay and credit for such day. If however, such pilot's accumulated credit time during such duty period is less than such daily rate, he shall **receive, irrespective of Section 14 F.**, sick leave → credit for the difference between the daily rate and his accumulated credit time during the duty period **and shall be paid for such credit at 100% of his hourly rate of pay. A pilot who is removed from an OE trip after the start of the trip hour period and after a completed duty period shall receive sick leave credit at the daily rate established in Section 11 D.1.** for each day, or portion thereof. **Irrespective of the provisions of Section 14 F., such pilot shall receive sick leave pay for such days at 100% of his hourly rate of pay. Furthermore, a pilot covered by this subparagraph B.8. shall receive sick leave pay and credit for consecutive subsequent trips or training days missed as a result of such illness or injury as provided for in Section 14 F.**

- C. Use of Accrued Sick Leave Credit: Regular Pilots Not on Extended Sick Leave (“ESL”)
- C.1. A regular pilot who is removed from **training or** a trip(s) or portion thereof due to illness or injury **prior to departure from base or prior to his arrival at the location where training is scheduled to be conducted** shall draw sick leave credit → in an amount equal to the scheduled credit time of the **training or** trip(s) or portion thereof missed due to illness or injury, **and shall be paid for such credit at the rate set forth in Section 14 F.** Except as is provided in **Section 14 E.** with respect to a pilot who is on Extended Sick Leave, such sick leave credit will be reduced if necessary in order to bring the pilot's total pay time (exclusive of pay time for which credit time is not provided) for the month to the scheduled monthly maximum. Any credit time remaining after sick leave credit for such month is reduced to zero in this manner, shall be appropriately paid and credited (banked if necessary) to the pilot.
- C.2. A regular pilot who becomes ill or is injured while away from his base during an uncompleted duty period shall be considered ill → from the release time of his last completed flight until he again becomes available for duty or returns to his base, whichever occurs first. **Irrespective of the provisions of Section 14 F., such pilot shall receive sick leave pay and credit in an amount equal to the remaining portion of the trip on which he became ill or injured (100% pay and credit). Such pilot shall receive sick leave pay and credit for consecutive subsequent trips or training days missed as a result of such illness or injury as provided for in Section 14 C.1. and Section 14 F.**
- C.3. A regular pilot whose sick leave conflicts with any scheduled vacation shall discontinue drawing against his sick leave credit on the first day of his vacation period and be placed on vacation until the end of his vacation period, and if still entitled to sick leave benefits, be returned to sick leave at the end of the vacation period.
- C.4. A regular pilot who becomes ill or is injured while away from his base after a completed duty period shall be considered ill for pay purposes from the end of his

legal rest, as required by [Section 12 B.](#) or [Section 12 C.](#), following such duty period, until he again becomes available for duty or returns to his base, whichever occurs first. **Irrespective of the provisions of [Section 14 F.](#), such pilot shall receive sick leave pay and credit in an amount equal to the remaining portion of the trip on which he became ill or injured (100% pay and credit). Such pilot shall receive sick leave pay and credit for consecutive subsequent trips or training days missed as a result of such illness or injury as provided for in [Section 14 C.1.](#) and [Section 14 F.](#)**

C.5. A regular pilot who continues to be unavailable due to illness or injury after returning to his base shall continue to be eligible for the use of sick leave accrual pursuant to [Section 14 C.1.](#) → and shall receive pay for any such use as provided for in [Section 14 F.](#)

C.6. Sick Leave Makeup—Regular Pilot (see [Section 14 D.7.](#) for Reserve Pilot)

A regular pilot shall promptly notify Crew Scheduling of his ability to return to work following his recovery from an illness, injury or pregnancy. Such pilot who is able to return to duty during the trip hour period of a trip lost as a result of the pilot's use of sick leave pay and credit may be rescheduled to make up sick leave during such trip hour period by:

- (i) at Company option, being assigned to the remainder of his original trip, or original trip as rescheduled, if it is still operating and being flown by a reserve pilot, or;
- (ii) being assigned/awarded any flying from the open flying list at his base under the provisions of [Section 30 E.1.j.](#), [Section 30 E.2.j.](#), and [Section 30 E.3.j.](#) as appropriate, provided that, in the case of (i) and (ii), such assignment complies with the provisions of [Section 30 C.10.c.\(3\)](#) or;
- (iii) with the concurrence of Crew Scheduling and at the pilot's option, being available for assignment to recovery flying at his base pursuant to [Section 30 C.10.\(3\)](#), beginning with the day following the day of pilot notification of ability to return to work and continuing for any remaining calendar days of his lost trip.

Such pilot shall have his sick leave accrual re-credited in the amount of 4:15 for each day of such availability that he is not assigned/awarded flying and shall be provided with transportation to his base and a company paid hotel room if his base is not his place of residence. A pilot who wishes to make up sick leave following the notification of the Company pursuant to [Section 14 C.6.](#) above, may do so within that or the ensuing month by picking up additional flying as provided for under [Section 30 E.1.j.](#), [Section 30 E.2.j.](#), and [Section 30 E.3.j.](#) A pilot who performs sick leave makeup flying or deadheading shall have his sick leave account re-credited in an amount equal to the pay time of said flying and

deadheading, provided that pay time in excess of the amount of sick leave to be made up shall be paid to the pilot.

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D. Use of Accrued Sick Leave Credit: Reserve Pilots Not on Extended Sick Leave (“ESL”)

- D.1. A reserve pilot who notifies the Company before the commencement of his trip hour period that he is ill or injured (regardless of the timing of such notification in relation to a trip assignment) shall use sick leave credit for pay purposes at the rate of 2:30 for each day (including days off) he is unavailable for duty because of such illness or injury, **and shall be paid for such credit as is provided for in Section 14 F. A reserve pilot who is unable to attend training as a result of illness, injury or pregnancy shall use sick leave credit at the daily rate established in Section 11 D.1. and shall be paid for such credit at the rate provided for in Section 14 F. A reserve pilot shall promptly notify Crew Scheduling of his ability to return to work following his recovery from an illness, injury or pregnancy.**
- D.2. A reserve pilot whose sick leave conflicts with any scheduled vacation shall discontinue drawing against his sick leave credit on the first day of his vacation period and be placed on vacation until the end of his vacation period, and if still entitled to sick leave benefits, be returned to sick leave at the end of the vacation period.
- D.3. A reserve pilot who becomes ill or injured during his duty period shall use sick leave credit → in an amount equal to the difference between what he actually flew and his scheduled credit time in that duty period. Thereafter he shall use sick leave credit → at the rate of 2:30 for each day **until he is returned to base and shall receive 100% pay and credit for such sick leave. Upon the pilot’s return to base he shall receive sick leave credit at the daily rate of 2:30 for each day → he is unavailable for duty because of such illness or injury (including days off) and shall be paid for such days at the rate provided for in Section 14 F.**
- D.4. A reserve pilot who becomes ill or injured after commencement of his trip hour period and between duty periods shall use sick leave credit → at the rate of 2:30 for each day (including days off) that he is unavailable for duty because of such illness or injury **until he is returned to base and shall receive 100% pay and credit for such sick leave. Upon the pilot’s return to base he shall receive sick leave credit at the daily rate of 2:30 for each day he remains unavailable for duty because of such illness or injury (including days off) and shall be paid for such days at the rate provided for in Section 14 F.**
- D.5. A reserve pilot who becomes ill or injured after the commencement of his trip hour period shall receive trip hour credit for the period from his report time at his base to the end of his minimum legal rest following the last complete duty period in which he worked or when he actually called in sick, whichever is later, up to a maximum of the trip hour credit he was scheduled to receive for the entire trip. A pilot who is returned to his base on or before the scheduled end of his originally scheduled trip hour period

shall not have his sick leave accrual charged for the trip hour credit. Trip hour credit in excess of the originally scheduled trip hour credit (see [Section 14 G.2.](#)) shall be charged against accrued sick leave.

D.6. Sick leave credit will be reduced if necessary to bring the pilot’s total pay time (exclusive of pay time for which credit time is not provided) for the month to the scheduled monthly maximum, except as provided in [Section 14 E.](#) with respect to a pilot who is on Extended Sick Leave. Any credit time remaining after sick leave credit for such month is reduced to zero in this manner, shall be appropriately paid and credited (banked if necessary) to the pilot.

D.7. Sick Leave Make-up—Reserve Pilot (see [Section 14 C.6.](#) for Regular Pilot)

A reserve pilot who uses sick leave credit may, at the pilot’s option and with the concurrence of Crew Scheduling, make-up such sick leave by making himself available for Reserve Sick Leave Make-up Days under the provisions of [Section 30 E.1.1.](#) Note and/or [Section 30 E.2.1.](#) Note on any remaining days off he may have in any month in which he uses sick leave credit and in the ensuing month. A pilot who uses this option to make-up sick leave shall make-up sick leave on the basis of the daily rate for each day of his availability and/or for the value of any trips assigned, whichever is greater. A reserve pilot may also make-up such sick leave by flying a reserve will-fly trip assigned to him under the provisions of [Section 25 C.4.](#) during the month in which he uses sick leave credit and in the ensuing month. A pilot who uses this option to make-up sick leave shall make-up sick leave on the basis of the value of any trips assigned. Any credit remaining after offsetting all of a pilot’s sick leave credit used for that month shall be used to offset his [Section 4 A.2.](#) Reserve Pilot Minimum Monthly Guarantee and thereafter shall be paid and/or banked as appropriate.

E. Provisions for Pilots on Extended Sick Leave (“ESL”)

E.1. Definition of ESL

E.1.a. General: A pilot will be considered to be on Extended Sick Leave (“ESL”) if such pilot is absent due to illness or injury and is accessing his sick leave accruals for pay and credit purposes for all of **two** consecutive months or more and in such months has no other pay or credit activity. (See [Section 14 E.2.](#) → to determine the start of an ESL period.)

E.1.b. Exception: Partial Month(s) of Sick Leave Credit

A pilot who has accessed his sick leave accruals for pay and credit purposes for a portion of **two** consecutive months or more shall be considered to be on ESL if the other pay and credit activity scheduled during such month(s) is solely comprised of any combination of sick leave and (i) **Annual and/or** Monthly Vacation, (ii) Company Business, (iii) Special Project Pilot, (iv) Union Leave →.

E.2. Determination of the Start of ESL

E.2.a. General: A pilot shall be considered to be on ESL starting with the second month in which the pilot received sick leave pay and credit in two consecutive months provided that such sick leave usage meets the criteria specified in the definition of ESL described in [Section 14 E.1.](#) →.

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E.2.b. **Exception for Partial Month(s) of Sick Leave Credit:** Any month in which a pilot has any activity from any of the following (whether for pay and credit or not):

- E.2.b.(1) Military Leave;
- E.2.b.(2) Unpaid Leaves of Absence (other than Medical Leave of Absence);
- E.2.b.(3) Training;
- E.2.b.(4) Awaiting Training;
- E.2.b.(5) Jury Duty;
- E.2.b.(6) Flight Duty;
- E.2.b.(7) Instructor Pilot or Supervisory Pilot duty;
- E.2.b.(8) Reserve Duty (including both a Reserve Day on and off);
- E.2.b.(9) [Section 30 G.](#) availability obligations;

will not be counted for the purpose of starting ESL even if the pilot also uses his sick leave accruals for pay and credit purposes in the same month.

E.2.c. Trip Spanning **Two** Months

General: A pilot who misses a scheduled trip that spans **two** bid periods as a result of illness or injury and accesses his sick leave accruals for pay and credit shall not have met the requirements to begin a period of ESL solely as a result of having missed such a trip. Furthermore, a pilot who misses a trip spanning **two** bid periods due to his use of sick leave credit and who did not use any other sick leave credit during the month in which the trip hour period of a trip spanning **two** bid periods begins, shall not have such month count as the 1st month of sick leave usage for the purpose of determining when such pilot may be considered to start ESL even if he remains on sick leave for the ensuing month.

A month in which a trip that spans **two** bid periods operates and is not flown as a result of sick leave may be counted towards the start of ESL as follows:

- (i) if the pilot has scheduled pay and credit activity for a month as listed in [Section 14 E.2.b.](#) →, including the origination of a trip that spans **two** bid periods and none of such activities are accomplished as a result of sick leave then such month may be counted as the 1st month of sick leave usage for the purposes of determining when a pilot may be considered to be on ESL; or
- (ii) if at the conclusion of **two** consecutive months that include a trip that spans such months, a pilot who was scheduled for pay and credit activity

as specified in [Section 14 E.2.b.](#) →, in both months or either month, but does not actually perform any of such scheduled pay and credit activities as a result of his use of sick leave, shall be considered to have completed the **two** consecutive month requirement of this subparagraph **E.2.c.** and may starting with the 2nd month be considered to be on ESL; or

- (iii) if the pilot, in the month in which the trip hour period of such a trip ends, has no credit in addition to sick leave in that month as is specified in [Section 14 E.2.b.](#) →, but did have such pay and credit in addition to pay and credit from sick leave during the month in which the trip hour period began, then he shall be considered to have met the requirements necessary to consider the month in which the trip hour period ends as his 1st month of sick leave usage towards the start of ESL.

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E.3. Pay and Credit for pilots on ESL

E.3.a. Once a pilot has met the criteria to be considered on ESL under the provisions of [Section 14 E.2.](#) → (starting with either the second or third consecutive month as appropriate), he may not access his sick leave accruals for more than 73 hours of pay and credit nor may he receive pay time for the month greater than 73 hours (except as provided for in [Section 14 E.3.b.\(3\)](#) →), in any month in which he is on ESL until the month in which he is no longer continuously ill and has returned to Flight, Training, or Instructing Duty with the Company (see [Section 14 E.4.](#) →, for Return to Duty following ESL).

E.3.b. A pilot who is on Extended Sick Leave and who has been entitled to sick leave benefits for a full month (i.e. a full month consisting of (i) sick leave credit only, or (ii) **any** combination of sick leave credit and any of **annual and/or** monthly vacation credit, Company Business credit and/or union leave credit):

E.3.b.(1) shall receive pay and credit for sick leave actually used for such month on the basis of trip(s) missed, if any, or at the appropriate daily rate (in addition to any **annual and/or** monthly vacation credit, Company Business credit and/or union leave credit on his schedule) up to a maximum of 73 hours; or

E.3.b.(2) may elect to use his sick leave credit and to be paid therefore, in increments of whole hours, from 50 hours to, and including, a maximum of 73 hours (inclusive of any **annual and/or** monthly vacation credit, Company Business credit and/or union leave credit on his schedule). This election may be changed from month to month and to be effective must be made not later than the end of the month for which the election is to be applied. In the absence of an election, a pilot will be deemed to have elected the maximum rate of 73 hours.

E.3.b.(3) shall have his sick leave pay and credit reduced as provided in [Section 14 C.1.](#) for Regular Pilots and in [Section 14 D.6.](#) for Reserve Pilots, if necessary in

order to bring the pilot's total pay time (exclusive of pay time for which credit time is not provided) for the month to the 73 hour ESL maximum. Any remaining pay and credit after such sick leave pay and credit has been reduced to zero shall be paid and credited to the pilot up to the scheduled monthly maximum.

E.3.b.(4) shall, starting with → the second → consecutive month → and any subsequent month(s) be considered to be on a continuation of such ESL even though, in such month(s) the pilot has pay or credit from or performs any other activity in addition to sick leave pay and credit, from any of the following:

- E.3.b.(4)(a) Monthly or Annual Vacation;
- E.3.b.(4)(b) Company Business;
- E.3.b.(4)(c) Union Leave;
- E.3.b.(4)(d) Military Leave;
- E.3.b.(4)(e) Jury Duty;
- E.3.b.(4)(f) Unpaid Leaves of Absence (including Medical Leave of Absence).

E.3.c. Notwithstanding any provisions of this subparagraph E.3. to the contrary, in the event that a pilot on ESL has vacation pay and credit during a month comprised of **27–30** days, such pilot shall be paid for the full amount of the vacation pay and credit (regardless of the scheduled monthly maximum) up to **84:00**. A pilot with **26** days **or less** of vacation pay and credit and other pay and credit activity in addition to vacation from any of the activities listed in [Section 14 E.3.b.\(4\)\(a\)](#) through [Section 14 E.3.b.\(4\)\(d\)](#) may receive pay and credit not to exceed **88 hours or the applicable scheduled monthly maximum of up to 90 hours if the Company has exercised its rights under Section 12 I.**, as provided for in [Section 30 B.11.a.](#) for that month if such other pay and credit exceeds any sick leave pay and credit for that month.

E.3.d. A pilot who is on ESL and is eligible to receive sick leave pay and credit but who does not actually receive such pay and credit in a month (other than a pilot who has exhausted his accruals or is on an unpaid leave of absence), or a pilot who has had his sick leave pay and credit fully offset by other pay and credit activity accomplished in that month shall receive the full **5-hour** sick leave accrual provided for in [Section 14 A.1.](#)

E.4. Return to Duty from ESL

E.4.a. A pilot returning to duty following ESL shall be eligible to receive pay and credit up to the applicable scheduled or actual monthly maximum in the month of his return to duty provided he actually performs any duty listed in [Section 14 E.2.b.\(1\)](#) through [Section 14 E.2.b.\(9\)](#). If after notifying the Company of his return to duty such pilot continues to access his sick leave accruals for pay and credit rather than performing other duty he shall be considered to have remained on ESL until such time as he again returns to and actually performs duty as listed in [Section 14 E.2.b.\(1\)](#) through [Section 14 E.2.b.\(9\)](#). Any sick leave credit in the

month of a pilot’s return to duty shall be offset and reduced by any other actual credit time earned for that month, if necessary to bring the pilot’s total pay time (exclusive of pay time for which credit time is not provided) for the month to the scheduled monthly maximum.

E.4.b. A pilot who has returned to duty following ESL shall not thereafter be placed on ESL until he has again fulfilled the requirements of [Section 14 E.1.](#) and [Section 14 E.2.](#) regardless of the pilot’s reason for accessing his sick leave accruals for pay and credit purposes.

F. Rate of Pay for Sick Leave Credit

F.1. The rate per hour for a pilot who is entitled to sick leave pay shall be computed in the same manner as the rate per hour is computed for vacation pay, (see [Section 7 D.](#)), except that, the applicable hourly rate of pay for a continuous illness or injury shall not be changed in a subsequent month due to the award of a different permanent position. International pay shall not be paid to a pilot for sick leave usage, except in the case of a pilot who misses international flying or deadheading due to a “downline” illness or injury and as a result accrues trip hour credit pursuant to [Section 14 G.2.](#)

F.2. A pilot in initial qualification training who commences sick leave before completing training (including Operating Experience) shall receive sick leave pay at the rate of the permanent position he held at the time of entering such training.

F.3. If the permanent position of a pilot changes while the pilot is on sick leave and the pilot’s prior permanent position no longer exists, the pilot shall nevertheless continue to be paid at the applicable rate for that position pursuant to [Section 14 F.1.](#) and [Section 14 F.2.](#) →, provided that if the pay rate for a category is no longer stated in the Pilots Agreement, the pilot will be paid at the applicable rate for the pilot’s new permanent position.

F.4. Unless otherwise stated elsewhere in the Agreement to the contrary, sick leave credit used by a pilot shall be paid in accordance with the following table and shall be based on incidents of illness or injury occurring within a rolling 12 month period:

Number of Incidents of Illness or Injury in a Rolling 12 Calendar Month Period	Rate of Pay for Each Incident of Illness or Injury
1	1st incident paid at 100% of Hourly Rate of Pay
2	2nd incident paid at 75% of Hourly Rate of Pay (but see NOTE 2 below)
3 or more	3rd incident or more paid at 75% of Hourly Rate of Pay

NOTE 1: A pilot may erase an incident of illness or injury by making-up the sick leave used in conjunction with the incident (see [Section 14 C.6.](#) and [Section 14 D.7.](#)).

NOTE 2: A pilot who submits a written statement from an accredited doctor associated with the 2nd incident within five business days thereof, confirming that the pilot is or was unable to perform his regular duties because of personal illness or injury shall be paid for such incident at 100% of his hourly rate of pay.

G. General

- G.1. Any pilot engaged in international operations who becomes sick or injured as a result of having been outside of the United States on Company business, due to causes related to his occupation or to the living and health conditions peculiar to the countries in which he performed services, shall be properly hospitalized at Company expense. When the sickness or injury necessitates treatment or convalescence in the United States, such pilot shall be returned to the United States by the Company. This provision shall apply to recurrences of the same sickness or injury so long as the pilot shall remain a pilot of the Company.
- G.2. When a pilot becomes ill or injured while away from his base, due consideration will be given by the Company to return him to his base as soon as possible. Such pilot, who by reason of the operational needs of the Company or the nature of the illness or injury is not returned to his base as soon as possible, shall continue to accrue trip hour credit and per diem until such time as he is returned to his base. Any lodging costs incurred due to such illness or injury shall be paid by the Company.
- G.3. In case of death of his spouse, child, dependent step child, grandchild, mother, step mother, father, step father, sister, brother, mother-in-law, father-in-law, brother-in-law, sister-in-law, grandparent or grandparent of spouse, a pilot will, upon request, receive up to **three** consecutive days free from duty, one day of which must be the date of death or the date of the funeral. **Irrespective of the provisions of [Section 14 F.4.](#)**, the pilot will, upon written request, receive → credit time for trips missed **and he shall be paid for such credit at 100% of his hourly pay rate.** Such **pay and credit** will be charged against his normal sick leave account.
- H. A pilot receiving a disability retirement pension, **or an LTD Benefit under the Northwest Airlines LTD Plan for Pilot Employees, as applicable**, who meets the requisite physical standard to return to duty as a pilot and who has retained his seniority (see [Section 22 D.3.](#)) may return in the category he last flew, or in the event such category does not exist, any category his seniority will allow him to fly. Upon successful completion of his requalification training and assignment to his permanent position, the pilot shall not be eligible for an award to any other category for a period of **six** months following the date of his assignment to such permanent position. If his return to service requires him to undergo initial qualification training, he will be subject to the freeze period set forth in [Section 24 E.3.](#) The pilot will be allowed a period of up to **six** months to complete his requalification or initial qualification training. If he does not qualify, he

will remain on his disability retirement pension, **or an LTD Benefit under the Northwest Airlines LTD Plan for Pilot Employees, as applicable**, and will not again be permitted to return to duty as a pilot without the approval of the Company. During the period of the pilot's qualification training, he will continue to remain on his disability retirement pension.

I. A Green Book pilot who prior to the effective date of this Agreement failed to qualify for a first class FAA medical certificate and who is flying with a second class FAA medical certificate shall be deemed to have met the requisite physical standard to remain in the service of the Company as a pilot so long as he holds an FAA second class or first class medical certificate.

J. Absenteeism

J.1. Regular Attendance

In order to meet the needs of the competitive demands of the airline industry, each pilot is needed on the job, on time, every scheduled work day. Accordingly, regular attendance is required as a condition of continued employment.

J.2. Non-Medically Related Absences

Non-medically related absences such as a failure to report due to weather-related problems, misreading schedules, missing commuter flights, etc., shall be evaluated on a case-by-case basis and shall be handled in accordance with [Section 19 D](#).

J.3. Medically Related Absences

J.3.a. In the event a pilot has **three** incidents of illness or injury (other than pregnancy), in any rolling 12-month period, he **must submit to his pilot or base manager a written statement from an accredited doctor confirming that he was unable to perform his regular duties and** he may be counseled by his pilot manager or base manager regarding such absenteeism.

NOTE: A Company request for a written statement from an accredited doctor must be made to the pilot within 24 hours of the pilot's notification of illness or injury to Crew Scheduling. If the Company's request is not made within such 24-hour period, then no note will be requested or required.

J.3.b. Medically related illness or injury in excess of **two** in any rolling 12-month period may be handled in accordance with the principles of progressive discipline. **The Company reserves the right to publish and amend a medically-related absence progressive discipline policy in the Flight Operations Manual (FOM) and the Association reserves the right to challenge said policy or its application (i) on the basis of being unreasonable, discriminatory and/or arbitrary and (ii) on lack of "just cause" grounds with respect to its application to any pilot or group of pilots. An individual pilot retains his**

right to challenge any such progressive discipline pursuant to Sections 19 and 21 of the Agreement.

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SECTION 15
MEDICAL EXAMINATIONS

- A. The medical standard required to be maintained by a pilot for continued employment as a pilot shall be that in effect at the time of the examination as established by the appropriate government agency, including any waiver policy adopted by such agency.
- B.1. If the Company has reasonable cause to believe that a pilot has developed a medical impairment to his ability to perform his duties between the routine medical examinations required by the Federal Aviation Administration (FAA), the Company may require said pilot to submit to a medical examination from a non-AME medical doctor chosen by the Company. The Company will be entitled to: (i) submit to the medical doctor a written explanation of the circumstances giving rise to the request for an examination, and/or (ii) require that the pilot submit to an examination by any non-AME specialist(s) recommended by such doctor.
- B.2. A pilot removed from active flight status pending such a medical examination shall remain on payroll and be placed on Company business status until such time as a report from the examination finds him fit or unfit for duty. A pilot found fit for duty will be returned to active flight status. A pilot found unfit for duty will be handled pursuant to Section 13, Section 14 or the Pilots' Pension Plan, as applicable. The costs of the examination and the pilot's reasonable expenses related to such examination shall be paid by the Company.

NOTE: This Paragraph B. shall not preclude the Company from requiring a pilot to submit to a medical examination under the following circumstances: (i) application for disability retirement; (ii) initial Captain checkout; (iii) election for continued flying as a Second Officer beyond the regulated age (see [Section 24 M.](#)); and (iv) a pilot who is on sick leave or medical leave of absence for 60 or more consecutive days.

- C. The records of the medical examination will be maintained by the Company's medical examiner. Any information obtained by, or as a result of, a Company medical examination shall be strictly confidential between the Company's medical examiner and the pilot and shall not be divulged to any other person without the written permission of the pilot. The Company's medical examiner shall, upon written authorization from the pilot, provide to the pilot and/or his designees, a copy of all information obtained from the examination and all reports resulting from the examination. In the event a pilot fails to pass a Company medical examination, a detailed report of such examination will be made available to responsible Company officials on a "need-to-know" basis. In the event the matter is referred to a disinterested medical examiner as set forth below, a copy of the Company's medical examiner's report will be made available to such disinterested examiner.
- D. Any pilot who disagrees with the result of a Company medical examination conducted pursuant to [Section 15 B.1.](#) → or the Note following [Section 15 B.2.](#) → may, at his option, have a review of the case in the following manner:

- D.1. He may employ a qualified medical examiner of his own choosing and at his own expense for the purpose of conducting a medical examination for the same purpose as the medical examination made by the medical examiner employed by the Company.
- D.2. A copy of the findings of the medical examiner chosen by the employee shall be furnished to the Company, and in the event that such findings verify the findings of the medical examiner employed by the Company, no further medical review of the case shall be afforded.
- D.3. In the event that the findings of the medical examiner chosen by the employee shall disagree with the findings of the medical examiner employed by the Company, the Company will, at the written request of the employee, ask that the **two** medical examiners agree upon and appoint a third qualified and disinterested medical examiner, preferably a specialist, for the purpose of making a further medical examination of the employee.
- D.4. The said disinterested medical examiner shall then make a further examination of the pilot in question, and the case shall be settled on the basis of his findings.
- D.5. The expense of employing the disinterested medical examiner shall be borne ½ by the pilot and ½ by the Company. Copies of such medical examiner's report shall be furnished to the Company and to the pilot.
- D.6. In the case of a review of a Company medical examination conducted pursuant to [Section 15 B.1.](#) → or the Note (i), (ii) or (iii) following [Section 15 B.2.](#) →, in the event the disinterested medical examiner determines that the pilot has at all times continuously met the required physical standard as set forth in [Section 15 A.](#) →, such pilot shall be compensated for loss of earnings, less sick leave paid, and any deduction from his sick leave accrual(s) will be restored.
- E. The following provisions shall apply to administration of the Company's Anti-Drug Testing Plan for Safety-Sensitive Employees and the Alcohol Misuse Prevention Program ("Plans") which have been established by the Company pursuant to regulations promulgated by the United States Department of Transportation:
- E.1. Notwithstanding the definition contained in [Section 2 V.](#), the "release time" for a pilot who is required to submit to random testing under the Plans shall be extended until completion of the test and, if the test has been conducted off airport premises, the pilot has returned to the airport. The additional time required for such testing and transportation, if applicable, shall be included in the pilot's "Duty Hours" or "On-Duty Period."
- E.2. The additional "Duty Hours" or extended "On-Duty Period" for which the foregoing [Section 15 E.1.](#) → provides shall be used to determine a pilot's entitlement, if any, to "Pay Time" pursuant to [Section 4 B.1.](#) and [Section 4 B.2.](#)
- E.3. The Company shall prepare and provide to the pilot at the time of random testing a form on which the pilot shall indicate his name and employee identification number,

- the date and number of the pairing for which the “Duty Hours” or “On-Duty Period” have been extended under [Section 15 E.1.](#) →, the “release time” at completion of random testing and transportation, if applicable, and such additional information as the Company deems necessary to administer this Paragraph E. The pilot shall complete the form and submit it to the Company in accordance with instructions provided on the form.
- E.4. The additional “Duty Hours” or extension to the “On-Duty Period” for which [Section 15 E.1.](#) → provides shall not constitute “Credit Time,” as defined in [Section 2 P.](#), for purposes of determining flight time limitations; provided, however, that the additional “Duty Hours” or extended “On-Duty Period” shall be considered in determining Rest Times to Break On-Duty Periods under Section 12.
- E.5. If a pilot is required to undergo testing under the Plans at a location other than the metropolitan location in which the pilot resides, or from which he commutes, he shall be provided Y2/F6 roundtrip air transportation and shall be reimbursed for roundtrip local ground transportation to and from the testing site, and, if necessary, will be reimbursed for comfortable and adequate single occupancy lodging. The provisions of this subparagraph 5. shall include instances in which a pilot travels to attend a scheduled meeting with the Plans’ Medical Review Officer concerning his test result, in which case the air transportation shall be Y1/F6.
- E.6. Negative test results under the Plans shall be communicated to each pilot who has been tested as soon as reasonably possible following receipt of the test results by the Company.
- E.7. This Paragraph E. shall not apply to pre-employment testing conducted under the Plans.
- E.8. The Company will maintain procedures in connection with drug testing which will permit a pilot at his own expense, to submit a “split sample” to the Company’s collector at the time the initial drug test is taken.

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SECTION 16
WORKERS’ COMPENSATION BENEFITS

- A. When a pilot is absent from work because of an occupational injury or illness for which he receives Workers’ Compensation payment or payments as provided in the Federal Longshoremen’s and Harbor Workers’ Act, such payments shall offset payments received by him under Section 14, covering the same period of absence to an equal dollar amount, and he shall have his accrual(s) restored by the number of hours equivalent to such offset.

- B. For Workers’ Compensation purposes, pilots engaged in international flying as defined in this Agreement shall be provided the benefits of all the provisions of the Federal Longshoremen’s and Harbor Workers’ Act in effect at the time of the occurrence which gives rise to the claim for benefits.

- C. In order to avoid duplicate payment of sick leave to a pilot who receives Workers’ Compensation payments or payments as provided in the Federal Longshoremen’s and Harbor Workers’ Act for time absent from work (but not for Permanent Partial Disability and Permanent Total Disability payments) because of occupational injury or illness, a pilot who receives such payments for the same period as he receives sick leave pay, shall endorse check(s) for such payments over to the Company. In the event such pilot has negotiated such check(s), the Company shall deduct the amount of such check(s) from the pilot’s next regular Company paycheck(s), if any. In the event such pilot who has negotiated such check(s) is not due another regular Company paycheck, he shall reimburse the Company in the amount of such check(s).

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The balance, if any, and any amounts accruing after the death of all persons named in the above designations shall be held for me or, in the event of my death before receipt thereof, shall be paid to the legal representative of my estate.

→ The foregoing direction may be modified from time to time by letter addressed to the Company and signed by the undersigned, and any such modification shall become effective upon mailing of such letter by the undersigned.

→ Payments made by the Company pursuant to this direction shall fully release the Company from the obligation of making any further payment with respect thereto.

WITNESSED:

(Pilot’s Signature — Employee No.)”

- C. Any payments due to any pilot under this section which are not covered by a written direction as above required shall be held by the Company for such pilot, shall accrue interest compounded annually at the rate of 8%, and, in the event of his death, shall be paid to the legal representative of his estate.
- D. Pilots covered under [Section 17 A](#). → shall, during the period held or missing, be deemed to be in active service for all purposes, including but not limited to, seniority, longevity, sick leave, vacation, pension and other benefit accrual.
- E. Any pilot who, during his trip hour period, is the subject of a hijacking shall receive compensation during any month in which he loses flying as a result of such hijacking, equal to the monthly maximum in his permanent position or in the category he was flying during such trip hour period, whichever is greater.

SECTION 18
JURY DUTY

- A. In order to qualify for jury duty pay, a pilot shall be required to promptly notify the Company by presenting a copy of the summons or other document to the Company; the Company may then request and the pilot shall agree to and cooperate fully with the Company in obtaining an exemption from such duty, and such exemption must be denied. A pilot shall not be required to perform any duty with the Company from the time he reports to jury duty until all obligations under the summons are satisfied.
- B. Pay and Availability Obligations
- B.1. In any month in which a pilot qualifies for jury duty pay, he shall be considered available for duty with the Company for guarantee pay purposes as provided in [Section 4 A.2.](#) from the time he reports for such jury duty until all obligations under the summons are satisfied.
- B.2. When, due to his jury duty service, a regular pilot loses a scheduled trip(s) or portion thereof, he shall be guaranteed pay time and credit time for the scheduled credit time of such trip(s) (however, the pilot shall not receive international pay for such missed trip(s)) or the guarantee set forth in [Section 18 B.1.](#) →, whichever is greater. If a regular pilot is to receive pay time and credit time on a trips missed basis, he shall, after the date on which he has satisfied all obligations under the summons be subject to assignment pursuant to [Section 30 C.10.c.](#) If such pilot is unavailable during his period(s) of required availability for assignment to other flying pursuant to [Section 30 C.10.c.](#), he shall forfeit his pay time and credit time for that missed trip giving rise to his period(s) of required availability.

With respect to the computer bidding process, **where the actual dates of jury duty are known to a regular pilot prior to the monthly schedule bidding deadline, such pilot will receive pay time and credit time at the daily rate of 5:00 for each day of jury duty. A regular pilot holding a position on the 747-400, 747-200, A330, 787 or DC-10 who is unable to bid and be awarded/assigned a schedule with a credit time value greater than the regular monthly guarantee provided in [Section 4 A.1.](#) due to the jury duty dates specified in his bid calendar shall receive as a minimum the applicable reserve guarantee for his category at his base. Such pilot shall be required to participate in Schedule Completion Bidding as specified in [Section 30 F.](#) If a regular pilot is to receive pay time and credit time for his jury duty day(s) at the 5:00 daily rate set forth above, he shall, after the date on which he has satisfied all obligations under his jury summons, be subject to assignment pursuant to [Section 30 C.10.c.](#), on any remaining jury duty dates that were present at time of monthly bidding. If such pilot is unavailable during his period(s) of required availability for assignment to other flying pursuant to [Section 30 C.10.c.](#), he shall forfeit his pay time and credit time for his period(s) of required availability.**

→

- B.3. Monies (excluding mileage allowance) received by a pilot from the government for duties performed under a summons to jury duty shall be offset against any guarantee pay protection provided above.

SECTION 19
DISCIPLINE AND DISCHARGE

A. Notice and Hearing

- A.1. A pilot shall not be disciplined or discharged without being issued notification in writing from the Company as to any such action. Such written notification shall contain a statement of the precise charge or charges.
- A.2. A pilot may be held out of service by the Company prior to written notification of charges being preferred against him and pending hearing and appeal therefrom.
 - A.2.a. Written notice that he is withheld from service will be issued to a pilot not later than one calendar day after the day he is withheld from service.
 - A.2.b. When a pilot is withheld from service, written notice of the precise charge or charges being preferred against him will be issued to the pilot within 14 days after the date he is withheld from service.
 - A.2.c. When a pilot is withheld from service he shall continue to receive pay and benefits. A regular pilot withheld from service shall receive the scheduled value of any missed trip(s) he would have been awarded had he participated in schedule bidding, or the reserve guarantee, whichever is greater. A reserve pilot withheld from service shall receive the reserve guarantee. If the Company requests and is granted an extension of time, the pilot's pay and benefits shall continue during the period of extension. If the pilot or the Association requests and is granted an extension of time, the extension shall be with pay and benefits for a maximum of 30 days, after which the withholding shall be without pay or benefits. Any discipline resulting in suspension and loss of pay or discharge shall be assessed retroactively to the first day the pilot was held out of service without pay.
- A.3. A pilot who has been disciplined or discharged by the Company may contest the Company's action by filing a written request for hearing with the Managing Director of Flying with a copy to the pilot's immediate supervisor. To be valid, such request for a hearing must be made within 30 days after the pilot's receipt of written notification of the charge or charges being preferred against him.
- A.4. A hearing shall be held by the Managing Director of Flying, or his designee within 15 days after receipt of the pilot's request. A notice will be sent to the pilot **seven** days prior to such hearing date stating the time and place thereof. The pilot shall have the right to be represented at the hearing by a Company employee of his choice or by his duly accredited representative(s).
- A.5. Within 10 days after the close of the hearing, the Company shall issue its written decision to the pilot and will send a copy thereof to the MEC Grievance Chairman, the LEC Grievance Chairman and ALPA Representation Office MSP.

B. Appeal

The Association may appeal the Company's decision in writing to the "Northwest Airlines Pilots' System Board of Adjustment," as provided in Section 21, provided such appeal is made within 30 days from the date of receipt by the Association, of the decision of the Company.

C. General

- C.1. If the decision made by the Company under the provision of this section is not appealed by the pilot affected within the time limit prescribed herein for such appeal, the decision of the Company shall become final and binding. If any decision required to be made by the Company under the provisions of this section is not announced within the time limit prescribed herein, it will be deemed a denial and the dispute will be automatically submitted to the "Northwest Airlines Pilots' System Board of Adjustment" with the total expenses and compensation of the neutral member and court reporter to be borne by the Company. Time limits provided for in this section may be extended or modified by mutual agreement.
- C.2. If, as a result of any hearing or appeal therefrom as provided herein, a pilot is exonerated, he shall be paid the amount which he ordinarily would have earned and he shall, if he has been held out of service, be reinstated without loss of seniority.
- C.3. If, as a result of any hearing or appeal therefrom as provided herein, the pilot is exonerated, the pilot's files, including his personnel, station and training files, shall be cleared of the charges.
- C.4. When it is mutually agreed that a stenographic report is to be taken of the investigation and hearing, in whole or in part, the cost will be borne equally by both parties to the dispute. In the event it is not mutually agreed that a stenographic report of the proceedings shall be taken, any written report available taken of such investigation and hearing made by either of the parties to the dispute shall be furnished to the other party to the dispute upon request, provided that the cost of such written record so requested shall be borne equally by both parties to the dispute. The cost-sharing provisions of this paragraph are subject to [Section 19 C.1.](#) →.
- C.5. All notification in writing shall be accomplished through personal delivery or by the use of certified mail, return receipt requested.
- C.6. So far as space is available, witnesses and representatives shall receive free first class transportation over the lines of the Company from the point of duty or residence to the point at which they must appear as witnesses and return. The term "witnesses" includes any pilot who is the subject of the investigation and hearing. In addition, so far as space is available, a discharged pilot shall receive free transportation over the lines of the Company in order to prepare for the hearing with his attorney. This transportation shall normally be from the Northwest station nearest his residence to MSP and return.

- C.7. The provisions of this Section 19 do not apply to probationary pilots. Probationary pilots have no right under this Agreement to contest any disciplinary or discharge action taken against them by the Company.
- C.8. The Company shall not place any negative report or derogatory material in a pilot's files without first providing the pilot an opportunity to inspect, review and initial the material or report. The pilot shall be allowed to place in his file a statement of the incident.
- C.9. A written report involving the counseling or reprimand of a pilot will not be introduced into evidence at any arbitration hearing concerning the subsequent discipline or discharge of the pilot if he has completed **two** years of service between the date of the written report and the date of the disciplinary or discharge action being reviewed in arbitration. In any arbitration hearing in which the pilot or the Association offers into evidence a written report involving the pilot's satisfactory or exemplary performance, the Company may introduce into evidence written reports involving counseling or reprimand of the pilot for similar matters which are as recent or more recent than the pilot's or the Association's proffered evidence, notwithstanding the **two** years of service rule set forth in this subparagraph C.9. This paragraph shall not apply to any written report involving disciplinary suspension or discharge.
- C.10. For purposes of the time limits set forth in [Section 19 A.2.b.](#), [Section 19 A.3.](#), [Section 19 A.5.](#), [Section 19 B.](#), [Section 19 D.2.](#) and [Section 19 D.3.](#), should the final day for performance of some act fall on a weekend or holiday, the deadline shall be deemed to be extended to the next business day.

D. Pilot Unavailability Reports

- D.1. The Company shall handle pilot unavailability for assignment, including previously assigned or awarded flights, by issuance of a Pilot Unavailability Report, or other similar form (for items other than: sick leave, requested and approved personal leave, jury duty, military leave, etc.). The pilot shall be notified by the Company of the issuance of the Pilot Unavailability Report as soon as reasonably practical.
- D.2. Notification of an alleged unavailability will be by receipt of the Pilot Unavailability Report by Certified U.S. Mail. If the certified mail is returned to the Company, notification will be by placement of the Pilot Unavailability Report in the pilot's Company mailbox. The affected pilot will then have 15 calendar days after the receipt of the Pilot Unavailability Report by Certified U.S. Mail (or placement of the Pilot Unavailability Report in the pilot's Company mailbox) to respond to/or dispute the Company's claim. Failure to exercise this challenge process does not preclude the pilot from protesting or grieving the Pilot Unavailability Report. The Company representative placing the Pilot Unavailability Report in the pilot's mailbox shall initial and date the Pilot Unavailability Report with the date such notification was placed in the mailbox.

- D.3. Pilots wishing to respond to/or dispute the factual allegations of the Pilot Unavailability Report, shall contact their base Chief Pilot or Flight Manager, within the 15 calendar day period following receipt of the Pilot Unavailability Report by Certified U.S. Mail (or placement of the Pilot Unavailability Report in the pilot's Company mailbox). No payroll action will be taken during this response period. If a pilot disputes or requests that this allegation be investigated during the specified response period, the Chief Pilot or Flight Manager contacted will immediately notify Flight Administration to stop further processing of any payroll action until after he has investigated the situation. Within 15 days of such contact by the pilot, the Chief Pilot/Flight Manager shall report the results of his investigation in writing to the affected pilot. Any required payroll processing following the investigation may resume as of the date of written response by the Chief Pilot/Flight Manager. The Chief Pilot/Flight Manager's office shall be responsible to notify Flight Administration of this change and any other pertinent information.
- D.4. The time limit for filing a grievance concerning the issuance of a Pilot Unavailability Report shall be 30 days. The grievance shall be handled as a discipline matter pursuant to this Section 19. With respect to pilots who respond/dispute the Pilot Unavailability Report under [Section 19 D.3.](#) →, the time limits for requesting an investigation and hearing will begin on the date that the pilot receives the written response from the Chief Pilot/Flight Manager specified in [Section 19 D.3.](#) →. For pilots who do not respond/dispute the Pilot Unavailability Report, that time limit will begin on the date that the pilot receives the Pilot Unavailability Report via Certified U.S. Mail (or the date of placement of the Pilot Unavailability Report in the pilot's Company mailbox).
- D.5. A Pilot Unavailability Report, or similar form, shall be deemed overturned and all references thereto shall be removed from all pilot records **two** years after the date of the unavailability, provided that there have been no Pilot Unavailability Reports, or similar forms, issued and not overturned or removed in the interim.

SECTION 20 GRIEVANCES

Subject to the provisions of [Letter of Agreement 2000-03A](#), any pilot or group of pilots covered by this Agreement who have a grievance concerning any action of the Company affecting them, except matters involving discipline or dismissal, shall have such grievance considered in accordance with the following procedure:

- A. Grievances under this section must be filed with the proper officer of the Company within 120 days after the pilot reasonably would have had knowledge of the grievance. This does not preclude claims for adjustment arising out of bookkeeping errors beyond 120 days. A pilot who has not completed his probationary period shall have 120 days after completion of such period in which to file a grievance. In the event of a strike, the period of such strike shall be excluded from the 120 days.
- B. A request for an investigation and hearing setting forth a full and complete statement of the facts out of which such grievance arose, the provision or provisions of the Agreement upon which the grievance is based and a specific request for relief shall be filed with the Managing Director of Flight Administration, or his designee, with a copy to the Vice President of Flight Operations.
- C. Such investigation and hearing shall be held by the Managing Director of Flight Administration, or his designee, on the third Friday of the month following the month in which the grievance was filed (unless a different date is mutually agreed upon). The Company shall issue its written decision no later than 15 days following the date of the hearing and will send a copy thereof to the pilot, the MEC Grievance Chairman, the LEC Grievance Chairman and ALPA Representation Office MSP.
- D. The Association may appeal the Company's decision in writing to the "Northwest Airlines Pilots' System Board of Adjustment," as provided for in Section 21, provided such appeal is made within 30 days from the date of receipt by the Association of the Company's decision.
- E. If any decision made by the Company under the provisions of this section is not appealed by the pilot affected within the time limit prescribed herein for such appeal, the decision of the Company shall become final and binding. If any decision required to be made by the Company under the provisions of this section is not announced within the time limit prescribed herein, it will be deemed a denial and, at the option of the Association, the dispute may be submitted to the "Northwest Airlines Pilots' System Board of Adjustment," with the total expenses and compensation of the neutral member and court reporter to be borne by the Company. Time limits provided for in this section may be extended or modified by mutual agreement.
- F. So far as space is available, witnesses and representatives shall receive free first class transportation over the lines of the Company from the point of duty or residence to the point at which they must appear as witnesses and return. The term "witnesses" includes any pilot who is the subject of the grievance.

- G. All notification in writing shall be accomplished through the use of certified mail, return receipt requested.
- H. For purposes of the time limits set forth in [Section 20 A.](#), [Section 20 C.](#) and [Section 20 D.](#), should the final day for performance of some act fall on a weekend or holiday, the deadline shall be deemed to be extended to the next business day.
- I. On at least a quarterly basis (normally the second Thursday of March, June, September and December unless different dates are agreed to by the Company and the Association) representatives of the Company and the Association with full authority to resolve pending grievances shall meet in an effort to resolve pending grievances through settlements. At least 14 days prior to each such Quarterly Grievance Review meeting, Company and Association representatives shall agree upon the list of grievances to be discussed at the upcoming meeting.

SECTION 21
SYSTEM BOARD OF ADJUSTMENT

- A. In compliance with Section 204, Title II, of the Railway Labor Act, as amended, there is hereby established a System Board of Adjustment for the purpose of adjusting and deciding disputes which may arise under the terms of the Pilots' Agreement and which are properly submitted to it, which Board shall be known as "Northwest Airlines Pilots' System Board of Adjustment," hereinafter referred to as the "Board."
- B. For each dispute the Board shall consist of **five** members, **two** appointed by the Company, **two** appointed by the Association and **one** member (hereinafter referred to as the "neutral member") selected in accordance with [Section 21 G.](#) or any other process mutually acceptable to the Company and the Association. The Company and/or the Association may, in the alternative, appoint **one** member with **two** votes to serve on the Board. When the Company and the Association agree, a combination of cases may be presented to a neutral member.
- 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, rates of compensation or working conditions covered by existing agreements between the parties hereto.
- D. The Board shall consider any dispute properly submitted to it by the President of the Association within the time limits provided in [Section 19 B.](#) or [Section 20 D.](#) of this Agreement. The Board shall also consider any dispute properly submitted to it by the Vice President of Labor Relations-Flight of the Company.
- E. The neutral member of the Board shall preside at meetings and hearings of the Board and shall be designated as chairman of the System Board of Adjustment. It shall be the responsibility of the chairman to guide the parties in the presentation of testimony, exhibits and argument at hearings to the end that a fair, prompt and orderly hearing of the dispute is afforded. The Board shall meet in the metropolitan area where the General Offices of Northwest Airlines, Inc., are maintained unless a different place of meeting is agreed upon by the Board and the parties.
- F. All disputes referred to the Board by the President of the Association for consideration shall be addressed to the Company's Vice President of Labor Relations - Flight. All disputes referred to the Board by the Vice President of Labor Relations - Flight of the Company for consideration shall be addressed to the MEC Chairman of the Association. The submission shall have attached thereto copies of all papers and exhibits in connection therewith and shall show:
- F.1. Question or questions at issue.
- F.2. Statement of facts.
- F.3. Position of employee or employees.

F.4. Position of Company.

- G. Upon the filing of the submission with the Company's Vice President of Labor Relations - Flight or the MEC Chairman of the Association, the Company and Association shall, within 30 days, agree upon the selection of a neutral member to sit with the Board in the consideration and disposition of the case, and if agreement is reached, shall advise the members of the Board of the name and address of the neutral member. If no agreement can be reached within the provided 30-day period, either the Company or the Association may petition the National Mediation Board for the appointment of a neutral member. If either the Company or the Association fails to petition the National Mediation Board within 30 days after the 30-day period prescribed in this paragraph for selecting the neutral member, the matter in question shall be deemed by all parties concerned to be ended, and no action thereon shall be taken thereafter by either party.

Upon the selection or the appointment of a neutral member, the appealing party shall forward a copy of the submission to the neutral member. All subsequent documents to be filed with the Board shall be addressed to all **five** members of the Board.

No matter submitted by the President of the Association shall be considered by the Board which has not first been fully processed in accordance with the Discipline and Discharge section or the Grievance section, whichever is applicable, of this Agreement.

The Chairman shall set a date for hearing which shall be mutually satisfactory with the Association and the Company members of the Board and shall be within 30 days of the date of selection or appointment of the neutral member, unless the Company and the Association have agreed to a mutually satisfactory later date.

Time limits and the selection process for neutral members provided for in this Section 21 may be extended or modified by mutual agreement.

- H. Employees covered by this Agreement may be represented at Board hearings by such person or persons as they may choose and designate, and the Company may be represented by such person or persons as it may choose and designate. Evidence may be presented either orally or in writing, or both. On request of individual members of the Board, the Board may, by majority vote, or shall, at the request of either the Association representatives or the Company representatives thereon, summon any witnesses who are employed by the Company and who may be deemed necessary by the parties to the dispute, or by either party, or by the Board itself or by either group of representatives constituting the Board.
- I. Such Board of Adjustment, as then constituted, shall hear the parties with reference to the dispute pending before it, and a majority vote of the Board shall be final, binding and conclusive between the Company and the Association and anyone they may represent having an interest in the dispute.
- J. Nothing herein shall be construed to limit, restrict or abridge the rights or privileges accorded either to the employees or the employer, or to their duly accredited representatives, under the provisions of the Railway Labor Act, as amended, and the

failure to decide a dispute under the procedure established herein shall not, therefore, serve to foreclose any subsequent rights which such law may afford or which may be established by the National Mediation Board by orders issued under such law with respect to disputes which are not decided under the procedure established herein.

- K. The Company and the Association shall provide for a court reporter to attend all arbitration hearings. The court reporter shall record the proceedings as directed by the Board. Except as provided in [Section 19 C.1.](#) and [Section 20 E.](#), the court reporter's fees shall be shared equally by the Company and the Association.
- L. Each of the parties hereto will assume the compensation, travel expense and other expenses of the Board members selected by it.
- M. Each of the parties hereto will assume the compensation, travel expense and other expenses of the witnesses called or summoned by it. So far as space is available, witnesses shall receive free transportation over the lines of the Company from the point of duty or residence to the point at which they must appear as witnesses and return. Such transportation shall normally originate from and terminate at a point of duty or the Northwest station nearest the residence of the witness. The term "witnesses" includes any pilot who is the subject of the grievance.
- N. Except as provided in [Section 19 C.1.](#) and [Section 20 E.](#), the expenses and compensation of the neutral member shall be borne equally by the parties hereto. The Company and the Association members of the Board, acting jointly, shall have the authority to incur such other expenses as, in their judgment, may be deemed necessary for the proper conduct of the business of the Board and such expense shall be borne ½ by each of the parties hereto. Board members who are employees of the Company shall be granted necessary leaves of absence for the performance of their duties as Board members. So far as space is available, Board members shall be furnished free transportation over the lines of the Company for the purpose of attending meetings of the Board.
- O. It is understood and agreed that each and every Board member shall be free to discharge his duty in an independent manner, without fear that his individual relations with the Company or with the employees may be affected in any manner by any action taken by him in good faith in his capacity as a Board member.

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SECTION 22
SENIORITY

A. Seniority List

A.1. Subject to [Section 22 A.2.](#) →, the Company will accept whatever Integrated Pilots System Seniority List (List) is presented to it by ALPA, including any provisions attendant to such list.

A.2. Any provisions attendant to the List that are unacceptable to the Company shall, as a condition precedent to implementation of the List, be resolved by arbitration in accordance with the procedures set forth in Section 13 of the Standard Allegheny-Mohawk Labor Protective Provisions. The parties will accept the provisions attendant to the List which are awarded as a result of such arbitration.

A.3. Each pilot whose employment date as a pilot is after September 15, 1986 will establish and begin to accrue seniority from the date he is first assigned to initial training, including any indoctrination. Such pilots who establish seniority on the same date shall be placed on the List in the order of their age, the older pilot receiving the more senior placement on the List.

EXCEPTION: Pilots hired pursuant to agreements (i) to which ALPA was a party, (ii) which were signed prior to the date of signing of this Agreement, and (iii) which resolved lawsuits with the EEOC shall have the seniority provided to them in such settlement agreements.

A.4. The name and seniority date of all pilots having an employee-employer relationship with the Company shall be shown on the List. The List shall be brought up to date as of July 1 and January 1 of each year. The List shall be made available via Company computer terminals and remote access.

A.5. Once a pilot has established a relative seniority placement on the List in accordance with this Agreement, he shall continue to accrue seniority and shall not lose that relative placement, except as provided in this Agreement.

B. Protests of Seniority List

B.1. Each pilot, including a probationary pilot, shall be permitted a period of 60 days after the date of such distribution in which to protest to the Company any omission or incorrect posting affecting his seniority. A pilot shall not be permitted to protest an alleged date or placement error which has existed for more than 60 days after the distribution of an updated List. Moreover, a pilot shall not be permitted the opportunity to protest his placement on such List more than once, provided that when his placement on such List is later changed because of the filing of a subsequent protest or protests by any other pilot(s) on the List, he shall be permitted to file an additional protest. The Company shall reply to the pilot within 30 days of the protest.

B.2. Pilots on leave or away from their base station at the time of posting of an updated List shall have a period of 30 days from the date of their return to their base station in which to file such protest.

C. Use of Seniority

C.1. Relative placement on the List shall govern all pilots in case of promotion and demotion, their retention in case of reduction in force, their assignment or reassignment due to expansion or reduction in schedules, their reemployment after release due to reduction in force and their choice of vacancies. This section shall apply except as otherwise stipulated in this Agreement.

C.2. In the event of releases from the service due to reduction in force, such releases shall be in reverse seniority order as determined by the relative placement of pilots on the List.

C.3. When a junior pilot is promoted over a senior pilot, by reason of the failure of the latter to qualify in his turn, the senior pilot shall continue to retain his placement on the List.

C.4. Pilots may be given an opportunity to qualify as a Captain or First Officer at any time provided that such opportunities are given in accordance with their seniority. It is recognized that a pilot undergoing initial qualification training as a First Officer on an aircraft type may, at the Company's option, be required to successfully complete an aircraft type rating as part of such training provided that the pilot shall be notified no later than the first day of ground school that such type rating will be included.

D. Loss of Seniority

D.1. Any pilot whose services with the Company are permanently severed as a result of discharge for just cause, retirement (except Disability Retirement, see [Section 22 D.3.](#) below) or resignation shall forfeit his seniority rights.

D.2. A pilot who has been laid off shall retain his accumulated system seniority subject to the provisions of [Section 23 A.4.](#) and [Section 23 B.1.e.](#), except that his seniority rights shall be forfeited after **14** years of continuous layoff.

D.3. A pilot receiving a Disability Retirement Pension under the Pilots' Pension Plan, as amended, **or an LTD Benefit under the Northwest Airlines LTD Plan for Pilot Employees, as applicable**, shall retain and continue to accrue seniority for a period of **seven** years from his Disability Retirement Date **under the Pension Plan or his LTD Date under the LTD Plan**, provided that the disabling condition giving rise to the pilot's Disability Retirement **or his LTD Date** continues for a period of at least 18 months from his Disability Retirement Date **or his LTD Date**. The physical standard required to be met by a pilot desiring to return to duty as a pilot from a Disability Retirement **or an LTD Benefit** shall be as set forth in Section 15, and the provisions governing his return to duty shall be the same as those governing the return to duty of a pilot after medical leave of absence set forth in Section 13.

EXCEPTION: A pilot receiving a Disability Retirement Pension **or an LTD Benefit**, who within 18 months of his Disability Retirement Date **or LTD Date** meets the requisite physical standard to return to duty as a pilot, shall be so returned, providing he had, at the time of his application for a Disability Retirement Pension **or LTD Benefit**, submitted a medical doctor's statement satisfactory to the Company stating:

- (1) the diagnosis of the disabling condition and history of treatment,
- (2) That the disabling condition renders the pilot permanently incapable of continuing in the service of the Company as an airline pilot, and →
- (3) That there is no course of treatment or forbearance prescribed by the doctor which is consistent with generally approved medical practice, which is not life threatening and which has a significant probability of eliminating the disabling condition.

If the doctor's statement submitted by the pilot is not satisfactory to the Company, the pilot will be referred to a doctor of the Company's choice for examination and evaluation at Company expense, of the nature, extent and anticipated duration of the disabling condition. If such doctor's report confirms that the pilot's disabling condition meets the criteria of (2) and (3) above, then the pilot will be covered by this exception.

D.4. A Captain or First Officer who attains the age at which FARs (currently 14 CFR 121.383(c)) do not permit a pilot to continue in the rank of Captain or First Officer and who prior to attaining such age has not placed on file with the Company an Effective Preference Listing for a permanent Second Officer position will be deemed to have elected to retire and will forfeit all his seniority rights effective on the date he attains such age.

E. Period of Probation

- E.1. A First Officer and/or Second Officer shall be on probation for a period not to exceed the first 12 months of his accumulated service as a pilot with the Company commencing with his employment date as a pilot (**See Letter of Agreement 2006-13 for terms relating to employment at an affiliate (SJet)**).
- E.2. If, during the first 12 months of such accumulated service as a pilot with the Company, a pilot is promoted to Captain, he shall be considered to have completed his probationary period.
- E.3. A pilot's period of probation shall be tolled during the period of his absence from active service in excess of 15 consecutive days. The purpose of this tolling is to provide the Company with a sufficient period of active service within which to assess such probationary pilot's performance.

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SECTION 23
REDUCTION IN FORCE, LAYOFF AND RECALL

A. Reduction In Force and Layoff

A.1. A pilot who is laid off shall be given 30 days notice or 30 days pay in lieu of notice, provided, however, that when there is a layoff because of an act of nature, labor dispute or other circumstances over which the Company does not have control (as defined in [Section 1 D.2.](#)), the employees may be laid off without advance notice or payment in lieu of notice.

A.2. Layoff Pay

A.2.a. A pilot who is being laid off due to a reduction in force shall receive layoff pay as provided in [Section 23 A.2.b.](#), subject to the limitations and conditions set forth herein, but he shall receive no layoff pay if any one or more of the following conditions exist:

A.2.a.(1) He accepts any other employment with the Company, except that he shall receive that portion of his monthly layoff pay which exceeds the amount of his monthly earnings for the same month of his other employment with the Company.

A.2.a.(2) The layoff is caused by an act of nature, labor dispute or other circumstance over which the Company does not have control (as defined in [Section 1 D.2.](#)).

A.2.b. Layoff pay will be paid monthly starting on the normal payday following one month from the layoff date pursuant to the following schedule:

<u>If Pilot Has Completed:</u>	<u>Layoff Pay</u>
Less than 1 year	¼ month
1 year but not 2 years	½ month
2 years but not 3 years	1 month
3 years but not 4 years	1½ months
4 years but not 5 years	2 months
5 years but not 6 years	2½ months
6 years but not 7 years	3 months
7 years but not 8 years	3½ months
8 or more years	4 months

A.2.c. The monthly amount of layoff pay shall be the reserve guarantee for the pilot’s category at the applicable rate for the bid period immediately prior to his layoff.

A.2.d. A pilot’s entitlement to further layoff pay shall end on the date employment as a pilot is again made available to him, provided that the pilot shall continue to receive layoff pay owed for the period prior to the date employment is again made available to him.

- A.2.e. If a laid off pilot is recalled as a pilot, and he is again laid off, he shall be entitled to receive the months of layoff pay which his then-completed years of service would entitle him to.
- A.2.f. A pilot who is on layoff from the Company and returns to flying duty temporarily at the request of the Company for a period of less than 30 days shall be paid as a minimum, compensation equal to one month of reserve guarantee for his category after recall.
- A.3. Effect of Trip Continuation Beyond the Layoff Date
- A.3.a. Consistent with [Section 24 G.4.](#), a pilot may continue a trip beyond the date of the layoff specified pursuant to [Section 23 A.1.](#) →.
- A.3.b. Effective Date of Layoffs. If a junior pilot is on a trip at the time of layoff of a pilot(s) senior to him (i.e. the date specified in the layoff notices as the date of commencement of the period of layoff), and such junior pilot completes his trip hour period after the senior pilot(s) has commenced his period of layoff, the effective date of layoff of both the junior and senior pilot(s) shall be the later of the date specified in the layoff notices or the day after the date of completion of the trip hour period by such junior pilot. The Company shall inform the Association of the identity of all junior pilots who flew past the date specified in the layoff notices as the pilot's last day on payroll and adjust the layoff dates of all laid-off pilots senior to such junior pilot.
- A.3.c. Pay to Senior Laid-Off Pilots. The Company shall pay senior laid-off pilots in accordance with the following process:
- A.3.c.(1) Determine the total pay time earned after the date specified in the layoff notice by all pilots junior to the most senior pilot laid off.
- A.3.c.(2) Multiply the pay time determined pursuant to [Section 23 A.3.c.\(1\)](#) → by the applicable hourly pay rate (including international flying rate, if actually paid) of each such junior pilot. The total amount calculated in this subparagraph (2) shall be referred to as the "Pay Pool."
- A.3.c.(3) Determine the total number of days flown by each pilot junior to the most senior laid off pilot (any portion of a calendar day flown by any such junior pilot shall be considered a day for purposes of this subparagraph (3)).
- A.3.c.(4) Matchmate Concept:
- Match the most senior pilot who flew the greatest number of days past the date specified in the layoff notices with the most senior laid off pilot (a senior pilot who is determined to be a matchmate, and who flew past the date specified in the layoff notice, but who flew less than the number of days of his junior matchmate, will be allocated additional days to bring him to an equal number of days). The matchmate process will be continued until all junior

pilots who flew past the date specified in the layoff notice are matched with a senior laid off pilot and allocated the appropriate number of days. Once matched, both the junior and senior pilots so matched are removed from the list for matching purposes. Pilots who were on leaves of absence at the time of their layoff are excluded from this matching and allocation process under this subparagraph (4).

- A.3.c.(5) The senior matchmates identified in [Section 23 A.3.c.\(4\)](#) → shall be paid 2:30 at their appropriate pay rate stated in Appendix 1 of Section 3 for each day they are allocated under [Section 23 A.3.c.\(4\)](#) →. The Pay Pool shall be reduced by the total amount paid to the senior matchmates.
- A.3.c.(6) Laid off pilots who did not fly past the date specified in the layoff notice and who were senior to pilots who did fly past such date shall each be paid 2:30 at their appropriate pay rate stated in Appendix 1 of Section 3 from the amount remaining in the Pay Pool after the senior matchmates are paid as provided in [Section 23 A.3.c.\(5\)](#) →. Such payments shall be made until the Pay Pool is exhausted or until the most junior laid off pilot who did not fly past the date specified in the layoff notice and who is senior to the most junior laid off pilot who did fly past the date specified in the layoff notice is reached. Pilots who were on leaves of absence at the time of their layoff are excluded from this payment under this subparagraph (6).
- A.3.c.(7) If any money is remaining in the Pay Pool following completion of [Section 23 A.3.c.\(6\)](#) →, the following procedures shall be followed: Beginning with the most senior pilot on layoff who is senior to the most junior laid off pilot who flew past the date specified in the layoff notice, pay 2:30 at the appropriate pay rate stated in Appendix 1 of Section 3. This payment shall continue in descending seniority order until the Pay Pool is depleted (in which case the process is completed) or payment is made to the most junior laid off pilot who flew past the date specified in the layoff notice (in which case, the process established in this subparagraph (7) is conducted anew). If, at any time in this process, the remaining Pay Pool value is less than an equivalent day of prorated monthly guarantee for a reserve pilot (i.e. 2:30 at the appropriate pay rate) such amount will nonetheless be paid to the appropriate pilot using the methodology provided for herein.
- A.3.d. Accruals. All accruals (longevity for pay purposes, vacation and sick leave, and SIV Date adjustments) shall be made in accordance with the effective date of layoff established in [Section 23 A.3.a.](#) →.
- A.3.e. Pension. In the event that a pilot to whom a layoff notice has been issued flies past the date specified in the layoff notice into the subsequent calendar month, all laid off pilots senior to such junior pilot shall receive a Month of Service Credit for purposes of the Pilots' Pension Plan.

A.3.f. Insurance Benefits. In the event that a pilot to whom a layoff notice has been issued flies past the date specified in the layoff notice into the subsequent calendar month, all laid off pilots senior to such junior pilot shall receive Company-paid medical and dental insurance for such calendar month, in addition to the **two** months of such coverage provided to them pursuant to [Section 27 A.5.a.\(1\)\(b\)](#).

A.4. A pilot who has been released due to a reduction in force shall file with the Manager of Human Resources - Flight Operations his mailing address and shall thereafter advise the office of the Manager of Human Resources - Flight Operations of any change of address. Such pilot whose address on file with the office of the Manager of Human Resources - Flight Operations is outside the United States shall also file with the Director of Crew Resources a mailing address within the United States and shall thereafter advise the Director of Crew Resources of any change in such address. Pilots are encouraged to also file other means of contact, such as telephone number(s) and e-mail address(es). The Company will provide the ability for laid off pilots to submit changes to such address and contact filings via electronic means, such as the Employee Access system through the NWA Radar Website.

A.5. Layoff Following Strike

After **four** months and **four** days following cessation of a strike in which he was a participant, a pilot who is not returned to service shall be placed on layoff status. (Note: See Paragraph B. of [Letter of Agreement 2002-01](#) regarding SIV Date adjustment.)

B. Recall

B.1. Notice of Recall

B.1.a. Definitions

B.1.a.(1) “Recall To Fly Month”

For purposes of this [Section 23 B.](#), a recalled pilot’s “Recall To Fly Month” shall be the month such pilot has been notified in his Official Notice of Recall that he is anticipated to return to flying in his first assigned permanent position. Should the pilot later receive a new permanent position for a later month than his Recall to Fly Month as noticed in his Official Notice of Recall the pilot’s Recall to Fly Month shall not change.

B.1.a.(2) “Effective Date of Recall” and Assignment To Training

B.1.a.(2)(a) A pilot’s “Effective Date of Recall” shall be the recall date specified in the pilot’s Official Notice of Recall.

B.1.a.(2)(b) Laid off pilots shall be recalled in seniority order (see [Section 22 C.1.](#)).

B.1.a.(2)(c) A junior pilot shall not be given an Effective Date of Recall which is earlier than that of a senior pilot, except in the case of a senior pilot who is ineligible for recall pursuant to the Pinnacle Preferential Hiring Letter of Agreement dated August 29, 2002 ([Letter of Agreement 2002-05](#)) or who has deferred recall.

B.1.a.(2)(d) A laid off pilot who is recalled will be returned to payroll and assigned to training for pay and credit purposes on such pilot's Effective Date of Recall.

B.1.a.(2)(e) Recalled pilots shall be scheduled to commence training in accordance with [Section 24 L](#).

B.1.b. Preliminary Notice of Recall

A Preliminary Notice of Recall shall be sent to a pilot who is anticipated to be recalled. Such notice shall:

B.1.b.(1) be sent by regular mail to the address in the United States on file with the Company as provided in [Section 23 A.4](#). →;

B.1.b.(2) state the pilot's anticipated Recall To Fly Month (see [Section 23 B.1.a.\(1\)](#) →) and the month of the pilot's anticipated Effective Date of Recall; and

B.1.b.(3) include a Recall Preference Listing form that will allow the returning pilot to preference equipment, status and base.

B.1.b.(4) be sent no later than the 15th calendar day of the 3rd month prior to the month of the pilot's Recall To Fly Month.

EXAMPLE: If the Company anticipates that a laid off pilot will have a Recall To Fly Month of May (and will have an anticipated Effective Date of Recall in April), the Preliminary Notice of Recall shall be sent to the pilot no later than February 15.

B.1.c. Short-Notice PNR

When it becomes apparent that a scheduled training class for recalled pilots will not be completely filled due to pilots exercising their option to defer recall under the provisions of [Section 23 B.2](#). or due to other unexpected unavailabilities, the Company may, at its discretion, issue a Short Notice Preliminary Notice of Recall (Short Notice PNR) no later than the 15th calendar day of the **second** month prior to the pilot's Recall To Fly month only under the following conditions:

B.1.c.(1) The Company will attempt to contact by telephone (at all listed numbers) the most senior pilot eligible for recall who has not been issued a PNR and offer a Short Notice PNR. A pilot who accepts such Short Notice PNR waives all time limits associated with PNRs in this section. If more than one training

class slot needs to be filled, the Company shall continue down the list of pilots eligible for recall until the number of open positions is filled.

- B.1.c.(2) The decision to accept a Short Notice PNR is voluntary at the pilot's discretion.
- B.1.c.(3) Any pilot who (i) declines to accept such Short Notice PNR, or (ii) does not respond to the attempted contact within eight hours, will be considered to be "skipped." The Company at its discretion may elect to allow a pilot to accept the Short Notice PNR who contacts the Company later than eight hours after the initial attempted contact.
- B.1.c.(4) If a pilot junior to the skipped pilot is offered and accepts a Short Notice PNR and is subsequently issued an Official Notice of Recall (ONR), such skipped pilot shall be issued a PNR and ONR as soon as the time guidelines under Section 23 permit. Provided that the skipped pilot does not exercise his option to defer recall pursuant to [Section 23 B.2.](#), the skipped pilot will receive the same Effective Date of Recall as the junior pilot who accepted the short notice PNR, for longevity and SIV date adjustment purposes only. For the period that he is a skipped pilot, the pilot will not receive any pay or accruals; however, he will receive SIV and longevity date adjustments based on the date the junior pilot returned to payroll.

B.1.d. Official Notice of Recall

An Official Notice of Recall shall be sent to a pilot who is to be recalled. Such notice shall:

- B.1.d.(1) be sent by certified mail, return receipt requested, or by a courier service who shall provide documentation of actual or attempted delivery, to the address in the United States on file with the Company as provided in [Section 23 A.4.](#) →;
- B.1.d.(2) state the pilot's Recall To Fly Month (see [Section 23 B.1.a.\(1\)](#) →), Effective Date of Recall and date of commencement of training; and
- B.1.d.(3) be sent no earlier than 15 days after sending the associated PNR as in [Section 23 B.1.b.](#) →, and no later than the [Section 25 A.1.b.](#) deadline for production of the bid list for the month preceding the pilot's Recall To Fly Month.

EXAMPLE: If a pilot's Recall To Fly Month is May (and his Effective Date of Recall and his commencement of training will be in April), the Official Notice of Recall shall be sent no later than March 6.

- B.1.e. A laid off pilot is required to respond to the Official Notice of Recall no later than 15 days following delivery, or attempted delivery, of the Official Notice of Recall. Subject to [Section 23 B.2.](#), a pilot's seniority right of recall shall terminate and his seniority shall be forfeited if he does not advise the Company of his intent to return to service, within 15 days of delivery, or attempted delivery, of the

Official Notice of Recall to his address in the United States on file with the Company as provided in [Section 23 A.4](#). The time limits of this [Section 23 B.1.d](#) may be extended by the Company.

B.1.f. After an Official Notice of Recall has been sent to a laid off pilot, the Company may not move such pilot's Recall To Fly Month, Effective Date of Recall or commencement of training date to a later date(s) without the pilot's consent.

B.2. Option to Defer Recall

Notwithstanding [Section 23 B.1.d](#), a pilot on layoff who has been sent an Official Notice of Recall shall be permitted to defer recall pursuant to that notice, under the following conditions and subject to the following provisions:

B.2.a. Such pilot must advise the Company within 15 days of delivery, or attempted delivery, of the Official Notice of Recall to his address in the United States on file with the Company as provided in [Section 23 A.4](#), of his decision to defer recall. At such time following the first Official Notice of Recall sent to such pilot, he shall inform the Company of whether he elects to defer recall for **one, two** or **three** months. A pilot who has previously deferred recall pursuant to this [Section 23 B.2](#) may thereafter defer recalls only in 3-month increments.

B.2.b. The Company shall make a reasonable effort, but is not required, to grant a pilot's request for deferral for less than a full month.

B.2.c. The Company, at its option, may attempt to recall a pilot during his period of deferral as established pursuant to [Section 23 B.2.a](#). However, such pilot is not obligated to accept such recall.

B.2.d. In order for a laid off pilot to be eligible to defer recall pursuant to [Section 23 B.2.a](#), there must be a pilot on layoff who is junior to him and who has not been recalled, on the date such pilot's request is received by the Company.

B.2.e. A pilot who defers recall shall not thereafter be permitted to exercise his seniority to return to service by bid or by displacement until such time as his eventual recall. At that time, he shall be permitted to return to any permanent position which has, during his absence, been awarded to and is held by a more junior pilot, provided that, if the junior pilot received such permanent position as a result of his exercise of [Section 24 E.10](#) return rights, the more senior pilot returning from layoff following his deferral period must also have [Section 24 E.10](#) return rights to that position.

B.2.f. Deferral For a Specific Period of Time

B.2.f.(1) A pilot who is laid off after September 1, 2001 shall be permitted to defer recall for a specific period of time that is no greater than 4 years, regardless of whether or not there is a pilot junior to him on layoff who has not been

recalled on the date the pilot's written request to defer recall is received by the Company.

- B.2.f.(2) A pilot who opts to defer recall pursuant to [Section 23 B.2.f.\(1\)](#) → shall provide written notice thereof to the Company prior to the Company issuing an Official Notice of Recall to the pilot. Such written notification shall (i) establish a bona fide reason for the pilot's exercise of such option (e.g. a contractual employment commitment); and (ii) state the date the pilot will be available to be recalled (provided that such date is within the 10-year period provided for in [Section 22 D.2.](#)). A pilot who has provided such written notification to the Company shall be entitled to withdraw such notification at any time by so informing the Company in writing, with such withdrawal becoming effective for the next and all subsequent recalls.
- B.2.f.(3) A pilot who opts to defer recall pursuant to [Section 23 B.2.f.\(1\)](#) → shall provide the Company with address information that is up-to-date and accurate (see [Section 23 A.4.](#) for information on submitting such information to the Company).
- B.2.f.(4) A pilot who opts to defer recall pursuant to [Section 23 B.2.f.\(1\)](#) → shall be subject to the following conditions:
- B.2.f.(4)(a) Such pilot shall not be permitted to exercise his seniority to return to service by bid or displacement until such time as his eventual recall.
- B.2.f.(4)(b) The Company shall have no obligation to recall such pilot due to one or more pilots junior to him having been recalled ahead of him due to his decision to defer recall.
- B.2.f.(4)(c) Beginning on the date the pilot informed the Company pursuant to [Section 23 B.2.f.\(2\)](#) → that he will be available to be recalled, the Company shall recall the pilot when the Company has a need to recall a laid off pilot (should such pilot be entitled to recall at that time based on his seniority) or hire a pilot (should all other laid off pilots already have been recalled).
- B.2.f.(4)(d) Such pilot shall be recalled to a vacant permanent position (i.e. he shall not be permitted to exercise his seniority to displace a junior pilot holding a permanent position).
- B.2.f.(4)(e) The Company shall issue a notice of recall to such pilot to the address provided by the pilot pursuant to [Section 23 B.2.f.\(3\)](#) →. Such pilot shall be subject to the time limits provided in [Section 23 B.1.d.](#) to inform the Company of his intent to return to service and to report for duty. If such pilot does not comply with the time limits of [Section 23 B.1.d.](#), his seniority right of recall and his seniority shall be forfeited.
- B.2.f.(5) Nothing in this Section 23 shall preclude the Company, in its sole discretion from permitting a pilot who has been bypassed for recall pursuant to [Section](#)

23 B.2.f.(1) →, and who has withdrawn his bypass request pursuant to Section 23 B.2.f.(2) →, to be recalled earlier than the date of the next planned recall as long as his seniority would allow such early recall.

B.3. Permanent Position Awards To Recalled Pilots

B.3.a. A permanent position shall not be awarded to a recalled pilot unless the permanent position vacancy has first been made available for bid to all pilots eligible to participate in the normal position filling process set forth in Section 24.

B.3.b. A recalled pilot will be eligible to participate in the normal position filling process set forth in Section 24 for the 4th month following his Recall To Fly Month and after his Effective Date of Recall is required to electronically submit a new Effective Preference Listing (EPL) for use during such APA award process. Should the pilot fail to file a new EPL following his Effective Date of Recall and before the monthly deadline for the 1st month in which he is eligible to participate in the APA process, his last EPL on file with the Company prior to being laid off shall be used.

EXAMPLE: A laid off pilot with a Recall To Fly Month of May is eligible to participate in the APA award process for September that is conducted in May, but is not eligible to participate in the APA award process for August that is conducted in April.

B.3.c. A Recall Preference Listing (RPL) form shall be provided to a recalled pilot with his Official Notice of Recall (see Section 23 B.1.d. →). The RPL submitted by a recalled pilot shall be used only for awards to positions pursuant to this Section 23 B.3. Such recalled pilot shall submit his preferences for permanent positions for **four** consecutive months (his Recall to Fly Month and the **three** consecutive months following) on such RPL form at the time he responds to the Official Notice of Recall. However, such pilot shall have until the EPL closing date for APA awards for the 3rd month following his Recall to Fly Month to update his RPL form for the 3rd month following his Recall to Fly Month.

EXAMPLE: A laid off pilot with a Recall To Fly Month of May is awarded (i) a permanent position for May that was identified as a vacancy in the APA award process for May that was conducted in January, and (ii) permanent positions for June, July and August. The pilot has the option to submit a new RPL for the August flying month until the April 5 deadline for August APA awards.

B.3.d. For all laid off pilots who have the same Recall To Fly Month, as noticed on their Official Notice of Recall, permanent position awards will be made for that Recall To Fly Month and for the **three** ensuing months, before permanent position awards are made to any laid off pilots who have a later Recall To Fly Month as noticed on their Official Notice of Recall.

EXAMPLE: Laid off pilots with a Recall To Fly Month of May will be awarded permanent positions for the months of May through August before any permanent position awards are made to pilots with Recall To Fly Months of June or later.

- B.3.e. If a recalled pilot fails to submit an RPL in response to his Official Notice of Recall or such RPL reflects insufficient choices to accommodate his seniority, he shall be considered to be preferencing the highest-paying category (as in [Section 24 F.](#)) to which his seniority entitles him in the following ranking order of bases:

DTW
MSP
MEM
SEA
ANC

- B.3.f. For any months in which a recalled pilot is not yet eligible to participate in the APA award process, the recalled pilot will be awarded permanent position vacancies in accordance with his RPL as submitted in response to his Official Notice of Recall for any vacancy before making such vacancy available to a more junior recalled pilot.

EXAMPLE: A recalled pilot whose Recall To Fly Month is May will be eligible to submit a Recall Preference Listing for permanent position vacancies for the months of May, June, July and August only under the provisions of this [Section 23 B.](#), and not under the provisions of Section 24.E. Such pilot must submit a new Effective Preference Listing (EPL) upon his return to service that will be used for September positions that are awarded in the May permanent position awarding process under the normal position filling process set forth in Section 24.E.

- B.3.g. [Section 24 E.10.](#) return rights held by recalled pilots shall be only exercisable among recalled pilots for permanent position vacancies that are available to recalled pilots as provided in this [Section 23 B.](#) prior to such pilots being able to participate in the normal APA permanent position awarding process. When the EPLs of such recalled pilots become active in the normal APA permanent position awarding process, any [Section 24 E.10.](#) return rights held by such recalled pilots shall be effective for awards to positions in the APA process.

- B.3.h. For the period from a pilot's Effective Date of Recall until the start of his Recall To Fly Month, the recalled pilot will be deemed to hold a reserve permanent position in the same category and at the same base as his permanent position award effective for his Recall To Fly Month. Upon completion of a recalled pilot's training, any reserve duty obligation (see [Section 25 C.8.k.](#)) shall be served at the base of the pilot's permanent position award effective for his Recall To Fly Month, with appropriate time off given for positioning the pilot to his base, if necessary. If the recalled pilot completes training prior to the effective date of his permanent position he will be assigned to a temporary position award as specified in Section 24 J.1.b.2.

B.4. Meal Expenses and Lodging For Recalled Pilots In Training

A recalled pilot who does not reside in the location of his training, and whose permanent position award for his Recall To Fly Month is not at the location of his training shall receive meal expenses as provided in [Section 5 B.](#) and Company-paid lodging for the period of his training.

B.5. Recalled Pilots Training Freezes

B.5.a. A recalled pilot who receives initial qualification training or requalification training shall incur the associated training freeze for the category for which he receives such training as a result of his recall (see [Section 24 E.3.](#) and [Section 24 E.4.](#)).

B.5.b. A recalled pilot shall be subject to the remainder of an already existing training freeze, if any, for a position to which he holds a Section 24.E.10 return right, (measured from its date of original inception) once he is awarded that position.

B.5.c. A recalled pilot who incurs a training freeze under [Section 24 E.3.](#) and/or [Section 24 E.4.](#), as a result of the position to which he is recalled as provided in [Section 23 B.5.a.](#) →, shall nevertheless be released from such a freeze and be awarded a vacancy to a higher preference on his EPL if that position would otherwise be assigned to a new hire pilot under the provision of [Section 24 E.2.d.](#) The Company may also elect to break a recalled pilot's freeze pursuant to [Section 24 E.11.](#)

B.5.d. Training Freezes resulting from permanent position awards made pursuant to this [Section 23 B.](#) (RPL Awards) shall be effective on the first day of the flying month in which a recalled pilot is eligible to participate in the APA Award process of Section 24 (see [Section 23 B.3.b.](#)). Such training freeze shall not prevent a recalled pilot from receiving a new permanent position award(s) pursuant to [Section 23 B.](#) from his RPL for the months prior to the flying month for the first APA award for which he was eligible to participate. Once effective, such training freeze shall run from the EPL closing date of the month the APA awards were made pursuant to the provisions of Section 24 for the same month in which the recalled pilot received his [Section 23 B.](#) permanent position award made pursuant to his RPL (see [Section 23 B.5.a.](#) →). Once effective, such training freeze shall expire following the appropriate duration specified in [Section 24 E.3.](#) and/or [Section 24 E.4.](#)

EXAMPLE: A recalled pilot's Effective Date of Recall is April 8, 2004. His Recall to Fly Month is May 2004, his permanent position award pursuant to his RPL for May flying is to the DC-9 F/O category, for which he requires requalification training. As a result, he incurs a requalification training freeze under [Section 24 E.4.](#) which shall become effective with the September APA awards made in May 2004 (the first month that such recalled pilot was eligible to participate in the APA process of Section 24.) Such freeze shall run from January

5, 2004 (the EPL closing date for May APA awards for pilots not laid off), and shall expire on July 4, 2004. When August permanent position awards are made pursuant to RPLs for pilots whose Recall to Fly Month is May 2004, the same recalled pilot receives a new permanent position award for August from such RPL to the A320 F/O category, for which he requires initial qualification training. As a result, in addition to his Requalification Training Freeze for the DC-9 F/O position he incurs an initial qualification freeze under [Section 24 E.3.](#) for the A320 F/O position. Such freezes shall run concurrently. The initial qualification freeze shall become effective with the September APA awards made in May 2004 (the first month that such recalled pilot was eligible to participate in the APA process of Section 24) and shall run from April 5, 2004 (the EPL closing date for the August APA for pilots not laid off) and shall expire on April 4, 2006.

- B.5.e. A training freeze incurred by a pilot under [Section 24 E.3.](#) and/or [Section 24 E.4.](#) prior to the pilot being laid-off will continue to run from the date of original inception until the appropriate expiration, during the period that the pilot is laid-off and after the pilot is recalled.
- B.6. Monthly Schedule Bidding By Recalled Pilots
 - B.6.a. A recalled pilot requiring requalification training shall participate in monthly schedule bidding. If his return to duty date is on or before the 11th calendar day of the month, he shall participate in the normal monthly schedule bidding process. If his return to duty date is after the 11th calendar day of the month, he shall bid a schedule pursuant to [Section 25 A.12.](#)
 - B.6.b. A recalled pilot who requires initial qualification training shall bid for a monthly schedule(s) pursuant to [Section 25 A.5.](#) and [Section 25 A.6.](#)
- C. The Company shall provide electronic data of all operations under [Section 23 A.](#) and [Section 23 B.](#) to the ALPA Membership Chairman and the ALPA Contract Administration Chairman, except that an actual copy of notice required under [Section 23 A.](#) and [Section 23 B.](#) will be forwarded in addition to the electronic data.

SECTION 24
STAFFING AND FILLING OF POSITIONS

Consistent with the requirements of [Section 24 B.](#) (staffing formula), the objective of this section is to establish the means for pilots to exercise their system seniority in the filling of positions.

A. Positions

A.1. Permanent Positions shall be awarded approximately 3½ months prior to the effective date of the award.

A.1.a. A permanent position shall be awarded to each pilot, and each pilot shall always hold a permanent position on the system.

A.1.b. A permanent position vacancy shall exist and shall be filled when the total required number of pilots assigned to a position is increased as a result of the combined effect of:

A.1.b.(1) Changes in the anticipated number of credit hours at a given base.

A.1.b.(2) The development of man-months of pilot non-availability for line flying resulting from vacations, training, known sick leave, special assignments, leaves of absence, Instructor Pilot duty, Special Project Pilot duty or Supervisory Pilot duty.

A.1.c. A permanent position vacancy shall exist and shall be filled when:

A.1.c.(1) A pilot holding a position on a permanent basis vacates that position and there is no decrease in the number of pilots required in that position.

A.1.c.(2) Pilots holding a permanent position at a given base are terminated, resign, retire or die and there is no decrease in the number of pilots required in that position.

A.1.c.(3) Pilots holding a position on a permanent basis vacate that position in a number greater than the decrease in the number of pilots required in that position.

A.2. Temporary Positions shall be awarded approximately one month prior to the effective date of the award.

A temporary position shall exist and shall be filled when the total number of pilots assigned to a position is increased as a result of the combined effect of the following changes which occur subsequent to the preliminary staffing process:

A.2.a. Changes in the anticipated number of credit hours.

A.2.b. Changes in the anticipated number of man-months of pilot non-availability for line flying resulting from vacations, training, known sick leave, special

assignments, leaves of absence, Instructor Pilot duty, Special Project Pilot duty or Supervisory Pilot duty.

- A.2.c. A pilot holding a permanent position is unable to fly in that permanent position because of lack of initial qualification.
- A.2.d. The number of pilots assigned to a reserve position is decreased because a pilot holding that position on a permanent basis is awarded a regular position in that category at that base on a temporary basis (applicable only to temporaries awarded pursuant to [Section 24 J.1.c.\(2\)\(c\)](#) →). This temporary position need not be filled when the remaining number of pilots assigned to this position equals or exceeds the minimum number required by [Section 24 B.](#) →.

See [Section 24 J.1.](#) for the Temporary Position awarding process.

A.3. Call-Out and Call-Down Pilots

See [Section 24 J.2.](#)

A.4. New Base

- A.4.a. A new base is a geographical location to which pilots are assigned, but to which no pilots were assigned the prior month. A base will be considered new for a period of 12 months after any pilots covered by this Agreement were first assigned to it.
- A.4.b. In the event the Company assigns a new or existing aircraft type to an established base to which such equipment was not assigned in the prior month, such base will be deemed to be a new base for pilots awarded permanent positions in such equipment at such base for a period of 12 months from the introduction of such aircraft type to that base.

A.5. New Aircraft Type Initial Permanent Position Awards (“New Aircraft APA”)

- A.5.a. **In the event the Company has firm orders for scheduled delivery of aircraft of a new aircraft type, the Company may declare that a “New Aircraft APA” process will take place for the awarding and assigning of initial permanent positions associated with the introduction of such new aircraft type. A New Aircraft APA process may occur in up to eight consecutive bid periods, prior to and during the aircraft delivery schedule.**
- A.5.b. **Pilots will be notified of a New Aircraft APA declaration in a Flying Bulletin (see [Section 24 D.4.](#)) no later than the 25th day of the 8th calendar month preceding the first bid period of the New Aircraft APA awards (e.g. December 25 for August New Aircraft APA awards).**
- A.5.c. **Pilots will bid for and be awarded or assigned New Aircraft APA permanent positions pursuant to the Systemwide Preference Listing provisions of**

Section 24 C. and Awarding of Permanent Position Vacancies provisions of Section 24 E., as modified by this Section 24 A.5.

- A.5.d.** In each bid month of the New Aircraft APA Award process, the Company will make permanent position awards with effective dates of approximately 6½ months following the date of the New Aircraft APA Award (e.g. awards made in January will be effective on the first day of the August flying month).
- A.5.e.** Notwithstanding any provision of the Agreement that may be to the contrary, the Company shall have sole discretion to manage the assignment to training of pilots who receive permanent position awards pursuant to the New Aircraft APA process. This management discretion shall include the assignment to training of pilots who received New Aircraft APA awards with different effective dates. The Company may release such a pilot from such training at the completion of the simulator portion but prior to commencement of the aircraft portion of his training assignment, as provided by **Section 11 H.10.a.(1)**. Such pilot who is so released prior to the effective date of his permanent position on such new aircraft type, (i) may be subject to assignment to line flying in the category of his current permanent position until he is returned to training for his permanent position on the new Aircraft Type; or (ii) may be released from all duty and deemed to be a reserve pilot in the category of his current permanent position for pay purposes only until returned to training (and shall take any scheduled vacation, which shall offset reserve guarantee).
- A.5.f.** A pilot who receives a permanent position award pursuant to a New Aircraft APA process shall continue to be paid at the rate of his permanent position until the earlier of the effective date of his permanent position on the new aircraft type, or the date of his commencement of the aircraft portion of his training on the new aircraft type. Once such pilot has commenced the aircraft portion of his training on the new aircraft type, he shall not thereafter perform flying duties in his former category, and he shall be deemed to hold a temporary reserve position in the category of his new aircraft type permanent position award until the effective date thereof.
- A.5.g.** Notwithstanding any provision in the Agreement that may be to the contrary, a pilot who is a bidder for a position subject to a New Aircraft APA process, and who is subject to a 48-Month Initial Qualification Training Freeze as provided in Exception 3 following **Section 24 E.3.a.**, that would otherwise prevent an award to such pilot of a permanent position pursuant to such New Aircraft APA process, shall be deemed to have been subjected, instead, to a 24-Month Initial Qualification Training Freeze as provided in **Section 24 E.3.**, if that would make such pilot eligible for such New Aircraft APA process award.

- A.5.h.** Notwithstanding any provision in the Agreement that may be to the contrary, for a period not to exceed 6 full months from the date a new aircraft type first operates in scheduled revenue flying service, the Company shall be permitted to use its discretion in assigning pilots to OE training trips and to other revenue flying on such new aircraft type. During such period, all pilots holding permanent positions on such new aircraft type, and all pilots in the OE phase of training on such new aircraft type shall be deemed to be reserve pilots for all pay purposes. During such period, the Company shall use its best efforts to provide scheduling information and to assign OE trips and other revenue flying to such pilots with as much advance notice as possible, and to attempt to follow as closely as reasonably possible the Agreement's scheduling and rescheduling rules.
- A.5.i.** In the event that (i) a circumstance beyond the Company's control results in the delay or cancellation of delivery of one or more aircraft of the new aircraft type during the period of the New Aircraft APA process, and (ii) a pilot who has been released from training at the completion of the simulator portion but prior to commencement of the aircraft portion of his training assignment as provided in [Section 24 A.5.e.](#); and (iii) such pilot's effective date of his permanent position on the new aircraft type will or has passed, then the Company may assign such pilot to flying in the category of his prior permanent position as a temporary pilot as provided for in [Section 24 J.1.a.](#) In such event, the pilot shall be paid at the greater of the hourly rate of his permanent position on the new aircraft type or the hourly rate of his prior permanent position.

B. Staffing Formula

B.1. Required Man-Months Per Regular Position

To find the required minimum number of man-months of pilot availability for line flying to be assigned to each regular position in a month, the total scheduled credit time for all scheduled flights, extra section and charter flights scheduled for the month in each aircraft type at each base shall be divided by a factor equal to **0.975** of the regular position scheduled monthly maximum set forth in [Section 12 B.1.](#) Any number so derived that includes a fraction shall be rounded to the next lower whole number.

B.2. Required Man-Months Per Reserve Position

To find the required minimum number of man-months of pilot availability for line flying to be assigned to each reserve position in a month the total scheduled credit time for all scheduled flights, extra section and charter flights scheduled for the month in each aircraft type at each base shall be divided by a factor equal to **7.815** times the reserve position scheduled monthly maximum set forth in [Section 12 B.1.](#) Any number so derived that includes a fraction of greater than **0.5** shall be rounded to

the next higher whole number. Notwithstanding the above computation, the minimum number of reserves in a reserve position shall not be less than **two**.

B.3. Exclusion of Man-Months of Pilot Unavailability

For the purpose of satisfying the required minimum number of man-months of pilot availability determined in [Section 24 B.1.](#) → for each regular position and [Section 24 B.2.](#) → for each reserve position, the following man-months of pilot unavailability for line flying shall be excluded:

B.3.a. Instructor Pilots, Special Project Pilots, and Supervisory Pilots.

B.3.b. Training.

For this purpose, training means: equipment ground school, initial qualification ground school, specialized navigation ground school, pre-oral and oral exams, initial qualification flight training and requalification training (to the extent it can be reliably predicted by Crew Resources).

B.3.c. Vacations.

B.3.d. Known sick leave.

B.3.e. Intentionally Left Blank

B.3.f. Leaves of absence.

B.3.g. Known jury duty.

B.3.h. Any other cause of known unavailability not within the subject matter addressed in [Section 24 B.3.a.](#) through [Section 24 B.3.g.](#) →.

B.4. The Company shall staff for SVT unavailability at a minimum of 75% of the percentage of claimed credit time at the time of BSTG lock-in in such position in the same month in the prior year.

C. Systemwide Preference Listing

C.1. Submission of Preference Listings

Each pilot shall have on file with the Director of Crew Resources in the Flight Operations Department, MSP, a completed permanent position Effective Preference Listing. Such preference listing shall be in a form specified by the Company and shall give the pilot's desired order of preference for permanent positions. Each pilot may also have on file with the Director of Crew Resources in the Flight Operations Department, MSP, a completed preference listing for voluntary temporary positions and/or voluntary call-out assignments. A preference listing may be submitted at any time via Company computer terminal, remote access or Voice Response System.

C.2. Effective Permanent Preference Listings (EPL)

C.2.a. Permanent position preference listings will be filed for each pilot in the chronological order of submission. The most recent listing on file as of 1700 local

MSP time on the 5th calendar day of any month shall be effective for permanent position awards made for the 4th ensuing month (e.g., listings on file as of 1700 MSP time on July 5 will be effective for permanent position awards for the November flying month). Such listing will be known as a pilot’s Effective Preference Listing (EPL).

C.2.b. If a pilot fails to have on file an EPL or his EPL reflects insufficient choices to accommodate his seniority, he shall be considered to be preferencing in his current permanent position, and if his seniority no longer entitles him to such position, he shall be considered to be preferencing in the highest paying category (as in [Section 24 F. →](#)) to which his seniority entitles him at his base and in which he is initially qualified. Such pilot having insufficient seniority to remain at his base shall be considered to be preferencing in the highest paying category (as in [Section 24 F. →](#)) to which his seniority entitles him at another domestic base and in which he is initially qualified. Such pilot shall be considered to be preferencing regular status in a category ahead of reserve status in the same category. If such pilot is not initially qualified in any other category, he shall be considered to be preferencing in the highest paying category (as in [Section 24 F. →](#)) to which his seniority entitles him at his base. If he has insufficient seniority to remain at his base, he shall be considered to be preferencing in the highest paying category (as in [Section 24 F. →](#)) to which his seniority entitles him at another domestic base in the following ranking order of bases:

- C.2.b.(1) **MSP**
- C.2.b.(2) **DTW**
- C.2.b.(3) **MEM**
- C.2.b.(4) **SEA**
- C.2.b.(5) ANC**

C.3. Temporary Position and Call-Out Preference Listings

C.3.a. Provision shall be made for a pilot to indicate his willingness to accept flying as a temporary pilot within his base in the same category in which he holds a permanent position.

C.3.b. Provision shall be made for a pilot to indicate his willingness to accept flying as a call-out pilot within his base in the category of his permanent position.

C.3.c. Provision shall be made for a pilot to indicate his willingness to accept flying as a temporary pilot at another base in the category of his permanent position.

C.3.d. Provision shall be made for a pilot to indicate his willingness to accept flying as a call-out pilot at another base in the category of his permanent position.

C.3.e. A pilot may indicate his willingness to accept flying as described in [Section 24 C.3.a.](#) and [Section 24 C.3.c. →](#), by submission of the appropriate temporary position preference listing in the manner set forth in [Section 24 C.1. →](#). Such preference listings filed by 1700 local MSP time on the 25th calendar day of a

month shall be effective for the second ensuing bid period, and shall continue in effect thereafter until the effective date of a subsequent preference listing canceling such preference.

- C.3.f. A pilot may indicate his willingness to accept flying as described in [Section 24 C.3.b.](#) and [Section 24 C.3.d.](#) →, by submission of the appropriate voluntary call-out preference listing in the manner set forth in [Section 24 C.1.](#) →. Such preference listing may be submitted at any time and shall be effective upon confirmation of acceptance. A pilot may withdraw or change his preference listing at any time but the withdrawal or change removing a choice will not be effective until 0001 of the second ensuing day after submission (and such pilot can be assigned a call-out trip which departs prior to such effective date and time which extends beyond such effective date and time).

D. Information to be Made Available to Pilots and ALPA

- D.1. The Company shall electronically publish the current monthly pilot schedule award of all pilot bases. Such pilot schedule awards shall contain the pilots' seniority numbers by position and shall be accessible by pilots by Company computer terminals and by remote access.

D.2. Information to be Provided to ALPA

- D.2.a. The Company shall electronically provide to the MEC Chairman or his designee on a monthly basis the following information:

- D.2.a.(1) Monthly bid results.
 D.2.a.(2) Monthly permanent position run.
 D.2.a.(3) List of all pilots assigned or awarded temporary positions for the ensuing bid period and the reason for such temporary award or assignment.
 D.2.a.(4) List of all pilots who are eligible to be involuntary call-out pilots for the ensuing bid period.

The Company shall make this information electronically available prior to the first day of the bid period to which the information pertains.

- D.2.b. The Company shall provide ALPA Contract Administration continuous electronic access to the list of pilots who volunteer to be call-out pilots.

D.3. Statement of Previous Month's Operation

Prior to the 20th day of each month, the Company shall electronically provide to the MEC Chairman or his designee, a statement setting forth by position, in respect to the last previous month:

- D.3.a. The number of pilots "called out/down" in each position during the month, the position called from, the position called to, and system seniority numbers.

- D.3.b. The number of pilots retroactively identified pursuant to [Section 24 J.2.c.\(3\)](#) and for each such call-out, the position called from, the position called to, the seniority number of the “retroactive” call-out and the “out of sequence” call-out.
- D.3.c. The identity of each pilot from the appropriate call-out list who was bypassed for call-out.
- D.3.d. Actual credit time.
- D.3.e. Credit time for vacation.
- D.3.f. Credit time for sick leave.
- D.3.g. Credit time for all training and proficiency checks.
- D.3.h. The total number and system seniority number of instructors assigned.

D.4. Flying Bulletins

A flying bulletin will be issued for each bid period. This bulletin will be posted on ATLAS or its equivalent, the pilot bulletin board at each pilot base, at AMS, at NRT and at each international layover station where bid packets are sent. Such posting will occur no later than the 25th day of the fifth calendar month preceding the bid period (e.g., July 25 for December position awards). Such bulletins shall include:

- D.4.a. The preference listing closing date for permanent position awards (see [Section 24 C.2.a.](#)).
 - D.4.b. A narrative statement of flying requirements, including expected changes for each aircraft type and base during the four-month period starting with the flying month for which the flying bulletin is being issued. Such statements shall include but not be limited to: advance notification of the potential opening of bases, large base reductions, and fleet deletions at a base.
 - D.4.c. The number of normal retirements, by position, that are projected to occur during the four-month period starting with the flying month for which the flying bulletin is being issued.
 - D.4.d. Listing of the seniority number of the most junior pilot in each permanent position.
- D.5. The Company shall provide notice and detailed information to pilots of base openings and fleet additions at a base no later than the fifteenth day of the fifth month preceding the effective date of the event. Such notice of base openings and fleet additions will be posted simultaneously on the FIF and shall remain in place for a minimum of twenty days. In the event the Company plans a base closure for a category, the Company shall also provide notice of this plan to pilots. This notice shall be published by bulletin to each pilot’s Company electronic mailbox no later than the fifteenth day of the sixth month preceding the effective date of the event. In the event of subsequent changes to the plan as bulletined to the pilots, an amended bulletin shall be issued within **three** business days of the change becoming known to the Company.

- D.6. Pilots who provide the Company with a written request to be notified of all bulletins posted during the period when they are on vacation, sick leave or leave of absence shall be notified by certified mail at the address provided on a self-addressed, stamped envelope which shall be included with such request.
- E. Awarding of Permanent Position Vacancies
- E.1. The bid of each pilot for a permanent position shall be that indicated on his EPL.
- E.2. Awarding of all permanent positions shall be made in accordance with system seniority from the EPLs and shall be published no later than the 20th calendar day of each month.
- E.2.a. The effective date of the award to a permanent position vacancy shall be the first day of the fourth ensuing bid period (e.g., awards made in July will be effective on the first day of the November flying month). A pilot shall hold the permanent position as of the effective date of the permanent position award.
- E.2.b. When an award is made requiring initial qualification training, the pilot shall commence flying in such category as of the completion of training (see [Section 25 A.6.a.](#), [Section 24 J.1.a.](#) Exception and [Section 24 E.2.c.](#) →). However, a pilot who:
- (i) has not completed initial qualification training within one month after the effective date of the award, or
 - (ii) has not completed initial qualification training by the effective date of the award when such pilot is involuntarily displaced pursuant to [Section 24 G.](#) from a position in which he was not initially qualified,
- for a reason other than the unavailability of the pilot (including his unavailability because he does not hold the required FAA medical certificate or because he has not successfully completed the written portion of the FAA flight engineer examination or the written portion of the FAA air transport rating examination), or act of nature, or withdrawal of an aircraft type from service or work stoppage directly affecting training or other circumstance agreed to between the Vice President of Flight Operations and the MEC Chairman as being beyond the Company's control:
- E.2.b.(1) Shall not fly in any other position as a temporary or call-out/down pilot until his initial qualification training is completed. If the first day of the second month falls during a pilot's trip hour period, he will be paid in the awarded category effective on such day, but he will not be assigned to the awarded position until completion of his trip and will not be rescheduled to return to his base later than originally scheduled.

E.2.b.(2) Shall be deemed to be a reserve pilot in his awarded position for the balance of the bid period in which his training is completed, subject to his selection as a call-down pilot in accordance with [Section 24 J.2.d.](#)

NOTE 1: If a pilot is absent from initial qualification training for any of the reasons enumerated above, his one month period shall be extended by the number of days he is absent, and he shall be deemed to be a reserve pilot in his awarded position for the balance of the bid period in which his training is completed, subject to his selection as a call-down pilot in accordance with [Section 24 J.2.d.](#) However, if a pilot is absent from initial qualification ground school in excess of **four** days for any of the reasons enumerated above, his one month period shall start anew on the first day of the month following his last day of such absence.

NOTE 2: Unless a pilot receives an intervening permanent position award to a different category, his one month period in [Section 24 E.2.b.](#) → shall not be interrupted, restarted or otherwise affected by a subsequent award to the same category at the same base or a different base. Moreover, the “awarded position” in [Section 24 E.2.b.\(1\)](#) → will be his most recently awarded position.

NOTE 3: See [Section 4 F.](#) for the pay guarantee provisions.

E.2.c. A pilot who completes initial qualification training prior to the effective date of his permanent position award shall be deemed to be a reserve pilot in the category at the base of his awarded position until the effective date of the award. Such pilot shall not be voluntarily awarded or involuntarily assigned to any other temporary position. See [Section 25 A.6.](#) for schedule bidding by such pilot. See [Section 11 D.3.f.](#) for early completion of requalification training.

E.2.d. Permanent Position Awards to New Hire Pilots

E.2.d.(1) Prior to commencement of initial qualification training, each new hire pilot shall be awarded a future permanent position based on his EPL and relative seniority. This position will have an effective date for the month in which the APA award pursuant to Section 24 resulted in the permanent position vacancy this new hire pilot is being awarded. See [Section 24 E.2.d.\(5\)](#) → for assignment to permanent positions prior to this effective month.

E.2.d.(2) If a new hire pilot fails to have an EPL on file or his EPL reflects insufficient choices to accommodate his seniority, he shall be considered to be preferencing the highest-paying category (as in [Section 24 F.](#)) to which his seniority entitles him in the following ranking order of bases:

- MSP
- DTW**
- MEM**
- SEA**
- ANC**

- E.2.d.(3) A permanent position shall not be awarded to a new hire pilot unless the permanent position vacancy has first been made available for bid to all pilots eligible to participate in the normal position filling process set forth in this Section 24. A pilot is eligible to participate in a given APA award process if his date of hire is on or before the 5th of the month in which the APA award will be processed.
- E.2.d.(4) For any months in which a new hire pilot is not eligible to participate in the APA award process, the new hire pilot will be awarded in accordance with his EPL any vacancy in a different status or base within the category he was assigned pursuant to [Section 24 E.2.d.\(1\)](#) → before making such vacancy available to a more junior new hire pilot.
- E.2.d.(5) For any months prior to the effective date of the permanent position award made for a future month in [Section 24 E.2.d.\(1\)](#) →, the new hire pilot will be deemed to hold a MSP reserve permanent position in the same category as his future permanent position award. If the pilot completes initial qualification training prior to the effective date of his permanent position he will receive a temporary position award as specified in [Section 24 J.1.b.\(2\)](#).

EXAMPLE: The APA process for May permanent positions is completed in mid-January and there are 10 unfilled vacancies for the DTW DC9 FO Reserve position. Ten new hires starting February 25 are awarded these May positions and are deemed to hold MSP DC9 FO Reserve positions in March and April and are eligible to receive a temporary position to DTW DC9 FO Reserve in April. These pilots are not eligible to participate in the normal position filling APA process for June, which takes place in mid-February, since their hire date is after February 5. The June APA process results in unfilled vacancies as follows: 5 DTW DC9 FO Block; 5 MSP DC9 FO Reserve; and 10 DTW 727 SO Reserve. The February 25 new hires will be awarded any of the DTW DC9 FO Block or MSP DC9 FO Reserve positions in accordance with their EPLs and seniority before offering these positions to a junior new hire class. The February 25 new hires are not eligible for the 727 positions since they are in a different category. To the extent any awards are made, the resulting DTW DC9 FO Reserve vacancies will be made available to junior new hire classes. The February 25 new hires will be eligible to participate in the July APA award process since their hire date is prior to March 5 and are therefore eligible for 727 SO or any other vacancies in accordance with their EPL and seniority.

E.3. 24-Month Initial Qualification Training Freeze

- E.3.a. A pilot who has been awarded a permanent position (including an award made pursuant to [Section 24 G.](#)) which requires initial qualification training shall not, except as provided in [Section 24 E.3.b.](#) →, be eligible for an award to any other permanent position outside his current category, excluding an award made pursuant to [Section 24 G.](#), for a period of 24 months following the permanent

position preference listing closing date in the month of his award (e.g., the pilot's freeze starts on the July 5, 1999 closing date when the permanent position for November 1999 was awarded, and expires on July 4, 2001). Such pilot who is awarded a different permanent position in the same category shall carry with him the remainder of the freeze attending his prior award. A pilot will not be subject to the above freeze provisions until he is awarded his first permanent position in accordance with his EPL.

EXCEPTION 1: A pilot who is under an initial qualification training freeze and who has not previously completed training for a Captain permanent position award (except for a pilot who withdrew or has previously been withdrawn from training pursuant to [Section 11 J.](#)) shall nevertheless be eligible to be awarded a Captain permanent position. In such event, the balance of such pilot's existing initial qualification training freeze shall be added to the initial qualification training freeze resulting from the Captain permanent position award. A pilot who invokes this exception prior to completion of training for the non-Captain position for which he is under an initial qualification training freeze, shall not be subject to the benching provisions of [Section 24 E.2.b.](#) → or [Section 24 G.3.a.](#) → with respect to such non-Captain position.

EXCEPTION 2: A pilot who is under an initial qualification training freeze shall nevertheless be eligible to be awarded a permanent position if he is seeking to do a voluntary displacement pursuant to [Section 24 G.1.](#) →. Upon his return to the category from which he was voluntarily displaced, he shall be subject to the remainder of the freeze, if any (measured from its date of original inception) attendant to his prior award to such category.

EXCEPTION 3: A pilot who has been awarded a permanent position (excluding an award made pursuant to [Section 24 G.](#), [Section 24 G.1.](#) or [Section 24 H.3.](#)) which requires initial qualification training and which involves a change in permanent position from a certain category to another certain category, as specified below, shall have a 48-month training freeze. The category changes subject to this **EXCEPTION 3** are:

- (i) from widebody Captain to widebody Captain;
- (ii) from widebody First Officer to widebody First Officer;
- (iii) from A320 Captain to B757 Captain, or vice versa;
- (iv) from A320 First Officer to B757 First Officer, or vice versa;
- (v) from DC9 Captain to widebody First Officer;
- (vi) from a regular pilot permanent position in a higher-paying category to a permanent position in a lower-paying category (see [Section 24 F.](#) for the Order of Higher-Paying Categories).

NOTE 1: For purposes of this **EXCEPTION 3**, “widebody” means (i) a passenger aircraft with two passenger aisles, and (ii) an aircraft in an all-cargo configuration that, if in a passenger configuration, would have two passenger aisles.

NOTE 2: See Letter of Agreement 2006-13 regarding training freezes associated with SJ 77–110 Seat Aircraft.

E.3.b. A pilot who has been awarded a permanent position pursuant to [Section 24 G.](#) shall be awarded a subsequent permanent position in the category and base from which he was displaced, provided that such permanent position is a superior choice on his EPL to his current permanent position, and the pilot is senior enough to be awarded such permanent position. Upon his return to the category from which he was involuntarily displaced, he shall be subject to the remainder of the freeze, if any, (measured from its date of original inception) attendant to his prior award to such category.

E.4. 6-Month Requalification Training Freeze

E.4.a. A pilot who has been awarded a permanent position (including an award made pursuant to [Section 24 G.](#)) which requires requalification training shall not, except as provided in [Section 24 E.4.b.](#) →, be eligible for an award to any other permanent position outside his current category, excluding an award made pursuant to [Section 24 G.](#), for a period of **six** months following the permanent position preference listing closing date in the month of his award (e.g., the pilot's freeze starts on the July 5, 1999 closing date when the permanent position for November was awarded, and expires on January 4, 2000). Such pilot who is awarded a different permanent position in the same category shall carry with him the remainder of the freeze attending his prior award.

EXCEPTION 1: A pilot who is under a requalification training freeze and who has not previously completed training for a Captain permanent position award (except for a pilot who withdrew or has previously been withdrawn from training pursuant to [Section 11 J.](#)) shall nevertheless be eligible to be awarded a Captain permanent position. In such event, the balance of such pilot's existing requalification training freeze shall be added to the initial qualification training freeze resulting from the Captain permanent position award. A pilot who invokes this exception prior to completion of training for the non-Captain position for which he is under a requalification training freeze, shall not be subject to the benching provisions of [Section 24 E.2.b.](#) → or [Section 24 G.3.a.](#) → with respect to such non-Captain position.

EXCEPTION 2: A pilot who is under a requalification training freeze shall nevertheless be eligible to be awarded a permanent position if he is seeking to do a voluntary displacement pursuant to [Section 24 G.1.](#) →. Upon his return to the category from which he was voluntarily displaced, he shall be subject to the remainder of the freeze, if any (measured from its date of original inception) attendant to his prior award to such category.

EXCEPTION 3: A pilot who has been awarded a permanent position (excluding an award made pursuant to [Section 24 G.](#) or [Section 24 H.3.](#)) which requires requalification training and is to a lower paying permanent

position than his current permanent position shall incur a 12-month training freeze in such new permanent position.

- E.4.b. A pilot who has been awarded a permanent position pursuant to [Section 24 G.](#) shall be awarded a subsequent permanent position in the category and base from which he was displaced, provided that such permanent position is a superior choice on his EPL to his current permanent position, and the pilot is senior enough to be awarded such permanent position. Upon his return to the category from which he was involuntarily displaced, he shall be subject to the remainder of the freeze, if any, (measured from its date of original inception) attendant to his prior award to such category.
- E.4.c. A pilot shall not be frozen under this subparagraph E.4. if the requalification training consisted solely of one or more of the following: satisfaction of Recency of Experience Requirements, SVT, a proficiency check (with or without a warm-up) or route qualification.
- E.5. The training freeze language of [Section 24 E.3.](#) and [Section 24 E.4.](#) will be applied to the category of International Relief Captain (IRC) as follows: IRC candidates who were previously initially qualified in both the 747 Captain and 747 Second Officer categories shall be subject to the 6-month requalification training freeze of [Section 24 E.4.](#) regardless of the number of years which have passed since such previous initial qualification training; IRC candidates who were not previously initially qualified in both the 747 Captain and 747 Second Officer categories shall be subject to the 24-month initial qualification training freeze of [Section 24 E.3.](#)
- E.6. Any out-of-seniority training afforded to a pilot while serving in, or preparing to serve in, a capacity such as instructor pilot, check airman, OE instructor, ferry pilot, special project pilot or supervisory pilot (or any other training which is not contractually specified) will result in the appropriate contractual freeze for that pilot, commencing on the permanent position preference listing closing date for the corresponding position award.
- E.7. **12-Month Paid Move Freeze**
- A pilot who receives a paid move pursuant to [Section 6 A.](#) (including a transfer attendant to an award made pursuant to [Section 24 G.](#)) shall not be eligible for an award to any other permanent position, except (i) an award to any position in the same base, or (ii) an award made pursuant to [Section 24 G.](#) or (iii) an award from an IRC position to a 747 Captain position in the same base, for a period of 12 months following the permanent position preference listing closing date for the month of his award attendant to the paid move.

EXCEPTION: A pilot who is under a paid move freeze and who has not previously completed training for a Captain permanent position award (except for a pilot who withdrew or has previously been withdrawn from training pursuant to [Section 11 J.](#)) shall nevertheless be eligible to be awarded a Captain permanent position. Such pilot

- shall not be eligible for a paid move entitlement as a result of a permanent position award made pursuant to this Exception. The pilot's pre-existing paid move freeze shall continue to run concurrently with but shall not be added to the initial qualification training freeze resulting from the Captain permanent position award.
- E.8. Except in the case of a pilot's unavailability for initial qualification training (see [Section 24 E.2.b.](#)), he shall commence receiving the appropriate rate of pay for his new permanent position no later than the effective date of the corresponding position award.
- E.9. Except as provided in [Section 11 J.](#), a pilot who is not qualified for a position because he previously failed to qualify for the category of the position shall not be eligible for the award of the vacancy.
- E.10. When permanent position vacancies are being filled, they will be awarded first, in seniority order, to pilots who have been involuntarily displaced from a position in that category at that base pursuant to [Section 24 G.](#) and who are preferencing such position as a superior choice than their current permanent position. Thereafter, they will be awarded in seniority order to pilots who are preferencing such position on their EPL.
- NOTE: A pilot displaced from a regular position who has also preferenced the reserve position in the same category at the same base on his EPL, but was not senior enough to be awarded such reserve position at the time of his displacement, shall also have return rights to the reserve position.
- E.11. The Company may allow a pilot who is not otherwise eligible for an award of a position to be awarded a position in accordance with his seniority if it deems it to be in its best interest.
- E.12. A pilot shall not be awarded a Second Officer position or an International Relief Captain position until he has successfully completed the written portion of the FAA flight engineer examination and his system seniority is sufficient to be awarded such position, provided that this provision shall not preclude the award of a Second Officer position, or an International Relief Captain position to a pilot who was hired at a time when the FAA flight engineer examination was not required of new pilot employees.
- E.13. A current listing of all pilots' permanent positions shall be posted electronically and made available by Company computer terminal and remote access and shall be posted by paper at each pilot base. Any changes from the previous list shall be indicated.
- E.14. Insufficient bidders - In the event of insufficient bidders for a permanent position, the position shall be filled as follows:
- E.14.a. If the position is for a Captain or IRC, by assigning the most junior pilot on the system with required minimum FAR qualifications.

E.14.b. If the position is for other than a Captain or IRC, by assigning the most junior pilot on the system.

F. Order of Higher Paying Categories

It is agreed that the following list represents the order of higher paying categories in descending order:

B-747-400 Captain
 B-747 Captain
 B-747 International Relief Captain
B787 Captain
A350 Captain
 A330-200/300 Captain
 DC-10 Captain
 B-757 Captain
 A320 Captain
 DC-9 Captain
 B-747-400 First Officer
SJ 101–110 Seat Captain
 B-747 First Officer
B787 First Officer
A350 First Officer
 A330-200/300 First Officer
 DC-10 First Officer
EMB195 Captain
 B-747 Second Officer
SJ 77–100 Seat Captain
 B-757 First Officer
 DC-10 Second Officer
 A320 First Officer
 DC-9 First Officer
SJ 101–110 Seat First Officer
EMB 195 First Officer
SJ 77–100 Seat First Officer

G. Displacement From Permanent Positions

G.1. Pilots will be involuntarily displaced in the reverse order of their system seniority. Effective with the notice (provided for in [Section 24 D.5](#). →) of elimination of all categories in an aircraft type at a base (i.e. a “base closure”), pilots shall be permitted to exercise their seniority rights for a voluntary displacement to a different permanent position, notwithstanding the existence of a [Section 24 E.3](#). Initial Qualification Training Freeze, or a [Section 24 E.4](#). Requalification Training Freeze, or a [Section 24 E.7](#). paid move freeze. The Company shall provide an electronic means for pilots to express their preference to be so voluntarily displaced. Voluntary displacement preferences on file with the Company as of 1700 local MSP time on the 5th calendar

- day of any month shall be effective for permanent position awards made for the 4th ensuing month (see [Section 24 C.2.a.](#)). In the event of a base closure (as defined above), effective voluntary displacement preferences will be honored prior to involuntary displacements.
- G.2. An involuntarily displaced pilot and a pilot voluntarily displaced as a result of a base closure as provided in [Section 24 G.1.](#) → may displace a more junior pilot in any position. See [Section 24 E.10.](#) regarding awarding of permanent position vacancies to involuntarily displaced pilots and to pilots voluntarily displaced as a result of a base closure as provided in [Section 24 G.1.](#) →.
- G.3. Except as provided in [Section 24 G.3.b.](#) →, when an award is made requiring initial qualification training, the pilot shall commence flying in such category upon completion of training.
- G.3.a. However, a pilot who has not completed initial qualification training for a position within one month after the effective date of the award, for a reason other than the unavailability of the pilot (including his unavailability because he does not hold the required FAA medical certificate or because he has not successfully completed the written portion of the FAA flight engineer examination or the written portion of the FAA air transport rating examination), or act of nature, or withdrawal of an aircraft type from service or work stoppage directly affecting training or other circumstance agreed to between the Vice President of Flight Operations and the MEC Chairman as being beyond the Company's control:
- G.3.a.(1) Shall not fly in any other position as a temporary or call-out/down pilot until his initial qualification training is completed. If the first day of the second month falls during a pilot's trip hour period, he will not be assigned to the awarded position until completion of his trip and will not be rescheduled to return to his base later than originally scheduled.
- G.3.a.(2) Shall be deemed to be a reserve pilot in his awarded position for the balance of the bid period in which his training is completed and all other remaining months before the effective date of the award subject to his selection as a call-down pilot in accordance with [Section 24 J.2.b.](#) and [Section 24 J.3.](#)
- G.3.a.(3) However, [Section 11 D.1.](#) and [Section 11 D.2.](#) and [Section 24 E.8.](#) notwithstanding, a pilot who has not completed initial qualification training for a lower-paying position as of the effective date of the award shall be paid as set forth herein. A pilot who is assigned to a temporary position in his prior permanent position shall be paid on the basis of that higher-paying temporary position.
- NOTE: See [Section 24 J.1.a.](#) for the pilot's temporary position assignment while awaiting training.
- G.3.b. A pilot who completes training prior to the effective date of his permanent position award shall be deemed to be a reserve pilot in the category at the base of

his awarded position until the effective date of the award. Such pilot shall be paid for all pay time at the rate of his prior permanent position or his new permanent position, whichever is greater. Such pilot shall not be voluntarily awarded or involuntarily assigned to any other temporary position. See [Section 25 A.6.](#) for schedule bidding by such pilot.

NOTE 1: If, during the one month period, a pilot is absent from initial qualification training for any of the reasons enumerated above, his one month period shall be extended by the number of days he is absent, and he shall be deemed to be a reserve pilot in his awarded position for the balance of the bid period in which his training is completed. However, during the one month period a pilot who is absent from initial qualification ground school in excess of **four** days for any of the reasons enumerated above, shall have his one month period start anew on the first day of the month following his last day of such absence.

NOTE 2: Unless a pilot receives an intervening permanent position award to a different category, his one month period in [Section 24 G.3.a.](#) and [Section 24 G.3.b.](#) → shall not be interrupted, restarted or otherwise affected by a subsequent award to the same category at the same base or a different base. Moreover, the “awarded position” in [Section 24 G.3.a.](#) and [Section 24 G.3.b.](#) → will be his most recently awarded position. A pilot displaced from his permanent position pursuant to [Section 24 G.](#) who is not initially qualified in such position, and who is again displaced prior to becoming initially qualified in such position, shall be deemed to have had his one month period in [Section 24 G.3.](#) commence on the effective date of his original permanent position award from which he was displaced.

NOTE 3: See [Section 4 F.](#) for the pay guarantee provisions.

G.4. In the event of a reduction in the number of pilots holding a permanent position, it is recognized that junior pilots who are on trips at the time of the reduction may complete their trip hour periods.

H. Assignment of Foreign Bases

The initial assignment to each foreign base shall require a 24-month term of service commencing on the permanent position preference listing closing date in the month of the pilot’s award (e.g. the pilot’s term of service starts on the July 5, 1999 closing date when the permanent position for November 1999 was awarded, and expires on July 4, 2001). Notwithstanding other provisions of this section, the following shall apply to foreign base assignments:

H.1. All vacancies at foreign bases will be filled by system bidding as provided in this section. Foreign base pilots who have not completed their initial 24-month term of service shall not be eligible for positions at any other base on the system, except that such pilots may bid vacancies in the same category or in a higher paying category (as in [Section 24 F.](#)) at their foreign base. Nothing herein shall prevent the Company from allowing a pilot to preference and be awarded another base.

H.2. Pilots' Rights following Completion of a Term of Service

H.2.a. Upon completion of his initial 24-month term of service at a foreign base, a pilot may, within a period of **three** months thereafter, exercise his seniority rights for a permanent position at any base at Company expense and shall be awarded such position but such pilot shall not displace a pilot at any foreign base. After such **three** months, he may exercise his normal seniority rights for any bulletined permanent position vacancy.

H.2.b. With respect to [Section 24 H.2.a.](#) →, the following shall apply:

H.2.b.(1) The Company shall provide a form (electronic, when available) to be used by the pilot to exercise this right to change permanent positions. On this form the pilot will indicate which of the **three** months he desires to exercise this right. This form must be filed no later than the deadline for submitting EPLs pursuant to [Section 24 E.2.a.](#) →, in the month in which his initial term of service expires (e.g. a pilot's term of service starts on July 5, 1999, the closing date when the permanent position for November 1999 was awarded, and expires on July 4, 2001. The pilot's form must be submitted by 1700 local MSP time on July 5, 2001.)

H.2.b.(2) This right to change permanent positions shall only be available if the pilot then holds a permanent position in the foreign base.

H.2.b.(3) The filing of the card referenced in [Section 24 H.2.b.\(1\)](#) → shall, during the 3-month period, nullify any voluntary reduction in force election the pilot has on file.

H.2.b.(4) If the pilot selects the second or third month of the three month window as his designated month to change permanent positions, the Company shall not award the pilot a new permanent position under [Section 24 E.](#) for a month within the **three** month window which is earlier than his designated month.

H.2.b.(5) A pilot who exercises the right provided in [Section 24 H.2.](#) to change permanent positions shall not have a [Section 24 E.10.](#) priority right to return to the permanent position in the foreign base.

H.3. Voluntary Displacement

H.3.a. In the event of a reduction in force at a foreign base, seniority among the pilots who are in their initial assignment (their first 24 months of service) at the base shall govern the pilots' return to the domestic system by means of voluntary displacement. Such pilots shall exercise their seniority rights for a voluntary displacement to a permanent position at a domestic base. In the event that no requests are received, reduction shall be made in accordance with [Section 24 H.4.](#) →.

- H.3.b. The Company shall supply a form (electronic, when available) for pilots at a foreign base to express their desire to elect to return in seniority order to a domestic base in the event of a reduction in force. This form shall continue in effect thereafter until the effective date of the filing of a subsequent form which cancels this election.
- H.3.c. A pilot who elects (in seniority order) to return to a domestic base due to a reduction in force shall not have [Section 24 E.10.](#) rights to return to that foreign base, and shall be deemed to have completed his initial term of service.
- H.3.d. The term “reduction in force” shall, for purposes of [Section 24 H.3.](#) and [Section 24 H.4.](#), mean a net reduction in the number of permanent positions in the foreign base (e.g., a net reduction in the number of NRT 747 Captain reserves, or MNL 747 First Officer regulars) and a resulting need to displace a pilot from that permanent position.
- H.3.e. Neither a displacement into a foreign base or a quota adjustment shall be considered to be a reduction in force unless there is a net reduction in the number of permanent positions and a resulting need to displace a pilot from that permanent position.
- H.4. Involuntary Displacement For Any Reason
- H.4.a. Pilots holding a permanent position at a foreign base who are involuntarily displaced in reverse seniority order for any reason may, in turn, exercise their [Section 24 G.](#) displacement rights to displace a more junior pilot in any position at any base.
- H.4.b. A pilot holding a permanent position at a foreign base who is involuntarily displaced shall have the normal [Section 24 E.10.](#) rights to return to such permanent position at the foreign base.
- H.4.c. A pilot who is involuntarily displaced and who subsequently returns to that base in any permanent position shall serve the remainder of his 24-month initial term of service, if any.
- H.5. A pilot will have completed his 24-month initial term of service if:
- H.5.a. A total of 24 months have been served in a permanent position at that specific foreign base (need not be consecutive months), with such service to include the period between the closing date of EPLs in the month in which the award was made, and the effective date of the award.
- H.5.b. A pilot was displaced and subsequently gave up his [Section 24 E.10.](#) rights back to that foreign base by removing that choice as a higher preference from his EPL.
- H.5.c. A pilot voluntarily bid out of the foreign base due to a reduction in force.

- H.5.d. A pilot exercises his [Section 24 E.10.](#) rights to leave the foreign base.
- H.5.e. A pilot bids for and otherwise would be awarded a vacancy in a permanent position in his current category at a different base, provided that (i) the pilot had been displaced to the permanent position in the foreign base that was in the same category as the permanent position he had been displaced from, and (ii) the pilot did not receive a Company-paid move to the foreign base.
- EXAMPLE:** A pilot is displaced from 747-200 Captain Reserve in DTW to 747-200 Captain Regular in NRT. Six months later, a vacancy opens in LAX 747-200 Captain Reserve which the pilot is bidding ahead of his current NRT position and he is the next pilot in seniority → order to receive the award. The pilot shall be awarded the position in LAX.
- H.6. Except as provided in [Section 24 H.1.](#), [Section 24 H.3.](#) and [Section 24 H.4.](#) →, or [Section 24 J.1.a.](#) or [Section 24 J.1.b.](#), during his initial 24-month term of service at a foreign base a pilot cannot be awarded or assigned to a permanent position or to a temporary position at any other base.
- H.7. Sunset of ANC and HNL Foreign Base Rights
- H.7.a. The sunset date for the purposes of this provision will be defined as the first day of the sixth bid period following the bid period that contains the date of signing of this Agreement.
- H.7.b. The following ANC and HNL pilots are considered to be assigned to a foreign base for purposes of [Section 24 H.](#) of the Agreement:
- H.7.b.(1) A pilot who holds a permanent position in either ANC or HNL for any bid period from the date of signing of this Agreement up to and including the sunset date.
- H.7.b.(2) A pilot displaced from a permanent position in ANC or HNL and whose rights under [Section 24 H.2.](#) have not expired and who is subsequently returned to such position on or before the sunset date.
- H.7.c. Any pilot included under [Section 24 H.7.b.](#) will be considered to be assigned to a foreign base until:
- H.7.c.(1) awarded a permanent position in a different base, or
- H.7.c.(2) until the expiration of the pilot's rights under [Section 24 H.2.](#), whichever occurs first.
- H.7.d. Any pilot who is awarded a permanent position in ANC or HNL after the sunset date under [Section 24 E.10.](#) or [Section 24 G.](#) will not be considered to be assigned to a foreign base.

I. Mutual Transfers

Pilots shall not be permitted to trade positions.

J. Awarding of Temporary Positions and Call-Out/Down Assignments

J.1. Temporary Positions

J.1.a. Pilots Awaiting Training

A pilot holding a permanent position who is unable to fly in that permanent position because of lack of his initial qualification, shall automatically and without regard to seniority or whether or not a temporary vacancy exists, be awarded the same temporary position as his last permanent position in which he is initially qualified, except that, if the pilot was involuntarily displaced from a regular permanent position he shall be assigned as a temporary pilot in the reserve position in the same category and base as his last permanent position. In the event such pilot's last permanent position no longer exists, he shall be awarded a temporary position in the same category at another base in accordance with his Temporary Position Preference Listing. If the pilot does not have a Temporary Preference Listing on file, he shall be assigned a temporary position in the same category at another base to be determined by the Company.

EXCEPTION: A pilot who, after the effective date of his permanent position award, is scheduled to be in training for the entire bid period or is scheduled to complete simulator training in that bid period, or who is anticipated to be initially qualified (excluding differences training and IOE) between 0001 of the 25th of the prior bid period and the end of the prior bid period (see [Section 25 A.6.a.](#)), shall be assigned as a reserve pilot in the category and at the base of his new permanent position for that month. Such pilot shall be counted for purposes of the staffing formula only if his new permanent position is as a reserve; otherwise he shall be considered to be an extra temporary pilot. With respect to training pay, the pilot shall receive pay as if he had not been assigned pursuant to this Exception to the reserve position (See [Section 24 G.3.a.](#)). If his new permanent position is a regular position and the pilot is away from his permanent residence, the pilot shall receive lodging and expenses while assigned as a reserve pilot.

J.1.b. Pilots Who Complete Training In Advance Of The Effective Date Of Their Permanent Position Awards

J.1.b.(1) Pilots who have been awarded permanent positions in a category at a base, and who complete training in time to be eligible to bid schedules in that position for any month prior to the effective date of their awards (see [Section 25 A.6.a.](#)), shall bid among themselves in seniority order as the bottom seniority reserve pilots in such category at such base. Prior to the effective date of their respective awards, such pilots are not eligible to be awarded or assigned to any other temporary positions.

J.1.b.(2) Pilots who have been awarded permanent positions in a category at a base, and who complete training but not in time to be eligible to bid schedules in that position for any month prior to the effective date of their awards (see [Section 25 A.6.a.](#)), shall fly as reserve pilots in such category at such base. See [Section 25 C.8.k.](#) regarding assignment of reserve duty days.

NOTE: A pilot who has been awarded a regular position for which he has completed training in advance of the effective date of such position, and who serves as a reserve pilot while away from his residence pursuant to [Section 24 J.1.b.\(1\)](#) or [Section 24 J.1.b.\(2\)](#) →, shall be provided, upon request, Company-paid lodging pursuant to [Section 5 A.1.d.](#)

J.1.c. Filling of Other Temporary Positions

Temporary positions that have not been filled under [Section 24 J.1.a.](#) or [Section 24 J.1.b.](#) shall be awarded to available line pilots who are initially qualified in the category of need (available qualified pilots) in the following order:

J.1.c.(1) Step One—In-Base Solution

J.1.c.(1)(a) All vacancies, if any, in positions in a category at a base shall be identified.

J.1.c.(1)(b) All excesses, if any, in positions in a category at a base shall be identified. For purposes of this subparagraph J.1.c.(1) and [Section 24 J.1.c.\(2\)](#) and [Section 24 J.1.c.\(3\)](#) →, “excess” means that after a temporary position award is made from such position, there is no resultant need to backfill to achieve the staffing formula minimum provided for in [Section 24 B.](#) →.

J.1.c.(1)(c) If there are sufficient bidders from the position of excess in a category at a base to fill all vacancies in the position of need in such category at the base, voluntary temporary position awards will be made in seniority order and this solution will be deemed completed within base.

NOTE: Should a preliminarily-awarded voluntary temporary position bidder(s) in-base later be identified as the successful bidder(s) for an out-of-base voluntary temporary position(s) pursuant to Step Two ([Section 24 J.1.c.\(2\)](#) →), the in-base solution step will be re-worked, removing such pilot(s) from the process. If in the Step One reworking, it is determined that sufficient in-base excesses no longer exist, or that there are not sufficient pilots in the position of excess preferencing the position of need in sufficient numbers to solve all deficits, the entire in-base solution will be discarded and those vacancies included in the pool to be awarded in Step Two below.

J.1.c.(2) Step Two—In-Base and Other-Base Solution

- J.1.c.(2)(a) All temporary vacancies at all positions at all bases within the category of need which remain open after the conclusion of Step One ([Section 24 J.1.c.\(1\)](#) →), if any, will be identified.
- J.1.c.(2)(b) All regular temporary vacancies in [Section 24 J.1.c.\(2\)\(a\)](#) → will be identified.
- J.1.c.(2)(c) A number of reserve pilots at a base of regular pilot temporary need (to the extent there are sufficient voluntary temporary bidders) equivalent to the number of vacancies identified in [Section 24 J.1.c.\(2\)\(b\)](#) → will be identified. These pilots will be eligible for regular voluntary temporary positions within the base of their permanent position without regard to whether an excess exists in their position at their base, provided that such pilot(s) may be backfilled by another bidder from within the category of need. However, for the application of this Step Two (this subparagraph J.1.c.(2)), such in-base bidders have no in-base priority to the position preferred.
- J.1.c.(2)(d) Additionally, all excesses which were not utilized under Step One ([Section 24 J.1.c.\(1\)](#) →) will be identified in all positions at all bases within the category. An equivalent amount of pilots in each position of excess within the category will be eligible to be awarded any remaining in-category voluntary positions.
- J.1.c.(2)(e) All pilots identified in [Section 24 J.1.c.\(2\)\(c\)](#) and [Section 24 J.1.c.\(2\)\(d\)](#) → will be pooled and awarded voluntary temporary positions within the category in accordance with their seniority and preference listings.

NOTE regarding Steps One and Two ([Section 24 J.1.c.\(1\)](#) and [Section 24 J.1.c.\(2\)](#) →): Pilots holding IRC permanent positions are eligible to submit preference listings for voluntary temporary positions as 747 Captains. Such pilots' voluntary temporary preference listings for 747 Captain positions shall be honored, in seniority order among such IRCs, after all other voluntary temporary awards from all 747 Captain positions have been made, and only if no deficit in an IRC position is thereby created. See [Section 24 J.1.c.\(3\)\(f\)](#) → regarding IRCs and involuntary temporary positions.

- J.1.c.(3) Step Three—Involuntary Temporary Positions
- J.1.c.(3)(a) After completion of Steps One and Two ([Section 24 J.1.c.\(1\)](#) and [Section 24 J.1.c.\(2\)](#) →) all regular temporary vacancies remaining at all bases within the category of need shall be identified.
- J.1.c.(3)(b) To the extent excesses in the reserve position at a base exist, eligible reserve pilots in that base will be assigned to regular temporary positions at such base, in reverse seniority order.

- J.1.c.(3)(c) For purposes of this subparagraph J.1.c.(3), “eligible reserve pilots” are the junior-most 20% of the available reserve pilots in the category at the base in question for the flying month in question. In making this calculation, 0.5 and above will be rounded up and less than 0.5 will be rounded down.
- J.1.c.(3)(d) For purposes of this [Section 24 J.1.c.](#):
- J.1.c.(3)(d)1' The term “available” means the pilot is free of known unavailability for 50% or more of the days of the bid period.
- J.1.c.(3)(d)2' Training (other than initial qualification or requalification in a different permanent position), proficiency checks and reserve days off in the temporary position shall not constitute unavailability.
- J.1.c.(3)(e) See [Section 4 A.3.b.](#) regarding pay guarantee for an involuntary temporary pilot.
- J.1.c.(3)(f) No pilot holding a permanent position as an IRC shall be assigned to an involuntary temporary position as a 747 Captain, First Officer or Second Officer.
- J.1.c.(3)(g) No pilot shall be assigned as an involuntary temporary pilot unless the variable monthly maximum is at **the 88-hour maximum, or the allowable scheduled monthly maximum of up to 90 hours if the Company has exercised its flex option for the month under [Section 12 I.](#)**, at the final staffing point for the position to which he is being assigned as a temporary.
- J.2. Call-Out and Call-Down
- J.2.a. Within-Category Call-Out of Regular Pilots for Identifiable Open Trip Coverage
- J.2.a.(1) When it is determined that a call-out pilot is needed to cover an identifiable open trip scheduled to operate on the current or the ensuing calendar day, an available call-out pilot within-category under [Section 24 J.2.c.\(1\)](#) and [Section 24 J.2.c.\(2\)](#) shall be assigned in the sequence specified in [Section 30 E.1.](#) or [Section 30 E.2.](#)
- J.2.a.(2) Upon completion of such trip the pilot will be returned to his original bid schedule.
- J.2.a.(3) A voluntary call-out pilot who is returned to his original bid schedule, may be utilized as a call-out pilot again in that category as often as needed for the remainder of the bid period. For each call-out in that category, the pilot must be the proper pilot to be called out pursuant to [Section 24 J.2.c.](#)

- J.2.a.(4) An involuntary call-out pilot who is returned to his original bid schedule, may be utilized as an involuntary call-out pilot no more than one additional time in that same bid period. For such additional involuntary call-out assignment in that same bid period, the pilot must be the proper pilot to be called-out pursuant to [Section 24 J.2.c.\(2\)](#). A pilot shall not be involuntarily called out pursuant to [Section 24 J.2.c.\(2\)](#) more than **two** times in any year.
- J.2.a.(5) “Available” as used in [Section 24 J.2.a.\(1\)](#) → means:
- J.2.a.(5)(a) Able to be contacted by Crew Scheduling within one hour after the initial attempt at contacting the pilot is made, and
- NOTE: Crew Scheduling must attempt to contact a pilot who is in a trip hour period. Such pilot who is in a duty period will be deemed to have been contacted by Crew Scheduling if a radio message of his call-out assignment is sent to the flight deck of his aircraft. Such pilot who is on a layover will be deemed unavailable for call-out assignment if he is not able to be contacted by Crew Scheduling through his layover hotel switchboard within one hour after the initial attempt at contacting the pilot through such switchboard is made.
- J.2.a.(5)(b) Able to report for and fly the assigned trip at the required report time in compliance with FAR and contractual limitations, and
- J.2.a.(5)(c) Free of conflicts due to training, vacation or other known unavailability during or arising out of the trip hour period to be assigned. Furthermore, a pilot whose scheduled trip commences prior to the call-out trip and conflicts with the call-out trip, or commences on the same calendar day as the call-out trip, shall not be considered available for call-out assignment.
- J.2.b. Call-Down
- The Company may call a pilot down pursuant to [Section 24 J.3.](#) to fly in a lower paying category (as in [Section 24 F.](#)) only: (i) while in a trip hour period after departure from base and; (ii) only from Captain or IRC to fly as a First Officer, or from IRC to fly as a Second Officer; and (iii) only on the same aircraft type. A Captain or IRC called down to fly as a First Officer shall not be required to do so if, based on a self-assessment, the Captain would not be able to do so within his own safety comfort level. If a pilot is called down during a bid period under [Section 24 J.3.](#), he must be returned to his original bid schedule immediately after completing the trip in the lower paying category (as in [Section 24 F.](#)) or upon reaching a pilot base that has a reserve pilot available in that category to replace him on that trip, whichever comes first.
- J.2.c. Call-Out Assignments
- J.2.c.(1) A current volunteer call-out pilot list for each regular position, within base and other bases will be prepared and maintained by the Flight Operations

Department and shall be available for pilot review via Company computer terminals and remote access. In addition, a list of the bottom-most 10% (minimum of **five** and maximum of 10) pilots in each regular position as set forth on the published bid list will be prepared and posted for each bid period. A daily snapshot of these call-out lists shall be electronically recorded twice each calendar day, once at 0001 LBT, and prior to the commencement of the trip filling period in order to reflect the voluntary call-out list after any removals, changes or additions for the upcoming trip filling period, and second at 2359 LBT to record a complete list and time for each addition to the voluntary call-out since 0001 LBT that day. Electronic access to this snapshot shall be continuously available to pilots via Company computer and remote access and to ALPA.

- J.2.c.(2) When additional pilots are required in a given category during a bid period, such pilots shall be selected, when available, in the following order:
- J.2.c.(2)(a) Voluntary Call-Outs
- J.2.c.(2)(a)1' Available regular pilots from the appropriate call-out list within the base shall be offered the flying in seniority order and assigned the flying in reverse seniority order if necessary.
- J.2.c.(2)(a)2' Available regular pilots from the appropriate call-out list - Other base shall be offered the flying in seniority order and assigned the flying in reverse seniority order if necessary.
- J.2.c.(2)(b) Involuntary Call-Outs
- J.2.c.(2)(b)1' Available regular pilots at the base who are not on the appropriate call-out list within the base shall be assigned in reverse seniority order.
- J.2.c.(2)(b)2' Available regular pilots at another base who are not on the appropriate call-out list - Other base shall be assigned in reverse seniority order.
- J.2.c.(3) The Company shall assign pilots to call-out status in the order specified in [Section 24 J.2.c.](#), and in the sequence specified in [Section 24 J.2.c.\(1\)](#) and [Section 24 J.2.c.\(2\)](#), respectively except in the circumstances provided for below.

EXCEPTION 1: In the event that Crew Scheduling personnel are unable, due to a lack of time or other good reason, to assign pilots to call-out status in the proper sequence, the Company shall for pay purposes only, prior to the end of the next trip-filling period, identify retroactively, the highest listed pilot, first on the voluntary list and then on the involuntary list, who was not unavailable (as provided in [Section 24 J.2.a.\(5\)\(c\)](#) →) to fly the call-out trip at the time of assignment, even if such pilot is called out for another trip during the month. Such pilot shall receive call-out pay time, including premium pay, but not international pay, for the call-out trip assigned out of sequence pursuant to this exception.

EXCEPTION 2: In the event Crew Scheduling personnel are unable to assign a pilot to call-out status in the proper sequence because a pilot is needed to perform line flying in his bid position and cannot be replaced in that position due to a lack of reserve pilots in his bid category at his base, the Company shall, at the end of the bid period, identify retroactively, the highest listed pilot, first on the voluntary list and then on the involuntary list, who was not unavailable (as provided in [Section 24 J.2.a.\(5\)\(c\)](#) →) to fly the call-out trip at the time of assignment, even if such pilot is called out for another trip during the month. Such pilot shall receive call-out pay time, including premium pay, but not international pay, for the call-out trip assigned out of sequence pursuant to this exception.

NOTE 1: Except as provided herein below, no pilot shall receive more than 25 hours of call-out pay time as a result of being bypassed for a trip(s) under **EXCEPTION 1** and/or **EXCEPTION 2** above. Any premium pay owed pursuant to the Exceptions shall be paid in addition to any other compensation. Any pay time above 25 hours for the trip(s) involved in one or more call-out bypasses shall be paid to the next-listed pilot(s) who has not yet received 25 hours of such call-out pay until all pay time generated by the Exceptions has been paid. If all eligible pilots on the appropriate voluntary and involuntary call-out lists have been paid 25 hours of such call-out pay, any remaining pay time will be distributed equally to all pilots who received pay time pursuant to these Exceptions.

NOTE 2: The Company shall, within 5 days after completion of the bid period wherein either Exception is utilized, place in the electronic mailbox of any pilot who is to receive call-out bypass pay, notification of such utilization. This notification shall contain the date of its placement in the pilot's mailbox.

NOTE 3: In order to determine an accurate voluntary and involuntary call-out list for purposes of these Exceptions, the Company shall, at the time a pilot is bypassed pursuant to either Exception, electronically record both the voluntary and the involuntary call-out lists down to the point on such list the assignment is made. These lists shall be preserved electronically in order to facilitate payment to the proper pilot(s). Continuous electronic access to such lists shall be provided to ALPA.

J.2.c.(4) Prior to each call-out assignment, the voluntary and involuntary call-out lists for the affected category as it existed immediately prior to the assignment shall be archived electronically. ALPA shall be provided continuous electronic access to call-out lists on a read-only basis, with ability to print on ALPA printers.

J.2.d. Call-Down Assignments

The Company may, pursuant to [Section 24 J.2.b.](#), call down a pilot who is in a trip hour period and away from his base. The Company shall have the discretion, without regard to seniority, to select the pilot to be called down from amongst those pilots eligible to be called down.

J.3. Limitations on Call-Out/Down Trip Assignments

J.3.a. Voluntary Call-Out

A call-out trip shall not be assigned to a voluntary call-out pilot if it would cause the pilot to exceed the monthly maximum. However, a voluntary call-out pilot must accept a voluntary call-out assignment to the extent one or more of the following are available to the pilot: (i) [Section 25 B.](#) downward adjustment; (ii) [Section 12 B.1.i.](#) negative bank flyback; (iii) [Section 12 B.1.j.](#) HIT flying; (iv) combination of negative bank and HIT flying. If either a [Section 25 B.](#) adjustment, or the use of negative bank/HIT flying could be used, then the pilot may choose which method to use to avoid exceeding the monthly maximum.

J.3.b. Involuntary Call-Out and Call-Down

J.3.b.(1) A call-out trip shall not be assigned to an involuntary call-out pilot if it would cause the pilot to exceed the monthly maximum, unless a sufficient [Section 25 B.](#) adjustment can be made. If such a [Section 25 B.](#) adjustment can be made, then the pilot may choose whether to make such an adjustment or to invoke the modified monthly maximum for negative bank and/or HIT flying.

J.3.b.(2) A pilot shall not be called down if it would cause the pilot to exceed the monthly maximum, unless a sufficient [Section 25 B.](#) adjustment can be made. If such a [Section 25 B.](#) adjustment can be made, then the pilot may choose whether to make such an adjustment or to invoke the modified monthly maximum for negative bank and/or HIT flying.

J.3.b.(3) No Availability or Recovery Obligation for Call-Out or Call-Down Pilots

A pilot shall not have any availability or recovery obligation for any trip(s) lost as a result of a call-out or call-down assignment, including any trip(s) he was previously scheduled to fly in his position, and the call-out or call-down trip in the event it is cancelled or rescheduled. (See [Section 3 M.](#) and Section 4 J. for call-out pay provisions.)

K. Return from Military Leave

See [Section 13 D.6.](#)

L. Assignment To Training

L.1. Assignment To Initial Qualification Training

L.1.a. Assignment to initial qualification training shall be in the same order as permanent positions within a category are awarded without regard to base (see [Section 24 E.10.](#) →) except that, with in the following categories: A320 CA, A320 FO, A330 CA and A330 FO, pilots who are eligible for CCQ training shall be handled separately from other pilots in the same category who require the

traditional initial qualification training program and shall be assigned to CCQ training in the same manner as assignment to traditional initial qualification training. However, pilots higher in such order may defer to a later training slot assigned to a junior pilot on the same award (provided that such deferral does not result in additional vacation deferral for training for such senior pilot). See [Section 2 Q.](#) for eligibility requirements for assignment to CCQ training.

- L.1.b. Pilots displaced to lower-paying positions (as in [Section 24 F.](#) →) within a category shall be assigned to training in the order displaced without regard to base. However, pilots higher in such order may volunteer to be assigned to training ahead of junior pilots on the same award (provided that such volunteering does not result in additional vacation deferral for training for such senior pilot).
- L.1.c. Pilots displaced to higher-paying positions (as in [Section 24 F.](#) →) within a category shall be assigned to training in reverse order displaced without regard to base. However, pilots higher in such order may volunteer to be assigned to training behind junior pilots on the same award (provided that such volunteering does not result in additional vacation deferral for training for such senior pilot).
- L.2. Assignment To Requalification Training
 - L.2.a. Assignment to requalification training shall be handled separately from but in the same manner as initial qualification assignment to training as set forth in [Section 24 L.1.](#) →.
 - L.2.b. Requalification training shall start no earlier than one month prior to the effective date of the permanent position award in question, except that, requalification training can start earlier (at the approximate time necessary to complete the training by the position award's effective date) if the training footprint is longer than one month. There shall be no comparable limit on the start of initial qualification training except as provided in [Section 24 L.1.](#) →.
- L.3. Pilots may be required to defer vacation which conflicts with training, as provided in [Section 7 E.2.](#)

M. Continued Flying as a Second Officer Beyond Regulated Age

M.1. Definition

“Regulated Age” means the age at which Federal Aviation Regulations (currently 14 CFR 121.383(c)) do not permit a pilot to continue in the status of Captain or First Officer.

M.2. Notice of Intent and Receipt of EPL

A pilot who desires to fly as a Second Officer beyond the regulated age will be awarded a permanent second officer position provided that:

- M.2.a. At least 120 days prior to reaching the regulated age, he has filed with the Company a written notice of his intention to continue flying as a Second Officer beyond the regulated age, and
- M.2.b. At least 120 days prior to reaching the regulated age, the Company has received from him an EPL for a permanent Second Officer position; provided, however, the Company will not award him the Second Officer position nor train him for the Second Officer position prior to reaching the regulated age without his consent.
- M.3. Award
- M.3.a. A pilot who has met the requirements of [Section 24 M.2.](#) → will be eligible for an award to a permanent Second Officer vacancy.
- M.3.b. A pilot who has met the requirements of [Section 24 M.2.](#) → and who has not been awarded a Second Officer position prior to reaching the regulated age will thereupon be deemed to have exercised his seniority to displace the most junior second officer at any base in the Second Officer position choice that is superior on his EPL. The junior pilot who is displaced by operation of this subparagraph shall be deemed to have been involuntarily displaced.
- M.4. Training Pay
- M.4.a. A pilot entering training for a Second Officer position before he attains the regulated age will be paid for training based on his category at the time of entering such training assignment.
- M.4.b. A pilot entering training for a Second Officer position after he attains the regulated age will be paid for training based on the category for which he is being trained.
- M.5. Leave of Absence
- A pilot who has been awarded a permanent Second Officer position under [Section 24 M.3.](#) →, but who has failed to successfully complete the written portion of the FAA flight engineer examination by the time he has attained the regulated age, will be allowed to use his accumulated vacation credit based on the awarded Second Officer category. Such pilot who declines to use such vacation credit, or has exhausted it, will be placed on an unpaid personal leave of absence for a period not longer than one year from the date he attained the regulated age. Such pilot will be returned to service for training in his awarded Second Officer position, as soon as training periods become available following receipt by the Company of satisfactory evidence that he has successfully completed the written portion of the FAA flight engineer examination. If such pilot does not return to service within such one year period, he will be deemed to have voluntarily resigned from the Company.

M.6. Displacement Protection

- M.6.a. Any pilot displaced from a permanent position as a result of the return to that position of a pilot who is retired as of this date, or as a result of the continued employment of a pilot after his Normal Retirement Date, shall be considered to be an involuntarily displaced pilot whose displacement has been caused by a reduction in permanent positions. This paragraph shall likewise apply to a pilot whose displacement is part of the chain of displacements resulting from the original displacement described above.
- M.6.b. In the event a displaced pilot covered by [Section 24 M.6.a.](#) → is required to transfer from one base to another and is required to undergo training in a location other than the location of his residence, said pilot shall be entitled to expenses as described in Section 5 of this Agreement for the duration of the training regardless of whether the training occurs before or after the effective date of his new permanent position.

N. Position and Training Bypass

The Company may, in its discretion, offer to a pilot the option to bypass the award of a higher-paying position the pilot would otherwise be entitled to be awarded under the Agreement. If the pilot agrees to the offered bypass, then:

- N.1. The pilot shall retain or be returned to, as applicable, the permanent position he held at the time of the award to the permanent position for which he is being bypassed;**
- N.2. If the pilot is, at any time thereafter, not senior enough to retain the permanent position for which he was bypassed, he will be awarded the highest-ranked position he is senior enough to hold in accordance with his EPL;**
- N.3. The pilot shall not be trained in the position for which he is being bypassed;**
- N.4. The pilot shall receive pay at the hourly rate of pay for the position for which he is bypassed for all hours paid and credited in his current permanent position;**
- N.5. The pilot shall be deemed to have incurred the appropriate training freeze for the award of the position for which he was bypassed;**
- N.6. If the pilot thereafter voluntarily bids for or is displaced to a lower-paying position than the position for which he is bypassed, but higher-paying than his current permanent position, the Company may offer, and the pilot may accept, another bypass and if then bypassed, the methodology described above shall apply to calculate his rate of pay based on the new permanent position for which he is bypassed;**
- N.7. The pay rate for the pilot's bypassed position at the time of retirement shall be used to calculate any final payment such as vacation or bank.**

SECTION 25 SCHEDULING

A. Schedule Bidding

A.1. Posting Requirements

A.1.a. Patterns, a list of the minimum number of reserve days off which will be available for bidding purposes for each day of the bid period, and known month-end pattern changes (i.e., month-end transitions), will be posted by the Company electronically no later than 1800 MSP time on the 6th of the calendar month. Paper posting of such documents at each base, at AMS and at NRT shall take place no later than 1800 MSP time on the 8th of the calendar month. Concurrent with the paper posting of such documents at MSP, they will be posted at, at least, each of 20 on-line stations designated by ALPA. If an ATLAS computer and printer accessible to pilots are placed at one of these 20 on-line stations, then the requirement for paper posting at that station is waived.

A.1.b. A bid list will be posted by the Company electronically on ATLAS or its equivalent (and, until ATLAS is approved by ALPA, on CompuServe) and by Voice Response System no later than 1200 MSP time on the 6th of the calendar month. The bid list will also be posted by the Company at each base by paper no later than 0800 MSP time on the 8th of the calendar month. No later than the 6th of the calendar month the Company shall deliver the paper bid list to an express courier for the fastest available delivery to NRT and AMS. The paper bid lists shall be posted at the primary layover hotels in NRT and AMS as soon as possible after receipt from the express courier. An alternative delivery process may be used if it results in a more timely paper posting in NRT or AMS. The bid list shall include a deadline for submitting and revising bid preferences which shall be 0400 MSP time on the 12th of the calendar month. (See [Section 4 H.10.](#)) No change in the bid list shall be required to accommodate paid or unpaid leaves of absence which become known to the Company within **five** days prior to commencement of bidding, but may be made if deemed necessary by the Company.

A.2. The bid award process will commence at 0900 MSP time on the 12th of the calendar month, unless the 12th is a Sunday, in which case the bid award process will start no later than 0900 on the 13th. The bid award process will end no later than 0900 MSP time on the 15th of the calendar month for months where the period of the 12th through the 15th of the calendar month does not include a Sunday. The bid award process will end no later than 0900 MSP time on the 16th of the calendar month in months where the period of the 12th through the 15th of the calendar month includes a Sunday. A later deadline may be agreed to by the Company and ALPA. Schedules are to be bid by line pilots at each base monthly. Only regular pilots shall be allowed to bid for a regular schedule. Except as provided in [Section 25 A.4.](#) →, only Reserve Pilots will be allowed to bid for a reserve schedule. Reserve pilots shall construct

reserve schedules via computer bidding by making bid preferences for days off consistent with the requirements of [Section 25 C.1.](#)

A.3. All regular and reserve schedule awards shall be posted electronically and by paper at the bases and at NRT and AMS, and an individual pilot's schedule award shall be accessible via the Voice Response System. With respect to both electronic posting and paper posting at the bases, such posting shall be done for each position no later than the earlier of 0800 of the calendar day following the conclusion of bid awards for that position or the bid award process end time required in [Section 25 A.2.](#) (MSP time for electronic posting; local time for paper posting). At the conclusion of the schedule award process, the paper results shall be promptly delivered by the Company to an express courier for the fastest available delivery to NRT and AMS. Such paper results shall be posted at the primary layover hotels in NRT and AMS as soon as possible after receipt from the express courier. An alternative delivery process may be used if it results in a more timely paper posting in NRT or AMS.

A.4. Options For Regular Pilots With A Schedule Value Less Than The Regular Monthly Guarantee

A pilot who, at the end of the Schedule Completion Bid procedures, has a schedule value of less than the regular monthly guarantee (see [Section 4 A.1.](#)) shall participate in the Schedule Options Selection (SOS). The deadline for SOS is 1200 on the day immediately following the publication of the Schedule Completion Bid results, those dates being either the 26th or 27th of the calendar month. SOS results shall be posted no later than 1800 on the 26th and 1800 on the 27th of the calendar month, respectively. A pilot participating in SOS shall select one of the following options (in the event the pilot fails to make a selection by the deadline he shall be deemed to have selected [Section 25 A.4.b.\(2\)](#) →):

A.4.a. Bid a reserve schedule from the reserve schedules previously constructed by reserve pilots. The number of pilots who can be awarded each reserve schedule shall be the same as constructed under computer schedule bidding for reserve monthly bidding, provided that: (i) reserve schedules containing an unavailability shall not be eligible for bidding; and (ii) such pilots with any unavailability in the month shall construct reserve schedules pursuant to [Section 25 C.1.e.](#) →. Such bid must indicate the pilot's preferences for such reserve schedules and be submitted to the Crew Scheduling Office. The pilot shall, at the same time, indicate his high/low desire under [Section 25 C.5.](#) →. Reserve schedules will be awarded to such pilots in seniority order. All scheduled days off awarded pursuant to this subparagraph shall be inviolate. Nothing in this subparagraph shall prevent such pilot and Crew Scheduling from mutually agreeing to a reserve schedule which does not conform to the foregoing provisions.

A.4.b. Choose to retain his status as a regular pilot, but shall select one of the following options:

- A.4.b.(1) Receive the minimum monthly guarantee for a reserve pilot under [Section 4 A.2.](#), and shall be available for his required available days at base (see [Section 30 F.4.h.](#) and [Section 30 G.](#)); or
- A.4.b.(2) Receive the minimum monthly guarantee for a regular pilot under [Section 4 A.1.](#), and shall be available for his required available days (see [Section 30 F.4.h.](#) and [Section 30 G.](#)) as set forth below:
- A.4.b.(2)(a) Except as provided in [Section 25 A.4.b.\(2\)\(b\)](#) →, the pilot shall not be required to be at his base on his required available days. The pilot may serve such days at a location of his choice other than his base, provided that:
- A.4.b.(2)(a)1' such location makes him reasonably available for flight assignment,
- A.4.b.(2)(a)2' he shall leave a telephone contact number with the Crew Scheduling Office,
- A.4.b.(2)(a)3' he shall be available for telephone contact as set forth in [Section 30 F.4.h.](#) (0700-1500 hours local base time),
- A.4.b.(2)(a)4' if he is a domestic based pilot (other than pilots based **at a foreign base or based** in Alaska and Hawaii), he shall telephone the Crew Scheduling office between 0900 and 1100 MSP time on the day prior to any single required available day, or on the day prior to the start of any series of consecutive required available days, as applicable.
- EXCEPTION: If he is a domestic based pilot (other than pilots based **at a foreign base or** in Alaska and Hawaii) calling from **a location outside the 48 contiguous states and District of Columbia** and/or he resides in **a location outside the 48 contiguous states and District of Columbia**, he shall telephone the Crew Scheduling office between 1200 and 1400 MSP time **two** days prior to and on the day prior to any single required available day, or **two** days prior to and on the day prior to the start of any series of consecutive required available days, as applicable.
- A.4.b.(2)(a)5' if he is a foreign based pilot or a pilot based in Alaska or Hawaii who resides in **a location other than his base** and/or he is calling from a location other than **his base**, he shall telephone the Crew Scheduling office between 0900 and 1100 MSP time **two** days prior to and on the day prior to any single required available day, or **two** days prior to and on the day prior to the start of any series of consecutive required available days, as applicable. If **a pilot based at a foreign base or based** in Alaska or Hawaii → is calling from **his base** and/or he resides **in such foreign base**, Hawaii or Alaska, he shall telephone the Crew Scheduling office between 1200 and 1400 MSP time **two** days prior to and on the day prior to any single required available day, or

two days prior to and on the day prior to the start of any series of consecutive required available days, as applicable.

A.4.b.(2)(b) Required Available Pilot Responsibility to Stand Available at Base

A.4.b.(2)(b)1' If reserve coverage is reduced to zero for any day(s) of such pilot's required available obligation, such pilot will be required to report to and stand available at his base for such day(s).

A.4.b.(2)(b)2' When such available pilots (as in [Section 25 A.4.b.\(2\) ↗](#)) are unable to accept a trip assignment because of insufficient time to report for the trip, and the trip assignment is then made to a reserve pilot, such available pilot will be required to report to and stand available at his base for the duration of his available obligation.

EXCEPTION: With respect to a pilot who has made the election under [Section 25 A.4.b.\(2\) ↗](#), if less than 30% of available reserves on-call on the day such trip is scheduled to depart are allocated to protect that day's known open flying, then such available pilot may continue to serve his available obligation at the location of his choice; provided, however, if at any time such percentage is 30% or more on subsequent available days when the trip was scheduled to operate, then such available pilot may be required to report to and stand available at his base commencing on the day such percentage is 30% or more and for the duration of the available obligation. If, after the pilot reports to his base, such percentage is below 30% for such available day(s), the pilot shall, upon request, be released from such obligation to stand available at his base on that day(s) the percentage is below 30%.

A.4.c. The parties agree that the applicability of [Section 25 A.4.b.\(2\) ↗](#) to a foreign base shall be determined pursuant to the process established in [Section 3 A.4.](#) of the Agreement.

A.5. Options for a Regular Pilot (Who Has Not Bid a Regular Schedule for The Effective Month of His Award or Thereafter) Upon Completion of Training or the Scheduled Training Guarantee, Whichever is Later

The following options shall be provided to pilots holding a regular permanent position who, for either the month in which they complete initial qualification or requalification training or the ensuing month, were not permitted to bid a regular schedule in such permanent position:

A.5.a. regular pilot status, with required availability, if any, pursuant to [Section 30 F.4.h.](#); or

A.5.b. reserve pilot status (see [Section 4 A.2.](#), [Section 24 J.1.b.\(2\)](#) and [Section 25 C.8.k.](#)).

The option shall be exercised no later than commencement of the trip filling period immediately following the completion of OE training. Crew Scheduling shall process the pilot's schedule adjustment request no earlier than the trip filling period following the pilot's completion of OE. If no option is selected, the default position will be reserve status. The option selected shall be effective at the commencement of the trip filling period following completion of OE training, or the end of any recovery period under [Section 11 D.3.](#), whichever is later.

NOTE: See [Section 30 F.1.c.](#) for pilots who were not permitted to bid a regular schedule but who finish simulator training prior to Schedule Completion Bid.

A.6. Schedules in a position shall be bid by pilots:

- A.6.a. who are initially qualified at the time of preparation of the bid list, or who are anticipated to be initially qualified (excluding differences training and OE) by 0001 of the 25th day of the calendar month preceding the bid period, or, with respect to reserve positions, who are covered by the Exception in [Section 24 J.1.a.](#), and
- A.6.b. who are not anticipated to be unavailable for line flying for the entire bid period, and
- A.6.c. who, if they are returning to flight duty from a period of Extended Illness or Injury, as defined in [Section 2 AA.](#), hold a currently valid medical certificate as of the time of preparation of the bid list.

NOTE: For the pilot who is anticipated to be initially qualified (excluding differences training and OE) after 0001 on the 25th day of the calendar month of the preceding bid period, see [Section 24 E.2.c.](#) and the Exception in [Section 24 J.1.a.](#)

A.7. Pilots bidding in a position may include:

- A.7.a. Permanent position holders, and
- A.7.b. Temporary position holders (see [Section 24 J.](#)).

A.8. Order of Schedule Bidding and Awarding

- A.8.a. Bidding and awarding of schedules in each position shall be done in the following order:
 - A.8.a.(1) The following pilots shall bid in seniority order among themselves:
 - A.8.a.(1)(a) Permanent position holders pursuant to [Section 24 A.1.](#); and
 - A.8.a.(1)(b) Temporary position holders pursuant to [Section 24 J.1.a.](#) who have not been involuntarily displaced; and

- A.8.a.(1)(c) Involuntary temporary position holders pursuant to [Section 24 J.1.c.\(3\)](#);
- A.8.a.(2) Thereafter, the following pilots shall bid in seniority order among themselves: Voluntary temporary pilots pursuant to [Section 24 J.1.c.\(1\)](#) and [Section 24 J.1.c.\(2\)](#);
- A.8.a.(3) Thereafter, the following pilots shall bid in seniority order among themselves:
- A.8.a.(3)(a) Pilots who have completed training in advance of the effective date of their permanent position award pursuant to [Section 24 J.1.b.](#); and
- A.8.a.(3)(b) Involuntary temporary position holders pursuant to [Section 24 J.1.a.](#) who have been involuntarily displaced.
- Voluntary temporary pilots and involuntary temporary pilots assigned under [Section 24 J.1.](#) will be denoted separately on the bid list (“VT” and “FT,” respectively). Pilots assigned to temporary positions under [Section 24 J.1.a.](#) and who bid pursuant to [Section 25 A.8.a.\(1\)\(b\)](#) → shall be denoted as “NQ” (not qualified). Pilots assigned to temporary positions under [Section 24 J.1.a.](#) and who bid pursuant to [Section 25 A.8.a.\(3\)\(b\)](#) → shall be denoted as “ND” (not qualified - displaced). Pilots assigned to temporary positions under [Section 24 J.1.b.\(1\)](#) shall be denoted as “QE” (qualified early). The permanent position of temporary position holders will be indicated on the bid list.
- A.8.b. Captains holding regular positions shall bid monthly schedules prior to First Officers in the same aircraft type at the same base (both in monthly schedule bidding and in schedule completion bidding).
- A.8.c. [Section 25 A.8.a.](#) → notwithstanding, “low time” First Officers shall be precluded from bidding a monthly schedule, or portion thereof, previously bid by a “low time” Captain (both in monthly schedule bidding and in schedule completion bidding). “Low time” pilots shall be defined as having less than 75 hours of line operation flight time, including OE.
- A.9. Instructor Pilots, Special Project Pilots and Supervisory Pilots
- A.9.a. Instructor Pilots, Special Project Pilots and Supervisory Pilots shall hold a permanent position. Such pilots shall be identified on the bid list for the appropriate permanent position.
- A.9.b. No pilot who receives an initial qualification in a category because of his assignment as an Instructor Pilot, Special Project Pilot or Flight Manager (Assistant Chief Pilot) shall perform flying in such category until such time as a pilot junior to him has been initially qualified in such category pursuant to Section 24. This restriction shall not apply to a pilot administering line checks or OE on a new aircraft type during the 18-month period following the date of commencement of training by the first line pilot.

- A.9.c. When a Supervisory Pilot, Instructor Pilot or Special Project Pilot returns to the line and bids a schedule, he must do so in contemplation of flying that schedule and in fact, must fly at least one trip on that schedule.
- A.9.d. When a Supervisory Pilot, Instructor Pilot or Special Project Pilot returns to the line, whether for a bid period(s) or permanently, he shall return to his then-current permanent position.
- A.9.e. When a Supervisory Pilot returns to the line for a bid period(s), he must conform to all the contractual limitations associated with being a line pilot holding a schedule, except that he may perform an aircraft delivery flight, engine out ferry, aircraft training or simulator period as an instructor and still maintain his schedule. Such aircraft training and simulator training shall constitute credit time for purposes of Section 12 and Section 25. In the event a Supervisory Pilot other than the Vice President of Flight Operations performs any other miscellaneous flying duties, the remainder of his line will be dropped into open time, and he shall return to full-time Supervisory status for the remainder of the month. Other pilots may will-fly the trips on his schedule under the same conditions available to line pilots. The Vice President of Flight Operations may act as both a line pilot and perform miscellaneous flying at his discretion.
- A.9.f. When an Instructor Pilot returns to the line for a bid period(s), he must conform to all the contractual limitations associated with being a line pilot holding a schedule. In the event he performs any training duties during the month, the remainder of his line will be dropped into open time, and he shall be returned to Instructor status for the remainder of the month. Other pilots may will-fly the trips on his schedule under the same conditions available to line pilots. This provision is not intended to prevent a line pilot who is also an OE instructor and who has bid a schedule for the purpose of giving OE instruction from doing so.
- A.9.g. When a Special Project Pilot returns to the line for a bid period(s), he must conform to all the contractual limitations associated with being a line pilot holding a schedule. In the event he performs any Section 9 flying duties or any Instructor Pilot duties during the month, the remainder of his line will be dropped into open time, and he shall be returned to Special Project status for the remainder of the month. Other pilots may will-fly the trips on his schedule under the same conditions available to line pilots.
- A.9.h. If during a month the Company assigns to a Supervisory Pilot position, Instructor Pilot position or Special Project Pilot position a regular line pilot who was not assigned to such position for the prior month, any remaining flying on his schedule will be dropped into open flying. In no case shall other pilots be permitted to will-fly for the pilot once he has been assigned to such position.
- A.9.i. With Company approval Instructor Pilots and Special Project Pilots can be awarded or assigned a partial regular or partial reserve schedule for a month in which they will be in such assignments for a portion of the month, provided that

the Instructor Pilot or Special Project Pilot duty is shown on the bid list and the award or assignment of such partial schedule is made in accordance with the contractual monthly schedule bidding process. It is recognized that this subparagraph does not prohibit a line pilot who is designated as an OE instructor for a month from bidding a full schedule. Supervisory Pilots can neither be awarded nor assigned a regular or reserve schedule (full or partial) for a month in which they will be in such assignments.

- A.10. All flying for flying pay purposes as defined in [Section 2 GG.](#), which is staffed for under [Section 24 B.](#) or known prior to the bid submission deadline will be posted electronically, by the Voice Response System, and by paper at all bases and NRT for bid, including all flying which is added after patterns are built and posted. Flying which becomes known after the bid submission deadline but prior to the commencement of bid awards for the position involved, shall be included in the pool of trips for award during the bid award process for that position. Flying which becomes known after commencement of bid awards for the position involved shall be posted for schedule completion bid and as open flying; **provided that this posting requirement shall not restrict the Company from rescheduling a pilot pursuant to the provisions of [Section 30 D.1.](#)**
- A.11. The Company shall send copies of the information used to determine the numbers for [Section 24 B.](#) to ALPA by the day following completion of bidding. This information shall include:
- A.11.a. Training plan.
 - A.11.b. Check/instructor plan (at the preliminary staffing point and the final staffing point).
 - A.11.c. Utilization plan (final).
 - A.11.d. Position summary (both permanent and temporary).
 - A.11.e. Position change worksheets.

The staffing information for both the preliminary staffing and the final staffing shall be provided. In addition, the Company shall provide to ALPA the information regarding the actual usage of instructor pilots and special project pilots for the prior month necessary to monitor compliance with [Section 12 E.2.](#), [Section 12 E.3.](#) and [Section 12 E.5.](#) This information may be provided electronically and shall include a description of the work performed by each instructor pilot for each instructor pilot duty period. (See also [Section 9 C.3.](#))

- A.12. A pilot who is returning to line flying after an absence from line flying such as, but not limited to, sick leave, leave of absence, instructor pilot duty, special project pilot duty or supervisory pilot duty (see [Section 25 A.9.](#) →) and who, due to the timing of his return (i) is precluded from participating in monthly schedule bidding (see [Section 25 A.2.](#), [Section 25 A.3.](#) and [Section 25 A.6.](#) →), and/or (ii) was not awarded a

schedule for the current month, shall be handled in accordance with the following provisions for the purpose of providing the pilot with a schedule for the remainder of the current month and/or the ensuing month, as applicable.

A.12.a. Ensuing Month When the Timing of the Pilot's Return Allows Participation in the Schedule Completion Bid And/Or Schedule Option Selection (SOS) Process

A.12.a.(1) Regular Pilot

A.12.a.(1)(a) A regular pilot shall, if the timing of his return to line flying permits, participate in the Schedule Completion Bid. The pilot shall not have access to open flying prior to participation in Schedule Completion Bid. Such pilot who, after completion of Schedule Completion Bid, has a schedule value less than the regular monthly guarantee shall participate in the Schedule Option Selection (SOS) process provided for in [Section 25 A.4](#).

A.12.a.(1)(b) If the timing of the regular pilot's return does not permit participation in the Schedule Completion Bid, the pilot shall, to the extent open flying is available, be permitted, at the time of his return, to construct a schedule from the open flying list for the ensuing month. If unable to construct a schedule with a value equal to or greater than the regular monthly guarantee the pilot shall participate in the Schedule Option Selection (SOS) process provided for in [Section 25 A.4](#).

A.12.a.(2) Reserve Pilot

A reserve pilot shall, upon his return to line flying, receive a reserve schedule for the ensuing month in the same manner as provided in the chart in [Section 25 C.8.k.\(1\)](#).

A.12.b. Current Month and Ensuing Month When Timing of Pilot's Return Does Not Permit Participation in the Schedule Option Selection (SOS) Process

A.12.b.(1) Regular Pilot

A regular pilot shall, upon his return to line flying, be permitted, to the extent open flying is available, to construct a schedule from the open flying list for the remainder of the current month, or the ensuing month, as applicable. If unable to construct a schedule with a value equal to or greater than the regular monthly guarantee (see [Section 4 A.4](#) for guarantee prorating, if applicable) the pilot shall have the option to:

A.12.b.(1)(a) drop all trips on the partial schedule he constructed and be awarded a reserve schedule in the same manner as provided for in the chart in [Section 25 C.8.k.\(1\)](#), or

A.12.b.(1)(b) retain all of the trips on the partial schedule he constructed and then choose from the options provided for in [Section 25 A.4.b.](#)

A.12.b.(2) Reserve Pilot

A reserve pilot shall, upon his return to line flying, receive a reserve schedule for the remainder of the current flying month or the ensuing month in the same manner as provided for in the chart in [Section 25 C.8.k.\(1\).](#)

B. Schedule Adjustment

B.1. Except as provided in [Section 12 B.1.i.](#) and [Section 12 B.1.j.](#), when upon return to his base station a regular pilot's accumulated scheduled credit time, plus his projected scheduled credit time, exceeds his scheduled monthly maximum, his remaining schedule shall be adjusted downward pursuant to [Section 30 C.11.](#) to bring his total scheduled credit time within the scheduled monthly maximum.

B.2. Except as provided in [Section 12 B.1.i.](#) and [Section 12 B.1.j.](#), when upon return to his base station a regular pilot's accumulated actual credit time, plus his projected scheduled credit time, exceeds his actual monthly maximum, his remaining schedule shall be adjusted downward to bring his total actual credit time within the actual monthly maximum.

B.3. Except as provided in [Section 12 B.1.i.](#) and [Section 12 B.1.j.](#), when upon return to his base station a regular pilot's accumulated scheduled credit time, plus his projected scheduled credit time, and his accumulated actual credit time, plus his projected scheduled credit time, exceed both the scheduled monthly maximum and the actual monthly maximum, respectively, his remaining schedule shall be adjusted downward to bring his total scheduled credit time and his total actual credit time within the scheduled monthly maximum and the actual monthly maximum, respectively.

NOTE: See [Section 4 H.2.](#) for applicability of Bid Schedule Trip Guarantee.

C. Reserve Schedules

C.1. No reserve pilot shall be involuntarily scheduled to receive each month at his base less than the following number of days free from all duty with the Company: a) **12** days in a 31-day month, or b) **11** days in months with 30 days or less. Note: until the chart in [Section 25 C.1.e.](#) is implemented, other provisions of this Agreement may reduce the number of actual days off that a reserve pilot receives in a bid period. Reserve days off will be scheduled from midnight to midnight (calendar days), however Reserve Pilots must be available for contact at the start of and throughout their RAP. Each reserve schedule shall contain a minimum of one and a maximum of **four** separate periods free from duty, none of which may be less than 72 consecutive hours. (Note: For special rules regarding the number of SJ 77-110 Seat Aircraft reserve days off, see [Letter of Agreement 2006-13.](#))

- C.1.a. A Reserve Pilot may bid and shall be awarded posted days off in accordance with his seniority. Reserve days off will be designated as regular days off (RDOs) or inviolate days off (guaranteed days off or GDOs). He may designate **eight** days of the scheduled duty-free periods as inviolate. All inviolate days (GDOs) shall be designated for use in one or **two** scheduled free-from-duty periods. All inviolate days in a duty-free period shall be contiguous. (**Note: For special rules regarding the number of SJ 77-110 Seat Aircraft inviolate days off, see [Letter of Agreement 2006-13.](#)**)
- C.1.b. Reserve Pilots must designate their choices for the inviolate period(s) no later than 72 hours prior to the commencement of the bid period.
- C.1.c. If, prior to the start of the bid period, a reserve pilot who has not yet designated his inviolate days off is assigned to a trip which is scheduled to operate, or does operate, into his scheduled free-from-duty period, the affected days off cannot then be designated as inviolate, but instead, shall be moved and shall then be available, along with other scheduled free-from-duty periods, for designation as inviolate days off. The affected days off shall be moved to consecutive dates which are agreed upon between the pilot and Crew Scheduling. In the event agreement cannot be reached, Crew Scheduling shall assign the new dates for the affected days off. In any case, all inviolate days off must be designated by the start of the bid period.
- C.1.d. In a month in which a holiday, as defined in [Section 30 D.8.f.](#), occurs the Company shall allocate and award at least one day off on the day before the holiday, the holiday itself and the day after the holiday for each reserve position. The Company shall retain the right to determine the number of pilots who can bid each reserve day off. The Company will publish on the bid packets the projected minimum number of pilots allowed to bid each reserve day off. Such projection shall be based on reasonable estimates and may not be zero.
- C.1.e. At the time of bidding a reserve schedule, a pilot who is both scheduled for **three** or more days as a reserve and scheduled for other activity, such as training, vacation, sick leave, leave of absence, etc., shall not be involuntarily scheduled to receive less than a number of days off and inviolate days based on the table below. However, pilots who are scheduled for training (other than initial, requalification training or SVT) with associated credit time; shall be deemed to have such training accomplished on an on-duty day(s). If no credit time is associated with such training, the training shall be deemed to be accomplished on a day(s) off. (See [Section 25 C.8.k.](#) for reserve days off for a pilot in initial or requalification training in a month who (i) did not bid a reserve schedule, or (ii) did bid a reserve schedule but whose training went beyond the originally scheduled date of release from training.) Pilots who are scheduled for less than **three** days as a reserve in a month are not entitled to any days off.

<u>Remaining Days In Bid Period of 30 Days or Less</u>	<u>Remaining Days In 31 Day Bid Period</u>	<u>Days Off</u>	<u>Inviolate Days Off</u>
-	30-31	12	8
29-30	28-29	11	8
27-28	26-27	10	7
24-26	23-25	9	6
22-23	21-22	8	5
19-21	18-20	7	5
17-18	16-17	6	4
14-16	14-15	5	4
12-13	11-13	4	3
9-11	9-10	3	2
7-8	6-8	2	1
3-6	3-5	1	1
2	2	0	0
1	1	0	0

NOTE: This subparagraph e. and the preceding chart shall not be effective for a reserve position until computer bidding is implemented for that reserve position.

C.2. Reserve Assignment Into Inviolate Days Off

C.2.a. A reserve pilot at his base **prior to the commencement of a trip hour period and a pilot who has reported but has not yet departed on the first flight in a trip hour period** will not be involuntarily scheduled, rescheduled for or assigned for or assigned to any flying (including deadheading) which will cause him to be away from his base on his inviolate days off. (Note: See Section 3 M.3.b. and Section 25 C.4. for provisions regarding voluntary activity on inviolate days off by a pilot at his base) nor will he be required to perform any other duty for the Company on his inviolate days off. For purposes of only this subparagraph, “duty” shall include any Company-required medical examination other than one required in connection with a potential disciplinary or discharge action investigation where time is of the essence.

C.2.b. A reserve pilot who has **departed on the first flight of a trip hour period and is in a trip hour period** may be involuntarily rescheduled to flying (including deadheading) which will cause him to be away from his base on his inviolate days off only if all other reasonable attempts to cover the flying involved have failed.

C.2.c. A reserve pilot who has voluntarily performed duty on inviolate days off under Section 25 C.2.a. ➔, or who has been involuntarily rescheduled into his inviolate days off under Section 25 C.2.b. ➔, shall receive replacement days off pursuant to Section 25 C.8.j. and such replacement days off shall be inviolate.

C.3. Reserve Availability During a Rest Period

A reserve pilot shall not be required to be available for contact during a rest period.

C.4. Reserve Will-Fly

C.4.a. A reserve pilot may volunteer to fly on one or more of his days off, including his inviolate days off (GDO), by notifying Crew Scheduling of his intentions via the Reserve Pilot Preference System.

C.4.b. → A reserve pilot may submit a standing bid to volunteer for reserve will-fly on any or all days off (RDOs and GDOs) in a bid period, and that standing bid will remain in effect until canceled by the pilot.

C.4.c. → When the Company, under [Section 30 E.1.](#) or [Section 30 E.2.](#) scheduling rules, needs to utilize a Reserve Will-Fly volunteer(s), the available trip(s) to be assigned will be broadcast via the auto-notification system to all such volunteers. The trip(s) will be awarded on a first-come-first-served basis to a pilot(s) whose assignment would not otherwise be in violation of the contract or the FARs.

C.4.d. → If a Reserve Will-Fly volunteer responds and is awarded a trip, such pilot will be required to comply with the report time rules in [Section 30 C.2.](#)

C.4.e. → If, 15 minutes after the broadcast provided for in [Section 25 C.4.c.](#), no Reserve Will-Fly volunteers have responded, the Company may then assign a pilot(s) to open flying in the appropriate sequence provided for in [Section 30 E.1.](#) or [Section 30 E.2.](#)

→

C.4.f. If a reserve pilot who has volunteered for a reserve will-fly day(s) is not utilized on that day, he will be considered to have had a day off. If such reserve pilot is utilized on that day he will have his day(s) off rescheduled in the same manner as set forth in [Section 25 C.8.j.](#) →, or as mutually agreed to by the pilot and Crew Scheduling →.

→

C.5. Except as provided in [Section 25 A.4.](#) →, no later than 2359 MSP time on the second day prior to commencement of the ensuing bid period, pilots awarded reserve schedules may indicate a desire to be assigned to the **Reserve Assignment (SILO/LTFO list)** in a → high or → low **priority** → position → **within** their respective **SILO in accordance with their preference and** → in seniority order →. Pilots not indicating a choice will be assigned to remaining positions on the **Reserve Assignment (SILO/LTFO)** list in reverse seniority order after the last pilot preferencing high. A reserve pilot not available for assignment at the beginning of the month shall be placed on the **Reserve Assignment (SILO/LTFO)** list in accordance with the provisions of [Section 25 C.8.](#) →. The Computer Bidding System will permit pilots bidding to construct reserve schedules to indicate a high/low preference at the

time of bid entry or revision; provided that they will be entitled to change this preference after the bid award and prior to the deadline specified above.

C.6. Release From Reserve Duty

C.6.a. A reserve pilot whose accumulated credit time is within 4:15 of his applicable maximum shall be released for the remaining portion of the month.

C.6.b. A reserve IRC whose remaining available credit time (calculated by subtracting his accumulated credit time from the monthly maximum) is less than the minimum value (scheduled credit time) of any scheduled IRC trip to which they could be assigned shall be released from his remaining reserve obligations; provided that this release shall not be required for a reserve duty obligation on one or more of the last **three** days of a month.

C.6.c. A reserve pilot who is released pursuant to [Section 25 C.6.a.](#) or [Section 25 C.6.b.](#) is not required to be available for contact for the remainder of the month. Unless the pilot has filed a notice to decline HIT flying (see [Section 12 B.1.j.\(2\)](#)), the Company may still attempt to contact the pilot to ask if he wants to use HIT (see [Section 12 B.1.j.](#) and [Section 12 C.1.a.](#)).

C.6.d. Intentionally left blank

C.6.e. Reserve Releases

C.6.e.(1) On days when there are more than an adequate number of reserves in a category at a base, Crew Scheduling shall release reserve pilot(s) in such category from duty. An “adequate number of reserves in a category at a base” means that at least 70% of the scheduled reserves in a particular category at a base remain available for assignment on that day, except that a reserve need not be released, regardless of the amount of reserve coverage, in order to provide coverage for weather and emergencies which have the potential to impact the operation and for hot aircraft spares. Upon a pilot’s request, the Company will provide a written explanation of a denial of a release request. For purposes of this provision, the only pilots that will not be considered in the count of the “scheduled reserves” will be (i) those pilots who are on days off (GDOs and RDOs only), and (ii) those pilots who are both:

C.6.e.(1)(a) on vacation, leave of absence, sick leave, assigned to training, instructor pilot, special project pilot or supervisory pilot duty, and

C.6.e.(1)(b) whose unavailability is known at the time of staffing for the month.

EXAMPLE 1: For the day in question, there are 12 reserve pilots with a reserve duty day on their line after trips have been assigned, one reserve pilot with sick leave not known at the time of staffing, **two** reserve pilots flying trips, **two** reserve pilots on vacation which was known at the time of staffing and one reserve pilot on long term sick known at the time of staffing. The total

“scheduled reserves” equals 15 (12 pilots on a reserve duty day + 1 sick + 2 flying). The **two** vacation and one long term sick are not counted because they were staffed for. $70\% \times 15 = 10.5$. Round to the next integer = 11. Therefore, 11 reserve pilots must remain available for assignment. Since 12 pilots are available on a reserve duty day, one reserve pilot will be released.

EXAMPLE 2: For the day in question, there are 10 reserve pilots with a reserve duty day on their line after trips have been assigned, **two** reserve pilots with sick leave not known at the time of staffing, one reserve pilot with jury duty which was not known at the time of staffing, one reserve pilot with company business which was known at the time of staffing, **two** reserve pilots in training which was known at the time of staffing and **three** reserve pilots flying trips. The total “scheduled reserves” equals 16 (10 pilots on a reserve duty day, + 2 sick + 1 jury duty + 3 flying). The **two** training and one company business are not counted because they were staffed for. $70\% \times 16 = 11.2$. Round to the next integer = 12. Therefore, 12 reserve pilots must remain available for assignment. Since only 10 reserve pilots are available on a reserve duty day, no release is required.

NOTE 1: A pilot excused by Crew Scheduling from a portion of his availability obligation on a reserve duty day in accordance with Section 25 D.1.(a)(8) will not be considered to be released or otherwise on a day off for the purposes of this subparagraph e.

NOTE 2: For the purposes of [Section 25 C.6.e.\(1\)](#) **EXAMPLE 1** and **EXAMPLE 2**, a pilot who has been or could have been awarded/assigned a RAP that begins before 1200 local base time will be considered to have a reserve duty day on his line for the day in question.

- C.6.e.(2) Priority for selecting pilots to be offered [Section 25 C.6.e.\(1\)](#) reserve releases:
- C.6.e.(2)(a) The first priority is to pilots released for compliance with the rest/block hour requirements of FAR 121, and those pilots released under the provision of [Section 25 C.6.a](#).
- C.6.e.(2)(b) The second priority is to pilots in the one-day SILO immediately before an inviolate day off (GDO).
- If two or more pilots are in the one-day SILO immediately before a GDO, then the pilot(s) with the higher actual block time in the last six days will have priority.
- C.6.e.(2)(c) The third priority is at the discretion of the Company.
- C.6.e.(3) A reserve pilot who is released shall be identified to all other pilots as released in both the VRS and Access, or equivalent systems.

- C.6.e.(4) The Company shall notify a reserve pilot that he has been released by the methods provided for in [Section 30 C.10.a.\(5\)](#) utilizing the automated notification system.
- C.6.e.(5) A reserve pilot may be released for periods of the current day and/or periods of the following day.
- C.6.e.(6) For purposes of identifying the SILO of the reserve pilot under Section 25C.6.a. →, a day for which a reserve pilot is released shall be considered an “available on duty day.” Therefore, a pilot’s SILO shall not be affected by a release from reserve duty. However, such pilot cannot thereafter be assigned a trip which interferes with the release, unless, prior to the commencement of the release period, he is the only reserve available to be assigned an open trip.
- C.6.e.(7) A reserve pilot may decline a release by notifying Crew Scheduling. The Company shall not be required to offer a replacement release. **Such declination shall be identified on the Daily Availability List.**
- C.6.f. A reserve pilot in a one-day SILO shall be released at 1800 of that day, or upon his return to base, if he is on a trip, whichever is later, unless prior to 1800 of that day he has been assigned to flying that is scheduled to depart after 1800 of that day.
- C.7. Trading of Inviolate Days Off
- C.7.a. Duty days and/or inviolate days off may be traded with the concurrence of Crew Scheduling and the reserve pilots involved. It is understood that such consent will be given unless reserve coverage would be impaired.
- C.7.b. A reserve pilot’s duty days and/or inviolate days off may be changed with the concurrence of Crew Scheduling and the pilot.
- C.8. Reserve Assignments → (SILO/LTFO)
- C.8.a. Reserves shall be grouped according to the number of reserve days of availability for each block of available reserve duty days (i.e., “SILOs”), including blocks of days that span 2 bid periods.
- The SILO assignment of a reserve pilot who is assigned a trip for the current or the ensuing calendar day pursuant to [Section 30 E.1.](#) or [Section 30 E.2.](#) shall not be changed as a result of such trip assignment.
- EXAMPLE: A reserve pilot in an 8-day SILO on June 7 who on that day is assigned a 4-day trip departing on June 8 shall remain in the 8 day SILO for the remainder of June 7.
- C.8.b. **Low Time/First Out (LTFO).** Alignment of reserves within each SILO shall be based on → **accumulated credit time (excluding projected credit time except**

as provided in **Section 25 C.8.b.(1)**). For each day, pilots within a SILO shall be aligned beginning with the pilot with the least accumulated credit time in the month (who shall be the first pilot in the SILO assigned to a trip) down to the pilot with the most accumulated credit time in the month (who shall be the last pilot in the SILO assigned to a trip).

C.8.b.(1) The → **projected actual credit time of a trip a pilot is assigned to or is flying shall be added to the pilot's accumulated actual credit time** to determine his position on the reserve assignment list within his SILO.

C.8.b.(2) → In the event **that the → accumulated credit time → for two or more pilots → is the same**, the senior pilot(s) may elect **via the Reserve Pilot Preference System**, to be assigned higher than or lower than the other → pilot(s) **with the same accumulated credit time** on the → reserve assignment list within the appropriate SILO. If no election is made, → **such** pilots will be assigned to the → reserve assignment list in → **accordance with Section 25 C.5.**

NOTE: This subparagraph (2) does not apply to pilots with no accumulated credit time. See Section 25 C.5. regarding submission of a "high/low preference" prior to commencement of a month.

C.8.b.(3) → Unless a reserve pilot has previously filed a notice with the Company via → **the Reserve Pilot Preference System** → indicating his willingness to accept HIT flying, that pilot will be bypassed for trip assignments under **Section 25 C.8.** that will require him to accept HIT flying, provided that another reserve is available under **Section 25 C.8.** to perform that flying without accepting HIT flying. A reserve pilot's HIT flying request may include limitations on acceptance of HIT. Limitations may include, but are not limited to, number of hours or number of days of HIT, type of trip, layover city, etc. A reserve pilot's acceptance of HIT shall not allow the pilot to fly into his days off if another reserve pilot is available who would not have to fly into days off.

C.8.c. **Reserve Trip Assignment**

C.8.c.(1) The number of calendar days over which a trip is scheduled to operate shall determine which SILO shall supply the reserve pilot to fly that trip. For example, a 3-day trip will be assigned to a reserve pilot from the 3-day SILO.

C.8.c.(2) **All current day and ensuing day open flying (including deadhead) that would be assigned to a reserve pilot under Section 30 E.1.I. or Section 30 E.2.I. will be assigned according to the following rules (for definition of Short Call Pilot see Section 25 D.1.a.(3); for definition of Long Call Pilot see Section 25 D.1.a.(5)):**

C.8.c.(2)(a) **Assignment(s) to a trip(s) with a report time 10 or more hours into the future will be done in accordance with the following:**

- C.8.c.(2)(a)1'** If the report time is on the current day, the trip will be assigned to the appropriate SILO/LTFO Long Call pilot on the current day's Long Call list:
- C.8.c.(2)(a)1'a'** The appropriate Long Call pilot in the SILO corresponding to the length of the trip as provided in [Section 25 C.8.c.\(1\)](#);
- C.8.c.(2)(a)1'b'** If there is no Long Call pilot in the SILO corresponding to the length of the trip, the appropriate Long Call pilot in the next higher SILO in which a Long Call pilot is available;
- C.8.c.(2)(a)1'c'** If there is no Long Call pilot in any higher SILO, the appropriate Short Call pilot in accordance with the methodology of [Section 25 C.8.c.\(2\)\(b\)](#).
- C.8.c.(2)(a)2'** If the report time is on the ensuing day, the trip will be assigned according to the following priority:
- C.8.c.(2)(a)2'a'** To the appropriate SILO/LTFO Long Call pilot on the ensuing day's Long Call list:
- C.8.c.(2)(a)2'a'(i)** The appropriate Long Call pilot in the SILO corresponding to the length of the trip as provided in [Section 25 C.8.c.\(1\)](#);
- C.8.c.(2)(a)2'a'(ii)** If there is no Long Call pilot in the SILO corresponding to the length of the trip, the appropriate Long Call pilot in the next higher SILO in which a Long Call pilot is available;
- C.8.c.(2)(a)2'b'** If there is no pilot on the ensuing day's Long Call list, or if the Company has been unable to contact the appropriate SILO/LTFO pilot(s) on the ensuing day's Long Call list by a point in time that is 30 minutes longer than the current Long Call time (e.g., 12 hours 30 minutes for 12-hour Long Call) before the report time for the trip, the trip will be assigned to the appropriate SILO/LTFO Long Call pilot on the current day's Long Call list:
- C.8.c.(2)(a)2'b'(i)** The appropriate Long Call pilot that would be in the SILO corresponding to the length of the trip as provided in [Section 25 C.8.c.\(1\)](#);
- C.8.c.(2)(a)2'b'(ii)** If there is no Long Call pilot that would be in the SILO corresponding to the length of the trip, the appropriate Long Call pilot in the next higher SILO in which a Long Call pilot is available;
- C.8.c.(2)(a)2'c'** If there is no Long Call pilot on the current or ensuing day's Long Call lists in the SILO corresponding to the length of the

trip or in any higher SILO, the appropriate Short Call pilot in accordance with the methodology of Section 25 C.8.c(2)(b).

C.8.c.(2)(b) Assignment to a trip(s) with a report time less than 10 hours into the future will be done in accordance with the following, provided such assignment is in compliance with the provisions of Section 25 C.8.(g).

NOTE: Crew Scheduling, may, at their discretion and at any point in this process under [Section 25 C.8.c.\(2\)\(b\)](#), contact a Long Call pilot(s) who has expressed a preference to receive such notification in accordance with [Section 25 D.1.a.\(5\)\(c\)1'](#) and [Section 25 E.1.k.](#) and offer the trip assignment to him on a voluntary, first-come-first-served basis.

C.8.c.(2)(b)1' The appropriate Long Call pilot who has indicated a preference to accept a legal Short Call trip assignment as provided in [Section 25 D.1.a.\(5\)\(c\)1'](#) and [Section 25 E.1.j.](#)

C.8.c.(2)(b)2' The appropriate Short Call pilot in the SILO corresponding to the length of the trip as provided in [Section 25 C.8.c.\(1\)](#).

C.8.c.(2)(b)3' If there is no Short Call pilot in the SILO corresponding to the length of the trip, the appropriate Short Call pilot in the next higher SILO in which a Short Call pilot is available.

C.8.c.(2)(b)4' If there is no Short Call pilot in any higher SILO, the most junior pilot in the next lower SILO in which a reserve pilot is available for assignment. Whether the most junior pilot in the next lower SILO is on Short Call or Long Call, this assignment must comply with the requirements of [Section 25 C.8.g.](#) and [Section 25 C.2.a.](#) (See the Example and Exception in [Section 25 C.8.d.](#))

C.8.c.(3) Pilots must be aware of certain exceptions to the rules that govern the reserve system for Short Call pilots who are assigned to an international trip or a trip that includes deadhead flying:

C.8.c.(3)(a) A reserve pilot may be assigned a trip that would extend his on-duty period beyond the end time of his RAP assignment when the first duty period concludes with either a deadhead segment or an international segment, provided that all earlier domestic segments, if any, on which the pilot was an operating crewmember were completed in compliance with the rest provisions of the FARs.

C.8.c.(3)(b) A reserve pilot who is contacted by the Company during his NAP may be assigned to report before the end of his 9-hour NAP for a trip in which the first duty period consists entirely of deadhead flying and/or international flying.

C.8.d. If there is no reserve pilot in the SILO corresponding to the length of the trip, the trip will be assigned to the pilot in the next highest SILO in which a reserve pilot is available, according to [Section 25 C.8.b.](#) →. If there is no reserve pilot in the SILO corresponding to the length of the trip, or in any higher SILO, the trip will be assigned to the most junior pilot in the next lower SILO in which a reserve pilot is available.

EXAMPLE: If there is no pilot in the 5-day SILO, a 5 day trip would be assigned to the appropriate pilot in the 6-day SILO. If there is no pilot in the 5-day or any greater SILO, the trip would be assigned to the most junior pilot in the 4-day SILO.

EXCEPTION: In order to prevent assignment of the most junior pilot in the next lower SILO into prescheduled duty (e.g., training) or prescheduled unavailability (e.g., vacation, leave of absence), the Company may assign the trip to the next most junior pilot in that SILO.

C.8.e. When assigning trips spanning **two** bid periods to reserve pilots, the Company shall assign such trips in the following priority order:

C.8.e.(1) To the appropriate pilot in the SILO as provided by [Section 25 C.8.b.](#) and [Section 25 C.8.c.](#) who will be a reserve pilot in the ensuing bid period.

C.8.e.(2) If the trip remains to be assigned, then to the appropriate pilot provided for in [Section 25 C.8.b.](#) and [Section 25 C.8.c.](#) who will be a reserve pilot in the ensuing bid period and who has either successive days off (RDOs) or a combination of successive reserve duty days and days off (RDOs) during the period in which the trip is scheduled to operate.

C.8.e.(3) If the trip remains to be assigned, then to the most junior pilot with one or more consecutive reserve duty days before the end of the current bid period but who will be a regular pilot in the ensuing bid period and who will not require an adjustment to his schedule for the ensuing bid period.

C.8.e.(4) If the trip remains to be assigned, then to the most junior pilot who has one or more consecutive days off (RDOs) or a combination of one or more consecutive reserve duty days and days off (RDOs) through the end of the current bid period and who will be a regular pilot in the ensuing bid period.

C.8.f. If more than one trip is to be assigned to available reserve pilots **pursuant to the provisions of either [Section 25 C.8.c.\(2\)\(a\)](#) or [Section 25 C.8.c.\(2\)\(b\)](#)**, the senior pilot who will be assigned a trip based on the reserve assignment list will be → **given** a choice among the trips to be assigned, **regardless of his LTFO position among the available reserve pilots to be assigned trips, provided that to the extent that if such pilot's SILO length matches the length of an open trip, he shall be assigned a trip within that SILO based on the seniority of the pilots assigned trips in that SILO.** Such election will be made using the

Reserve Pilot Preference System. (See [Section 25 C.8.b.\(3\)](#) for the handling of a reserve pilot who has indicated his willingness to accept HIT flying).

NOTE: The Company is not required, for purposes of [Section 25 C.8.f.](#), to contact a reserve pilot lower on the SILO List who has not filed a HIT flying request pursuant to [Section 25 C.8.b.\(3\)](#) to determine if he is willing to use HIT. For example, there are two open trips, one of 20 hours, one of 40 hours. The senior pilot, who is first on the SILO List, could, based on his accumulated credit time, do either. The junior pilot, who is second on the SILO List, could only do the 20-hour trip without using HIT. The senior pilot would prefer the 20-hour trip. The Company is not required to contact the junior pilot to ask whether he would use HIT to fly the 40-hour trip. Instead, the Company will assign the 40-hour trip to the senior pilot and the 20-hour trip to the junior pilot.

- C.8.g. A reserve pilot will be bypassed if the open flying assignment would be in violation of contractual or FAR limitations. **For trip assignments to pilots other than a Long Call trip assignment to a Long Call pilot, the following conditions must be satisfied to determine compliance with this subparagraph g., but nothing herein shall release a pilot from his responsibility to comply with the report time requirements of [Section 30 C.2.](#) (Note: Crew Scheduling is not precluded by this [Section 25 C.8.g.](#) from attempting to contact and assign a Reserve Pilot who is released from duty or is on an off-duty period provided such assignment complies with all contractual and FAR rest provisions):**
- C.8.g.(1) **Should the appropriate pilot as determined by [Section 25 C.8.c.\(2\)](#) be in rest when a trip is to be assigned, he will be assigned the trip whenever such trip is scheduled to depart four or more hours after the end of his rest.**
- C.8.g.(2) **Should the appropriate pilot as determined by [Section 25 C.8.c.\(2\)](#) be in rest when a trip is to be assigned, and such trip is scheduled to depart between the end of his rest and one hour thereafter, Crew Scheduling may attempt to contact him and may bypass him for assignment if he does not acknowledge within 15 minutes, or they may bypass him altogether.**
- C.8.g.(3) **Should the appropriate pilot as determined by [Section 25 C.8.c.\(2\)](#) be in rest when a trip is to be assigned, and such trip is scheduled to depart between one and four hours after the end of his rest, Crew Scheduling will attempt to contact him and may bypass him for assignment if he does not acknowledge within 15 minutes.**
- C.8.g.(4) **A pilot whose assignment would invoke the compensatory rest rules of FAR 121.471 may be assigned or bypassed at Crew Scheduling's option, except that this provision will not be used prospectively to reduce a pilot's**

NAP to less than nine hours prior to commencement of a RAP or a trip hour period.

- C.8.g.(5)** If the trip to be assigned departs 10 or more hours into the future (9.5 hours for a trip in which the first segment is deadhead flying), and the appropriate pilot as determined by [Section 25 C.8.c.\(2\)](#) is not in rest, he will be assigned such trip in a manner in which such pilot can either attain the required rest or legally fly the trip under the FARs.
- C.8.g.(6)** If the appropriate pilot to be assigned (in this case based upon the SILO/LTFO priority specified in [Section 25 C.8.a.](#) through [Section 25 C.8.d.](#)) is a Long Call pilot, he may, on a voluntary basis, accept an assignment to any trip as long as such assignment is made in compliance with the rest requirements of FAR 121.
- C.8.g.(7)** Should the appropriate pilot as determined by [Section 25 C.8.c.\(2\)](#) be in a NAP when a trip is to be assigned, and such trip is scheduled to depart prior to the end of his NAP, and the first duty period of the trip to be assigned consists solely of deadhead flying, international flying, or a combination of deadhead and international flying, the Company may attempt one contact to such pilot and may bypass him for assignment if he does not acknowledge within 15 minutes.
- C.8.h.** Reserve pilots who are assigned any open flying shall be notified of such assignment in accordance with the following procedure:
- C.8.h.(1)** A reserve pilot whose trip or flight is scheduled to depart 24 hours or less after the assignment shall be notified within 45 minutes of such assignment (subject to the provisions of [Section 25 C.8.h.\(3\)](#) →).
- C.8.h.(2)** A reserve pilot whose trip or flight is scheduled to depart more than 24 hours after the assignment shall be notified within **three** hours of such assignment (subject to the provisions of [Section 25 C.8.h.\(3\)](#) →).
- C.8.h.(3)** Unless a reserve pilot has requested (via the Reserve Pilot Preference System) that he be notified of assignments to trips during the hours of 2200-0700 local base time, Crew Scheduling will notify him of such assignment outside such hours. The Company reserves the right to notify any reserve pilot of assignment to a trip between the hours of 2200-0700 where such notification is required to preserve the integrity of the operation (normally, 2-3 hours before report time for Short Call trip assignments and international trip assignments).
- C.8.i.** The Company shall maintain → **a real-time Availability List** for each base **via the Reserve Pilot Preference System**, → for review by pilots. In addition, for each → **award or assignment affecting the Availability List**, the → **Availability List** for the affected position as it existed immediately prior to the **award or assignment** shall be archived electronically. ALPA shall be provided continuous

electronic access to the → **Availability Lists** on a read-only basis, with ability to print on ALPA printers.

C.8.j. Provisions for Reserve Pilots Assigned Duty into or on a Day Off

- C.8.j.(1) When a flight which was scheduled to arrive prior to the start of a Reserve Pilot's free-from-duty period actually blocks-in to his base any amount of time after the start of his scheduled free-from-duty period, the scheduled free-from-duty period shall commence upon his release from duty upon return to his base and shall be extended at the end of such free-from-duty period by an amount of time equal to the delayed start of such free-from-duty period.

EXAMPLE: a pilot whose terminating flight was originally scheduled to block-in at 2200 local base time on the last day of his block of reserve duty days actually blocks-in at 0100. In this case, his free-from-duty period starts at 0115 (0130 for an international arrival), and his free-from-duty period will be extended by 1:15 (1:30 for an international arrival) into the first day of his next block of reserve duty days.

NOTE: if the pilot blocks-in before 2400 local base time but is not released until after 2400, his free-from-duty period is not extended.

- C.8.j.(2) When a reserve pilot is scheduled or rescheduled to block-in to his base after the start of a scheduled free-from-duty period, and actually blocks-in to his base after the start of such scheduled free-from-duty period, such period shall commence at midnight following his release from duty upon return to his base. When the above extension of reserve days off cannot, due to the lack of reserve duty days remaining in the bid period, be completely accomplished in the originally scheduled bid period, and the pilot has a reserve schedule for the ensuing bid period, the scheduled reserve day(s), or portion thereof, which could not be taken in the bid period shall be taken in conjunction with a scheduled duty-free period of the pilot's choice in the ensuing bid period.

EXAMPLE: a reserve pilot is scheduled (or rescheduled) on a trip that will block-in to his base after 2400 local base time on the last day of his original block of reserve duty days (i.e., the pilot is scheduled to fly into his days off). In this case the pilot's free-from-duty period will commence at midnight following his return to base, and he will receive his originally scheduled number of days off, unless the trip returns too near the end of the month for him to recover the lost day off in that bid period, in which case it will be awarded in the ensuing bid period if he has a reserve schedule for the ensuing bid period.

NOTE 1: Prior to release, a pilot covered by the provisions of this Section 25.C.8.j.(2) may, at his option, choose to extend his free-from-duty period as is provided for in [Section 25 C.8.j.\(1\)](#) → in lieu of using the procedures in [Section 25 C.8.j.\(2\)](#).

NOTE 2: Nothing in this subparagraph C.8.j.(2) precludes the Company from rescheduling a reserve pilot into a reserve duty day(s) or an inviolate day(s) off (see Section 25 C.2.) to cover known open flying pursuant to Section 30 D.1.

- C.8.j.(3) When a pilot on reserve is assigned to flying or deadheading that commences on a day(s) off under [Section 30 E.1.n.](#) or [Section 30 E.2.n.](#), and actually flies or deadheads on such day(s) off, the pilot shall have the lost day(s) off returned to him later in the same bid period. If this is not possible because there are an insufficient number of reserve duty days remaining in the bid period, and the pilot has a reserve schedule for the ensuing bid period, then the scheduled reserve day(s) off which could not be taken in the original bid period shall be taken in conjunction with a scheduled duty-free period of the pilot's choice in the ensuing bid period. The pilot may choose the scheduled free-from-duty period he would like to extend via the Reserve Pilot Preference System. This election must be made by 2400 local base time on the 20th day of the calendar month in which the day(s) were lost, or by 2400 local base time on the day following the last day of the trip that caused the lost day(s), whichever comes later. If the pilot fails to make such election, Crew Scheduling will assign the day(s) off in conjunction with a scheduled free-from-duty period during the bid period following that in which the days were lost.
- C.8.j.(4) A pilot on reserve who loses a day(s) off in a bid period due to a conflict with a trip which commenced in the prior month and which he had been awarded or assigned as a regular pilot shall have the lost day(s) off returned to him later in the same bid period; provided that, if the pilot chose to cause this conflict (either by bidding the conflict with the day(s) off during schedule bidding when he had a schedule choice which would have avoided or minimized the conflict, by doing a trip trade or by voluntarily adding open flying to his schedule), he shall not be entitled to the return of the lost day(s) off. If return of the lost day(s) off in the same bid period is not possible because there are an insufficient number of reserve duty days remaining in the bid period, and the pilot has a reserve schedule for the ensuing bid period, then the scheduled reserve day(s) off which could not be taken in the original bid period shall be taken in conjunction with a scheduled duty-free period of the pilot's choice in the ensuing bid period.
- C.8.j.(5) A pilot on reserve who (i) loses a day(s) off in a bid period under [Section 25 C.8.j.\(2\)](#), [Section 25 C.8.j.\(3\)](#) or [Section 25 C.8.j.\(4\)](#) →; (ii) is unable to take that day(s) off later in the same bid period; and (iii) either becomes a regular pilot for the ensuing bid period, or has an insufficient number of reserve duty days in the ensuing bid period, shall have the lost day(s) off converted to a day(s) of vacation (i.e. one lost day off equals one day of vacation). The vacation will be attached to his next scheduled vacation period, provided that the total number of vacation days in a bid period shall not exceed 23. Unused days of such vacation shall be carried forward to the next scheduled vacation

period, if any, and will be handled in the same manner. This process will continue until each one of the added vacation days is used. (If the pilot has insufficient vacation periods scheduled, or the scheduled vacation period(s) will, when the converted vacation days are added, exceed 23 days, then the excess days will be added to his vacation accrual and will be bid as regular vacation for the ensuing year.) The pilot will choose which end of the vacation period the added days are to be attached, or he may split the days and attach them to both ends of the vacation period, provided that (i) the day(s) will be attached so that the vacation occurs in the same month as the scheduled vacation and (ii) the day(s) shall not be placed **three** days or less from a “holiday” (as defined in [Section 30 D.8.f.](#)).

C.8.k. Selection or Assignment of Reserve Days After Completion of More than **Four** Days of Training

C.8.k.(1) A pilot who completes initial qualification training or requalification training (for purposes of Section 25 C.8.k, requalification training does not include SVT) which exceeds **four** days in duration, or is otherwise released from such training under [Section 11 H.10.](#) or for any other reason, and who will be a reserve pilot for **three** or more days in the remainder of the bid period, shall receive, as a minimum, a number of days off and inviolate days based on the table below.

Remaining Days In Bid Period of 30 Days or Less	Remaining Days In 31 Day Bid Period	Days Off	Inviolate Days Off
-	30-31	12	8
29-30	28-29	11	8
27-28	26-27	10	7
24-26	23-25	9	6
22-23	21-22	8	5
19-21	18-20	7	5
17-18	16-17	6	4
14-16	14-15	5	4
12-13	11-13	4	3
9-11	9-10	3	2
7-8	6-8	2	1
3-6	3-5	1	1
2	2	0	0
1	1	0	0

C.8.k.(2) With respect to a pilot whose training has gone beyond the originally scheduled date of release from training (i) if the number of scheduled days off and/or inviolate days off remaining is less than the number that would be required in the table set forth in [Section 25 C.8.k.\(1\)](#) →, additional days off and/or inviolate days off equaling the difference shall be provided by the

Company on days which are agreed upon by Crew Scheduling and the pilot; or (ii) if the number of scheduled days off and/or inviolate days remaining is more than the number required in the table set forth in [Section 25 C.8.k.\(1\)](#) →, the excess number of days off and/or inviolate days shall be forfeited by the pilot. The pilot shall select which day(s) off and/or inviolate day(s) to forfeit, provided that they must be at the beginning or end of a scheduled free-from-duty period.

C.8.k.(3) With respect to a pilot who did not bid a reserve schedule for the month such pilot shall receive the number of days off and inviolate days provided for in the table set forth in [Section 25 C.8.k.\(1\)](#) → on days which are agreed upon by Crew Scheduling and the pilot.

C.8.k.(4) In the event agreement between the pilot and Crew Scheduling (as provided for in this subparagraph C.8.k.) cannot be reached, Crew Scheduling shall assign the days off and/or inviolate days. It is understood that agreement may or may not be reached separately on the subjects of the selection of the days off and which of the days off, after they are selected or assigned, are to be inviolate.

C.8.k.(5) All inviolate days shall be designated for use in one or **two** free-from-duty periods. All inviolate days in a duty-free period shall be contiguous.

C.8.l. A reserve pilot who completes requalification training, or is otherwise released from requalification training for any reason, and who was assigned to requalification training for **four** days or less in the bid period, shall be given a replacement day off within that bid period for each day off lost as a result of such requalification training. If the pilot is provided a day(s) off during such training assignment, each such day off shall offset a replacement day off which would have otherwise been required by this subparagraph. (See Section 25 C.8.k for training periods greater than **four** days.)

C.8.m. Reserve Assignment Bypass Provisions For a Known Open Trip:

C.8.m.(1) A reserve pilot may be bypassed in favor of other reserves at his base if it appears to Crew Scheduling that, due to the length of a known open trip, there will be a need to maintain a reserve pilot with sufficient credit time remaining to accommodate such trip. The reserve pilot to be bypassed shall be the pilot who will be in the appropriate SILO on the day the open trip is scheduled to depart and who has the amount of available credit time which is closest to but equal to or more than the credit time value of the open trip. In the event of a tie between **two** or more pilots, bypass will be offered in seniority order. Such pilot shall be notified that he is being bypassed, and he shall not thereafter be assigned to any earlier operating trip unless such known open trip is: (i) awarded or assigned to a regular pilot by operation of the Scheduling Rules, (ii) is canceled, or (iii) is otherwise removed from the open flying list. A reserve pilot who is on “bypassed” status for a reserve duty day will not be

required to be physically available for assignment to flying operating on such day. He will, however, be required to contact Crew Scheduling during the period 0900-1200 (local base time) on such day to be advised whether or not he will remain in “bypassed” status on his next reserve duty day.

NOTE: A “bypassed” pilot who has been assigned a rest period under FAR 121.471(d), 121.481(d) or 121.483(b) will still be considered to be a “bypassed” pilot. During such rest period, he will not be required to (but may at his option) contact Crew Scheduling during the period 0900-1200 local base time. If he does not do so, he will be required to contact Crew Scheduling at the conclusion of the rest period to be advised of whether or not he will remain on “bypassed” status.

- C.8.m.(2) The reserve bypass does not constitute an assignment of the open trip to the reserve pilot who is bypassed.
- C.8.m.(3) Said open trip shall be assigned in accordance with [Section 30 E.1.](#), [Section 30 E.2.](#), [Section 30 E.3.](#) and [Section 25 C.8.](#)
- C.8.n. A reserve pilot returning to on-duty days may request a late report for his first scheduled duty day by electing one of the following options:
- C.8.n.(1) Request a late report while maintaining his position on the reserve assignment list, agreeing that he may be bypassed in the event it becomes necessary to assign trips to pilots below him before he actually reports; or
- C.8.n.(2) Request a late report and agree to forfeit his position on the reserve assignment list and will be assigned, **irrespective of his accumulated actual credit time, to the reserve assignment list following the pilot in his SILO with the highest accumulated actual credit time.** → Such request for late report is subject to approval by Crew Scheduling.
- C.9. Daily → **Availability List** Information:
- The Company shall provide, via **Company computer terminals, remote access and → VRS →**, the following information → for each available pilot in a given → position →:
- C.9.a. **Regular pilots with an availability obligation;**
- C.9.b. **Each reserve position’s reserve assignment list order (SILO/LTFO);**
- C.9.c. **RAP assignment;**
- C.9.d. **Long Call assignment;**
- C.9.e. → **Accumulated credit time;** →
- C.9.f. **Number of days of remaining → duty within the SILO;**
- C.9.g. **Reserve pilots released pursuant to [Section 25 C.6.e.\(1\)](#);**
- C.9.h. **Rest periods assigned under FAR 121.471(d), 121.481(d) or 121.483(b);**
- C.9.i. **Pilots who have declined releases.**

→ Each regular and reserve pilot shall be able to access such information **for any base or position.** → Such → information shall be updated → **on a real time basis.** →

C.10. When a Crew Scheduler notifies a reserve pilot of a trip assignment less than three hours prior to report time, the return acknowledgement call from the pilot to the Crew Scheduler will receive priority handling. Priority handling will place such pilots at the top of the call-waiting queue in the order in which the call is received ahead of other callers.

C.11. Any reserve pilot or a regular pilot with an availability obligation will be given a minimum of 15 minutes to return an attempted contact from Crew Scheduling, after which Crew Scheduling may bypass such pilot for such trip assignment.

D. Long Call/Short Call Reserve System

D.1. Reserve Bidding and Assignment

D.1.a. General

D.1.a.(1) Reserve Availability Period (“RAP”) means the period of time (in local base time) during which a reserve pilot is required to be available for contact by Crew Scheduling on a Reserve Duty Day.

D.1.a.(2) RAP Assignment/Awarding Process means the daily process followed by Crew Scheduling between 0800 and 1200 local base time to satisfy the ensuing day’s reserve requirements in the following sequence: (i) Releases; (ii) Long Call RAP assignments; and (iii) Short Call RAP assignments.

D.1.a.(3) Short Call Pilot: a Reserve Pilot who:

D.1.a.(3)(a) On a given reserve duty day is in a designated NAP and/or a Short Call RAP.

D.1.a.(3)(b) Is only required to be continuously available for contact during his Short Call RAP.

NOTE: With the concurrence of Crew Scheduling, a Short Call pilot on a wide-bodied aircraft may elect to waive his NAP. Once such election is made, it will remain in effect for the remainder of that block of reserve duty days.

D.1.a.(4) Short Call RAPs

R1: 0300-1800.

R2: 0400-1900.

R3: 0700-2200.

R4: 0800-2300.

- R5: 1000-0100.**
R6: 1200-0300.
R7: 1400-0500.
R8: 1600-0700.
R9: 1800-0900.
R0: a Short Call RAP of no more than 15 hours duration, other than R1-R9, that will be assigned to a pilot returning to reserve duty and whose RAP is being assigned outside of the daily RAP Assignment Process provided in [Section 25 D.1.a.\(2\)](#).

- D.1.a.(5) Long Call Pilot: a Reserve Pilot who:**
- D.1.a.(5)(a) Has no designated non-availability periods (NAPs),**
- D.1.a.(5)(b) Is required to be continuously available for contact by Crew Scheduling,**
- D.1.a.(5)(c) Shall be given a minimum of 10 consecutive hours of notification/rest immediately before the report time for any assigned trip.**
- D.1.a.(5)(c)1' A Long Call Pilot may, on a voluntary basis, accept assignment to a trip with less than the notification/rest requirement specified in [Section 25 D.1.a.\(5\)\(c\)](#).**
- D.1.a.(5)(c)2' NOTE: A Long Call Pilot will not be required to be in base but must be able to report at the required report time.**
- D.1.a.(6) Long Call RAP (RR): 0001-2400.**
- D.1.a.(7) Subject to [Section 25 D.3](#) regarding the Long Call/Short Call Distribution, the Company shall determine which of the published monthly RAPs, as specified in [Section 25 D.1.a.\(4\)](#), are made available for Reserve Pilot Bidding for the ensuing day and the number of pilots needed in any particular RAP.**
- NOTE 1: Some RAPs are rarely used in some positions and therefore may not be available for bid.**
- NOTE 2: A RAP may already be fully occupied by pilots who commenced a period of reserve duty days earlier in the month.**
- D.1.a.(8) A pilot in a RAP may be excused from any portion of his availability obligation at the discretion of Crew Scheduling.**
- D.1.b. Reserve pilots may express their preference for Long Call or Short Call RAPs via the Reserve Pilot Preference System.**

- D.1.c.** The Short Call RAP assignment that a Reserve Pilot receives at the beginning of a block of reserve duty days shall be retained to the greatest extent possible for that period of reserve duty days.
- D.1.d.** A pilot returning from a release/rest mandated by [Section 25 C.6.e.\(1\)](#) or FAR 121.471(d) will return to reserve on-call duty (Long Call or R0) at the conclusion of the release/rest period, unless such pilot has been notified of and acknowledged a subsequent trip assignment or subsequent Short Call RAP assignment.
- D.1.e.** Narrow-Body Long Call RAP Bidding
- D.1.e.(1)** Narrow-body Reserve Pilot preferences for the available slots in the Long Call RAP will be reviewed and awarded on a daily basis in seniority order without reference to SILO and shall comply with the Long Call/Short Call Distribution table in [Section 25 D.3.d.](#)
- D.1.e.(2)** Those Reserve Pilots who are scheduled to block-in at the end of a trip between 0001 and 0700 local base time inclusively will be allowed to preference the Long Call RAP for that calendar day.
- D.1.e.(3)** Those Reserve Pilots who are scheduled to return to reserve duty from a release between 0001 and 0700 local base time inclusively will be allowed to preference the Long Call RAP for that calendar day.
- D.1.e.(4)** Those Reserve Pilots who will be in the one-day SILO shall not be eligible for an award to the Long Call RAP.
- D.1.f.** Wide-Body Long Call RAP Bidding
- D.1.f.(1)** Wide-body pilot preferences for the Long Call RAP will be reviewed and honored on a daily basis in seniority order without reference to SILO except that an individual pilot(s) could be restricted from being awarded Long Call as outlined in [Section 25 D.1.f.\(4\)\(f\)](#), [Section 25 D.1.f.\(4\)\(g\)](#) and [Section 25 D.1.f.\(4\)\(h\)](#).
- D.1.f.(2)** Those pilots who are scheduled to block-in at the end of a trip between 0001 and 0700 local base time inclusively will be allowed to preference Long Call for that calendar day.
- D.1.f.(3)** Those pilots who are scheduled to return from a release between 0001 and 0700 local base time inclusively will be allowed to preference Long Call for that calendar day.
- D.1.f.(4)** Crew Scheduling may, at its discretion, choose to protect a portion of the scheduled daily originating wide-body trip departures from a base (whether or not such trips are on the open flying list) with Short Call Pilot availability. This protection may be established by limiting the

number of wide-body Reserve Pilots in some SILOs who are eligible to be awarded the Long Call RAP in the manner established below by this subparagraph D.1.f.(4). This limitation shall not reduce the minimum number of Long Call Pilot slots (as determined by Section 25 D.3.d) that shall be made available for Long Call RAP bidding. The following procedure shall determine such trip protection limitation:

D.1.f.(4)(a) Identify the number of Reserve Pilots who should be awarded Short Call in accordance with the chart in [Section 25 D.3.d](#). This is the maximum number of Short Call Pilots who will be available to protect Short Call trips.

D.1.f.(4)(b) Compute the number of trips to be protected by complying with the following table:

<u>Total Scheduled Originating Trips</u>	<u>Number Of Protected Trips</u>
0	0
1	1
2	1
3	2
4	2
5	3
6	3
7	3
8	4
9	5
10	5
11	5
12	6
13	6
14	7
15	7
16	8
17	9
18	9
19	9
20	10

D.1.f.(4)(c) The smaller of the numbers produced by the provisions of [Section 25 D.1.f.\(4\)\(a\)](#) and [Section 25 D.1.f.\(4\)\(b\)](#) will be used to determine the size of the Short Call Reserve Protected Pool of Trips (SCRPPPT) for all the wide-body trips that originate from a category at a base on that day.

D.1.f.(4)(d) The trips that will be in the SCRPPPT shall be selected using the following procedure and order:

- D.1.f.(4)(d)1'** The longest trip (in days) with the highest credit value,
- D.1.f.(4)(d)2'** The shortest trip (in days) with the lowest credit value,
- D.1.f.(4)(d)3'** The next longest trip (to include trips of the same length as the longest trip),
- D.1.f.(4)(d)4'** The next shortest trip (to include trips of the same length as the shortest trip),
- D.1.f.(4)(d)5'** And so on to continue this alternating pattern until the number of trips calculated in [Section 25 D.1.f.\(4\)\(c\)](#) to fill the SCRPPPT are identified.
- D.1.f.(4)(e)** Each trip in the SCRPPPT is protected by identifying a Reserve Pilot in accordance with the provisions of [Section 25 D.1.f.\(4\)\(f\)](#), [Section 25 D.1.f.\(4\)\(g\)](#) and [Section 25 D.1.f.\(4\)\(h\)](#), and then restricting that pilot from being awarded the Long Call RAP on the same calendar day as the trip's Report Time.
- D.1.f.(4)(e)1'** In order to be identified to protect a given trip, a Reserve Pilot must:
- D.1.f.(4)(e)1'a'** Not have already been identified to protect a different trip that reports on the same day.
- D.1.f.(4)(e)1'b'** For trips in the SCRPPPT that originate in the last two days of the bid period and that carry-over into the following bid period, have sufficient available credit time in the current bid period to be legal to complete all duty periods of the trip that begin in the current bid period.
- D.1.f.(4)(e)2'** Should more than one Reserve Pilot fit the criteria for identification to protect a given wide-body trip, the most junior Reserve Pilot not expressing a preference for Long Call will be selected. If all such pilots are expressing a preference for Long Call, the most junior such pilot shall be selected.
- D.1.f.(4)(f)** In order to protect the longest trip in the SCRPPPT, a Reserve Pilot shall be identified as follows and restricted from bidding the Long Call RAP for the day on which such trip reports:
- D.1.f.(4)(f)1'** Identify the pilot(s) in the appropriate or longer SILO with enough credit time remaining to be assigned the trip.
- D.1.f.(4)(f)2'** If no pilot(s) is so identified, then determine the pilot(s) in the next lower SILO(s) with enough remaining credit time to be assigned the trip and whose SILO plus succeeding RDO day(s) plus any

succeeding reserve duty day(s) will allow the pilot(s) to be assigned such trip.

D.1.f.(4)(f)3'

If no pilot has yet been identified, then rank order the remaining reserve pilots according to their effective availability, calculated as follows:

D.1.f.(4)(f)3'a'

Divide the total trip credit of the trip being protected by the length of such trip (in days) to determine the average daily trip credit.

D.1.f.(4)(f)3'b'

For any remaining pilot not identified in the steps in [Section 25 D.1.f.\(4\)\(f\)1'](#) through [Section 25 D.1.f.\(4\)\(f\)2'](#), divide his remaining available credit (actual monthly maximum minus actual credit) by the average daily trip credit for the trip to determine his number of available credit days.

D.1.f.(4)(f)3'c'

Compare the number of available credit days determined in [Section 25 D.1.f.\(4\)\(f\)3'b'](#), to his number of available reserve duty days, plus succeeding RDO days, plus any succeeding reserve duty days. The lesser of such two numbers is his effective availability. The pilot with the greatest effective availability will be the pilot identified and may be restricted from bidding Long Call for that day.

D.1.f.(4)(g)

To protect the shortest trip in the SCRPT, a Reserve Pilot shall be identified as follows and may be restricted from bidding the Long Call RAP for the day on which such trip reports:

D.1.f.(4)(g)1'

Identify the pilot(s) in the appropriate SILO with enough credit time remaining to be assigned such trip.

D.1.f.(4)(g)2'

If no pilot(s) is so identified, then determine the pilot(s) in the next higher SILO(s) with enough remaining credit time to be assigned such trip.

D.1.f.(4)(g)3'

If no pilot(s) has yet been identified, then determine the pilot(s) in the next lower SILO(s) with enough remaining credit time to be assigned such trip and whose SILO, plus succeeding RDO days, plus any succeeding reserve duty days would allow the pilot(s) to be assigned the trip.

D.1.f.(4)(g)4'

If no pilot(s) has yet been identified, then Crew Scheduling may, at their discretion, restrict a pilot from being awarded the Long Call RAP if such pilot has a minimum of three days of availability and enough available credit time to accept assignment to three days of such trip as published or broken into shorter trips.

D.1.f.(4)(h) The remaining trips in the SCRPPPT, may be protected by identifying pilots using the same method as was used in [Section 25 D.1.f.\(4\)\(f\)](#) and [Section 25 D.1.f.\(4\)\(g\)](#) and alternating between the next longest trip and the next shortest trip.

D.1.f.(4)(i) Due to the lack of reserve pilot availability, there could be instances in which no pilot is identified to protect the trip(s) in the SCRPPPT on a particular day(s).

NOTE: The process outlined in [Section 25 D.1.f.\(4\)](#) is intended to ensure adequate Short Call reserve coverage for approximately half the scheduled originating departures in a category from a base on a given day. The individual pilot identified to protect a trip in the SCRPPPT will be in a Short Call RAP/NAP for that day unless otherwise assigned or released by Crew Scheduling. Such pilot will only be assigned the trip that he was identified to protect, or any other trip, by Crew Scheduling if he is the appropriate pilot to be assigned the trip in accordance with the provisions of this Section 25, [Section 30 E.1.](#) and [Section 30 E.2.](#)

D.1.g. Short Call RAP Bidding for All Aircraft

D.1.g.(1) Reserve Pilot bid preferences for available Short Call RAPs will be reviewed and awarded in seniority order without reference to the Reserve Assignment List (SILO/LTFO).

D.1.g.(2) Crew Scheduling will award preferences in seniority order to the extent sufficient bidders and RAPs are available.

Reserve Pilots who have insufficient choices or who have not submitted a bid will be assigned in seniority order to the earliest RAPs available after those pilots submitting a bid with sufficient choices.

D.1.g.(3) To the extent that the Company has made sufficient slots available within the various Short Call RAPs that are made available for bidding, the following Reserve Pilots will have their RAP bid preference awarded during the RAP Assignment/Awarding Process:

D.1.g.(3)(a) A pilot who will be in the two or more day SILO on the ensuing day.

D.1.g.(3)(b) A pilot who has been converted from Long Call to Short Call during the RAP Assignment/Awarding Process.

D.1.g.(3)(c) A pilot who is being moved from one RAP to another during the RAP Assignment/Awarding Process.

D.1.g.(3)(d) A “bypassed” pilot (under [Section 25 C.8.m.](#)) who will be returning to reserve duty status for the ensuing day.

D.1.g.(4) The following Reserve Pilots will have their RAP Bid preferences reviewed but not necessarily awarded:

D.1.g.(4)(a) A pilot whose RAP is being changed outside of the RAP Assignment/Awarding Process.

D.1.g.(4)(b) A pilot returning from a release/rest period required by [Section 25 C.6.e.\(1\)](#) or FAR 121.471(d).

D.1.g.(4)(c) A pilot returning from a trip on the ensuing day.

D.1.g.(4)(d) A pilot who will be in the one day SILO on the ensuing reserve duty day.

D.2. Self-Notification for Assignments/Awards on the First Day of a Series of Reserve Duty Days

NOTE: the provisions of this [Section 25 D.2.](#) shall apply to Reserve Pilots who have been assigned/awarded a reserve schedule and are returning to reserve duty from other than a trip assignment.

D.2.a. All Reserve Pilots commencing a series of reserve duty days will be deemed to have made a duty assignment request for their next on-duty period through the Reserve Pilot Preference System. As a result Reserve Pilots are responsible to be familiar with their schedule.

D.2.b. Self-notification will be accomplished in the following manner:

D.2.b.(1) Reserve assignment information will be available no later than 1200 local base time on the day prior to the Reserve On-Call Day and will not be final until 1200 local base time.

D.2.b.(2) Pilots who have been notified of and acknowledged a trip assignment for the ensuing day will be deemed to have fulfilled this assignment and familiarity requirement. Pilots will otherwise be required to know their trip or on-call assignments and be available at the beginning of such assignment.

D.2.c. Any changes to these assignments following self-notification by a Reserve Pilot must be confirmed via actual notification by the Company and acknowledgment by the pilot. Such changes are not part of the self-notification process.

D.2.d. For the purposes of self notification under this [Section 25 D.2.b.](#) and prior to the start of the pilot's next trip or on-call duty period, Crew Scheduling will make Reserve Pilot assignments available on the Company computer terminals, remote access and VRS. Crew Scheduling should not normally utilize telephone contact for other than trip assignments or changes to the

report time for a previously assigned trip that occur after a pilot has self notified.

D.3. Compliance with the Long Call/Short Call Distribution Ratio:

D.3.a. The Long Call/Short Call Distribution table below establishes the minimum number of Reserve Pilots who will be awarded the Long Call RAP provided that sufficient numbers of pilots are preferencing Long Call.

D.3.b. D.3.b. Determination of and compliance with the ratio is required only when the RAP Assignment/Awarding Process is accomplished each day.

D.3.c. Pilots for whom the ensuing day is a reserve duty day are counted in determining the proper Long Call/Short Call distribution.

D.3.c.(1) The snapshot of reserve pilots to be counted will be taken when the crew scheduler begins the daily RAP Assignment/Awarding Process.

D.3.c.(2) Reserve Pilots excluded from the count for purposes of determining the Long Call / Short Call ratio are:

D.3.c.(2)(a) Pilots scheduled to block-in on the ensuing day from a trip after 0700 local base time.

D.3.c.(2)(b) Pilots scheduled to depart on a trip on the ensuing day.

D.3.c.(2)(c) Pilots scheduled to begin a release prior to 1201 local base time of the ensuing day.

D.3.c.(2)(d) Pilots scheduled to return from a release after 1200 local base time of the ensuing day.

D.3.c.(2)(e) A pilot who will be on “bypassed” status for the ensuing day as provided by [Section 25 C.8.m](#).

D.3.d. The following table will be used to determine compliance with the Long Call/Short Call Distribution:

<u>Total</u>	<u>Long Call</u>	<u>Short Call</u>
0	0	0
1	0	1
2	0	2
3	0	3
4	1	3
5	1	4
6	1	5
7	2	5

<u>Total</u>	<u>Long Call</u>	<u>Short Call</u>
8	2	6
9	3	6
10	3	7
11	4	7
12	4	8
13	4	9
14	5	9
15	5	10
16	5	11
17	6	11
18	6	12
19	6	13
20	7	13
21	7	14

NOTE 1: the chart is based on a 1:3 ratio through eight total pilots and a 1:2 ratio at nine or more total pilots.

NOTE 2: for more than 21 pilots, continue the mathematical progression based on a 1:2 ratio.

D.4. Procedures for Conversion between a Long Call and a Short Call RAP

D.4.a. Short Call to Long Call: Crew Scheduling may convert only those pilots whose preferences for the Long Call RAP were not honored during the RAP Assignment/Awarding Process from the Short Call RAP to the Long Call RAP. The Company is under no obligation to convert any pilot from Short Call to Long Call, except as is required by [Section 25 D.3.](#)

D.4.b. Long Call to Short Call: Pilots may be converted from the Long Call RAP to Short Call RAP at any time for the current or ensuing day in order to restore the appropriate Long Call/Short Call distribution as well as for the ensuing day through the RAP Assignment/Awarding Process.

D.4.b.(1) In order to restore the appropriate distribution specified by the Long Call/Short Call Distribution table in [Section 25 D.3.d.](#), the Company may convert a Long Call pilot(s) to Short Call but only when the total number of pilots in Short Call falls to five or fewer.

NOTE: Nothing herein is intended to preclude the Company from carrying more Long Call pilots in the position than would be the appropriate distribution specified by the Long Call/Short Call Distribution table.

D.4.b.(1)(a) When the provisions of [Section 25 D.4.b.\(1\)](#) allow and the Company decides to convert a pilot(s) from Long Call to Short Call, the

Company shall assign and notify Long Call pilots in reverse seniority order to the appropriate Short Call RAPs.

D.4.b.(1)(b) A Long Call pilot who is being converted to Short Call for the current or ensuing day under this provision is normally assigned a minimum of 10 hours of notification/rest before the start of the Short Call RAP.

Such Long Call pilot may voluntarily reduce his rest period before the start of the Short Call RAP to not less than nine hours.

D.4.b.(1)(c) A Short Call pilot who has been awarded/assigned Long Call for the ensuing day and who is being converted to Short Call for the ensuing day under the provisions of [Section 25 D.4.b.\(1\)](#), must receive actual notification of the conversion before 2400 local base time of the current day. Lacking actual notification, such pilot will become a Long Call pilot at 0001 local base time of the ensuing day, and the conversion requirements of [Section 25 D.4.b.\(1\)\(b\)](#) will apply.

D.4.b.(2) A Long Call pilot who has been awarded/assigned Short Call for the ensuing day may not be assigned a Short Call RAP that starts before 0900 local base time unless he was notified and released to a rest period that began at least 10 hours before the start of such earlier Short Call RAP.

E. Reserve Pilot Assignment Preference System

E.1. Reserve pilots may register via Company computer terminals, remote access or VRS the following preferences/bids:

- E.1.a.** Inviolate days off as provided in [Section 25 C.1.a.](#)
- E.1.b.** Reserve Will-Fly volunteer preference as provided in [Section 25 C.4.a.](#)
- E.1.c.** High or Low preference as provided in [Section 25 C.5.](#)
- E.1.d.** Preference to be considered last-in as provided in [Section 25 C.8.b.\(2\).](#)
- E.1.e.** Preference for HIT flying as provided in [Section 25 C.8.b.\(3\).](#)
- E.1.f.** Preference for trip award when multiple trips are available as provided by [Section 25 C.8.f.](#)
- E.1.g.** Preference for trip notification during the hours of 2200-0700 as provided in [Section 25 C.8.h.\(3\).](#)
- E.1.h.** Preference for recovery of lost days off as provided in [Section 25 C.8.j.\(3\).](#)
- E.1.i.** Preference for a pilot on a wide-bodied aircraft to waive Short Call NAPs as provided in [Section 25 D.1.a.\(3\).](#)
- E.1.j.** Preference for a Long Call pilot to accept assignment to a Short Call trip as provided in [Section 25 C.8.c.\(2\)\(b\)1'](#) and [Section 25 D.1.a.\(5\)\(c\)1'](#), including a time interval, prior to the report time, below which he will not accept such assignment.
- E.1.k.** Preference for a Long Call pilot to receive notification of an open Short Call trip as provided in [Section 25 D.1.a.\(5\)\(c\)1'](#), including a time interval, prior to the report time, below which he does not want to receive such notification.

- E.1.l.** Bidding for Long Call as provided in [Section 25 D.1.b.](#)
- E.1.m.** Bidding for Short Call RAPs as provided in [Section 25 D.1.b.](#)
- E.1.n.** Preference for a pilot who is being converted from Long Call to Short Call to accept less than the normal rest period before the start of the Short Call RAP, as provided in [Section 25 D.4.b.\(1\)\(b\).](#)

- E.2.** All Reserve Pilots should submit their Reserve Pilot Assignment Preferences prior to the trip filling period on the day prior to their first on-duty day but may submit/change their preferences prior to the time that Crew Scheduling initiates the assignments appropriate to such requests.

- E.3.** Standing bids may be submitted prior to and during any month and shall remain in effect until the end of that month.

- F.** ACARS Notification for Reserve Pilots in a Flight Duty Period
 - F.1.** To effectively assign a reserve pilot who is in a flight duty period to subsequent duty, the pilot must be actually notified of subsequent duty prior to the release time of his flight duty period. In most circumstances, such “actual notification” will be accomplished by means of ACARS messages. However, voice radio contact or face-to-face conversation between the pilot and a person designated by the Company to directly notify the pilot may be utilized.

 - F.2.** In the case of an ACARS message notifying the pilot of the subsequent duty, the message must be acknowledged by the pilot in order for “actual notification” to have occurred. The ACARS message will notify the pilot of the subsequent duty and direct the pilot to contact Crew Scheduling upon landing if further information is required. The pilot shall acknowledge such message, preferably via a return ACARS message prior to release time, unless operational considerations do not permit such a response. If operational considerations prohibit response prior to release time, then the pilot must respond to Crew Scheduling as soon as practicable but no later than 15 minutes after the release time via VRS, ACCESS, or voice contact. Rest will be calculated from release time or the point of initial pilot response, whichever occurs later, unless that duty period has been extended by Crew Scheduling. It is understood that, in the case of ACARS messaging (which may not include all the details of the subsequent duty), (i) the pilot will be provided with the details of the subsequent duty upon landing via VRS, ACCESS or via voice contact with Crew Scheduling, and (ii) the assignment is subject to review by the pilot for FAR and contract compliance.

 - F.3.** Should “actual notification” not be accomplished as described in Section 25 F.2, (i) such pilot will be deemed to have begun his post trip rest and shall not be required to report for any duty until at least the conclusion of required minimum post-trip rest and (ii) the pilot must be actually notified of any subsequent duty that may have been assigned by the Company.

- G.** Information To Be Made Available To ALPA

- G.1.** Crew Scheduling will maintain and have available for a period of 180 days for review by the MEC Chairman, or his designee, by advance appointment, during normal business hours in the presence of a Company representative:
- G.1.a.** a record of all pilots' bid schedules, and
- G.1.b.** a record of pilots' accumulated credit time, providing that such review will be undertaken so as not to interfere with the conduct of ongoing work of Crew Scheduling personnel in the assignment and recording of flying.
- G.2.** A computer terminal (with read-only capability on the premises of ALPA) and a printer (on Company premises only) to monitor Crew Scheduling activity will be provided by the Company for use by ALPA. In addition, the Company shall continue to provide ALPA with the ability to electronically monitor Crew Scheduling activity via the Crew Management System (CMS), including the Audit Trail Module, and print information on ALPA's printers as needed.
- G.3.** The Company shall provide to ALPA a copy of all information provided to the Red Book and Green Book Committees pursuant to Paragraph 3 of [Letter of Agreement 1998-03](#). This information will be provided to ALPA within **three** days of the day it is provided to the Merger Committees and will be provided in an electronic format, if possible. Any information that is confidential in nature will be so designated, including the time frame of the confidentiality requirement. ALPA will keep such information confidential.
- H.** Review of Scheduled Times
- H.1.** When the scheduled block-to-block time is found in actual operation to be insufficient, hearings shall be granted at the request of the Association for the purpose of determining whether or not adjustments should be made in such scheduled block-to-block time.
- H.2.** When the scheduled time for a deadhead by surface transportation is found in actual operation to be insufficient to reflect actual elapsed times, hearings shall be granted at the request of the Association for the purpose of determining whether or not adjustments should be made in such scheduled times for a deadhead by surface transportation.
- H.3.** When the scheduled time for ground transportation in [Section 12 C.2.d.](#) is found in actual operation to be insufficient to reflect actual elapsed times, hearings will be granted at the request of the Association for the purpose of determining whether or not adjustments should be made in such scheduled times for such ground transportation.
- I.** Changes in Aircraft Operating Speeds
- I.1.** The Company will advise ALPA in advance of the actual implementation of any future changes in aircraft operating speeds.

- I.2. In the event of future changes in aircraft operating speeds, the Company will advise ALPA of any changes in total en route schedule time resulting from such change in aircraft operating speed. If no change in total en route schedule time is made, the Company will explain the reason(s) to ALPA why the Company believes a change in total en route schedule time is not appropriate.
- I.3. The Company will revise total en route schedule times as necessary to reflect any time changes that can be objectively observed in the analysis of actual performance data obtained following implementation of changes in aircraft operating speeds.
- J. Association and Company representatives will agree upon scheduling rules to affect this Section 25.
- K. Electronic And VRS Access By A Pilot To His Schedule

When a pilot accesses his schedule via VRS, ACCESS, or equivalent systems, any pilot acknowledgement of receipt of changes made to his schedule shall not constitute an acceptance that such schedule changes are in compliance with either contractual provisions or FARs. **The Company shall provide a menu item for a pilot who has questions about a change or changes to his schedule to speak with Crew Scheduling via a priority prompt in VRS. Such request for priority will be recorded in the CMS Audit Trail. The priority prompt will indicate that the pilot needs more information as to the change(s) to his schedule but acknowledges his awareness that some change does exist.**

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SECTION 26
GENERAL

- A. All advices to a pilot involving a change in permanent position, temporary position leave of absence, layoff and recall shall be stated in writing. At such time as the Company has developed and implemented an electronic mailbox system approved by ALPA, the requirements of this Paragraph relating to permanent and temporary positions shall be deemed met through such system.
- B. No pilot shall be required to pay for the use of any Company equipment required by the Company for personnel training. All training materials for a training program which are made available for home use shall be made available at no charge to pilots who are assigned to training in that program.
- C. Uniforms
- C.1. The recommendations of the Master Executive Council shall be considered by the Company before making any change in the style, color or materials of uniforms. Before any change in uniforms is made, sufficient notice shall be given to allow for reasonable wear of existing uniforms. A complete uniform shall be worn by all pilots when engaged in air carrier operations. Such uniform shall comply with NWA specifications and shall always be kept neat, clean and in good repair. No insignia other than that described in [Section 26 C.2.a.](#) →, the NWA service pin and/or a Union affiliated pin, shall be worn.
- C.2. Such uniform shall be procured at the pilot's expense, except that:
- C.2.a. Pilots shall not be charged for the Company-provided cap insignia, breast pocket wings or other Company insignia or emblems.
- C.2.b. For the purpose of change in uniform, the useful life of the current uniform is established at **two** years. If a pilot is required by the Company to change his uniform in less than the **two** years of useful life, a pro rata share of the cost of the current uniform will be paid by the Company.
- D. The Company will provide each pilot with a copy of this Agreement, printed and contained in a convenient size ring binder, within 75 days from the signing of this Agreement. All pilots shall be provided with a copy of this Agreement upon employment. As interim amendments are made to the Agreement, the Company shall, in a timely manner, print and distribute to the pilots dated replacement pages which incorporate the amendments.
- E. No pilot shall be required to pay for or to pay a fine on any part of Company equipment damaged.
- F. The Company will notify in advance pilots engaged in international operations when immunizations and visas are required. The Company will reimburse pilots for the cost of visas, immunizations and passports when they are required.

- G. Any masculine pronoun used in this Agreement shall be deemed and understood to designate any employee, whether male or female.
- H. Each pilot will be issued a monthly statement showing the balance of his vacation and sick leave accruals. In addition, each December, all pilots will be issued a statement showing the dates of their awarded vacation for the upcoming vacation year.
- I. The Company shall provide a glass-covered bulletin board at each station where pilots are based for the posting of matters of Association business. Such posted material shall not contain anything of a defamatory nature.
- J. The Company and the Association agree that they will comply with applicable state and federal laws which prohibit discrimination against any employee because of race, creed, color, religion, national origin, sex, age, disability or status as a Vietnam or disabled veteran.
- K. Aircraft Data Collection Systems
- K.1. Definitions:
- K.1.a. “Flight Data Recorder” means any device, equipment or system which transmits and/or records and/or collects inflight data on the subjects of pilot, aircraft component, or aircraft performance.
- K.1.b. “Cockpit Voice Recorder” means any device, equipment or system which monitors or records a pilot’s voice while he is on an aircraft.
- K.1.c. “Information” means (i) any inflight data on the subjects of pilot, aircraft component or aircraft performance which is transmitted, recorded or collected by using a flight data recorder, or any other recording device; and (ii) any data transmitted, recorded or collected by using a cockpit voice recorder or any other voice recording device. The term “information” shall further include tapes, transcripts, reports, papers, memos, statements, studies, charts, graphs or any other description, analysis or compilation of data from a cockpit voice recorder or flight data recorder.
- K.1.d. “Inflight” for purposes of this Paragraph K. means the period from the time a pilot first enters the cockpit prior to a flight to the time all the pilots have left the cockpit after a flight.
- K.2. Information obtained from a flight data recorder or cockpit voice recorder shall not be used on a basis, in whole or in part, for discipline or discharge action against a pilot.
- K.3. The Company shall not offer or introduce information obtained from a flight data recorder or cockpit voice recorder in any discipline or discharge grievance proceeding or subsequent System Board of Adjustment proceeding unless the grievant or the Association first offers or introduces such information.

- K.4. Information obtained from a flight data recorder or a cockpit voice recorder shall not be used to evaluate or monitor the judgment or performance of an individual pilot or crew.
- K.5. Information obtained from a flight data recorder or a cockpit voice recorder shall not be used as a basis, in whole or in part, to justify or require a pilot's submission to a non-recurrent proficiency check or a line check, or a punitive/retaliatory recurrent proficiency check or line check.
- K.6. Except as provided in [Section 26 K.6.a.](#) and [Section 26 K.6.b.](#) →, information obtained from a flight data recorder or a cockpit voice recorder shall not be disclosed or released by the Company to a third party without the express, written consent of an authorized representative of the Association.
- K.6.a. The Company may release information obtained from a flight data recorder or a cockpit voice recorder to a government agency only to the extent required by law for the sole purpose of investigating an incident or accident, without consent of the Association. The Company may release information from a flight data recorder or cockpit voice recorder to a manufacturer, vendor, or servicer in the normal course of business provided it obtains written assurance from the manufacturer, vendor or servicer that it will not release such information to any third party without the consent of the Association. The Company may also release such information to an expert for the purpose of reading and/or interpreting such information provided that the same written assurance as specified above is given to the Association.
- K.6.b. The Company shall release information obtained from a flight data recorder or a cockpit voice recorder to the Association, when requested by an authorized representative of the Association in regard to a specific pending grievance or a specific event.
- K.7. The Company shall advise the MEC in writing of the equipment presently on Company aircraft which is capable of monitoring pilot performance on an aircraft and what that equipment is currently used for. If such equipment is not presently being used for such purpose, the Company shall advise the MEC in writing before such equipment is used for such purpose.
- K.8. The Company, on an ongoing basis, shall advise the MEC in writing of the planned installation of any device, equipment or system which is capable of monitoring pilot performance on an aircraft. The Company shall also immediately advise the MEC of any additions or changes to this intended use.
- K.9. The Association agrees to participate jointly with the Company to develop a mutually acceptable "Flight Operational Quality Assurance Program." The purpose of this program will be to improve the safety of operation. The Association and the Company agree that any such program will not be implemented prior to both parties

- being mutually satisfied that their individual interests are protected in the regulatory and judicial process.
- L. This Agreement contemplates that pilots shall devote their entire professional flying service to the Company, except that nothing in this Agreement shall be construed to prevent a pilot from affiliating with the military service of the United States.
- M. The MEC Chairman or his designee shall receive copies of all bulletins to pilots and new hires, and shall promptly be advised of any layoff or recall.
- N. A pilot's personnel file, training file, and his personnel information maintained on-line in Company computer files, in their entirety, will be available, upon advance appointment, during regular business hours with the Company for inspection by the pilot in the presence of a Company representative.
- O. Should an error be made in the computation of a pilot's pay which involves more than \$100, payment will be made not later than the next biweekly check following confirmation.
- P. Cockpit Jumpseats
- P.1. The senior Captain assigned to a flight as an operating crew member has the authority to grant an unreserved cockpit jump seat on that flight to any Company pilot, or to any pilot employed by another carrier, provided that Company pilots and those persons with jump seat authority who are listed in the Flight Operations Manual shall have higher usage priority than pilots employed by other carriers.
- P.2. The Company shall provide pilots with a jump seat reservation capability via Voice Response System, Company computer terminals and remote access.
- Q. Any time a pilot is called by the Company as a witness involving lawsuits of any description, kind or character for any reason, the pilot shall receive pay time and credit time at the daily rate of 2:40 and expenses while away from his residence as set forth in Section 5, for each calendar day or fraction thereof he is involved in such assignment. In the event he must drop a trip(s), he shall receive the scheduled pay time and scheduled credit time for the trip(s) dropped, or at the daily rate of 2:40, whichever is greater. International pay shall not be paid to the pilot for such missed trip(s).
- R. The Company shall provide, at no cost to the pilot, a parking space at the pilot's base. In lieu of the above and subject to space being available, the Company shall provide, at no cost to the pilot, a parking space at a base of pilot's choice.
- S. Any out-of-pocket expenses incurred by a pilot for which reimbursement is authorized by this Agreement or by the Company shall be reimbursed within **one** month of the date a claim for reimbursement is filed by the pilot and approved for payment by the Company.
- T. During initial ground school training, the Company will hand out to each new hire class a notice setting forth the particulars regarding an ALPA informational meeting for new

- hires. ALPA will prepare and provide the training division with the appropriate notice to be handed out to each class.
- U. Except as otherwise provided in the Agreement, when attempting to contact a pilot for any purpose covered by the Agreement or Scheduling Rules, Crew Scheduling and Training Scheduling shall, first, determine whether the pilot is on a trip and, if so, attempt to contact the pilot during the trip hour period. If the pilot is not on a trip, they shall then use all telephone numbers available to the Company through CMS, or any other similar system in use by the Company.
- V. The Company may, at its option, develop and implement an electronic mailbox system for all pilots which is accessible via Company computer terminals and remote access. The Association shall have the right to approve the substitution of delivery in physical mailboxes by the electronic mailbox system for specific purposes, which approval shall not be unreasonably withheld.
- W. The Company shall maintain a program to electronically deposit the paycheck of a pilot in a financial institution of his choice (provided such financial institution is capable of receiving such electronic deposit). Each pilot shall arrange for electronic deposit of his paycheck, except that, this pilot obligation shall be rescinded upon specific written request to the Company Payroll Department. In the absence of an electronic deposit arrangement, the Company shall continue to mail a pilot's paycheck to the appropriate address on file.
- X. In this Agreement, references to hours and minutes, when not spelled out (e.g., 8 hours or 4 hours and 15 minutes) are set forth in the conventional shorthand manner of the number of hours and the number of minutes separated by a colon (e.g., 8:00 or 4:15).
- Y. ALPA Flight Pay Loss
- Y.1. ALPA Bank
- The "ALPA Bank" will be funded by (i) pilots from their own bank credit (see [Section 12 G.](#)); (ii) credit from ALPA Will-Fly trips; (iii) credit directly from the Company; and (iv) credit generated by flying performed by pilots other than line pilots under [Section 9 A.2](#). The "ALPA Bank" will be used for the purpose of paying the Company for ALPA Flight Pay Loss liabilities. The system will work as follows:
- Y.1.a. An "ALPA Bank" account will be established by the Company.
- Y.1.b. The Company shall, on each January 1, in addition to any other credits owed, credit the "ALPA Bank" with an amount equivalent to the annual pay of **three** NWA MEC officers (Chairman, Vice Chairman and Secretary-Treasurer).
- Y.1.c. Pilots may, once per month, transfer credit from their own bank to the "ALPA Bank". Pilots shall designate, on forms provided by the Company, the amount of time they wish to transfer. The Company shall then calculate the dollar value of

that time based on the pilot's domestic rate for the pilot's then-current category and credit the "ALPA Bank" account accordingly.

- Y.1.d. The Company shall, once per month, credit the "ALPA Bank" account with a dollar amount equal to the sum of (i) credit from ALPA Will-Fly trips; and (ii) flight time credit generated by flying performed by pilots other than line pilots pursuant to [Section 9 A.2](#).
- Y.1.e. The Association shall receive from the Company on a monthly basis a statement listing:
- Y.1.e.(1) the pilots who contributed during the prior month, the amount of time transferred and the category the dollar amount calculation was based on,
- Y.1.e.(2) the pilots who flew ALPA Will-Fly trips during the prior month, the amount of time transferred and the category the dollar amount calculation was based on, and
- Y.1.e.(3) the pilots who generated contributions under [Section 9 A.2](#) during the prior month, the date and flight number for each trip flown, the amount of time for each trip and the category the dollar amount calculation was based on.
- Y.1.f. The Association shall use the credit in the "ALPA Bank" to "pay" for ALPA Flight Pay Loss liability owed to the Company. Any excess liability will be paid by the Association in the normal billing manner. ALPA Flight Pay Loss liability shall consist of salary for pilots who have been released from duty at the request of the Association for the purpose of engaging in Association business, plus a percentage override of 28.8% for fringe benefits and salary-related expenses.
- Y.1.g. Except for the potential excess liability described in [Section 26 Y.1.f](#) →, no money shall actually change hands between the pilot, the Company and the Association. Rather, ALPA Flight Pay Loss liabilities shall be offset as described above.
- Y.2. ALPA Will-Fly
- Y.2.a. An ALPA Will-Fly Pilot (WFP) is any pilot who desires to pick up a trip to be credited to the Association for flight pay coverage. A pilot who is on union leave desiring to make up flight pay costs will also be considered a WFP for the purposes of this Paragraph Y.2. A trip being picked up for the purpose of crediting the time to the ALPA Bank by a pilot who is not doing ALPA leave make-up shall be awarded pursuant to [Section 30 E.1.i.](#), [Section 30 E.2.i.](#) or [Section 30 E.3.g.](#) (not [Section 30 E.1.k.](#), [Section 30 E.2.k.](#) or [Section 30 E.3.k.](#)), without any need to invoke a modified monthly maximum.

Y.2.b. Trip Selection and Assignment

- Y.2.b.(1) A pilot who desires to fly an ALPA Will-Fly trip will go to the open flying list in his base and select a trip(s) that he would like to fly, in any category in which he is currently qualified; provided that, a pilot who is on union leave who desires to fly an ALPA Will-Fly trip may go to the open flying list at any base and select a trip(s) that he would like to fly, in any category in which he is currently qualified.
- Y.2.b.(2) The WFP will submit a request for open flying via a Schedule Adjustment Request for this trip(s). The pilot will submit the request with his name, clock number and seniority number. In REMARKS, the WFP will insert "ALPA WILL-FLY."
- Y.2.b.(3) Crew Scheduling will award the trip(s) based upon the WFP's seniority number utilizing [Section 30 E.1.i.](#), [Section 30 E.2.i.](#) and [Section 30 E.3.g.](#) For purposes of pilots on ALPA leave for the entire month, the above scheduling rules shall include both regular and reserve pilots.
- Y.2.b.(4) When Crew Scheduling awards the trip, the trip will be annotated in the Crew Management System with an appropriate "Code 8" reason code in order to indicate this is an ALPA Will-Fly trip.
- Y.2.b.(5) When awarded the trip, the WFP will fly the trip utilizing normal procedures. Time and credit will be based on the actual trip flown; bid trip guarantee does not apply.
- Y.2.c. An instructor pilot may volunteer to work an extra day in training and donate it as an ALPA Will-Fly day. Working the extra day will be entirely at the instructor's discretion and will not be factored into monthly utilization projections. The procedures will be developed by the Association and Company representatives.
- ## Y.2.d. Crediting
- Y.2.d.(1) The value of a trip flown for ALPA leave make-up, including any applicable pay overrides, and the corresponding override charged to the Association in [Section 26 Y.1.f.](#) →, shall be credited to the "ALPA Bank" account in the month in which it was flown.
- Y.2.d.(2) Crediting of the Will-Fly trip to the "ALPA Bank" account will be done automatically by the FLAPPS payroll program based upon the correct insertion of the Will-Fly reason code in the Crew Management System.
- Y.2.d.(3) After completion of the flying month, the Company will provide the Association with sufficiently detailed documentation of the events that transpired that effect Association billing in order to reconcile the account.

Y.3. Union Leave Pilots flying HIT/Negative Bank Flyback

Y.3.a. Part Time Union Leave Pilots

A part time union leave pilot shall be allowed to fly HIT/Negative Bank Flyback without first making up union leave. Normal contract rules apply with respect to his ability to access HIT/Negative Bank Flyback flying from the open flying list at his base.

Y.3.b. Full Time Union Leave Pilots

Y.3.b.(1) Trip selection and assignment

Y.3.b.(1)(a) A full time union leave pilot (regular or reserve) who desires to fly a HIT/Negative Bank Flyback trip will select such trip from the open flying list from any base in any category in which he is currently qualified.

Y.3.b.(1)(b) The pilot will submit a request for an open trip via an Upward Adjustment request.

Y.3.b.(1)(c) Crew Scheduling will award such trip(s) based on the pilot's seniority number utilizing [Section 30 E.1.k.](#), [Section 30 E.2.k.](#) and [Section 30 E.3.k.](#)

Y.3.b.(2) Crediting

Y.3.b.(2)(a) Pay time up to the variable monthly maximum (and also pay time for premium pay in positions with the variable monthly maximum set at more than 80 hours) shall be paid by the Association pursuant to [Section 26 Y.1.f.](#) (minus any ALPA Will-Fly credit flown by the pilot pursuant to [Section 26 Y.2.](#)).

Y.3.b.(2)(b) Any pay time associated with the HIT/Negative Bank Flyback trip including any premium pay shall be paid by the Company pursuant to [Section 3 M.1.](#) and [Section 12 G.1.](#) The Association shall not pay any override on such pay time.

Y.4. Pay-Only Activity for any Pilots on Union Leave

When a pilot on union leave has pay-only activity (e.g. SVT) the Company shall pay for all such activity including any related premium pay. The Association shall not pay any override on such pay time.

Y.5. Pay and Credit Calculation, Initial Qualification Deferral and Desk Drawer Vacation

Y.5.a. All regular pilots who, at the time of monthly schedule bidding, have been assigned a union leave day(s) shall receive pay and credit time of 5:00 for each day of union leave. Regular pilots who have been assigned union leave days after

bidding that do not conflict with a previously awarded trip shall receive no (0:00) pay and credit, and ALPA shall not be billed for such union leave days.

- Y.5.b. All reserve pilots who have been assigned a union leave day(s) shall receive pay and credit time of 2:40 for each day of union leave, provided that ALPA shall not be billed for such days that occur on an inviolate day(s) off.
- Y.5.c. A reserve pilot who is on a partial month of union leave shall have his guarantee reduced by an amount equal to the number of union leave day(s) at 2:40 per day pay and credit, exclusive of any days that fall on such pilot's inviolate days off.
- Y.5.d. Any trip(s) dropped from a pilot's line at the request of ALPA for union leave purposes shall be paid and credited to such pilot on a trips missed basis, and such amount shall be added to the ALPA Monthly Flight Pay Loss Report.
- Y.5.e. Any pilot who is on a full month of union leave shall be paid and credited as specified in the monthly union leave letter(s).
- Y.5.f. Pilots on full time union leave may, with the approval of ALPA, defer initial or requalification training. Pilots who have requested deferral of such training shall receive pay as if they had been trained by the effective date of the new permanent position. Any applicable training freeze shall be calculated in accordance with Section 24 as if the pilot had not deferred the training.
- Y.5.g. ALPA shall reimburse the Company for any applicable foreign base allowance (FBA) and/or the cost of living allowance (COLA) when a pilot is on a full month or more of union leave. Reimbursements for COLA and FBA are not subject to the fringe benefit override specified in [Section 26 Y.1.f.](#)
- Y.5.h. ALPA may decide to "desk-drawer" vacation for a pilot who has vacation that conflicts with union leave. In such case, the Company shall reduce the pilot's vacation accrual and the pilot shall be paid and credited as if he had taken the vacation. ALPA shall notify the Company in the monthly union leave letter when the pilot is being scheduled for union leave for the purpose of using desk-drawer vacation. Such desk-drawer vacation shall be handled as union leave. Any desk-drawer vacation shall be paid and credited at the Daily Vacation Rate as specified in [Section 7 D.1.](#) of the Agreement.

Z. ALPA-PAC

- Z.1. The Company will deduct from each paycheck and transmit to the Treasurer of the Air Line Pilots Association Political Action Committee (ALPA-PAC) voluntary contributions to ALPA-PAC from the earnings of those employees who voluntarily authorize such contributions on forms provided for that purpose by ALPA-PAC. The amount of such deduction and the transmittal of such voluntary contributions shall be as specified in such forms and in conformance with any applicable state or federal statute. The Association will be responsible for the processing and handling of enrollment, including submission of the enrollment forms to the Company.

- Z.2. The funds donated to ALPA-PAC will be mailed to ALPA-PAC at the ALPA National Office no later than 5 business days following the deduction pay date for the last paycheck of the month.
- Z.3. A pilot may withdraw from this program at any time by providing written cancellation notice to ALPA-PAC. ALPA-PAC will then notify the Company in a timely manner to cease the ALPA-PAC deduction.
- AA. The Company shall provide pass travel on a fee-waived basis for all MEC officers, MEC members, and MEC Committee members on Union business.
- BB. The Company shall not delete from the Crew Management System any entry or information concerning either the award, assignment or rescheduling of duty of any kind, or a pilot's availability obligations, except that "FYI" comments of a derogatory nature may be deleted. Such deletions shall be noted in the Audit Trail.
- CC. Pass Privileges
 - CC.1. The Company will not substantially diminish the benefits provided by the Pass and Reduced Rate Transportation Policy as it exists on the date of signing of this Agreement. The Company reserves the right to make reasonable increases in the service charge for such benefits. Pilots shall be eligible for the full benefits of such policy from the date they are first assigned to initial training as a new hire pilot. The Company's placement of restrictions on pass travel for a reasonable period of time following introduction of service to a city pair not previously served shall not be considered a substantial diminishment under this subparagraph.
 - CC.2. For pilots who are permanently based in Honolulu or Anchorage, the Company will charge the pilot, and his/her spouse and dependent family members only the normal domestic pass charge (including any applicable taxes and fees) for on line, space available travel to and from destinations within the United States.

SECTION 27
INSURANCE BENEFITS

A. General

A.1. Eligibility

A.1.a. Pilots

A.1.a.(1) The Company will provide to pilots covered by this Agreement while on active payroll the opportunity to be covered by the **Northwest Airlines** Medical Plan and Prescription Drug Program and/or the **Northwest Airlines** Dental Plan and/or the Flexible Spending Account Program which provide the benefits described in [Section 27 B.](#), [Section 27 C.](#), [Section 27 D.](#) and [Section 27 E.](#) →

A.1.a.(2) The Company will provide to pilots covered by this Agreement while on active payroll the Company-paid life insurance described in [Section 27 F.1.a.](#), → [Section 27 F.1.b.](#) and [Section 27 F.1.c.](#) →, and other insurance coverage described in [Section 27 F.5.](#), [Section 27 F.6.](#) and [Section 27 F.7.](#) → In addition, the Company will provide to pilots during the first **18** months of a military leave of absence the Company-paid insurance coverage described in [Section 27 F.1.a.](#), and → [Section 27 F.1.b.](#) →

A.1.a.(3) The Company will provide to pilots covered by this Agreement while on active payroll the opportunity to purchase the pilot-paid life insurance coverage described in [Section 27 F.2.](#), [Section 27 F.3.](#) and [Section 27 F.4.](#) →

A.1.b. Family

A.1.b.(1) The Company will provide to pilots covered by this Agreement while on active payroll the opportunity for a pilot's family to be covered by the **Northwest Airlines** Medical and Prescription Drug Program and/or the **Northwest Airlines** Dental Plan and/or the Flexible Spending Account Program which provide the benefits described in [Section 27 B.](#), [Section 27 C.](#), [Section 27 D.](#) and [Section 27 E.](#) → Such "family coverage" shall extend only to a pilot's **Eligible Dependents as defined in** → the **NWA Health Care Plans Summary Plan Description**. For purposes of the Flexible Spending Account such family coverage shall be provided in accordance with the provisions covering **Eligible Dependents** in the FlexSaver Summary Plan Description.

A.1.b.(2) When both the pilot and his spouse are employed by the Company, each **may** be covered under the **Northwest Airlines** Medical Plan and Prescription Drug Program and/or the **Northwest Airlines** Dental Plan as both a dependent and an employee, and each dependent child **may** be considered to be **an Eligible Dependent** of each employee.

- A.1.b.(3) Pilots who have elected coverage for a dependent who is no longer eligible for such coverage, shall promptly notify the Benefits Department → within 30 days of such event. If the pilot does not notify the Company of the dependent's lack of eligibility within such 30 day period, the pilot will be responsible to repay the full cost of any claims paid out on that dependent's behalf after coverage should have ended.
- A.1.b.(4) Family Security Benefit for **Northwest Airlines** Medical Plan and Prescription Drug Program and **Northwest Airlines** Dental Plan
- A.1.b.(4)(a) General Rule: In the event of a pilot's death, benefits under the **Northwest Airlines** Medical Plan and Prescription Drug Program and/or the **Northwest Airlines** Dental Plan will be continued for **the pilot's Eligible Dependents** covered on that date, by the monthly advance payment of the applicable premium sharing amount pursuant to [Section 27 B.3.](#), until the earliest of the following dates:
- A.1.b.(4)(a)1' Remarriage of the surviving spouse, in which case the coverage for all **Eligible Dependents** terminates;
- A.1.b.(4)(a)2' The date an **Eligible Dependent** becomes eligible for Medicare (there is no continuation for an **Eligible Dependent** who is already eligible for Medicare at the time of the pilot's death);
- A.1.b.(4)(a)3' The date an **Eligible Dependent** ceases to qualify as an **Eligible Dependent** for any reason other than lack of primary support by the pilot;
- A.1.b.(4)(a)4' The date the **Eligible Dependent** fails to make a required premium contribution;
- A.1.b.(4)(a)5' **Two** years from the date of the pilot's death;
- A.1.b.(4)(a)6' The date the pilot would have attained the age of initial Medicare eligibility if he had not died.
- For all purposes in this Section 27, eligibility for Medicare shall refer to eligibility for non-contributory Medicare Part A coverage.
- A.1.b.(4)(b) The coverage which is continued for **Eligible Dependents** will be the coverage in force for **Eligible Dependents** of pilots on active payroll.
- A.1.b.(4)(c) The coverage which is continued in force for **Eligible Dependent** children because of the pilot's death will not be affected if the surviving spouse dies during the 2 year (maximum) continuation of coverage.

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A.1.c. Retirees

- A.1.c.(1) A pilot retiring after the date of signing of this Agreement on an → Early or Normal Retirement pension under the Northwest Airlines **Pension Plan for Pilot Employees, or who receives benefits under the Northwest Airlines LTD Plan for Pilot Employees**, and who is enrolled in the **Northwest Airlines Medical Plan and Prescription Drug Program and/or Northwest Airlines Dental Plan** on his Retirement **or Disability** Date may continue as a participant in such Plans **in any coverage tier until attainment of age 65** by the monthly advance payment **to the Company** of the premium **appropriate to the → coverage tier elected pursuant to Section 27 B.3.b. →**, providing the pilot is not eligible for group medical or dental coverage in other employment. **After the pilot reaches age 65, a younger spouse may continue coverage for himself or herself and any Eligible Dependent who was covered at the time the pilot reached age 65, until the spouse also reaches age 65, by the monthly advance payment to the Company of the requisite premium. The premium to be paid by the spouse shall be the premium appropriate under Section 27 B.3.b.(1) or Section 27 B.3.b.(2), whichever was applicable to the pilot before he reached age 65, for the “pilot only” coverage tier (if the spouse elects continuation coverage only for himself or herself) or for the “pilot and child(ren)” coverage tier (if the spouse elects continuation coverage for himself or herself and one or more Eligible Dependents. If the spouse is older than the pilot his or her coverage ends at age 65.**
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- A.1.c.(2) The premium cost for retired and disabled pilots for the **Northwest Airlines Medical Plan and Prescription Drug Program and/or Northwest Airlines Dental Plan** shall be calculated on a group basis, including active, **COBRA** and retired **employees of Northwest Airlines**.
- A.1.c.(3) Retirees and **disabled pilots** who have elected **employee plus dependent** coverage but who no longer have dependents (including a spouse) eligible for such coverage (see **Section 27 A.1.b. →**) shall promptly notify the Benefits Department → within 30 days of such event. If the retiree **or disabled pilot** does not so notify the Company within such 30 day period, the retiree **or disabled pilot** will be responsible to repay the full cost of any claims paid out on that dependent’s behalf after coverage should have ended.
- A.1.c.(4) A retired **or disabled** pilot who is eligible to participate in, but chooses not to participate in any of the Company sponsored medical and/or dental plan at the time of his retirement **or disability**, may resume such coverage at a later time provided that at all times during the period of his retirement or disability he has been covered by an employer-sponsored group plan.
- A.1.c.(5) The Company will provide to pilots retiring **or becoming disabled** on or after the general effective date of this Agreement while they are on Disability or

Early or Normal Retirement Pension from the Northwest Airlines Pension Plan for Pilot Employees, **or while they are receiving benefits under the Northwest Airlines LTD Plan for Pilot Employees**, the opportunity to be covered by Company-paid life insurance benefits described in [Section 27 F.1.d.](#) →

A.2. Enrollment

A.2.a. **Northwest Airlines** Medical Plan and Prescription Drug Program and/or **Northwest Airlines** Dental Plan

A.2.a.(1) Enrollment

A.2.a.(1)(a) A pilot who desires to be covered under the **Northwest Airlines** Medical Plan and Prescription Drug Program and/or the **Northwest Airlines** Dental Plan must enroll for **employee or employee plus dependent** coverage within 30 days of the date that the pilot or his spouse and/or dependent(s) first becomes eligible for coverage.

A.2.a.(1)(b) A pilot who fails to so enroll within 30 days of his initial eligibility will be defaulted to **single** coverage under the **Northwest Airlines** Medical Plan and Prescription Drug Program and the **Northwest Airlines** Dental Plan. **If the pilot subsequently chooses to change his coverage to a different coverage tier, the pilot shall follow the rules for changing coverage pursuant to a Qualified Family Status Change as defined in the NWA Health Care Plans Summary Plan Description. If the pilot would have declined coverage, NWA will refund not more than one month of premium sharing contributions that had been withheld.**

A.2.a.(1)(c) A pilot who declines to enroll in the **Northwest Airlines** Medical Plan and Prescription Drug Program and/or the **Northwest Airlines** Dental Plan (for himself, his spouse or his Eligible Dependent(s)) at the time of initial eligibility or any subsequent open enrollment period because of coverage under another group health plan or other health insurance coverage may enroll himself, his spouse or his Eligible Dependents during a special enrollment period to the extent such special enrollment rights are required under the Health Insurance Portability and Accountability Act of 1996.

A.2.a.(2) After a pilot has elected coverage under the **Northwest Airlines** Medical Plan and Prescription Drug Program and/or the **Northwest Airlines** Dental Plan, changes in coverage can be made if the pilot experiences a **“Qualified Family Status Change”** as defined in the **NWA Health Care Plans Summary Plan Description**.

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In the event of a **Qualified Family Status Change**, the pilot may change his coverage levels within 30 days of the date of the change in family status.

A.2.a.(3) Pilots returning to active payroll in the same calendar year that coverage under the **Northwest Airlines** Medical Plan and Prescription Drug Program and/or the **Northwest Airlines** Dental Plan was allowed to lapse and be canceled for nonpayment of premiums will be reinstated in the same **coverage tier** in which they were covered prior to cancellation, unless a new election is made **as a result of a Qualified Family Status Change**. Any Covered Medical or Dental Expenses which were used to satisfy that calendar year's deductible while coverage was in effect, shall apply to such deductible as if no interruption of coverage had occurred.

A.2.a.(4) **During the annual open enrollment period, a pilot may change his coverage under the Northwest Airlines Medical Plan and Prescription Drug Program and/or the Northwest Airlines Dental Plan →. A pilot who does not make a change prior to the end of the open enrollment period will retain the same coverage under the Northwest Airlines Medical Plan and Prescription Drug Program and the Northwest Airlines Dental Plan or in the case of a pilot who has previously declined coverage under the plans, will remain without coverage.**

A.2.b. Flexible Spending Account

A pilot who desires to contribute money to a Flexible Spending Account as provided in [Section 27 E.](#) → may enroll only at one of the following times:

A.2.b.(1) During annual open enrollment; or

A.2.b.(2) Within 30 days of being hired, if a new employee; or

A.2.b.(3) Within 30 days of a **Qualified Family Status Change as defined in the Flex Saver Summary Plan Description**; or

A.2.b.(4) Within 30 days of return to work if a **Qualified Family Status Change** (see [Section 27 A.2.a.\(2\)](#) →) occurred while off payroll on leave or if annual open enrollment occurred while off payroll on leave.

A.2.c. Life Insurance

In order to enroll for group life insurance coverage provided under [Section 27 F.1.](#) through [Section 27 F.4.](#) →, a pilot must complete an enrollment form provided by the Company for such purpose and submit such form to Benefits Administration →. Coverage will become effective as set forth in the **Employee Life and AD&D Insurance Summary Plan Description**.

A.3. Effective Date of Coverage

A.3.a. **Northwest Airlines** Medical Plan and Prescription Drug Program and/or **Northwest Airlines** Dental Plan

A.3.a.(1) The effective date of coverage of a pilot who elects to be covered under the **Northwest Airlines** Medical Plan and Prescription Drug Program and/or the **Northwest Airlines** Dental Plan will be retroactive to the first day that the pilot or his spouse or dependent first became eligible.

A.3.a.(2) Coverage changes made as a result of a **Qualified Family Status Change** (see [Section 27 A.2.a.\(2\)](#) →) will be retroactively effective to the date of the **Qualified Family Status Change**.

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A.3.a.(3) Coverage elected during open enrollment will become effective on January 1st of the next calendar year **or such other date as may be specified in a special open enrollment period**.

A.3.b. Flexible Spending Account

Coverage in the Flexible Spending Account program will be effective beginning January 1 for a pilot who enrolls during annual open enrollment. Coverage in the Flexible Spending Account program will be effective as provided in such program's Summary Plan Description for a pilot who enrolls at any time other than during annual open enrollment.

A.3.c. Life Insurance and Other Insurance

Coverage under Company-paid life insurance and other insurance provided in [Section 27 F.1.](#), [Section 27 F.5.](#), [Section 27 F.6.](#) and [Section 27 F.7.](#) →, will be effective on the date the pilot became eligible for such benefits (provided the pilot has submitted a completed enrollment form in the case of [Section 27 F.1.](#) →). Coverage under pilot-paid insurance provided in [Section 27 F.2.](#), [Section 27 F.3.](#) or [Section 27 F.4.](#) → will be effective as provided in the **Employee Life and AD&D Insurance Summary Plan Description**.

A.4. Termination of Coverage

A.4.a. **Northwest Airlines** Medical Plan and Prescription Drug Program and/or **Northwest Airlines** Dental Plan

A.4.a.(1) Pilot coverage under the **Northwest Airlines** Medical Plan and Prescription Drug Program and/or the **Northwest Airlines** Dental Plan shall terminate at the end of the month in which one of the following events occurs:

A.4.a.(1)(a) the pilot is no longer eligible →; or

- A.4.a.(1)(b) the required premium contributions are not made; or
- A.4.a.(1)(c) the **Northwest Airlines** Medical Plan and Prescription Drug Program and/or the **Northwest Airlines** Dental Plan terminates.
- A.4.a.(2) → **Dependent** coverage under the **Northwest Airlines** Medical Plan and Prescription Drug Program and/or the **Northwest Airlines** Dental Plan shall terminate when the pilot's coverage terminates, when any required premium contribution for the family member is not made, or when the **dependent** is no longer eligible. Coverage for a dependent student over age 19 will terminate on August 31, unless the dependent is again registered as a full-time student for the following school year.
- A.4.b. Flexible Spending Account
- Coverage under the Dependent (Day) Care Flexible Spending Account Program terminates when the pilot's employment terminates. Coverage under the Health Care Flexible Spending Account shall be automatically modified upon the pilot's termination of employment to provide that the pilot shall be responsible for delivery directly to the Company of his required contributions to his Health Care Flexible Spending Account. Coverage under the Health Care Flexible Spending Account shall terminate upon the earlier of the pilot's failure to make required contributions when due or the end of the Plan year in which the pilot's termination of employment occurs, subject, however, to an appropriate election of COBRA continuation coverage.
- A.4.c. Life Insurance
- Life insurance coverage for the pilot (other than paid-up life) will terminate when the pilot is no longer eligible →, when any required premium contributions are not made, when the group policy terminates, or when the pilot's employment terminates, whichever occurs first. However, when a pilot **becomes disabled**, the provisions of the pilot decreasing term life insurance apply, as set forth in **Section 27 F.1.c. and in the Employee Life and AD&D Insurance Summary Plan Description and when a pilot retires, the provisions of Section 27.F.1.d and in the Employee Life and AD&D Insurance Summary Plan Description apply.** Life insurance coverage for the pilot's Eligible Dependents, if covered, will terminate upon the earlier of the following: when the dependent is no longer eligible; when the pilot is no longer eligible; when the required premium(s) are not paid by the pilot; or when the group policy terminates.
- A.5. Continuation of Coverage
- A.5.a. **Northwest Airlines** Medical Plan and Prescription Drug Program and/or **Northwest Airlines** Dental Plan
- A.5.a.(1) Pilots who are off payroll may continue their **Northwest Airlines** Medical Plan and Prescription Drug and/or **Northwest Airlines** Dental Plan coverage

as specified in the **NWA Health Care Plans Summary Plan Description**, provided:

- A.5.a.(1)(a) Pilots who are on layoff or leave of absence may, by the monthly advance payment of the premium to the Company, continue their coverage until the next premium due date following **two** years from the effective date of the pilot's leave of absence or layoff; however
- A.5.a.(1)(b) Pilots who are on layoff or on military leave of absence will have their coverage (**employee or employee plus dependent**) continued during the first **two** months thereof, on a Company-subsidized basis provided the pilot pays → the applicable premium sharing amount pursuant to [Section 27 B.3.](#)
- A.5.a.(2) Continuation of coverage for a pilot's former spouse and other dependents, after a pilot's divorce or legal separation, shall comply with the requirements of federal law. For a former spouse and other dependent who is already receiving continuation of coverage as of September 13, 1998, the optional continuation provisions as specified in the **NWA Health Care Plans Summary Plan Description** shall continue to apply.
- A.5.a.(3) Continuation of Family Security Benefit
- A.5.a.(3)(a) When the coverage provided by the Family Security Benefit (see [Section 27 A.1.b.\(4\)](#) →) terminates, the pilot's Eligible **Dependents** may continue their coverage under the **Northwest Airlines** Medical Plan and Prescription Drug Program and/or the **Northwest Airlines** Dental Plan by the monthly advance payment of the premium to the Company until the earlier of the dates below (subject to a minimum continuation period of 36 months **unless the surviving spouse attains age 65, in which case coverage ends**):
- A.5.a.(3)(a)1' The date of remarriage of the surviving spouse, or
- A.5.a.(3)(a)2' The date coverage would otherwise have terminated if the pilot had lived, or
- A.5.a.(3)(a)3' The date the **Eligible Dependents** fail to make a required premium contribution.
- A.5.a.(3)(b) Special Rule
- Northwest Airlines** Medical Plan coverage → will continue to apply to Eligible **Dependents** of the following categories of deceased active and deceased retired pilots on the same basis as if the pilot had lived:
- A.5.a.(3)(b)1' Active pilots who, as of their date of death, had completed at least 15 years of Benefit → Service as defined in [Section 27 A.7.](#);

- A.5.a.(3)(b)2' Normal Retirees whose retirement occurred after completion of at least 15 years of Benefit Service as defined in [Section 27 A.7.](#);
- A.5.a.(3)(b)3' Early Retirees whose retirement occurred after completion of at least 23 years of Benefit → Service as defined in [Section 27 A.7.](#);
- A.5.a.(3)(b)4' Disability retirees **and disabled pilots receiving benefits under the Northwest Airline LTD Plan for Pilot Employees** who, **as of their Date of Disability**, had completed at least 15 years of Benefit → Service as → defined in [Section 27 A.7.](#);
- A.5.a.(3)(b)5' Disability retirees **and disabled pilots receiving benefits under the Northwest Airline LTD Plan for Pilot Employees** who were entitled to receive Social Security disability insurance benefits by reason of their disability.
-
- A.5.a.(4) Continuation of Retiree's Family Coverage
- A.5.a.(4)(a) **Northwest Airlines** Medical Plan and Prescription Drug Program coverage will be continued for a → surviving **Eligible Dependent** of a deceased retired pilot **as defined in [Section 27 A.5.a.\(3\)\(b\)2'](#) through [Section 27 A.5.a.\(3\)\(b\)5'](#)** who was receiving → **Northwest Airlines** Medical Plan and Prescription Drug Program coverage at the time of his death under → the same terms, conditions and duration that are applicable to the Family Security Benefit set forth in [Section 27 A.5.a.\(3\)\(a\)](#) and [Section 27 A.5.a.\(3\)\(b\)](#) →.
- A.5.a.(4)(b) **Northwest Airlines** Medical Plan and Prescription Drug Program coverage may be continued for a → surviving **Eligible Dependent** of a deceased retired pilot who was receiving pilot-paid medical coverage under [Section 27 A.1.c.\(1\)](#) → at the time of his death, under the same terms, conditions and duration that are applicable to the Family Security Benefit set forth in [Section 27 A.5.a.\(3\)\(a\)](#) and [Section 27 A.5.a.\(3\)\(b\)](#) →, by the monthly advance payment of the premium to the Company.
- A.5.a.(4)(c) **Northwest Airlines** Dental Plan coverage may be continued for a → surviving **Eligible Dependent** of a deceased retired pilot who was receiving pilot-paid dental coverage under [Section 27 A.1.c.\(1\)](#) → at the time of his death, under the same terms, conditions and duration that are applicable to the Family Security Benefit set forth in [Section 27 A.5.a.\(3\)\(a\)](#) and [Section 27 A.5.a.\(3\)\(b\)](#) →, by the monthly advance payment of the premium to the Company.

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A.5.b. Flexible Spending Account

Coverage under the Health Care Flexible Spending Account provided in [Section 27 E.](#) → may be continued in accordance with federal law in the event of a pilot's termination of employment or unpaid leave status. Coverage under the Dependent (Day) Care Flexible Spending Account may not be continued in the event of a pilot's termination of employment or unpaid leave status.

A.5.c. Life Insurance

A.5.c.(1) Pilots who are off payroll because of medical leave of absence, personal leave of absence or military leave of absence may continue their Group Life Insurance coverage, both Company-paid and pilot-paid, provided pursuant to [Section 27 F.1.](#) through [Section 27 F.3.](#) →.

A.5.c.(2) Pilots who are laid off may continue their Company-paid life insurance coverage provided pursuant to [Section 27 F.1.](#) → until the next premium due date following **two** years from the effective date of the layoff at no cost to the pilot for the first **two** months and by the monthly advance payment of the premium to the Company for the remaining 22 months. Pilot-paid Optional Term Life Insurance coverage provided pursuant to [Section 27 F.2.](#) → may be continued by the advance payment of the full monthly premium to the Company for **two** years.

A.5.c.(3) Terminated and retired pilots may continue their Company-paid and pilot-paid life insurance coverage provided pursuant to [Section 27 F.1.](#) and [Section 27 F.2.](#) → by advance payment to the Company of the full monthly premium(s) due, as specified in the booklet entitled **Employee Life and AD&D Insurance Summary Plan Description.**

A.6. Coordination of Benefits

The coordination of benefits provisions are defined in the NWA Health Care Plans Summary Plan Description. →

A.7. **For purposes of this Section 27, "Benefit Service" means "Benefit Service" as defined in the Northwest Airlines Pension Plan for Pilot Employees, including all Benefit Service actually accrued prior to January 31, 2006 and all service thereafter which would have constituted Benefit Service under the Plan had the accrual of Benefit Service not been frozen effective that date pursuant to the Twenty-Seventh Amendment to the Plan.**

A.8. **References in this Section 27 to the provisions of the booklet entitled "NWA Health Care Plans Summary Plan Description" are to the provisions of the NWA Health Care Plans Summary Plan Description dated March 15, 2006, which referenced provisions, as in effect on that date, are incorporated by reference into this Agreement. References to the provisions of the booklet entitled "Employee Life and AD&D Insurance Summary Plan Description" are to the**

provisions of the Employee Life and AD&D Insurance Summary Plan Description dated August 2006, which referenced provisions, as in effect on that date, are incorporated by reference into this Agreement. References to the provisions of the booklet entitled "FlexSaver Account Summary Plan Description" are to the provisions of the FlexSaver Account Summary Plan Description dated January 1, 2003, as amended in 2004, (to be updated in 2006), which referenced provisions, as in effect on that date, are incorporated by reference into this Agreement. In case of any conflict between the terms of any of the foregoing Summary Plan Descriptions and this Agreement, this Agreement shall govern.

B. Northwest Airlines Medical Plan

B.1. Northwest Airlines Medical Plan →

Effective as soon as practical after the effective date of this agreement, the Medical Plan shall be a single Preferred Provider Organization ("PPO") offering coverage to pilots and other employees of the Company with in-network and out-of-network coverage.

B.2. PPO Vendor

The current PPO Vendor is Blue Cross Blue Shield of Minnesota. If the Company considers changing providers or rebidding the provider agreement, it will give the Health & Welfare Board notice that a change or rebid is under consideration and of the reasons for doing so, prior to any decision and prior to any selection of a new Vendor. The ALPA members of the Health & Welfare Board will be given the opportunity to comment on those candidates, to express preferences or suggest possible alternatives, prior to selection of the new Vendor. The Board will also be given the opportunity to meet with any proposed new provider that the Company wants to engage on network quality, access and customer service issues. The Company agrees to consider any such comments, preferences or possible alternative, in good faith. Any proposed new PPO Vendor shall provide pilots a network of hospital, physician, laboratory and other ancillary services which, in terms of proximity and accessibility to pilot permanent residences, is reasonably comparable to that provided by Blue Cross Blue Shield. The proposed new Vendor shall also be reasonably comparable to Blue Cross Blue Shield in terms of customer service capabilities, historic performance levels, account management capabilities, claims adjudication system, utilization of domestic versus off-shore call centers, account management team, reporting procedures and web capabilities.

B.3. Premium Sharing Contributions

B.3.a. Active Pilot Premium Sharing

The projected cost and the active pilot premium sharing contribution will be recalculated each year, provided, however, that the amount of the pilot

contribution for any calendar year shall not exceed 107% of the contribution rate for the prior calendar year. The Company will deduct monthly premium contributions equal to 25% of the projected cost of the Plan for such calendar year for the level of coverage elected. The “projected cost of the Plan” will be equal to the projected cost determined in accordance with 29 U.S.C. §1164 and regulations thereunder (the “COBRA cost”), excluding the 2% administrative fee, based upon the claims experience under the Plan for all active, COBRA and retired employees of Northwest Airlines. The projected monthly cost of the Plan for calendar 2006 and the initial monthly premium contributions for active pilots for each level of coverage, representing 25% of the 2006 projected cost, shall be as follows:

<u>Coverage Tier</u>	<u>Total Cost</u>	<u>Pilot Share</u>
Pilot only	\$317.28	\$79.32
Pilot and Spouse	\$684.96	\$171.24
Pilot and Child(ren)	\$541.50	\$135.38
Pilot and Family	\$1,032.50	\$258.14

For active pilots on payroll, such payments will be made by equal semi-monthly payroll deductions on a pre-tax basis.

B.3.b. Retired Pilot Premium Sharing

B.3.b.(1) Any eligible retired or disabled pilot shall be entitled to coverage for a premium sharing contribution equal to 50% of the projected cost of the Plan for the coverage tier in which he or she is enrolled. A retired pilot shall be eligible for 50% premium sharing if, as of his or her Retirement Date, the pilot is age 50 or older with 23 or more years of Benefit Service, or is age 60 or older with 15 or more years of Benefit Service. A disabled pilot who has 15 or more years of Benefit Service as of his or her Disability Date and has not attained age 65 shall be eligible for 50% premium sharing at any time the pilot is receiving a Disability Retirement Pension under the Northwest Airlines Pension Plan for Pilot Employees or benefits under the Northwest Airlines LTD Plan for Pilot Employees. A disabled pilot who has not yet attained age 65 shall be eligible for 50% premium sharing without regard to his or her years of Benefit Service any time the pilot is receiving Social Security disability benefits.

B.3.b.(2) Any retired or disabled pilot not eligible for 50% premium sharing under B.3.b.(1) shall be entitled to coverage for a premium sharing contribution equal to 100% of the projected cost of the Plan for the coverage tier in which he or she is enrolled for the same duration as the coverage provided under [Section 27 B.3.b.\(1\)](#), provided that, as of his or her Retirement Date, the pilot was age 50 or older with 10 but less than 23 years of Benefit Service, or age 60 or older with 10 but less than 15 years of Benefit Service. In addition, a disabled pilot with less than 15 years service receiving LTD benefits and who is not Social Security disabled is

also eligible for continued coverage at a premium sharing contribution equal to 100%.

- B.3.b.(3)** The retired or disabled pilot's premium sharing contribution shall be payable monthly in advance. In 2006, the premium sharing contribution will be 50% or 100%, whichever is applicable, of the amount shown in the column headed "Total Cost" in the table in Section B.3.a. for the applicable coverage tier. The projected cost of the Plan and the amount of pilot premium sharing contributions shall be recalculated annually in the same manner as the calculations for active pilots under [Section 27 B.3.a.](#) based on the claims experience of the active, COBRA and retiree populations of Northwest Airlines employees; provided, however, that the amount of the retired or disabled pilot premium sharing contribution for any calendar year shall not exceed 107% of the contribution rate for the prior calendar year.

B.4. Northwest Airlines Medical Plan Deductible Amount

The individual deductible shall be \$350 per calendar year, → except that when 3 or more family members incur Covered Medical Expenses during the same calendar year and the total expenses used toward satisfying their individual deductible amounts are at least equal to \$700, no further deductible amounts shall be required for the remainder of the calendar year for that family. **These deductible amounts apply regardless of whether the Covered Medical Expenses are in-network or out-of-network.**

B.5. Northwest Airlines Medical Plan Coverage

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- B.5.a.** Except as provided in [Section 27 B.5.e.](#), [Section 27 B.5.f.](#), [Section 27 B.5.h.](#) and [Section 27 B.5.j.](#), after satisfaction of the annual deductible, the coinsurance for the Northwest Airlines Medical Benefits Plan will be 80% → **for in-network Covered Medical Expenses and 70% for out-of network Covered Medical Expenses.** "Covered Medical Expenses" shall have the meaning provided in [Section 27 B.6.](#)

- B.5.b.** All in-network Covered Medical Expenses will be based on the negotiated allowed amount under the provider's service agreement with the PPO Vendor. When utilizing in-network providers, the pilot shall pay only the deductible amount specified in [Section 27 B.4.](#) and any applicable copayment or coinsurance amount under this [Section 27 B.5.](#), up to the maximum out-of-pocket limitation provided in [Section 27 B.5.c.](#), and shall have no responsibility for provider charges in excess of the allowed amount. Out-of-Network Covered Medical Expenses are subject to Reasonable and Customary limits. The criteria for determining the Reasonable and Customary limits shall include what other providers in the same general area normally charge and also the complexity or degree of skill needed to provide

the service. The Reasonable and Customary limits imposed by the Northwest Airlines Medical Plan shall be based on the 80th percentile of such Reasonable and Customary charges, determined from Ingenix data. Out-of-network expenses in excess of Reasonable and Customary limits are not covered by the Plan and will not count toward the Plan's deductibles or out-of-pocket maximums. Payment of in-network expenses shall be paid on the basis of claims filed by the provider; for out-of-network expenses, the patient is responsible for filing the claim.

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B.5.c. The maximum amount of Covered Medical Expenses (**other than expenses in connection with mental illness, functional disorder or chemical dependency**) payable by an individual in a calendar year will be \$2,000 per individual, plus the applicable deductible amount. A separate maximum amount payable will apply to each **Eligible Dependent** individually; however, the maximum amount of Covered Medical Expenses payable by an **employee plus Eligible Dependents** in a calendar year will be \$4,000 plus the **family** deductible amount. **Separately, for Covered Medical Expenses incurred for or in connection with mental illness, functional nervous disorder and chemical dependency, the maximum amount payable for an individual will be \$2,000 plus the single deductible and, for a family, \$4,000 plus the family deductible.**

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B.5.d. There shall be no limit imposed on the amount of Northwest Airlines Medical Benefits payable over an individual's lifetime.

B.5.e. Preventive Care (Well-Child Care and Well-Adult Care) will include the services listed in the NWA Health Care Plans Summary Plan Description, and will be available in-network only. Notwithstanding [Section 27 B.4.](#) and [Section 27 B.5.a.](#), Preventive Care shall not be subject to any deductible requirement and the coinsurance amount for Preventive Care will be 90%.

B.5.f. Expenses for initial treatment of Health-Threatening Conditions as defined in the NWA Health Care Plans Summary Plan Description shall be treated as in-network, without regard to whether the provider is in or out of network, except that, where such initial care is rendered in an emergency room, a copayment of \$50 (which shall cover both facility and physician charges) shall apply in lieu of the in-network coinsurance payment, such copayment to be counted toward satisfaction of the out-of-pocket maximum. Follow-up care for Health-Threatening Conditions shall be treated as in-network or out-of-network as appropriate depending on the provider. For pilots away from their permanent residences (as defined in NOTE 1 to [Section 5 A.](#) of this Agreement), where the absence is for the benefit of the Company or the pilot is engaged in Association business, emergency room care will be treated as if the care was delivered in circumstances constituting Health-Threatening Conditions.

- B.5.g.** Coverage of expenses for physical, occupational and speech therapy shall be limited to 20 visits per year, in-network and out-of-network combined, unless additional visits are authorized by the Claims Administrator.
- B.5.h.** The first \$600 of chiropractic services received in-network will be 100% Company paid. In-network expenses incurred above \$600 will be subject to the plan deductible and 80% co-insurance coverage. The normal plan co-insurance for out-of-network chiropractic services applies at all times. Coverage of expenses for chiropractic care shall be limited to 20 visits per year, in-network and out-of-network combined, unless additional visits are authorized by the Claims Administrator.
- B.5.i.** Coverage of weight management treatment and bariatric surgery shall require the approval of the Plan Administrator prior to commencement of the course of treatment. When authorized, coverage of bariatric surgical procedures, including charges for related physician, hospital and ancillary services, shall be covered on the same basis as other surgical procedures with coinsurance dependent on whether the provider is in or out of network. Coverage of expenses for authorized non-surgical weight management treatment is limited to 4 physician visits per year for treatment of obesity, 6 dietician/nutritional counseling visits per year. Utilization of centers of excellence for care and surgery shall be required where reasonably available.
- B.5.j.** When pre-approved by the Plan Administrator, the Plan will pay 100% of Covered Medical Expenses for charges made due to a Terminal Illness for Hospice Care Services provided under a Hospice Care Program, as those terms are respectively defined in the NWA Health Care Plans Summary Plan Description, whether in-network or out-of-network. Covered Medical Expenses shall not include, and no payment shall be made for, Hospice Care Services listed as Excluded Expenses in the NWA Health Care Plans Summary Plan Description.
- B.5.k.** Purchases or rental of durable medical equipment and consumable medical supplies in excess of \$1,000, shall require prior authorization by the Claims Administrator.
- B.5.l.** The Plan will provide nurseline services 24 hours a day, 7 days a week, without charge.
- B.6.** Covered Medical Expenses

The term Covered Medical Expenses means the expenses incurred for the services listed as covered in the NWA Health Care Plans Summary Plan Description but only if the expenses are incurred after an individual becomes covered by the Northwest Airlines Medical Plan and only to the extent that the service or supplies are medically necessary as defined in the NWA Health Care Plans Summary Plan Description. Out-of-Network charges in excess of the Reasonable and

Customary Charge will not be considered Covered Medical Expenses. Covered Medical Expenses shall not include, and no payment shall be made for, any expenses listed as Excluded Medical Expenses in NWA Health Care Summary Plan Description.

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B.7. Covered Medical Expenses incurred for an illness, injury or pregnancy which causes an individual to be continuously and totally disabled from the date his coverage cancels will be payable to the same extent as if the coverage had not canceled, during continuance of total disability, but in no event for a period in excess of the earlier of the following dates:

B.7.a. One year from the date the coverage is canceled, or

B.7.b. The date the individual becomes covered under another group plan providing medical care benefits.

Benefits, however, will not be payable for any child born as a result of any such pregnancy.

For the purposes of this subparagraph B.7., a pilot will be considered totally disabled when, as a result of the pilot's illness, injury or pregnancy, the pilot is unable to perform his pilot duties. A pilot's **Eligible Dependent** will be considered totally disabled when, as a result of illness, injury or pregnancy, that **Eligible Dependent** is unable to engage in the normal activities of a person of the same sex and age. This continuance will be concurrent with any COBRA continuation election.

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B.8. It is understood and agreed that benefits provided hereunder for medical disabilities due to pregnancy will conform to the requirements of applicable federal law.

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C. Prescription Drug Program

The Company will provide to pilots who elect to be covered under the **Northwest Airlines** Medical Plan set forth in [Section 27 B.](#) →, a Prescription Drug Program, administered by a pharmacy benefits manager, which will provide coverage for eligible prescriptions → **based on a prescription drug formulary as provided in this [Section 27 C.](#) and offering prescription medication available through in-network and out-of-network retail pharmacies and by discounted mail order service.**

C.1. Pharmacy Benefits Manager (PBM). The current Pharmacy Benefits Manager ("PBM") is Medco Health Solutions, Inc. ("Medco"). If the Company considers changing providers or rebidding the provider agreement, it will give the Health & Welfare Board notice that a change or rebid is under consideration and of the reasons for doing so, prior to any decision and prior to any selection of a new Vendor. ALPA expressly acknowledges that the National Drug Purchasing Coalition, of which the Company is currently a member, rebids the PBM

contract every three years. The ALPA members of the Health & Welfare Board will be given the opportunity to comment on those candidates, to express preferences or suggest possible alternatives, prior to selection of the new Vendor. The Board will also be given the opportunity to meet with any proposed new provider on formulary composition and customer service issues. The Company agrees to consider any such comments, preferences or possible alternative, in good faith. Any proposed new PBM shall be reasonably comparable to Medco in terms of number of covered lives (including both risk and fee for service business but excluding non-pharmacy benefit service and mail order only business) and shall provide a retail pharmacy network which, in terms of proximity and accessibility to pilot permanent residences, is also fairly comparable to the Medco network. Any proposed new PBM will also be reasonably comparable to Medco with respect to customer service capabilities, historic performance levels, account management capabilities, claims adjudication system, utilization of domestic versus off-shore call centers, account management team, reporting procedures and web capabilities.

C.2. Prescription Drug Formulary

- C.2.a. Formulary to Be Used.** The prescription drug formulary shall be a formulary approved by an independent medical professional body such as Medco's Pharmacy & Therapeutics Committee, and shall not be materially more restrictive than the Preferred Prescriptions Formulary currently offered by Medco, considering drugs in all therapeutic classes and taking into account both single and multi-source brand name formulary drugs and generic and non-formulary drug equivalents available under the formulary, to the extent reasonably possible when comparing formularies. The formulary may be implemented with an open and/or incentive administration type as determined by the Company. The Company will furnish to the Health & Welfare Board a hard or electronic copy of the Medco First Quarter 2006 Preferred Prescription Formulary as soon as it is available.
- C.2.b. Changes in Formulary.** The formulary shall be subject to modification by the PBM, up to four times annually for additions and not more frequently than twice annually for deletions (except in the case of loss of FDA approval or a Medco manufacturer contract).
- C.2.c. Notice to Health & Welfare Board of Formulary Changes.** At least 30 days prior to implementation of any formulary change, the Company will provide the Health & Welfare Board notice of the impending change, the PBM's reasons for making the change, and the PBM's explanation of the medical appropriateness of the change. The Company will also notify the Health & Welfare Board in the event of any material change in the PBM's incentive administration of the formulary, including any changes in the policy relating to the requirements concerning participant payment of the difference in cost between generic and brand name drugs.

- C.2.d. Notice to Participants of Deletions from Formulary.** As soon as reasonably possible, and in no event less than 30 days prior to the scheduled implementation date (except in the case of loss of FDA approval), the Company will cause notice to be given to each pilot, spouse and dependent reasonably known to be taking a drug affected by the discontinuance or change of status under the Formulary of any formulary brand name drug, or of any generic or non-formulary drug equivalent, of such discontinuance or change of status, and identify the specific drugs affected and their lower cost formulary brand or generic alternatives. It is agreed that a notice in form and substance similar to the Medco notice of Formulary change letter, an example of which has been provided by the Company to ALPA, will satisfy the requirements of this subparagraph C.2.d. with respect to content.
- C.3. Coverage of Prescription Drug Program**
- C.3.a.** The Prescription Drug Program shall cover any new or existing prescription drugs which satisfy the standards set forth in the NWA Health Care Plans Summary Plan Description, but does not cover drugs or supplies listed as not covered in the NWA Health Care Plans Summary Plan Description whether or not such non-covered drugs are prescribed by a physician.
- C.3.b.** No deductible shall apply to benefits under the Prescription Drug Program and there shall be no maximum limitation on lifetime benefits.
- C.3.c.** The maximum amount of prescription drug expenses payable with respect to any individual during any one calendar year, regardless of whether the expenses are incurred at an in-network pharmacy, out-of-network pharmacy or for mail order service, shall be \$1,000.
- C.3.d. Maintenance Drugs**
- C.3.d.(1)** For the initial prescription and for the first refill of that prescription, the plan will pay 100% after the co-payment for up to a 30-day supply.
- C.3.d.(2)** For refills after the first refill, the plan will pay 50% of the cost of the drug, taking into consideration any discounts available to the plan at retail.
- EXCEPTION: Certain maintenance medications, such as narcotic drugs, shall be paid at 100% after the co-payment when dispensing rules prohibit use of the mail-order option described in [Section 27 C.3.j](#).
- C.3.d.(3)** The Company will maintain an updated list of maintenance drugs, subject to **this** subparagraph C.3.d. → and will make such list available to plan participants.

- C.3.e.** Non-Maintenance Drugs
- C.3.e.(1)** Non-maintenance drugs include medications taken regularly but on an intermittent or as-needed basis.
- C.3.e.(2)** **Except as provided in Section 27 C.3.f.**, the Plan will pay for 100%, after co-payment, for up to a 30-day supply.
- C.3.f.** **When a generic is available (for a maintenance or non-maintenance medication) and the member elects to receive a brand drug, the member will pay the generic copay plus the difference in cost between the brand and generic unless the member establishes that generic drug is medically inappropriate.**
- C.3.g.** **In 2006 and 2007, the co-payment will be \$14 for generic drugs, \$24 for preferred brand drugs and \$36 for non-preferred brand drugs. For 2008 and subsequent years, the copayment will be \$15 for generic drugs, \$30 for preferred brand drugs and \$45 for non-preferred brand drugs. The co-payment for lifestyle drugs will be 50% of the cost of the drug, with a minimum of \$30 and no maximum limit. Lifestyle drugs are described in the NWA Health Care Plans Summary Plan Description.**
- C.3.g.(1)** **If a pilot and his or her physician believe a non-preferred brand drug must be prescribed because the preferred brand alternatives are not medically appropriate the pilot should follow the prior authorization procedure in the NWA Health Care Plans Summary Plan Description to obtain the non-preferred brand drug for the preferred brand co-pay.**
- C.3.h.** A Prescription Drug Program identification card shall ordinarily be presented at the participating pharmacy to obtain in-network benefits. In the absence of such identification card, other proof of eligibility acceptable to the participating pharmacy may be presented. In the absence of such proof of eligibility, payment will be made in accordance with [Section 27 C.3.i.](#) →.
- C.3.i.** At a non-participating pharmacy, or if the pilot's Prescription Drug Program identifying information is not utilized (e.g., the pilot's Prescription Drug Program card is not presented).
- C.3.i.(1)** For the initial prescription and the first refill of **maintenance medications**, the plan will reimburse 100% **of the prescription expense** after **deducting** the appropriate in-network co-payment plus the lost discount for up to a 30-day supply.
- C.3.i.(2)** For refills **of maintenance medications**, after the first refill, the plan will reimburse 50% of the cost of the drug, net of the lost discount.
- C.3.i.(3)** For the initial prescription and subsequent refills of non-maintenance medications, the plan will reimburse 100% of the prescription expense after

deducting the appropriate in-network co-payment plus the lost discount for up to a 30-day supply.

- C.3.i.(4)** The lost discount is the difference between the amount the plan would have paid to a participating pharmacy and what the non-participating pharmacy charges for the full retail mark-up.
- C.3.i.(5)** A claim form must be completed and sent to the Prescription Drug Program along with pharmacy receipt(s) and description of the prescription(s).
- C.3.j.** Through a mail order program.
- C.3.j.(1)** The mail order program will be a less expensive way to purchase maintenance drugs. This program offers a convenient way to purchase up to a 90-day supply.
- C.3.j.(2)** The → co-payment → for a 90-day supply of a drug purchased through the mail order program will be **2½ times the applicable retail co-payment for a 30-day supply of the drug. When a generic is available and → the member elects to receive a brand drug →, the member will pay the generic mail order copay plus the difference in cost between the brand and generic, unless the member establishes that generic drug is medically inappropriate.**
- C.3.j.(3)** Shipping and handling fees will be paid by the Prescription Drug Plan.

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- C.4.** **The Plan may require prior authorization of specified drugs under the Traditional and Smart Authorization Programs as described in the NWA Health Care Plans Summary Plan Description. Proton Pump Inhibitors shall be subject to Formulary First Coverage Review as described in the NWA Health Care Plans Summary Plan Description. Any utilization management or clinical management programs in effect as of January 1, 2006, may continue in effect. Prior to implementation of any material modification of existing programs or implementation of any new program, the Company shall cause notice of the impending change, the PBM's reasons for the change and explanation of the medical appropriateness of the change to be given to the Association members of the Health & Welfare Board. Such notice shall include an analysis by the PBM of the potential disruption to Participants, the clinical outcomes anticipated, the financial impact to Plan Participants and the Company, and a timeline and management plan to minimize disruption to Plan Participants.**
- C.5.** **The Company agrees that any rebate, refund or other similar payment received by the PBM from any manufacturer or other third party, which, under the terms of the applicable PBM service agreement, is shared or passed through by the PBM with the Company, will be used by the Company to offset the costs of the Plan. The Company further agrees that it will furnish to the members of the Health & Welfare Board the results of any audit of such rebates, refunds and**

payments, and a copy of the audit report (including any management letter) promptly after its receipt by the Company.

D. The Northwest Airlines Dental Plan

D.1. Northwest Airlines Dental Plan Premium Sharing Contributions

D.1.a. Active Pilots

The projected cost of the Dental Plan and the active pilot premium sharing contribution will be recalculated each year in the same manner as the projected cost and premium sharing contributions are recalculated annually for the Medical Plan, provided, however, that the amount of the pilot contribution to the Dental Plan for any calendar year shall not exceed 107% of the contribution rate for the prior calendar year. The Company will deduct monthly premium contributions equal to 20% of the projected cost of the Dental Plan for such calendar year for the level of coverage elected. The projected monthly cost of the Dental Plan for calendar 2006 and the initial monthly premium contributions for active pilots for each level of coverage, representing 20% of the 2006 projected cost, shall be as follows:

<u>Coverage Tier</u>	<u>Total Cost</u>	<u>Pilot Share</u>
Pilot only	\$39.78	\$7.96
Pilot and Spouse	\$76.70	\$15.34
Pilot and Child(ren)	\$57.64	\$17.54
Pilot and Family	\$121.62	\$24.32

For active pilots on payroll, such payments will be made by **equal**, semi-monthly **payroll** deductions made on a pre-tax basis.

D.1.b. Retired and Disabled Pilots

For retired and disabled pilots electing coverage under the Dental Plan, the premium sharing contribution shall be 100% of the projected cost of the Dental Plan for the coverage tier elected. Such contribution shall be payable monthly in advance. The projected cost of the Dental Plan and the premium sharing contributions for Retired and Disabled pilots shall be recalculated annually in accordance with [Section 27 D.1.a.](#), provided however that the premium sharing contribution for retired and disabled pilots for any calendar year shall not exceed 107% of the contribution for the prior calendar year.

D.2. In-Network and Out-of-Network Providers

D.2.a. If the Plan participant uses a participating Delta Dental Premier or Delta Dental PPO provider there are no claim forms to file and benefits are paid based on the allowed charge. There shall be no balance billing and payment shall be made directly by the Plan to the provider.

- D.2.b.** If an Out-of-Network provider is used, the Plan participant must file a claim form. Benefits shall be paid according to the Reasonable and Customary charges outlined in [Section 27 D.4.](#) and paid directly to the Pilot.
- D.2.c.** There shall be one individual calendar year deductible of \$50 per person for Class II and Class III Services, except that when 3 or more family members incur Covered Expenses during the same calendar year and the total expenses incurred toward satisfying their individual deductible amounts are at least equal to \$125, no further deductible amounts shall be required for the remainder of the calendar year for that family.
- D.2.d.** The maximum amount payable for each individual for the total of Class I, II and III Dental Services during a calendar year will be \$2,000.
- D.3.** Covered Dental Expenses shall be payable as follows:
- D.3.a.** Class I Services at 90%;
- D.3.b.** Class II Services at 80%; and
- D.3.c.** Class III Services at 60%. Class III Services listed shall include dental implants under the criteria listed in the NWA Health Care Plans Summary Plan Description.
- D.3.d.** Covered Expenses for orthodontic services, as outlined in the NWA Health Care Plans Summary Plan Description, (Class IV Services) will be payable at 50% of Reasonable and Customary Charges (or network allowed in the case of a PPO provider) for the orthodontic services listed, and the lifetime maximum benefit will be \$2,000 per person.
- D.4.** All Covered Out-of-Network Dental Expenses (listed in this Paragraph D.) are subject to Reasonable and Customary limits. The criteria for determining the Reasonable and Customary limit shall include what other providers in the same general area normally charge and also the complexity or degree of skill needed to provide the service. The Reasonable and Customary limits imposed by the NWA Dental Plan shall be based on the 80th percentile of such Reasonable and Customary charges.
- E.** Flexible Spending Accounts
- E.1.** The Company will maintain a Flexible Spending Account (FSA) Plan for employees covered by this Agreement. The FSA Plan will be designed and administered by the Company and may be modified from time-to-time at the Company's discretion, provided however, that the maximum amount an employee may contribute to his health care expense account and dependent care expense account as set forth in [Section 27 E.2.](#) → will not be modified without the consent of the Association. The Company will prepare and make available to pilots a Summary Plan Description (SPD) booklet for the FSA Plan.

- E.2. The FSA Plan will consist of **two** individualized accounts, one for payment of an employee's health care expenses and the other for payment of the employee's dependent care expenses. The maximum amount an employee may contribute to the health care expense account per year shall be limited to **\$7,500 per year (\$625/month)**, and the maximum amount an employee may contribute to the dependent care expense account per year shall be limited to **\$5,000 per year (\$416/month)**. Employees will be permitted to contribute a portion of their compensation through payroll deduction into one or both accounts on a pre-tax basis. These payroll deductions shall not reduce pay-based benefits such as levels of life insurance and final average earnings for pension purposes.
- E.3. **Eligible expenses may be incurred during the year for which a Pilot made his/her election up to the end of the first two and a half (2½) months of the following plan year (March 15th). Eligible expenses must be submitted to the plan for reimbursement by April 15th.**
- E.4. Money contributed by an employee to his account during a plan year, that is not used **to reimburse eligible expenses by April 15th following the plan year for which elections were made, shall** be used to reduce expenses incurred by the Company in the ongoing administration of the plan.
- F. Group Life Insurance and Other Insurance
- F.1. Company Paid Life Insurance
- F.1.a. The Company will continue to provide to a pilot covered by this Agreement while he is on active payroll and during the first **18** months of a military leave of absence, Company-paid Group Term Life Insurance ("Group Term Life I") coverage in an amount equal to **two** times his W-2 earnings, up to a maximum insurance coverage of \$80,000.
- The amount of Group Term Life I insurance coverage to which a pilot is entitled under the above provision will be determined on the basis of his W-2 earnings paid in the previous year, and changes in the amount of coverage will be effective on the first day of March. However, once a pilot has attained a higher level of benefit coverage, that coverage will not be reduced. Earnings for the purposes of this subparagraph shall be as that term is defined in the Northwest Airlines, Inc. Pension Plan for Pilot Employees.
- F.1.b. The Company will continue to provide to pilots covered by this Agreement while they are on active payroll and during the first **18** months of a military leave of absence, Company-paid Group Life Insurance ("Group Term Life II") coverage in the amount of \$20,000.
- Upon the insurance company's determination of a covered pilot's disability, the pilot will receive the face value of said policy in a lump sum. A disabled pilot who receives the face value of his Group Term Life II Policy shall be excluded from coverage under such Policy if he is returned to duty with the Company.

- F.1.c.** **The Company will continue to provide to pilots covered by this Agreement, while they are on active payroll, receiving benefits under the Northwest Airlines LTD Plan for Pilot Employees, on medical or military leave of absence, or on furlough, Company-paid Decreasing Term Life Insurance Benefit in accordance with the terms of Exhibit F to Letter 2006-08, which is incorporated herein by reference.**
- F.1.d.** Effective for Pilots Retiring On or After August 31, 1989
- F.1.d.(1)** The Company will provide to pilots while they are on an Early or Disability Retirement Pension from the Northwest Airlines Pension Plan for Pilot Employees, **or receiving benefits under the Northwest Airlines LTD Plan for Pilot Employees**, \$50,000 of Company-paid Group Term Life I Insurance coverage through the last day of the month in which such pilot attains age 60.
- F.1.d.(2)** As of the first day of the month following the month in which a pilot attains age 60, the Company will provide to such pilot while he is on an → Early, Disability or Normal Retirement Pension, **or receiving benefits under the LTD Plan**, Company-paid Group Term Life I Insurance coverage in the amount of \$25,000. This coverage will thereafter be reduced \$1,500 per year to \$10,000 at age 70. A pilot retiring after age 60 on a Normal Retirement Pension will be provided such coverage in the same amounts being provided to other retired pilots of the same age.
- F.1.d.(3)** The Company will continue to provide to former Green Book and Red Book pilots who, as of the general effective date of this Agreement, are retired or disabled and do not return to payroll, the Group Life Insurance benefits they were entitled to receive under the applicable Agreement in existence as of the day prior to the general effective date of this Agreement.
- F.2.** Pilot Paid Life Insurance
- F.2.a.** The Company will continue to provide administrative services, including payroll deduction, for the existing Optional Term Life Insurance which is wholly pilot-paid →. **Active pilots will have the opportunity to select coverage equal to one to six times Recognized Compensation up to a maximum death benefit of \$1,500,000.**
- F.2.b.** The Company will continue to provide administrative services, including payroll deduction, for the existing Optional Paid-Up Life Insurance which is wholly pilot-paid, and participating pilots may designate a paid-up objective in increments of \$1,000. to a maximum of \$100,000. A pilot must participate in the Optional Term Life Insurance in order to elect this paid-up insurance.
- F.3.** Pilot Paid Dependent Life Insurance
- The Company will provide administrative services, including payroll deduction, for optional Dependent Life Insurance, provided by an insurer selected by the Company

- and approved by the Association. Premiums for such insurance shall be wholly pilot-paid. Company and Association representatives shall meet and confer regarding coverage issues and selection of an insurer. →
- F.4. The Company will provide administrative services, including payroll deduction, for an Accidental Death and Dismemberment Program selected by the Company and approved by the pilots. → **Active pilots will have the opportunity to select coverage equal to one to ten times Recognized Compensation up to a maximum benefit of \$1,500,000. In addition, pilots may also elect coverage for eligible dependents.**
- F.5. The Company will continue in effect the existing War Risk Life Insurance in the amount of \$200,000, and said insurance coverage shall be applicable to operations anywhere in the world during a pilot's trip hour period or while performing other duties assigned by the Company. This insurance shall also cover hijacking on the same basis.
- F.6. The Company will continue in effect the existing Legal Liability Indemnity Insurance in the amount of \$400,000,000. It is understood that the provisions of the policies referring to Captains and copilots apply as well to Second Officers.
- F.7. The Company will provide to pilots covered by this Agreement while they are on active payroll, Company-paid life insurance in the amount \$250,000 payable in the event death results from ferry, test or training flights.

G. Health & Welfare Board

The purpose of the Health & Welfare Board is to create a recognized forum for the discussion of issues affecting the delivery of such benefits to active and retired Northwest Airlines pilots and their dependents. Such issues may include, but are not limited to (as hereinafter agreed to by the members of said Board) general problems or concerns that arise in the administration of the benefits, issues pertaining to the management of health care costs, premiums, monitoring of expenses and plan experience, and reviewing the status of the VEBA trust. The Health & Welfare Board will also explore future trends in health care delivery and exchange ideas on benefit plan design and health/welfare programs. The responsibilities of the Health & Welfare Board shall include additional group welfare benefit programs as they are implemented.

The Board has the authority to discuss issues pertaining to the health and welfare plan(s). However, the Board is not authorized to negotiate benefits and, in fulfilling its responsibilities, does not have the authority to modify, enhance, or otherwise change the benefit plan design.

Specific Areas of Responsibility:

- G.1. Monitor plan expenses, experience, and usage by reviewing statistical data and utilization reports. Information to be reviewed may include types of service rendered,

- average claim cost, Hospital inpatient data, mental health and chemical/alcohol dependency claims, managed care utilization, etc.
- G.2. Review premium calculations for the NWA Health Care Plans.
 - G.3. Review current and future PPO networks and locations and the delivery of services by the networks and/or provider organizations.
 - G.4. Review VEBA funding, including contributions, expenditures, and administrative expenses.
 - G.5. Discuss claims processing problems that affect the pilot group. Problems may include determination of reasonable and customary standards, the third-party administrators' handling of mental health or chemical dependency claims, frequency of claims denial because of reasonable and customary standards, generic correspondence, materials from the third-party administrator to individuals, etc.
 - G.6. Identify ways to improve communications and provide education on health topics and benefit concerns for Northwest Airlines active and retired pilots and their dependents.
 - G.7. Review life options, including AD&D, to identify issues and potential program recommendations.
 - G.8. Be informed at appropriate stages and give input on a potential change in the administrator of any union-negotiated benefit plan for pilots.
 - G.9. **Monitor health care vendors and the prescription drug formulary as described in [Section 27 B.2.](#), [Section 27 C.1.](#) and [Section 27 C.2.](#)**

SECTION 28
UNION SECURITY AND CHECK-OFF

- A. Throughout the term of this Agreement, except as provided in [Section 28 A.1.](#) and [Section 28 A.2.](#) below, all pilots, to whom the Air Line Pilots Association, International, shall make membership available upon the uniform terms and conditions described in [Section 28 A.1.](#) hereof, shall be required, as a condition of employment, on or after 60 days following the date upon which such membership is available following initial employment, or on or after 60 days following the effective date of this Agreement, whichever is later, (i) to be or become members of the Association, or (ii) to pay to the Association, for each full calendar month of pay status in active pilot employment thereafter, a service charge for the administration of the Pilot Employment Agreement and the representation of such employee. Such monthly service charge shall be equal to the Association's regular monthly dues and periodic assessments, including MEC and LEC assessments, which would be required to be paid by such pilot if a member, provided that:
- A.1. Membership in the Association or payment of the aforesaid service charge shall not be a condition of employment for any pilot for whom membership is not available upon the same terms and conditions as are generally applicable to any other member. Membership in the Association or payment of the aforesaid service charge shall not be a condition of employment for any pilot to whom membership is denied or terminated for any reason other than the failure to tender the periodic dues, initiation fees and assessments (not including fines and penalties) uniformly required by the Association, the MEC or the LEC as a condition of acquiring or retaining membership in the Association, and further provided that
- A.2. A pilot to whom Association membership was not available on the date of this Agreement shall not be subject to the provisions of this section.
- B. Should [Section 28 A.](#) and [Section 28 A.1.](#) hereof be determined to be contrary to any applicable legislation or to any judicial determination as now or hereinafter enacted or effected, and said [Section 28 A.](#) and [Section 28 A.1.](#) or portion thereof be deemed to be at variance with such law, upon the Association's giving written notice to the Company, then upon such notice, the following shall then be substituted for the same:
- B.1. Throughout the term of this Agreement, all pilots shall be required, as a condition of employment to be or become members of the Association on and after 60 days following the beginning of employment or the date of the implementation of this paragraph, whichever is later. This paragraph shall be of prospective effect as to those pilots who are not members of the Association as of the effective date of this paragraph.
- C. If any pilot employee of the Company covered by this Agreement who is required under this Agreement to make payment of a service charge, initiation fee, LEC, MEC or Association assessment and/or membership dues is delinquent in the making of such payments, the Association may notify such employee by Certified or Registered Mail

- Return Receipt Requested, copy to the Vice President of Labor Relations of the Company, that he is delinquent in the payment of such service charge, initiation fee, LEC, MEC or Association assessment and/or membership dues as specified herein, and the total amount of money due and the period for which he is delinquent, and that he is subject to discharge as an employee of the Company. Such letter shall also notify the employee that he must remit the required payment within a period of 15 days or be discharged.
- D. If, upon the expiration of the 15 day period provided in [Section 28 C.](#) →, the employee still remains delinquent, the Association may certify in writing via Certified or Registered Mail Return Receipt Requested, to the Vice President of Labor Relations of the Company, copy to the employee, that the employee has failed to remit payment within the grace period allowed and is therefore to be discharged. The Vice President of Labor Relations shall thereupon take proper steps to discharge such employee from the service of the Company.
- E. A grievance by an employee who is to be discharged as the result of an interpretation or application of the provisions of this Section 28 shall be subject to the following procedure:
- E.1. An employee who believes that the said provisions have not been properly interpreted or applied as it pertains to him, may submit his request for review in writing within 5 days from the date of his notification by the Vice President of Labor Relations of the Company as provided in [Section 28 D.](#) →. The request must be submitted in writing to the Vice President of Labor Relations of the Company or his designee, with a copy to the Legal Department of the Association. The Vice President of Labor Relations of the Company or his designee will review the grievance and render a decision in writing not later than **five** days following receipt of the grievance.
- E.2. The Vice President of Labor Relations of the Company or his designee shall forward the decision to the employee, with a copy to the Association. Said decision shall be final and binding on all interested parties unless appealed as hereinafter provided. If the decision is not satisfactory to either the employee or the Association, then either may appeal within 10 days from the date of the decision directly to a Neutral Referee who may be agreed upon by the employee and the Association within 10 days thereafter. In the event the parties fail to agree upon a Neutral Referee within the specified period, either the employee or the Association may request the National Mediation Board to name such Neutral Referee. The decision of the Neutral Referee shall be final and binding on all parties to the dispute. The fees and charges of such Neutral Referee shall be borne by the Association.
- F. During the period a grievance is being handled, as herein provided, and until final decision by the Vice President of Labor Relations of the Company, his designee or the Neutral Referee, the employee shall not be discharged from the Company nor lose any seniority rights because of noncompliance with the terms and provisions herein.

F.1. An employee discharged by the Company under the provisions herein shall be deemed to have been “discharged for cause” within the meaning of the terms and provisions of this Agreement.

F.2. It is agreed that the Company shall not be, and the Association shall be, liable for any time or wage claims of any employees discharged by the Company pursuant to a written order by an authorized Association representative under the terms herein.

G. Check-Off

G.1. The Company will deduct monthly from the pay of pilot employees the standard membership dues uniformly levied in accordance with the Railway Labor Act, as amended, and the constitution and bylaws of the Association, or as the service charge provided for in Section 28 A. hereof, a monthly amount equal to the Association’s regular and usual monthly dues which monthly amount would be required to be paid by such employee, if a member, provided such pilot voluntarily executes the following agreed-upon form which will be prepared and furnished by the Association and known as a “Check-off” form:

ASSIGNMENT AND AUTHORIZATION FOR CHECK-OFF
OF ASSOCIATION DUES OR SERVICE CHARGE

TO: Northwest Airlines, Inc.

I, _____, hereby authorize and direct Northwest Airlines, Inc., to deduct from my earnings, exclusive of foreign serve bonus, station allowance, room and board allowances and similar emoluments, a sum equal to the current standard monthly membership Association dues or service charge (or such standard monthly membership dues or service charges as may hereafter be established by the Association). Such amount so deducted is hereby assigned to the Air Line Pilots Association, International, subject to all the terms and conditions of the Railway Labor Act, as amended, and the provisions herein. This assignment and authorization may be revoked by me at any time by written notice to the Company. A copy of any such revocation will be sent to the Company. A copy of any such revocation will be sent to the Chairman of the NWA Master Executive Council and to the Manager, Membership Services, ALPA.

Signature of Employee _____
Employee No. _____ ALPA No. _____
Home Address _____
City _____ State _____

Witnessed by: _____
Local Council Chairman

Disclosure Statement Required by Federal Tax Law

Dues, contributions, and gifts to ALPA are not tax deductible as charitable contributions.

However, they may be tax deductible as ordinary and necessary business expenses.

- G.2. All Check-off forms will be submitted through the Master Executive Chairman who will forward the original signed copy to the Company's Control Accountant. A properly executed Check-off form, filed before the 15th of any month will become effective the first of the month following its receipt by the Company's Control Accountant. Illegible or improperly executed forms will be returned to the said Master Executive Council Chairman.
- G.3. Any notice of revocation as set forth in the Check-off form must be in writing, signed by the employee, and delivered by Certified or Registered Mail Return Receipt Requested, addressed to the said Control Accountant, with copy to the Chairman of the Master Executive Council. Check-off forms and notices so received by the Company will be stamp-dated on the date received and will constitute notice to the Company on the date received and not when mailed.
- G.4. Deduction of membership dues or service charges shall be made only at the time of issuance of the first paychecks (last half payments) issued each month, provided there is a sufficient balance due the employee at that time after all other deductions authorized by the employee or required by law (including money claims of the Company and the Credit Union) have been satisfied.
- G.5. The Company shall remit to the Association one check prior to the end of each month covering all deductions for dues and service charges made in that month.
- G.6. The Company will forward with the check a list of the employees for whom deduction was made and the amount of each such deduction.
- G.7. An employee who has executed a Check-off form and who has been (i) transferred or promoted to a job not covered by the Agreement, (ii) who resigns from the Company, (iii) who is laid off, or (iv) who is otherwise terminated from the employ of the Company shall be deemed to have automatically revoked his assignment as of the date of such action, and if he (i) transfers back or returns to a job covered by the Agreement, (ii) is rehired, (iii) is recalled, or (iv) is reemployed, further deductions of Association dues will be made only upon execution and receipt of another Check-off form.
- G.8. Collection of any back dues owed at the time of starting deductions for any employee, collection of dues missed because the employee's earnings were not sufficient to cover the payment of dues in the specified pay period and collection of dues missed because of accidental errors in the accounting procedure, will be the responsibility of the Association and will not be the subject of payroll deductions, and the Company shall not be responsible in any way because of such missed collections. It will be the Association's responsibility to verify apparent errors with the individual Association

member or pilot employee before contacting the Company's Deduction Payroll Accounting.

- G.9. In cases where a deduction is made which duplicates a payment already made to the Association by an employee, and where a deduction is not in conformity with the provisions of the Association Constitution and Bylaws, refunds to the employees will be made by the Association.
- G.10. Northwest Airlines, Inc., shall not be held liable for any claims which may be made by the employee or employees by virtue of the wrongful application or misapplication of any of the terms herein.
- G.11. The Association shall indemnify and save the Company harmless against any and all claims, demands, suits or other forms of liability that may arise out of or by reason of the provisions of this Section 28. The Company shall promptly notify the Association of any such claims of liability made against the Company.
- H. On an annual basis and within 45 days of the end of each year, Northwest will furnish the Association with a tabulation of the annual earnings of all pilots for the previous year. The earnings so tabulated will be the same as those reported for federal income tax purposes.

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SECTION 29
EFFECT OF PRIOR AGREEMENTS, AMENDMENT, DURATION

A. Effect of Prior Agreements

This Agreement shall supersede and take precedent over all agreements, supplemental agreements, amendments, letters of understanding and similar related documents executed between the Company and the Association prior to the signing of this Agreement, with the exception of the following:

- LOA 1956-01** The Letter of Agreement dated October 29, 1956, relating to the Pilots' Pension Plan and subsequent amendments thereto (Note: A copy of the Plan, as amended, is not provided in this Agreement),
- LOA 1968-01A** The Aircraft Type Agreement letter dated December 4, 1968 (**Revised July 31, 2006**),
- LOA 1988-01** The Retirement Savings Plan for Pilots dated January 13, 1988, and subsequent amendments thereto (Note: A copy of the Plan is not provided in this Agreement),
- LOA 1989-01** The Letter of Agreement dated August 28, 1989, relating to the Northwest Airlines, Inc. Pilots' Excess Benefit Plan and subsequent amendments thereto (Note: A copy of the Plan is not provided in this Agreement),
- LOA 1989-02** The Letter of Agreement dated September 1, 1989, concerning cockpit procedures and the Captain's discretion regarding malfunctioning equipment,
- LOA 1989-03** The Letter of Agreement dated September 1, 1989, concerning requalification for pilots who have been on an extended leave of absence or who have been absent from a category for an extended period of time,
- LOA 1991-01** The Letter of Agreement dated June 4, 1991, concerning the Professional Standards Committee,
- LOA 1992-01** The Letter of Agreement dated September 22, 1992, concerning investment of pension plan assets,
- LOA 1993-01** The Equity Letter of Agreement dated August 1, 1993 (Note: A copy of this letter is not provided in this Agreement) (**Note: This letter shall cease to be listed in this Paragraph A. on the date that no shares of Series C Preferred Stock remain outstanding**),

→

- LOA 1995-01** The Letter of Agreement dated March 10, 1995 concerning Amendment of Section 3.6 of the Equity Letter of Agreement (Optional Redemption) (Note: A copy of this letter is not provided in this Agreement), (**Note: This letter shall cease to be listed in this Paragraph A. on the date that no shares of Series C Preferred Stock remain outstanding**),
-
- LOA 1995-03** The Letter of Agreement dated November 17, 1995 concerning approval, implementation and cancellation, among other things, of a computerized pilot schedule bidding system (Note: A copy of this letter is not provided in this Agreement),
- LOA 1995-04** The Letter of Agreement dated November 17, 1995 concerning parameter settings for the computer bidding program, and related issues (Note: A copy of this letter is not provided in this Agreement),
- LOA 1995-05** The Letter of Agreement dated November 17, 1995 concerning access to information related to computer bidding (Note: A copy of this letter is not provided in this Agreement),
- LOA 1995-06** The Letter of Agreement dated November 17, 1995 concerning the handling of SVT in computerized pilot schedule bidding (updated and re-signed on September 13, 1998),
-
- LOA 1998-01A** The updated Transition Agreement from 1989 dated September 13, 1998 (**Revised July 31, 2006**),
- LOA 1998-02** The Letter of Agreement dated September 13, 1998 concerning the Company’s Civil Reserve Air Fleet Operation (CRAF),
-
- LOA 1998-04A** The Letter of Agreement dated September 13, 1998 concerning the application of the scope clause **and the Continental and Delta Alliance Letters of Agreement** to → NAC and → its affiliates (**Revised July 31, 2006**),
- LOA 1998-05** The Letter of Agreement dated September 13, 1998 concerning the schedule bidding process which shall be applicable pending complete implementation of computer bidding and in the event of a discontinuance of usage of computer bidding pursuant to Paragraph 11. of Letter of Agreement 13,
- LOA 1998-06** The Letter of Agreement dated September 13, 1998 concerning pilot pass travel on Alaska Airlines,

- LOA 1998-07** The Letter of Agreement dated September 13, 1998 concerning crediting of the ALPA flight pay loss bank,
- LOA 1998-08** The Letter of Agreement dated September 13, 1998 concerning exceeding monthly maximum,
- **LOA 1998-09-01B** **The Letter of Agreement dated September 13, 1998 concerning the Continental Alliance Scope Waiver and Scope Protections (Revised July 31, 2006),**
- **LOA 1998-10A** The Letter of Agreement dated September 13, 1998 concerning insurance coverage for chemical dependency (**Revised July 31, 2006**),
- **LOA 1998-12A** The Letter of Agreement dated September 13, 1998 relating to the Retirement Plan Agreement for Pension Plan for Pilot Employees and subsequent amendments thereto (Note: A copy of the Plan, as amended, is not provided in this Agreement) (**Revised July 31, 2006**),
- LOA 1998-13A** The Letter of Agreement dated September 13, 1998 concerning the Retirement Plan Agreement for Retirement Savings Plan for Pilot Employees and subsequent amendments thereto (Note: A copy of the Plan, as amended, is not provided in this Agreement), (**Revised July 31, 2006**),
- **LOA 1998-15** The Letter of Agreement dated September 13, 1998 concerning medical certification for former Green Book pilots whose benefits are provided through an insurance company,
- **LOA 1999-01** The Letter of Agreement dated February 11, 1999 relating to A319 aircraft,
- **LOA 1999-03** The Letter of Agreement dated October 29, 1999 relating to the Flight Operations Quality Assurance Program,
- LOA 1999-04** The Letter of Agreement dated December 28, 1999 relating to the Electronic Mailbox System,
- LOA 2000-01** The Letter of Agreement dated June 20, 2000 relating to Computer Schedule Bidding conflicts,
-

- LOA 2000-03A** The Letter of Agreement dated June 20, 2000 relating to Grievance Processes (**Revised July 31, 2006**),
- LOA 2000-04** The Letter of Agreement dated October 16, 2000 relating to Test and Ferry,
- LOA 2001-01** The Letter of Agreement dated December 17, 2001 relating to clarification of the October 16, 2000 Test and Ferry letter,
- LOA 2001-02** The Letter of Agreement dated March 5, 2001 relating to ANC HNL SVT Travel Day Conflict,
- LOA 2001-03A** The Letter of Agreement dated March 5, 2001 relating to Auto Crew Notification (Note: A copy of this letter is not provided in this Agreement) (**Revised July 31, 2006**),
- LOA 2001-04A** The Letter of Agreement dated June 28, 2001 relating to NRT AMS Hotel (**Revised July 31, 2006**) →
- LOA 2001-06A** The Letter of Agreement dated June 28, 2001 relating to FOQA Funding (**Revised July 31, 2006**),
- LOA 2001-07A** The Letter of Agreement dated June 28, 2001 relating to NASAP Funding (**Revised July 31, 2006**),
- LOA 2001-08** The Letter of Agreement dated December 17, 2001 relating to Military Leave/Negative Bank Recoupment,
- LOA 2002-01** The Letter of Agreement dated March 18, 2002 relating to the application and adjustment of a pilot’s SIV Date,
- LOA 2002-02** The Letter of Agreement dated March 21, 2002 relating to Bid Error Resolution,
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- LOA 2002-04** The Letter of Agreement dated August 29, 2002 relating to Pinnacle Preferential Hiring,
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- LOA 2003-01-01A** **The Letter of Agreement dated January 31, 2003 concerning the Delta Alliance Letter of Agreement Number 1 (Scope Waiver and Scope Protections) (Revised July 31, 2006),**
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- LOA 2003-06** The Letter of Agreement dated June 13, 2003 relating to HNL-MSP Base Closings,
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- LOA 2003-08** The Letter of Agreement dated September 11, 2003 relating to Disability Retirement Offset,
- LOA 2003-09** The Letter of Agreement dated October 22, 2003 relating to ATLAS Phase 2,
- **LOA 2004-02A** The Letter of Agreement dated June 24, 2004 relating to Freighter Operations (**Revised July 31, 2006**),
- LOA 2004-03** The Letter of Agreement dated November 16, 2004 relating to NASAP and [Section 19 A.2.](#),
- **LOA 2004-07A** The Letter of Agreement dated November 22, 2004 relating to negotiations concerning blended rates for **A350** aircraft (**Revised July 31 2006**),
- **LOA 2004-09** The Letter of Agreement dated November 22, 2004 relating to the “Call-In-Honest” Policy,
- **LOA 2004-13** The Letter of Agreement dated November 22, 2004 relating to Long Call Time Implementation,
- **LOA 2005-02** **The Letter of Agreement dated March 7, 2005 clarifying Freighter Operations,**
- LOA 2005-03** **The Memorandum of Understanding dated April 28, 2005 relating to the Long Call/Short Call Implementation schedule,**
- LOA 2005-04** **The Letter of Agreement dated May 13, 2005 relating to Proof of Disability for pilots whose 7 year seniority retention ended in 2005 (Note: A copy of this letter is not provided in this Agreement,**
- LOA 2005-05** **The Memorandum of Understanding dated July 28, 2005 relating to the Long Call/Short Call Transition rules for widebody aircraft,**
- LOA 2005-06** **The Letter of Agreement dated November 3, 2005 relating to the Employment of Laid-Off Pilots in non-pilot jobs,**
- LOA 2005-07** **The Letter of Agreement dated November 3, 2005 relating to Holiday Attendance,**

- LOA 2005-08** **The Letter of Agreement dated December 15, 2005 relating to Defined Benefit Pension Plan Freeze and Other Related Issues (Note: A copy of this letter is not provided in this Agreement),**
- LOA 2005-09** **The Letter of Agreement dated July 31, 2005 relating to CARMEN as the vendor change for PBS,**
- LOA 2005-10** **The Letter of Agreement dated July 31, 2005 relating to Fleet-Wide Distance Learning CQ,**
- LOA 2005-11** **The Letter of Agreement dated September 26, 2005 relating to Funds in the Retirement Savings Plan,**
- LOA 2006-01** **The Letter of Agreement dated July 31, 2006 relating to Restructuring (Restructuring Letter of Agreement Number 1),**
- LOA 2006-02** **The Letter of Agreement dated July 31, 2006 relating to Restructuring (Restructuring Letter of Agreement Number 2),**
- LOA 2006-03** **The Letter of Agreement dated July 31, 2006 relating to Bankruptcy Protection,**
- LOA 2006-04** **The Letter of Agreement dated July 31, 2006 relating to the Pilot Incentive Performance Plan,**
- LOA 2006-05** **The Letter of Agreement dated July 31, 2006 relating to the Profit Sharing Plan,**
- LOA 2006-06** **The Letter of Agreement dated July 31, 2006 relating to the Pilot Early Retirement Program,**
- LOA 2006-07** **The Letter of Agreement dated July 31, 2006 relating to Feeder Carrier Affiliate,**
- LOA 2006-08** **The Letter of Agreement dated July 31, 2006 relating to Partial Month Leaves,**
- LOA 2006-09** **The Letter of Agreement dated July 31, 2006 relating to the Retirement Plan Agreement for Pension Plan for Pilot Employees and Retirement Savings Plan for Pilot Employees,**
- LOA 2006-10** **The Letter of Agreement dated July 31, 2006 relating to Feeder Carrier Hiring**
- LOA 2006-11** **The Letter of Agreement dated July 31, 2006 relating to Distance Learning Expansion,**

- LOA 2006-12** **The Letter of Agreement dated July 31, 2006 relating to the ALPA seat on the Company’s Board of Directors,**
- LOA 2006-13** **The Letter of Agreement dated July 31, 2006 relating to 77–110 Seat Aircraft,**
- LOA 2006-14** **The Letter of Agreement dated July 31, 2006 relating to Flow Between the Company and SJet,**
- LOA 2006-15** **The Letter of Agreement dated July 31, 2006 relating to Related Party Transactions,**
- LOA 2006-16** **The Letter of Agreement dated July 31, 2006 relating to Re-opening on SJs,**
- LOA 2006-17** **The Letter of Agreement dated July 31, 2006 relating to Zero Open Time,**
- LOA 2006-18** **The Letter of Agreement dated July 31, 2006 relating to Implementation and Transition Issues,**
- LOA 2006-19** **The Letter of Agreement dated July 31, 2006 relating to the Salaried Defined Benefit Plan,**
- LOA 2006-20** **The Memorandum of Understanding dated July 31, 2006 reinstating and amending the October 4, 2001 Letter of Agreement concerning the No Availability Option Program,**
- LOA 2006-21** **The Letter of Agreement dated July 31, 2006 relating to the Voluntary Layoff,**
- LOA 2006-22** **The Letter of Agreement dated July 31, 2006 relating to the Transition/Implementation,**

provided, that (i) all rights and obligations, monetary or otherwise, which may have accrued prior to the effective date of this Agreement under the said agreements, supplemental agreements, amendments, letters of understanding and similar related documents for the pilots of the Company shall be satisfied or discharged, and (ii) this provision shall not operate to cause precedent-setting grievance or precedent setting pre-grievance settlement agreements not listed above to be superseded unless it is clear that the substance of that precedent-setting grievance or precedent setting pre-grievance settlement agreement has been modified by a subsequent agreement.

B. Amendment to Agreement

Either party hereto may at any time propose in writing to the other party an amendment or amendments which they may desire to make to this Agreement, or supplemental agreements thereto, and if such amendment or amendments are agreed to by both the said

parties, such amendment or amendments shall be stated in writing, signed by both parties hereto, and shall then be deemed to be incorporated in and shall become a part of this Agreement, or supplements thereto, provided that when such amendment or amendments are not agreed to by both parties, it is understood by the said parties that they both will forego and not exercise any rights they may have to invoke the provisions of the Railway Labor Act, as amended, to cause further consideration of the amendment or amendments in question, except as provided in [Section 29 C.](#) of this section.

C. Effective Date, Duration and Notice of Intended Change

C.1. Except as **expressly** provided otherwise in this Agreement, this Agreement shall become effective **on July 31, 2006** and it shall continue in full force and effect through **the earlier of December 31st of the 4th full calendar year following the Company’s exit from bankruptcy court protection or December 31, 2011 (the “amendable date”)** and shall renew itself without change through each succeeding December 31 thereafter, unless written notice of intended change is served in accordance with Section 6, Title I, of the Railway Labor Act, as amended, by either party hereto at least 60 days but not more than 90 days prior to December 31st of the **amendable date set forth above**, or December 31 in any year thereafter.

C.2. Notwithstanding subparagraph C.1. above, → the Company and the Association shall serve notice of intended change to the Agreement **10 months prior to the amendable date that is established as set forth in subparagraph C.1. above (i.e. on the February 28th prior to such amendable date).**

→

D. Except as expressly provided otherwise in this Agreement, the Retirement Plan Agreement and the Transition Agreement, the “Green Book” and all past practice thereunder shall be extinguished upon the date of signing of this Agreement. “Green Book” for this purpose means the basic collective bargaining agreement between Republic Airlines and former Republic pilots as represented by the Association, together with all interpretations and applications, arbitration awards, precedent-setting grievance settlement agreements, amendments, supplemental agreements, side letters, understandings and the like.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this 31st day of July, 2006.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ David Stevens
NWA MEC Chairman

/s/ Timothy J. Rainey
Sr. Vice President Flight Operations/SOC

/s/ William H. Dollaway
Chairman Negotiating Committee

/s/ Danny R. Walters

(Northwest)

Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

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SECTION 30 SCHEDULING RULES

A. Schedule Preparation

A.1. The ALPA Scheduling Committee shall be given the opportunity for consultation before changes in patterns are finalized.

A.2. Flight Crew Analysis

The analysis will show all patterns grouped by type of equipment, and the following information shall be included in the following sequence, to the extent practical:

- A.1.a. Pattern number.
- A.1.b. Route.
- A.1.c. Frequency.
- A.1.d. Flight numbers.
- A.1.e. Departure times.
- A.1.f. Arrival times.
- A.1.g. All scheduled stops by station.
- A.1.h. Intermediate stop block-to-block times.
- A.1.i. Total block-to-block.
- A.1.j. Duty period credit.
- A.1.k. On duty.
- A.1.l. Off duty.
- A.1.m. Layover time.
- A.1.n. Trip hours.
- A.1.o. Total flight time.
- A.1.p. Total duty period credit.
- A.1.q. Trip hour credit.
- A.1.r. Total credit hours.
- A.1.s. Number of landings.
- A.1.t. Percentage of night flying.
- A.1.u. Aircraft type.

To the extent practical, the flight crew analysis shall be arranged so that trips are presented in an order mutually acceptable to the Company and the ALPA Scheduling Committee.

B. Schedule Bidding

B.1. Each pilot is responsible for making or revising his bid preferences prior to the bid submission deadline. A pilot may submit or revise his bid preferences at any time prior to the bid submission deadline.

B.2. Except as provided in [Section 4 H.11.](#) and in [Section 30 B.3.](#) →, pilots must submit and revise their bid preferences through bid entry computers provided by the Company, or through remote access, prior to 0400 MSP time on the day the bid

award process starts (see [Section 25 A.2.](#)). Such date shall be stated on the document containing the information listed in [Section 25 A.1.a.](#) (the “bid packet”).

- B.3. In the event of equipment malfunction which reasonably interferes with a pilot’s ability to submit or revise his bid preferences prior to the bid submission deadline, the pilot may submit or revise his bid preferences by sending a telephone facsimile bid, or bid revision, to a telephone fax number established by the Company for this purpose prior to 0800 MSP time on the day the bid award process starts (see [Section 25 A.2.](#)). Company personnel shall enter the timely submitted and legible faxed bid entries and revisions into the computer schedule bidding program prior to the start of the bid run. Such bids or revisions shall be in the same bid entry format as if the pilot were making his bid or revision via bid entry computer provided by the Company or remote access. Company personnel shall enter such bids or revisions exactly as submitted by the pilot and shall not attempt to interpret the meaning thereof.
- B.4. In the event of an equipment malfunction which significantly impairs the ability of a substantial number of pilots to submit timely bids, the Company and the Association shall immediately meet and confer concerning delayed bidding.
- B.5. A pilot using a bid entry computer provided by the Company shall, at the time he submits or revises his bid preferences, and if requested, be provided a printout with his bid preferences and the confirmation number which serves to confirm receipt of his submission or revisions and provides a means to audit the pilot’s bid preferences. A pilot using a computer other than a bid entry computer provided by the Company shall be provided a confirmation number for the same purposes but must provide for his own printout.
- B.6. Pool of Pilots With a Guaranteed Minimum Schedule Value

The Company shall guarantee to provide a certain number of pilots in each regular position a schedule with a value equal to or greater than an amount **seven** hours less than the scheduled monthly maximum. A pilot in the guarantee pool who has been awarded a schedule pursuant to a bid preference of MIN SKED or SET WIDE SKED, or a pilot in the guarantee pool who has unavailabilities that prevent the assignment of trip(s) from the entire trip pool to build such a guaranteed schedule shall nonetheless be considered to have met the requirements of this subparagraph **B.6.** in determining the number of pilots in a regular position who are to be guaranteed such a minimum schedule value the following calculation shall be made:

For each regular position, the total scheduled credit time figure for all scheduled, extra section and charter flights which was used for purposes of [Section 24 B.1.](#) staffing for that position shall be divided by that number which is 4.5 hours less than the scheduled monthly maximum for that position. This figure represents required man-months of pilot availability. This number shall be multiplied by 30 to produce the number of required man-days of availability. For purposes of satisfying this amount of man-days of pilot availability, the man-days of unavailability for line flying (as listed in [Section 24 B.3.](#)) shall be excluded, provided that “no-bid” pilots

and their unavailability shall be ignored for purposes of this subparagraph **B.6.** (the term “no-bid” shall mean a pilot who has 29 or more days of unavailability). The total number of pilots needed to produce the calculated number of required man-days of availability shall be the number of pilots in the guarantee pool. Any fraction in the resulting sum shall be rounded up.

In determining which pilots are to be used to satisfy the required number of man-days of availability, the Company shall use the pilots in the same order they appear on the bid list. The same order shall be used in determining the identity of the pilots in the guarantee pool. The identity of the pilots in the pool for each regular position shall be indicated on the bid list.

B.7. Standby and Monthly bids must include:

B.7.a. Name.

B.7.b. Employee number.

B.7.c. Bid position.

B.7.d. System seniority number.

B.7.e. Bid preferences.

B.7.f. Corrections or other changes desired to be made on a bid can only be accomplished via the submission of a revised bid.

B.8. In the event that a pilot has not submitted a monthly bid for the current month, the computer bidding program will then use the appropriate standby bid of the pilot. If there is no appropriate standby bid, then the computer bidding program will use the appropriate default bid, as defined by ALPA for each position.

B.9. For the purpose of determining, in the case of multiple bids submitted by a pilot for monthly schedule bidding which bid to use under [Section 30 B.](#), the computer bidding program shall use only the most recent bid.

B.10. Flying remaining unbid after completion of bidding will be included in the Schedule Completion Bid (see [Section 30 F.](#)).

B.11. Rules for Bidding Trips which Span Two Bid Periods

B.11.a. When bidding a monthly schedule (either normal monthly bidding or Schedule Completion Bid), or bidding open flying after SCB but prior to the setting of the scheduled monthly maximum for the 2nd ensuing month, a pilot may be awarded, or do an exchange for (see [Section 30 D.8.](#)) a trip which carries into month **two** in which the pilot has already been awarded annual or monthly vacation, or scheduled for training, or scheduled for union or military leave, provided that the combination of such known credit time and the portion of the carry-in trip in month **two** cannot exceed **90** hours. If the carry-in trip would cause **90** hours to be exceeded in the 2nd month it shall not be awarded (or if part of a pre-built monthly schedule, must be dropped at the time of bidding). If the scheduled monthly maximum established at the final staffing point is lower than the value of the combination of such known credit time and the portion of the credit time of the

carry-in trip in month **two**, then the pilot shall be deemed to have a modified scheduled monthly maximum equal to this combined figure and an actual monthly maximum equal to an amount 2:30 greater than the modified scheduled monthly maximum.

No pilot shall be assigned a carry-in trip during monthly bidding or in Schedule Completion Bid (SCB) (see [Section 30 F.4.c.\(3\)\(b\)](#)) which, in combination with annual vacation, monthly vacation, scheduled training or scheduled union or military leave, would cause the pilot to exceed **80** hours in month **two**, unless the pilot requests the **90**-hour option prior to assignment.

EXAMPLE 1: In November 1999, the pilot bid annual vacation worth **50:24** for February 2000. In December monthly schedule bidding for January (including SCB) the pilot may bid a carry-in trip starting in January and ending in February which is worth up to **39:36** in February. If, at the final staffing point for February 2000, the Company sets the scheduled monthly maximum at a point below the combined value of the portion of the carry-in trip in February and the annual vacation in February, the pilot shall not be required to make an adjustment but instead shall have a modified scheduled monthly maximum equal to this combined total (not more than **90** hours).

EXAMPLE 2: In November 1999, the pilot bid annual vacation worth 40 hours for February 2000. The pilot's schedule for January after regular monthly bidding is more than 12 hours below the scheduled monthly maximum for January 2000. The pilot is required to participate in SCB. The pilot is not requesting any flying in SCB. The Company can assign open flying to the pilot pursuant to [Section 30 F.4.c.\(3\)\(b\)](#), [Section 30 F.4.c.\(4\)](#) and [Section 30 F.4.e.](#) which carries into February 2000, provided that the combined total of the credit time of the carry-in trip in February and the annual vacation does not exceed **80** hours (**90** hours if the pilot requests the **90**-hour option prior to assignment in SCB).

- B.11.b. If the carry-in trip of a pilot who is covered by [Section 30 B.11.a.](#) → is changed in the month-end transition so that the value of the portion of the trip in month **two** is increased, the pilot shall have the option to invoke his modified monthly maximums in month **two** to match the increase in the scheduled credit time of the transition trip in month **two** (not more than **90** hours of scheduled credit time). The period in which to exercise this option shall commence with the date/time the month-end transitions are electronically posted and shall terminate prior to 0001 local time on the 11th of the calendar month. The option may be exercised by submitting a schedule adjustment request to Crew Scheduling via Company computer terminal, remote access or Voice Response System. If the pilot does not exercise the option to invoke his modified monthly maximums, then Crew Scheduling shall make the necessary [Section 25 B.](#) adjustment prior to the commencement of bidding. The pilot, the Company bidding personnel and appropriate computer systems shall be notified of the adjustment.

EXAMPLE: In November 1999, the pilot bid annual vacation worth **50:24** hours for June 2000. In April 2000, monthly schedule bidding for May (including SCB), the pilot bid a carry-in trip starting in May and ending in June which is worth **30** hours in June. On May 6, the Company posts the month-end transitions which increases the value of the portion of the pilot's carry-in trip in June from **30** hours to **35** hours. The Company has established a scheduled monthly maximum for June of **80** hours in the pilot's position. The pilot shall have the option to invoke his modified monthly maximum to **85** hours scheduled and **87:30** actual, by submitting a schedule adjustment request.

- B.12. For purposes of schedule bidding only, a pilot who, at the time of preparation of the bid deadline, has a known, unpaid period of unavailability during the bid period (e.g. retirement, personal leave of absence, medical leave of absence) other than military leave, shall be credited with 1/30th of the scheduled monthly maximum for his position for each day of such unavailability. For purpose of monthly schedule bidding, the amount of this credit time shall be shown on the bid schedule. The pilot shall be permitted, at his option, to waive all or any portion of his credit time during schedule bidding, including Schedule Completion Bid.
- B.13. In order to provide for timely correction of bid errors, a pilot who believes an error(s) has been made with respect to his awarded schedule shall bring the error(s) to the attention of the Company and the ALPA Computer Bidding Committee no later than the 9th of the flying month. An error(s) reported after that date may still be corrected by agreement of the Company and the ALPA Computer Bidding Committee.

C. Protection of Schedules and/or Trips

C.1. Crew Call Policy

C.1.a. Flights Departing a Pilot's Base Station

At his base station, the Company will call a pilot, including a deadheading pilot, one hour before report time for a trip scheduled to depart the base between 2300 and 0655 hours local time.

C.1.b. Flights Departing a Pilot's Layover Station

At his layover station, the designated layover hotel/motel management will call a pilot one hour before ground transportation pick-up time for all flights scheduled to depart the station between 2100 and 0900 hours local time. In the event that an individual pilot has left a wake-up call request for a call before the pick-up time from the hotel/motel, no additional call by the hotel/motel management will be required. The Company will ensure that the designated layover hotel/motel management is informed of any changes from planned departure time as soon as such changes become known to the Company, in order that the crew call time can be adjusted accordingly.

EXCEPTION: At a pilot's layover station outside the contiguous 48 states of the United States and at a pilot's domestic layover station prior to departing on an international flight, the pilot will receive a crew call in the manner set forth above but on a 24-hour basis.

C.2. Pilot Responsibility

C.2.a. It shall be the duty of each pilot to remain thoroughly familiar with his schedule as originally bid and as modified.

C.2.b. As a general guideline, a pilot assigned to open flying under [Section 30 E.1.](#) →:

C.2.b.(1) Who is given at least 3:00 notice prior to quoted departure time is expected to report at the designated location no later than the required report time;

C.2.b.(2) Who is given at least 2:30 but less than 3:00 notice prior to quoted departure time is expected to make every effort to report at the designated location at the required report time and is expected to report at the aircraft in time for scheduled departure;

C.2.b.(3) Who is given less than 2:30 notice prior to quoted departure time is expected to make every effort to report at the aircraft in time for scheduled departure.

C.3. Trip Trades

Individual trips may be exchanged between currently qualified regular pilots in the same position at the same base. Trip trades may not result in a requirement for a schedule adjustment or cause either pilot to fall below the guarantee point. All trades must be consummated and reported to Crew Scheduling. Such report must be made, when possible, by 1600 local time for the ensuing day but at least 3:00 prior to the scheduled departure of the earlier trip. Regular pilots are prohibited from trading an entire schedule, unless such schedule consists of one or **two** trips.

C.4. Procedure for Inability to Take a Flight

If a pilot is unable to take a flight as scheduled, he must notify Crew Scheduling as soon as possible. A pilot who is removed from his trip, or a portion thereof, for reason of unavailability will be allowed access to open flying, pursuant to [Section 30 E.](#), to make up the time lost, without being required to obtain the prior approval of a supervisory pilot.

C.5. Procedure for Pilot Failure to Report for a Trip by Report Time

C.5.a. Whenever a pilot has not reported for his trip at the scheduled or rescheduled report time, Crew Scheduling will then attempt to reach the pilot who has failed to report, and if he is not available, another available pilot, or a reserve pilot, will then be assigned to the trip. This pilot shall remain assigned to the trip unless the originally assigned pilot actually reports prior to the actual report time of the

available pilot or the reserve pilot, in which case, [Section 30 E.6.](#) notwithstanding, the originally assigned pilot shall fly the trip.

- C.5.b. Whenever another available pilot or a reserve pilot is assigned to a trip under [Section 30 C.5.a.](#) →, and he does not fly the trip because a different pilot actually reports prior to him, then the pilot shall be given the following options:
- C.5.b.(1) Receive 2:40 of pay time (this pay shall not be banked, shall be paid in addition to any other compensation, → and shall not be used to offset monthly guarantee pay provided for in [Section 4 A.1.](#) and [Section 4 A.2.](#)), or
- C.5.b.(2) Be provided with a night of lodging (at a crew layover hotel) at his base (provided he is away from his permanent residence) for each day the trip was scheduled to operate and the pilot is on a required available day (whether as a reserve, a time available pilot, or a rescheduled pilot).

NOTE: These options shall not be available to a pilot covered by [Section 30 C.6.b.](#) → (see also [Section 30 G.](#)).

C.6. Procedure For Reserve Pilots Who Report For An Assigned Trip, But Do Not Fly The Assigned Trip

A reserve pilot who reports for an assigned trip, but does not operate the trip for any reason other than his personal unavailability (e.g., removal due to [Section 30 E.6.](#), [Section 30 C.5.](#) or trip cancellation) shall, within 30 minutes of scheduled report:

- C.6.a. Be released into a rest period (see [Section 4 E.](#) for Reporting Pay, except that the notice period shall be **three** hours instead of **two** hours for purposes of eligibility for Reporting Pay for such pilot); or
- C.6.b. Be considered to have started a duty period. Such pilot who commences a duty period cannot be required to remain at the airport or any other location for more than one hour after scheduled report. Such pilot shall resume his reserve availability obligation and his prior placement on the reserve availability list until released to a rest period (see [Section 30 G.](#)). Such pilot shall, in addition to any other compensation or payment, receive, as a minimum, duty period pay and credit as provided in [Section 4 B.1.a.](#) and [Section 4 B.1.b.](#), or 4:15 pay and credit as provided in [Section 4 B.1.c.](#), whichever is greater, provided that such pay and credit shall be offset by any flying or deadheading performed in that duty period (see [Section 4 C.](#) for Standby Pay). A pilot covered by this subparagraph **C.6.** shall not be eligible for the options provided for in [Section 30 C.5.b.](#) →.

NOTE: The Company may not avoid application of this subparagraph C.6. by notifying such pilot of his removal less than **three** hours prior to scheduled departure time, unless actual notification is made prior to the pilot's departure to the airport for the purpose of reporting.

C.7. Ground Time Protection

A pilot will normally fly his regularly scheduled flight from a layover station providing his arrival at the layover station is at least 30 minutes before such regular flight departs. If the inbound aircraft is the same aircraft to be used for a turnaround for the inbound pilot's regular return flight, the pilot shall remain scheduled for the return flight even though the ground time between flights (measured block-in to block-out) is less than 30 minutes. **Nothing in this subparagraph C.7. would restrict the Company from rescheduling such pilot if the pilot is needed to cover other flying.**

C.8. When a pilot's scheduled flight is canceled and a flight not scheduled to be flown is operated, with the type of equipment he was scheduled to fly, for the purpose of replacing or positioning aircraft, the pilot will be assigned to the nonscheduled flight.

C.9. Layover Availability

C.9.a. Pilots will not be required to notify the Company of their whereabouts at layover stations provided that they are staying at the designated crew hotel. A pilot who does not stay at the designated crew hotel shall leave a contact with the senior pilot in his crew who is staying at the hotel.

C.9.b. Reasonable effort shall be made on the part of the responsible crew controller not to disturb the crew member's layover.

C.9.c. The Company shall make reasonable effort to coordinate unusual and off-schedule flying out of layover stations to avoid the disruption of normal trips of pilots on layover, including in the case of extra flying, protection by an extra crew.

C.10. Rescheduling

C.10.a. Crew Scheduling shall notify pilots of any change to their availability obligation or schedule, including changes to their trips in accordance with the following procedure:

C.10.a.(1) A pilot whose trip or flight is scheduled to depart 24 hours or less after the change shall be notified within 45 minutes of such change (subject to the provisions of [Section 30 C.10.a.\(4\)](#) ↗);

C.10.a.(2) A pilot whose trip or flight is scheduled to depart more than 24 hours after the change shall be notified within **three** hours of such change (subject to the provisions of [Section 30 C.10.a.\(4\)](#) ↗);

- C.10.a.(3) Notification of a change to a pilot's schedule will not be required in the following circumstances:
- C.10.a.(3)(a) Where the scheduled departure time of the first flight of a duty period is changed to be no more than **five** minutes earlier or no more than 15 minutes later; and
- C.10.a.(3)(b) Where the scheduled departure time of any flight other than the first flight of a duty period is changed to be no more than 15 minutes earlier or 15 minutes later.
- C.10.a.(4) Unless a pilot has requested (via Voice Response System, Company computer terminal or remote access) that he be notified of changes to his schedule during the hours of 2200–**0800** for the time zone of the phone number(s) listed pursuant to **Section 30 C.10.a.(5)** → (or 2200–**0800** local time at his layover while in a trip hour period), Crew Scheduling will notify him of such changes to his schedule outside such hours. The Company reserves the right to notify any pilot of such changes to his schedule between the hours of 2200–**0800** where such notification is required to preserve the integrity of the operation.
- C.10.a.(5) Pilots who are not in a trip hour period shall have one telephone call placed to all listed numbers up to **four**, including any beeper number listed and any temporary number listed (see **Section 26 U.**). A message will be left on the pilot's answering machine(s), if any. In addition, if there is no personal contact with the pilot during the telephone call(s), the Company shall leave a message in VRS and shall place a note in the pilot's electronic mailbox (PENTRY, or equivalent system). All calls will be logged by number, time and caller.
- C.10.a.(6) Pilots who are in a trip hour period shall be notified by a telephone call to the ranking pilot crew member at the crew layover hotel, or by a radio message to the flight deck, or by information on the weather briefing packet included with the flight release and/or on the close-out weather packet provided prior to departure.
- C.10.a.(7) The Company shall not initiate collect telephone calls to any pilot unless requested by the pilot.
- C.10.b. Whenever a pilot cannot return on his regularly assigned trip as a crew member because of flight time limitations, equipment qualification, illness, etc., only the affected individual will be reassigned.
- C.10.c. Recovery Rights and Obligations (see also **Section 30 G.**)
- C.10.c.(1) A rescheduled pilot who **has commenced a trip hour period** shall be required to be reasonably available and may be assigned to any flying or deadheading (**including rescheduling pursuant to Section 2 ZZZ.4.**):

- C.10.c.(1)(a) Which is scheduled to return him to his base within 8 hours after the end of the trip hour period of his lost trip, or by midnight of the day on which such trip was scheduled to return him to his base, whichever is earlier, and
- C.10.c.(1)(b) The scheduled credit time of which will not require further adjustment of his schedule for the current or the ensuing bid period, except,
- C.10.c.(1)(b)1' A pilot may, with his concurrence, be rescheduled in such a manner as to exceed his original monthly maximums as provided for in [Section 12 B.1.i.\(1\)](#), [Section 12 B.1.i.\(2\)](#), [Section 12 B.1.i.\(3\)](#), [Section 12 B.1.i.\(4\)](#), [Section 12 B.1.j.](#), or
- C.10.c.(1)(b)2' A rescheduled pilot who **has commenced a trip hour period** may be assigned to flying or deadheading (**including rescheduling pursuant to [Section 2 ZZZ.4.](#)**), which is scheduled to return him to his base outside of the parameter provided for in [Section 30 C.10.c.\(1\)\(a\)](#) → and/or the scheduled credit time of which will require further adjustment of his schedule in the current or the ensuing bid period if:
- C.10.c.(1)(b)2'a' The assignment is to unprotected flying or deadheading which cannot be covered by reserve pilots and the assignment will cause the least disruption to the smallest number of regular pilots, or
- NOTE: As used in this subparagraph C.10.c.(1)(b)2'a', the phrase “covered by reserve pilots” shall include the requirement to have both: (i) available reserves at a base (as the phrase “available reserves” is defined in the Note following [Section 30 D.8.f.](#)), and (ii) notification of assignment to flying a minimum of 2:30 prior to scheduled or quoted departure.**
- C.10.c.(1)(b)2'b' The assignment, due to applicable rest requirements or flight time limitations or to flight schedules, is to flying or deadheading which constitutes the earliest on-line opportunity to return the pilot to his base.
- C.10.c.(2) Intentionally left blank.
- C.10.c.(3) A rescheduled pilot who is at his base, **either prior to his trip hour period or at the conclusion of his trip hour period**, or who is returned to his base **at the conclusion of his trip hour period**, shall, **following his required rest period**, be required to be available from 0900 (0700 for pilots eligible for bid scheduled trip guarantee) to 1500 (local time) on each day on which his lost trip was scheduled to operate (“recovery period,” a.k.a. “recovery days”), and may be assigned to any flying or deadheading:
- C.10.c.(3)(a) Which is scheduled to depart his base no earlier than the day on which the trip hour period of his lost trip was scheduled to commence, and

- C.10.c.(3)(b) Which is scheduled to return him to his base within **eight** hours after the end of the trip hour period of his lost trip, or by midnight of the day on which such trip was scheduled to return him to his base, whichever is later, and
- C.10.c.(3)(c) The scheduled credit time of which will not require further adjustment of his schedule for the current or the ensuing bid period. However a pilot may, with his concurrence, be rescheduled in such a manner as to exceed his original monthly maximums as provided for in [Section 12 B.1.i.\(1\)](#), [Section 12 B.1.i.\(2\)](#), [Section 12 B.1.i.\(3\)](#), [Section 12 B.1.i.\(4\)](#) and [Section 12 B.1.j](#).
- C.10.c.(3)(d) A rescheduled pilot who is at his base, **either prior to his trip hour period or at the conclusion of his trip hour period**, or who is returned to his base **at the conclusion of his trip hour period**, shall have no obligation to be available during a rest period and shall have no obligation to contact Crew Scheduling during or after completion of his rest period. A rescheduled pilot who is at his base or who is returned to his base may be contacted to be advised of an assignment (i) during a rest period (**for so long as the applicable FAR so provides, more than one contact during the rest period shall be considered a break in that rest period**), or (ii) outside of his recovery period.

First Day Required Availability Exception:

- (i) A rescheduled pilot who is removed from his trip prior to commencement of such trip shall not be required to be available at base earlier than the scheduled report time of the trip from which he was removed, provided that, a pilot who is removed from a trip with a report time of 1400 local base time or later shall be required to be available at base for up to one hour from scheduled report time.
- (ii) It is understood that a pilot who is removed prior to 0900 local base time on the day before the day of the scheduled report time of such trip shall be required to contact Crew Scheduling once between 0900 and 1500 local base time on the day prior to the scheduled report time of the trip from which he was removed in order to be advised of any assignment to flying on the first day of his recovery period. In order for this obligation to contact Crew Scheduling to be effective, the pilot must actually receive notification of the contact obligation before 0900 on the day prior to scheduled report for the trip from which he was removed. If the pilot receives actual notification of his trip removal between such 0900-1500 period by telephone call, such call shall be deemed to satisfy his obligation to contact Crew Scheduling during such period.
- (iii) It is further understood that a pilot covered by this subparagraph C.10.c.(3) who has been assigned recovery flying commencing the first day of

required availability shall, pursuant to [Section 30 E.7.](#), be relieved of any availability obligation for the 12-hour period prior to his report time for the recovery flying.

NOTE: [Section 9 A.1.](#) Note of the Agreement provides pay guarantees and recovery rights and obligations for a pilot who is removed from his scheduled trip or a portion thereof and replaced by a pilot other than a line pilot (including supervisory pilots, OE instructors and trainees).

- C.10.c.(4) Except as provided in Section 14 C.6.b., a rescheduled pilot shall have no option to refuse the flying or deadheading assigned to him pursuant to [Section 30 C.10.c.\(1\)](#), and/or [Section 30 C.10.c.\(1\)\(b\)2'](#) and/or [Section 30 C.10.c.\(3\)](#) →.
- C.10.c.(5) A rescheduled pilot who is not eligible for bid scheduled trip guarantee shall be relieved of his required availability obligations when his accumulated actual credit time plus his projected scheduled credit time is such that he is at or above the minimum monthly pay guarantee for a regular pilot (see [Section 4 A.1.](#)).
- C.10.c.(6) Whenever a rescheduled pilot has lost **two** trips which were scheduled to operate on contiguous calendar days, the separate recovery period for each of the **two** trips provided for in [Section 30 C.10.c.\(1\)](#) through [Section 30 C.10.c.\(3\)](#) → may at the Company's option be merged into one continuous recovery period. If a rescheduled pilot has lost more than **two** trips, each of which were scheduled for contiguous calendar days, only the recovery periods for **two** of the abutting trips lost may be so merged.
- C.10.c.(7) Whenever a rescheduled pilot has lost a duty period, or a trip which consists of one duty period, which was scheduled to operate on **two** calendar days, the recovery period for the lost trip provided for in [Section 30 C.10.c.\(1\)](#) through [Section 30 C.10.c.\(3\)](#) shall be limited to the first calendar day of the two-calendar-day period in which the duty period, or trip, was scheduled to operate.

NOTE 1: The First Day Required Availability Exception to [Section 30 C.10.c.\(3\)](#) applies to pilots covered by this [Section 30 C.10.c.\(7\)](#). Whenever a pilot is removed from a trip or a portion of a trip that is covered by this [Section 30 C.10.c.\(7\)](#), or becomes a rescheduled pilot under Section 2 GGG.5. as a result of the delay of the required reporting time of a trip covered by this [Section 30 C.10.c.\(7\)](#), such pilot shall only be subject to recovery flying as provided in [Section 30 C.10.c.](#) that is scheduled to return the pilot to base no later than midnight (local base time) of the first calendar day of the **two** calendar days in which the original trip was scheduled to operate.

EXCEPTION: A pilot covered by this [Section 30 C.10.c.\(7\)](#) may, pursuant to [Section 30 C.10.c.](#), be assigned recovery flying that is a Short Duty Overnight

Period (aka “illegal overnight”; see [Section 2 PPP.](#)) provided such flying is scheduled to return the pilot to his base within **two** hours of his originally scheduled trip hour period.

NOTE 2: If the original trip was a Bid Scheduled Trip pursuant to [Section 2 G.](#) or [Section 4 H.6.](#), any pay time or credit time for flying outside the originally scheduled trip hour period may not be used to offset Bid Scheduled Trip Guarantee.

NOTE 3: The following rules shall apply to a pilot who has already reported for a trip or a duty period that is covered by this [Section 30 C.10.c.\(7\)](#):

1. If such trip or duty period is delayed and the pilot has been properly released into rest, such pilot may only be required to fly his originally scheduled flight(s) the next day and must be scheduled to return to base no later than **six** hours after his originally scheduled return to base. When requested, the Company will provide the pilot with a single hotel room at base. For pay and credit purposes, the pilot shall receive the greater of the value of the trip as originally scheduled, or the trip as delayed.
2. If such trip or duty period is delayed and the pilot remains on duty, and such delay is anticipated to exceed **four** hours, the Company will, when requested, provide the pilot with a single hotel room at base. In the case of a delayed trip, the pilot’s meal expense pursuant to [Section 5 B.](#) shall be calculated from his originally scheduled departure time.

NOTE 4: If a pilot has a duty period covered by this [Section 30 C.10.c.\(7\)](#) and such duty period is the last duty period of a multiple duty period trip, and such pilot is removed from such duty period, such pilot may be rescheduled pursuant to [Section 30 C.10.c.\(1\)\(a\)](#) and [Section 30 C.10.c.\(1\)\(b\)](#).

- C.10.c.(8) A rescheduled pilot who has less than 4:15 of available credit time remaining shall be relieved of his recovery period obligation. In determining his remaining available credit time, the lesser of [Section 30 C.10.c.\(8\)\(a\)](#) or [Section 30 C.10.c.\(8\)\(b\)](#) → shall be used:
- C.10.c.(8)(a) the difference between the total scheduled credit time of trips flown, plus the scheduled credit time of remaining trips, if any, and the scheduled monthly maximum, or
- C.10.c.(8)(b) the difference between the total actual credit time of trips flown, plus the scheduled credit time of remaining trips, if any, and the actual monthly maximum.

NOTE: An IRC who is a rescheduled pilot and who has a recovery period obligation (scheduled credit time) which is less than the minimum value (scheduled credit time) of any scheduled IRC trip to which they could be assigned, shall be released from his recovery period obligation; provided that

this release shall not be required for a recovery period obligation on one or more of the last **three** days of a month.

C.10.c.(9) Rescheduling Which Extends a Duty Period

C.10.c.(9)(a) With respect to a rescheduling which extends a pilot's duty beyond the scheduled termination of a duty period, and which is made to the pilot's schedule after departure of the last flight in such duty period, it is recognized that, in order for the rescheduling to be effective, the pilot must be actually notified of the extension prior to the release time of such duty period. In most circumstances, such actual notification will be accomplished by means of ACARS messages, voice radio contact or face-to-face conversation between the pilot and a person designated by the Company to directly notify the pilot.

C.10.c.(9)(b) In the case of an ACARS message notifying the pilot of the rescheduling, the rescheduling must be acknowledged in a return ACARS message by the pilot in order for "actual notification" to have occurred. The ACARS message will notify the pilot of the extension of duty beyond the previously scheduled termination of the duty period and then direct the pilot to contact Crew Scheduling upon landing to obtain the details. The pilot shall acknowledge such ACARS message unless operational considerations do not permit a response. It is understood that, in the case of ACARS messaging (which will not normally include all details of the rescheduling), (i) the pilot will be provided with the details of the rescheduling upon landing via VRS, ACCESS or via voice contact with Crew Scheduling, and (ii) the rescheduling assignment is subject to review by the pilot for FAR and contract compliance.

C.10.c.(9)(c) Should "actual notification" not be accomplished, (i) such pilot will be deemed to have begun his rest and shall not be required to report for any duty until at least the conclusion of required minimum rest and (ii) any rescheduling that may have been done by the Company shall be "corrected" to reflect the pilot's commencement of rest, and the pilot shall have no claim of right to the flying so removed from his schedule.

C.10.c.(9)(d) Should "actual notification" be accomplished, the pilot shall not commence his previously scheduled rest at 15 minutes after the later of scheduled or actual block-in time. If the extended duty period is the last duty period of a trip, he shall be handled pursuant to [Section 2 ZZZ.4](#) for pay and rest purposes (e.g. with respect to rest, the pilot will receive at least a 10 hour rest period, release to report, at the end of the trip as rescheduled).

C.11. Schedule Adjustment

- C.11.a. A pilot who requires adjustment under the provisions of [Section 25 B.](#) of the Agreement may indicate his necessity to adjust downward by submitting a schedule adjustment request within **eight** hours of completion of his trip hour period. Unless the default provisions for negative bank applies (see [Section 12 B.1.i.](#)), Crew Scheduling shall, for such pilot who has not filed a schedule adjustment request within the time period specified, make the appropriate trip adjustment(s).
- C.11.b. An adjustment made pursuant to [Section 25 B.](#) and [Section 30 C.11.a.](#) → will be made with the trip(s) of the least credit time, which will bring the pilot within both of his monthly maximums. However, to avoid a concentration of open trips on weekends, holidays and the end of the month, such adjustments (involving trips of equal credit) will be made with trip(s) other than those scheduled to operate on weekends, holidays, or the pilot's last trip in the month, if in the last 4 days of the month. If, however, the weekend trip, holiday trip or the last trip in the last 4 days of the month is the logical adjustment in terms of least credit time, or if the pilot is scheduled to commence vacation the first day of the following bid period, such trip can be dropped. "Holiday" as used herein means New Year's Day, Easter Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Eve Day, Christmas Day and New Year's Eve Day. "Weekend" as used herein means Friday noon through Sunday noon.
- C.11.c. Such pilot will then be eligible, in seniority order, with all other eligible pilots at that base, to select open flying.
- C.11.d. If notified of a schedule adjustment request by the pilot by telephone which requires removal of a trip which departs on the same or ensuing two days, Crew Scheduling will make the downward schedule adjustment at the time of the telephone call. If no such telephone call is made, or if no schedule adjustment request is filed, Crew Scheduling will make the downward adjustment during the trip filling period following the expiration of the 8-hour period.

C.12. Availability Obligation For The Period From Report To Delayed Departure

A pilot who has reported for a trip as scheduled and who is, at report time or thereafter, scheduled to depart at a later specified time, either on his original flight or a different flight, may not be required to remain at the airport, or any other specified location, during the period prior to such later departure time, but is required to be reasonably available for contact.

C.13. Availability Obligation of a Pilot Rescheduled At His Base Within a Duty Period

C.13.a. Rescheduling That Occurs in a Duty Period Other Than The Last Duty Period of a Pilot's Trip Hour Period

A pilot in a duty period, other than the last duty period of his trip hour period, who is at his base and is removed from his next departure from his base and is not simultaneously rescheduled for other flying or deadheading and who has no flying or deadheading remaining in that duty period may be required to delay the start of his rest period until the later of (i) 1:00 after the block-in of his last arrival or the report time, if prior to the first flight of the first duty period of a trip hour period, or (ii) if notification of cancellation occurs after block-in, or the report time if prior to the first flight of the first duty period of a trip hour period, 1:00 after such notification of cancellation is received by the pilot. A pilot may, with the concurrence of Crew Scheduling, further delay the start of his rest period.

C.13.b. Rescheduling That Occurs in the Last Duty Period of a Pilot's Trip Hour Period

A pilot who, after having reported for the last duty period of his trip hour period, is removed from his last flight departing from his base during that duty period, and is not simultaneously rescheduled to other flying or deadheading, shall commence a rest period at the later of (i) 15 minutes after the time he is notified of his removal from said flight, or (ii) 15 minutes after arrival of the last flight flown. The commencement of the rest period may be delayed up to 15 minutes if the Company has known open flying which the pilot may be able to cover. In the event of an extraordinary weather event or other extraordinary event impacting flying in his category, this time may be extended by up to an additional 30 minutes.

C.13.c. Notification Requirements

A pilot whose commencement of rest is delayed pursuant to this subparagraph C.13. will be so notified within 45 minutes of his removal from the flight (see [Section 30 C.10.a.\(1\)](#)). If the Company fails to so notify the pilot of his removal from the flight, the pilot cannot be required to delay the commencement of his rest period. Except as provided for in [Section 30 C.12.](#), the pilot shall be obligated to remain reasonably available for contact at the airport during the period of his delayed release.

NOTE: If a pilot has not commenced rest, nothing in this subparagraph C.13. precludes a rescheduling that will alter a pilot's release time.

D. Open Flying List

D.1. Except for open publicity flights, open scenic flights, **open flights resulting from**

(i) the rescheduling of a pilot pursuant to [Section 2 III.](#),

- (ii) **open flights resulting from a rescheduling of a reserve pilot(s),**
- (iii) **open flights resulting from other causes beyond the Company's control after the commencement of the trip hour period containing the flights (e.g. cancellations due to a mechanical, equipment substitution, down-line sick call or other pilot unavailability), and**
- (iv) designated OE flights as provided in [Section 11 I.](#),

all flying for flying pay purposes as set forth in [Section 2 GG.](#) which is not included in a schedule must be placed on the open flying list, **provided that, open flights described in (i), (ii) and (iii) above may be placed on the open flying list at any base at the sole discretion of the Company.** This will be done immediately after Crew Scheduling becomes aware of the fact that the flying is open. **Additional** postings to the open flying list will include the following:

- D.1.a. Residue remaining after completion of the bid award process will be posted immediately following the completion of such process.
- D.1.b. Flying which was unknown at the time of the commencement of the bid award process for the position involved, including charters, second sections or ferries. The flying shall be posted when it becomes known. Flying on aircraft mechanically unfit to be used in revenue flying is not subject to assignment under this rule.
- D.1.c. Trips removed from a pilot's schedule **prior to the commencement of the trip hour period associated with that trip.**
- D.2. Source data for all open flying transactions (monthly bidding residue, new flying, time and date flying was placed on the open flying list, reason and time and date trip was removed from a pilot's schedule and whose trip it was, name of pilot assigned open flying, time and date of each open flying list transaction, reserve pilot's position on the reserve list at the time of his assignment to the open flying, etc.) will be recorded and preserved electronically for a period of at least 180 days and shall be available to pilots via Company computer terminals and remote access and to ALPA in the same manner as provided for in [Section 25 G.](#)
- D.3. Crew Scheduling will maintain a separate open flying list for each category of pilots at each base. The list will be maintained accessible to pilots at all times and will contain each open trip filed under the respective date of the trip. In addition to going to the MSP Crew Scheduling Office in person, pilots shall be able to obtain the contents of the open flying list in a timely manner by using ACCESS (or its equivalent), by means of Company computer terminals or remote access, or the Voice Response System, both of which shall be updated continuously.
- D.4. It shall be the responsibility of the pilot who desires to pick up open flying to advise Crew Scheduling by the submission of a schedule adjustment request. Only schedule adjustment requests submitted prior to 0001 local base time will be considered during

- the trip filling period of that day. It is recognized that a pilot cannot pick up open flying that is scheduled to operate during a period of his known unavailability for any reason other than his illness or injury.
- D.5. The Company shall, to the extent possible, begin filling open trips for the ensuing bid period pursuant to [Section 30 E.](#) →, immediately following the completion of the Schedule Completion Bid process, those dates being either the 25th or 26th of the calendar month as set forth in [Section 30 F.4.b.](#) If it is not possible to commence such process on the 25th or 26th, the process shall begin with the trip filling period on the 27th. On the day(s) Schedule Completion is being conducted, the Company shall not be required to fill open trips for the ensuing bid period after 0800 MSP time.
- D.6. An instructor pilot, special project pilot or supervisory pilot who, after monthly schedule bidding, is scheduled to return to the line as a regular pilot for the ensuing bid period, shall not have access to open flying prior to participation in Schedule Completion Bid. Such pilot shall be handled pursuant to [Section 25 A.12.](#)
- D.7. Trip Filling Period
- D.7.a. Open flying for the current calendar day and open flying for the ensuing calendar day that becomes open after 1200 (local base time) of the current day shall be awarded or assigned at the time such flying becomes open, pursuant to [Section 30 E.1.](#) →. The pilot shall be advised of his award or assignment as soon as practical given pilot rest considerations.
- D.7.b. Open flying for the ensuing calendar day and beyond shall be awarded or assigned during the period 0001 to 1200 (local base time) of the current day pursuant to [Section 30 E.2.](#) and [Section 30 E.3.](#) →.
- D.7.c. Unless earlier notification is requested by the pilot, pilots with current schedule adjustment requests on file who have been awarded a trip pursuant to [Section 30 E.2.](#) and [Section 30 E.3.](#) → will be contacted not earlier than **0800** (local base time) during the trip filling period.
- D.7.d. Provision shall be made for a pilot to file via a schedule adjustment request the following types of generic open flying list bids:
- D.7.d.(1) any flying on a certain date(s),
- D.7.d.(2) any type of flying on certain date(s), e.g., any three day trip on the 20th, any HNL layover on the 15th, any trip departing after 1700 on the 22nd, etc.,
- D.7.d.(3) a specific trip on a specific date which, at the time of the bid, is not on the open flying list.
- D.7.e. A schedule adjustment request on file for a pilot who has not been awarded a trip pursuant to [Section 30 E.2.](#) → shall automatically expire at the end of the trip filling period for such [Section 30 E.2.](#) flying unless the pilot indicates on his

schedule adjustment request that he will remain available for an award pursuant to [Section 30 E.1.](#) →.

D.7.f. All unexpired and unfilled schedule adjustment requests shall be reviewed each trip filling period for possible award.

D.7.g. A pilot who has submitted an open flying or trip trade request (except for a generic request, see [Section 30 D.7.d.](#)) is expected to obtain notification of his award by means of Company computer terminal or remote access, the Voice Response System or by calling Crew Scheduling. If the pilot does not obtain such notification, the Company shall notify the pilot of his open flying list award or assignment by a telephone call(s) from Crew Scheduling personnel or from the Voice Response System to all listed telephone numbers available to the Company through CMS, or any other similar system in use by the Company up to **three**, including any beeper number listed (see [Section 26 U.](#)). A pilot may enter a temporary telephone number that shall automatically become his first listed contact number. In this case, the third listed permanent number will not be called. If contact cannot be made during the trip filling period in which the assignment or award was made, continued calls shall be made during each trip filling period (as set forth in [Section 30 D.7.c.](#) →) up to and including the day prior to the day the trip is scheduled to depart. It shall be the pilot's responsibility, if not contacted by the end of the trip filling period on the day prior to the day(s) for which he submitted a schedule adjustment request, to contact Crew Scheduling or the Voice Response System to find out if he has been awarded a trip.

D.8. A regular pilot may select a trip from the open flying list. He may also exchange any trip(s) on his schedule (i) in the current month for any trip(s) on the open flying list scheduled to depart in the current month, or (ii) in the ensuing month for any trip(s) on the open flying list scheduled to depart in the ensuing month, or (iii) in the current month and/or the ensuing month for any trip(s) on the open flying list scheduled to depart in the current month, provided:

D.8.a. The exchange will not cause the sum of the pilot's (i) accumulated actual credit time and (ii) projected scheduled credit time for either the current or the ensuing month to fall below a point that is **seven** hours less than the scheduled monthly maximum.

EXCEPTION: An exchange that would cause the sum of the pilot's (i) accumulated actual credit time and (ii) projected scheduled credit time for either the current or ensuing month to fall to a point that is between 7 and 12 hours less than the respective scheduled monthly maximum will be allowed provided:

(1) Such exchange does not involve dropping a trip that operates on a holiday as defined in [Section 30 D.8.f.](#) →; and

(2) Such exchange is in compliance with [Section 30 D.8.b.](#) through [Section 30 D.8.f.](#) →; and

- (3) A pilot who as a result of completing such exchange is projecting more than **seven** hours below the scheduled monthly maximum as of the last two days of the current or ensuing month will be on time available days (0600-1200 local base time) for the last two days of a month in which he is projecting more than **seven** hours below the scheduled monthly maximum as long as he continues to project more than **seven** hours below the scheduled monthly maximum for that month (see [Section 30 G.](#))
- D.8.b. The trip(s) to be dropped from his schedule is scheduled to operate on other than the current calendar day.
- D.8.c. If one or more trip(s) is to be added, it is scheduled to operate on other than the current calendar day. (See [Section 30 E.2.h.](#) if a trip is for the ensuing calendar day; see [Section 30 E.3.b.](#) if a trip commences on a day beyond the ensuing calendar day.)
- D.8.d. Regardless of the number of trips to be dropped and added, if a trip to be dropped commences on the ensuing calendar day, then the added trip (or one of the added trips) must also commence on the ensuing calendar day, provided that the value of the trip to be added on the ensuing calendar day must be equal to or greater than the value of the trip to be dropped on the ensuing calendar day. However, in the event Crew Scheduling determines that reserve coverage for the ensuing calendar day is adequate, the pilot may drop a trip which commences on the ensuing calendar day and add a trip(s) which does not commence on the ensuing calendar day or if it does commence on such day, is of lesser total value.
- D.8.e. With respect to a Schedule Adjustment Request to drop a trip(s) that is scheduled to depart during the first **three** days of the month or that is scheduled to depart during the last **four** days of the month, the trip requested to be picked up must also be scheduled to operate during some portion of the same period.
- D.8.f. A Schedule Adjustment Request to drop a trip(s) that is scheduled to operate on a holiday or a trip of **four** calendar days or less that is scheduled to operate on a weekend (Friday noon through Sunday noon), need not be approved if the granting of the request would cause more than **(i) 33%** of available reserves on call on the day such trip is scheduled to depart to be allocated to protect that day's known open flying. A Schedule Adjustment Request to drop a trip of **three** calendar days or less that is scheduled to operate after Sunday noon and prior to Friday noon need not be approved if there is no reserve available the day such trip is scheduled to depart. Upon a pilot's request, the Company will provide a written response verifying the numbers upon which the denial was based. "Holiday" as used above means New Year's Day, Easter Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Eve Day, Christmas Day, and New Year's Eve Day. The provisions of this subparagraph D.8.f. shall not prevent a pilot from dropping and adding a trip if both trips depart and are scheduled to operate on at least the same calendar days.

NOTE: As used in this subparagraph D.8.f., the term “available reserves” shall mean those reserves on call remaining after the simulated allocation to such reserves of the known open flying scheduled to operate on the days the trip to be dropped is scheduled to depart.

EXCEPTION: A regular pilot whose schedule is less than the regular schedule holder guarantee point shall not be subject to the trip exchange restrictions of [Section 30 D.8.e.](#) and [Section 30 D.8.f.](#) →, so long as the exchange will project the credit time of his schedule above a point which is **seven** hours less than the scheduled monthly maximum.

- D.8.g. With respect to [Section 30 D.8.](#) (iii) →, a pilot may, as part of an exchange involving **two** or more trips, exchange trips as follows:
- D.8.g.(1) drop a trip and add a trip, both of which are scheduled to depart in the current month and operate into the ensuing month, or
 - D.8.g.(2) drop a trip(s) which is scheduled to operate entirely in the current month and add a trip which is scheduled to depart in the current month and operate into the ensuing month, or
 - D.8.g.(3) drop a trip which is scheduled to depart in the current month and operate into the ensuing month and add a trip(s) which is scheduled to operate entirely in the current month, or
 - D.8.g.(4) drop a trip(s) which is scheduled to operate entirely in the ensuing month and add a trip which is scheduled to depart in the current month and operate into the ensuing month, or
 - D.8.g.(5) drop a trip(s) which is scheduled to operate entirely in the current month and drop a trip which is scheduled to depart in the ensuing month and add a trip which is scheduled to depart in the current month and operate into the ensuing month,

provided that the trip exchange conforms to all of the criteria set forth in [Section 30 D.8.a.](#) through [Section 30 D.8.f.](#) → for both the current and ensuing months.

NOTE 1: It is understood that the exchanges described above which involve the add or drop of an over-the-end-of-a-month trip may also involve other trips which do not operate over the end of a month.

NOTE 2: With respect to a schedule adjustment request listed above involving the adding of a trip scheduled to depart in one month and the drop of a trip scheduled to depart in another month, Crew Scheduling shall work the schedule adjustment request based on the month of scheduled departure of the trip to be added.

NOTE 3: An exchange which involves the adding of a trip which is scheduled to depart in November and end in December and the drop of a trip(s) which is

scheduled to operate on Christmas Eve Day or Christmas Day shall not be permitted.

EXCEPTION: A regular pilot whose schedule for December is less than the regular schedule holder guarantee point shall not be subject to the trip exchange restrictions of [Section 30 D.8.f.](#) and NOTE 3 →, so long as the exchange will project the credit time of his schedule above a point which is **seven** hours less than the scheduled monthly maximum.

NOTE 4: See [Section 30 D.5.](#) → for the timing of open flying awards for trips scheduled to depart in the ensuing month.

D.8.h. It is understood that a pilot shall not be permitted to do an exchange which involves (i) the adding of a trip(s) which is scheduled to operate wholly within one month and the dropping of a trip(s) which is scheduled to operate wholly within a different month, or (ii) the adding of a trip(s) which is scheduled to operate wholly within the current month and the dropping of a trip which is scheduled to depart in the ensuing month and operate over the end of that month.

D.9. Time available pilots at their base shall be available from 0600 to 1200 hours (local time) on the last day of the month to cover open flying (see [Section 30 G.](#)).

NOTE: With respect to the application of [Section 2 VVV.](#) and [Section 30 D.9.](#), it is agreed that only a pilot described in [Section 2 VVV.1.](#) is required under [Section 30 D.9.](#) to be available on the last day of the month to cover open flying. It is further agreed that a pilot whose monthly schedule is more than **seven** hours below the scheduled monthly maximum shall not, as a result of this schedule amount, be required to be available on the last day of the month to cover open flying (see [Section 30 G.](#)).

D.10. Open flying under [Section 30 E.1.](#) or [Section 30 E.2.](#) →, may at the Company's discretion be moved from the open flying list at one base to the open flying list at another base only after exhaustion at the first base of Steps [Section 30 E.1.a.](#) through [Section 30 E.1.i.](#) or [Section 30 E.2.a.](#) through [Section 30 E.2.k.](#), respectively.

D.11. Except as provided in [Section 30 E.](#) →, all flying on the open flying list will be assigned to line pilots. When pilots other than line pilots perform flying from the open flying list, line pilots shall be paid and credited as provided in [Section 9 A.](#) and [Section 9 B.](#)

D.12. Pilots shall be able to bid for open flying from the open flying list by using PENTRY (or its equivalent) by means of Company computer terminals or remote access, or the Voice Response System or equivalent systems, including pilots:

D.12.a. seeking to make up union leave, military leave or sick leave, or

D.12.b. seeking to perform ALPA will-fly ([Section 26 Y.2.](#)), or

D.12.c. seeking to use their negative bank ([Section 12 B.1.i.](#)) or voluntary high time ([Section 12 B.1.j.](#)).

D.13. A pilot who submits separate schedule adjustment requests in which he elects to invoke his modified monthly maximums pursuant to [Section 12 B.1.i.\(6\)](#) and/or [Section 12 B.1.j.\(1\)](#) in one request, but declines to invoke his modified monthly maximums in the other request shall have such requests worked and awarded separately in their appropriate order under [Section 30 E.1.](#), [Section 30 E.2.](#) or [Section 30 E.3.](#) A pilot who requests a schedule adjustment for a specific trip(s) under [Section 30 E.1.k.](#), [Section 30 E.2.k.](#) or [Section 30 E.3.k.](#), as applicable, shall be awarded the open flying in his seniority order under that provision even if the request does not require use of HIT or negative bank flyback. A pilot submitting a generic schedule adjustment request which indicates his willingness to utilize HIT or negative bank flyback shall only be awarded open flying requiring the invocation of the pilot's modified monthly maximums unless such request includes in its remarks a statement indicating the pilot's willingness to accept open flying that would not require the invocation of his modified monthly maximums.

NOTE: When the open flying award process is automated, an award of open flying made pursuant to a pilot's schedule adjustment request that does not require the use of HIT or negative bank flyback shall not be adjusted later in the same trip filling period to accommodate the awarding of open flying pursuant to [Section 30 E.1.k.](#), [Section 30 E.2.k.](#) or [Section 30 E.3.k.](#) However, open flying requests made under [Section 30 E.1.k.](#), [Section 30 E.2.k.](#) or [Section 30 E.3.k.](#) that do not require such an adjustment shall be awarded.

D.14. A pilot who has previously invoked his modified monthly maximums pursuant to [Section 12 B.1.](#) and/or [Section 12 B.1.i.](#) through [Section 12 B.1.j.](#) and who has filed a schedule adjustment request for a trip exchange under [Section 30 D.8.](#) that lowers his total projected scheduled and actual credit times to a point that remains above the originally published monthly maximum, shall, regardless of whether the Company is allowing negative bank flyback requests for that day, be handled in [Section 30 E.](#) order for award/assignment of open flying pursuant to [Section 30 E.2.k.](#) and [Section 30 E.3.k.](#), as applicable. If said exchange would reduce his total projected actual credit time to a point below the originally published monthly maximum he shall be handled in [Section 30 E.](#) order for award/assignment of open flying pursuant to [Section 30 E.2.h.](#) and [Section 30 E.3.b.](#)

E. Awarding and Assigning of Open Flying

E.1. Current Calendar Day and Certain Flying for Ensuing Calendar Day

Award or assignment of open flying for the current calendar day and for flying for the ensuing calendar day that becomes open after the end of the trip filling period for such ensuing calendar day shall be among line pilots at the base in the following sequence and thereafter among Instructor Pilots, Special Project Pilots and Supervisory Pilots in the following sequence:

- E.1.a. Rescheduled pilots who are eligible for bid scheduled trip guarantee and who are on recovery days, → pilots who are eligible for scheduled training guarantee and who are on recovery days, **and pilots who are on recovery days pursuant to NOTE 2 following Section 9 A.1.** (in category)
- E.1.b. Rescheduled pilots who can be contacted and who are eligible for bid scheduled trip guarantee **or will be on recovery days pursuant to NOTE 2 following Section 9 A.1.** and who will be in a recovery period on the day(s) on which the open flying is scheduled to operate. (in category)
- E.1.c. Regular pilots with less than the applicable guarantee who are on required available days. (in category)
- E.1.d. Other rescheduled pilots who are on recovery days. (in category)
- E.1.e. Time available pilots requesting flying and regular pilots whose schedules have not been adjusted and whose projected scheduled credit time is more than **seven** hours below the scheduled monthly maximum and who are requesting flying. (in category, in seniority order)
- E.1.f. Time available pilots who are not requesting flying, for assignment to flying on a time available day. (in category, in seniority order)
- E.1.g. Regular pilots whose schedules have been adjusted but not sufficiently to qualify them as time available pilots and who have requested flying. (in category, in seniority order)
- E.1.h. Regular pilots whose schedules have not been adjusted but who have requested flying. (in category, in seniority order)
- E.1.i. Regular pilots who have requested flying for ALPA will-fly purposes or to make-up ALPA leave (see [Section 26 Y.2.](#)) (in category, in seniority order)
- E.1.j. Regular pilots who have requested flying to make up military leave, regular pilots who have requested flying to make up FOQA Business (both FOQA Duty Pilots and FOQA Event Pilots) and regular pilots who have requested flying to make up sick leave. (in category, in seniority order)
- E.1.k. Regular pilots who have requested flying pursuant to [Section 12 B.1.i.\(6\)](#), [Section 12 B.1.i.\(7\)](#), [Section 12 B.1.j.](#) or [Section 12 C.1.a.](#) (the modified monthly maximum provisions) (in category, in seniority order)
- E.1.l. Reserve pilots who are on reserve duty days. (in category)

NOTE: Following the assignment of reserve pilots on reserve duty days, reserve pilots on Sick Leave Make-up days pursuant to [Section 14 D.7.](#) shall be assigned flying in the same manner identified in [Section 25 C.8.c.](#) except that such pilot shall never be considered a Long Call pilot.

E.1.m. Reserve pilots on reserve will-fly days (see [Section 25 C.4.](#)) (in category, in seniority order)

E.1.n. Reserve pilots on assigned days off exclusive of reserve pilots on inviolate days off. (in category)

NOTE: Following the calling of reserve pilots on regular days off (RDOs), reserve pilots on inviolate days off (GDOs) may be called at this step to be offered Designated Premium Pay Open Trips as provided in Section 3 M.3.b.

E.1.o. Call-out pilots pursuant to [Section 24 J.2.](#)

E.1.p. Regular pilots awarded a trip pursuant to a request by Crew Scheduling who are not on the appropriate call-out lists (see [Section 24 J.2.c.\(1\)](#)), will be deemed to be voluntary call-out pilots subject to the provisions of [Section 3 M.2.](#), [Section 24 J.4.](#), and [Section 4 I.](#) The Exceptions provided in [Section 24 J.2.c.](#) shall be applicable if a pilot is utilized under this subparagraph **E.1.p.**

NOTE: This subparagraph E.1.p. is an optional step to be utilized at the Company's discretion. The Company is not required to call all pilots in the position or in any particular order. No pilot is required to accept a request by Crew Scheduling under this subparagraph **E.1.p.**

E.1.q. Instructor Pilots and Special Project Pilots (see limitation in [Section 25 A.9.b.](#)).

E.1.r. Supervisory Pilots (see limitation in [Section 25 A.9.b.](#)).

E.1.s. E.1.s. Rescheduling of pilots (from any base) pursuant to [Section 2 III.](#), [Section 2 ZZZ.4.](#) and [Section 30 C.10.c.](#) and reserve pilots pursuant to [Section 25 C.2.](#)

NOTE: Trips becoming open within **1:30** of scheduled report time will not require assignment to pilots listed in [Section 30 E.1.a.](#) through [Section 30 E.1.r.](#) →.

E.2. Ensuing Calendar Day

The award or assignment of open flying for the ensuing calendar day that became open prior to the end of the trip filling period for such day shall be among line pilots at the base in the following sequence:

E.2.a. Rescheduled pilots who are eligible for bid scheduled trip guarantee and who are on recovery days, and pilots who are eligible for scheduled training guarantee and who are on recovery days, **and pilots who are on recovery days pursuant to NOTE 2 following [Section 9 A.1.](#)** (in category)

E.2.b. Rescheduled pilots who can be contacted and who are eligible for bid scheduled trip guarantee **or will be on recovery days pursuant to NOTE 2 following**

Section 9 A.1. and who will be in a recovery period on the day(s) on which the open flying is scheduled to operate. (in category)

- E.2.c. Regular pilots with less than the applicable guarantee who are on required available days. (in category)
- E.2.d. Other rescheduled pilots who are on recovery days. (in category)
- E.2.e. Rescheduled pilots who are requesting assignment (in category, in seniority order). The flying to be awarded may be outside a pilot's recovery days, but will be awarded only if it is equal to or greater than the value of the pilot's scheduled trip(s) lost. The award of such flying shall both eliminate any remaining availability obligation otherwise required of such lost scheduled trip(s) and eliminate any bid scheduled trip guarantee otherwise attendant to such lost bid scheduled trip(s).
- E.2.f. Time available pilots requesting flying and regular pilots whose schedules have not been adjusted and whose projected scheduled credit time is more than **seven** hours below the scheduled monthly maximum and who are requesting flying. (in category, in seniority order)
- E.2.g. Regular pilots whose schedules have been adjusted but not sufficiently to qualify them as time available pilots and who have requested flying. (in category, in seniority order)
- E.2.h. Regular pilots whose schedules have not been adjusted but who have requested flying and regular pilots exchanging a trip(s) for one trip from the open flying list under [Section 30 D.8.](#) →. (in category, in seniority order)
- E.2.i. Regular pilots who have requested flying for ALPA will-fly purposes or to make-up ALPA leave (see [Section 26 Y.2.](#)). (in category, in seniority order)
- E.2.j. Regular pilots who have requested flying to make up military leave, regular pilots who have requested flying to make up FOQA Business (both FOQA Duty Pilots and FOQA Event Pilots) and regular pilots who have requested flying to make up sick leave. (in category, in seniority order)
- E.2.k. Regular pilots who have requested flying pursuant to [Section 12 B.1.i.\(6\)](#), [Section 12 B.1.i.\(7\)](#), [Section 12 B.1.j.](#) or [Section 12 C.1.a.](#) (the modified monthly maximum provisions). (in category, in seniority order)
- E.2.l. Reserve pilots who are on reserve duty days. (in category)

NOTE: Following the assignment of reserve pilots on reserve duty days, reserve pilots on Sick Leave Make-up days pursuant to [Section 14 D.7.](#) shall be assigned flying in the same manner identified in [Section 25 C.8.c.](#) except that such pilot shall never be considered a Long Call pilot.

E.2.m. Reserve pilots on reserve will-fly days (see [Section 25 C.4.](#)) (in category, in seniority order)

E.2.n. Reserve pilots on assigned days off exclusive of reserve pilots on inviolate days off. (in category)

NOTE: Following the calling of reserve pilots on regular days off (RDOs), reserve pilots on inviolate days off (GDOs) may be called at this step to be offered Designated Premium Pay Open Trips as provided in Section 3 M.3.b.

E.2.o. Call-out pilots pursuant to [Section 24 J.2.](#)

E.2.p. Regular pilots awarded a trip pursuant to a request by Crew Scheduling who are not on the appropriate call-out lists (see [Section 24 J.2.c.\(1\)](#)), will be deemed to be voluntary call-out pilots subject to the provisions of [Section 3 M.2.](#), [Section 24 J.4.](#), and [Section 4 I.](#) The Exceptions provided in [Section 24 J.2.c.](#) shall be applicable if a pilot is utilized under this subparagraph **E.2.p.**

NOTE: This subparagraph **E.2.p.** is an optional step to be utilized at the Company's discretion. The Company is not required to call all pilots in the position or in any particular order. No pilot is required to accept a request by Crew Scheduling under this subparagraph **E.2.p.**

E.2.q. Rescheduling of pilots (from any base) pursuant to [Section 2 III.](#), [Section 2 ZZZ.4.](#) and [Section 30 C.10.c.](#) and reserve pilots pursuant to [Section 25 C.2.](#)

E.3. Other Than the Current or Ensuing Calendar Day

The award or assignment of open flying for other than the current or the ensuing calendar day shall be in category, among pilots at the base who can accommodate such flying without exceeding their monthly maximums, in the following sequence:

E.3.a. Time available pilots requesting flying, regular pilots whose schedules have not been adjusted and whose projected scheduled credit time is more than **seven** hours below the scheduled monthly maximum and who are requesting flying and rescheduled pilots requesting flying who are not eligible for bid scheduled trip guarantee. (in seniority order)

E.3.b. Pilots exchanging a trip(s) for a trip(s) from the open flying list under [Section 30 D.8.](#) →. (in seniority order)

E.3.c. Rescheduled pilots who are eligible for bid scheduled trip guarantee, pilots who are eligible for scheduled training guarantee **or will be on recovery days pursuant to NOTE 2 following [Section 9 A.1.](#)** and who will be in a recovery period on the day(s) on which the open flying is scheduled to operate. Every reasonable effort will be made by Crew Scheduling on a continuing basis to contact such pilots before their recovery period to advise them of their assignment.

- E.3.d. Regular pilots whose schedules have been adjusted, but not sufficient to qualify them as time available pilots and who have requested flying. (in seniority order)
- E.3.e. Rescheduled pilots who are eligible for bid scheduled trip guarantee and pilots who are eligible for scheduled training guarantee and who are requesting assignment. (in seniority order) The flying to be awarded may be outside a pilot's recovery days, but will be awarded only if it is equal to or greater than the value of the pilot's bid scheduled trip(s) lost. The award of such flying shall both eliminate any remaining availability obligation otherwise required of such lost bid scheduled trip(s) and eliminate any bid scheduled trip guarantee otherwise attendant to such lost bid scheduled trip(s).
- E.3.f. Regular pilots whose schedules have not been adjusted but who have requested flying. (in seniority order)
- E.3.g. Regular pilots who have requested flying for ALPA will-fly purposes or to make-up ALPA leave (see [Section 26 Y.2.](#)). (in category, in seniority order)
- E.3.h. At the Company's option, time available pilots who can be contacted and who have not requested flying (in reverse seniority order). The award of such flying shall eliminate any remaining availability obligation which would have been required.
- E.3.i. Regular pilots with less than the applicable guarantee who are on required available days (see [Section 30 F.](#)), provided that such trip is scheduled to depart on a required available day.
- E.3.j. Regular pilots who have requested flying to make up military leave **or sick leave** and regular pilots who have requested flying to make up FOQA Business (both FOQA Duty Pilots and FOQA Event Pilots) (in seniority order).
- E.3.k. Regular pilots who have requested flying pursuant to [Section 12 B.1.i.\(6\)](#), [Section 12 B.1.i.\(7\)](#), [Section 12 B.1.j.](#) or [Section 12 C.1.a.](#) (the modified monthly maximum provisions). (in seniority order)
- E.4. Pilots under [Section 30 E.1.e.](#) through [Section 30 E.1.k.](#) → and [Section 30 E.2.e.](#) through [Section 30 E.2.k.](#) → shall have the option, providing there are sufficient other pilots available, of declining assignment.
- E.5. A pilot to be assigned to flying or deadheading pursuant to [Section 30 E.1.d.](#) or [Section 30 E.2.d.](#) →, shall, at the time he is to be assigned, be allowed to choose a trip from among the then-available open trips for the current or ensuing calendar day which will bring his accumulated actual credit time plus his projected scheduled credit time above the applicable time available cutoff specified in [Section 2 VVV.](#) of the Agreement.

Such pilot shall make such choice in accordance with his seniority order among other rescheduled pilots subject to assignment under [Section 30 E.1.d.](#) or [Section 30 E.2.d.](#)

→. In the event none of the open trips will bring the pilot above the time available cutoff specified in [Section 2 VVV.](#), the pilot will be assigned a trip by Crew Scheduling, subject to [Section 30 C.10.c.](#)

- E.6. Except with respect to a rescheduled pilot who is eligible for bid scheduled trip guarantee, once a regular or reserve pilot has been assigned open flying such assignment is final. He cannot be removed from that assignment to make the trip available to a more senior pilot who has become available in the interim, nor can he be removed in favor of more desirable flying that may become open later in the day. Nothing herein is intended to preclude correction of an error in assignment. (See [Section 30 C.6.](#) → if a reserve pilot is notified of this correction less than **three** hours prior to scheduled departure.)

NOTE: Notwithstanding the “final assignment” language of [Section 30 E.6.](#), the Company may remove a reserve pilot from a trip or portion of a trip to which he has been assigned when the Company exercises the discretion provided by [Section 14 C.6.](#) by assigning a regular pilot who is returning to duty from illness to the remainder of his original trip, or original trip as rescheduled. Such reserve pilot shall be returned to his reserve schedule and shall not be entitled to any guarantee as a result of the removal from such trip.

- E.7. A pilot who has been assigned to a trip shall, effective 12 hours prior to his report time for such trip, be released from further availability obligation up to the report time of his assigned trip.

E.8. Low Time Pilots

- E.8.a. When, during a trip filling period, a trip is in open time for both a Captain and First Officer, and it would, absent FAR 121.438(b), have been awarded or assigned pursuant to [Section 30 E.](#) to both a “low-time” Captain and a “low-time” First Officer (the term “low-time” means, for purposes of this subparagraph E.8., less than 75 hours line operating flight time, including OE), the Company shall award or assign the trip to the Captain or First Officer based on the order in which crew schedulers handling the respective positions seek to fill the positions on the open trip. The pilot awarded or assigned under this provision shall not be displaced by a “low-time” pilot in the other position except as provided in [Section 30 E.8.b.](#) →.

EXAMPLE: If the First Officer crew scheduler works the open trip and there is not a “low-time” Captain previously awarded or assigned, and the appropriate First Officer is “low-time,” he shall be awarded or assigned the trip pursuant to [Section 30 E.](#)

- E.8.b. With respect to [Section 30 E.8.a.](#) →, it is understood and agreed that if the only available pilot in the other category is a “low-time” pilot and there are pilots available in the category in the base awarded or assigned under [Section 30 E.8.a.](#) →, who are not “low-time” pilots, then the “low-time” pilot(s) awarded or

assigned under [Section 30 E.8.a.](#) →, shall be removed (a “Removed” pilot(s)) and the sole available “low-time” pilot shall be assigned to the trip along with a “high-time” pilot in the other category who shall be awarded or assigned to the trip pursuant to [Section 30 E.](#)

EXAMPLE: If a “low-time” Captain is awarded a trip under [Section 30 E.8.a.](#) →, but no First Officer has requested the trip and the only available First Officer is a “low-time” pilot and there are other Captains who are not “low-time” requesting the trip or available to be assigned the trip, then the “low-time” Captain(s) shall be removed and the trip shall be assigned to the “low-time” First Officer along with the “high-time” Captain.

- E.8.c. In the awarding or assigning of open flying pursuant to [Section 30 E.](#), a “low-time” Captain or First Officer will be bypassed if the other position on the crew is already occupied by a “low-time” pilot, and shall not be considered a “Removed” pilot.
- E.8.d. A reserve pilot bypassed pursuant to [Section 30 E.8.c.](#) → or removed pursuant to [Section 30 E.8.b.](#) → or [Section 30 E.8.e.](#) → shall maintain his position on the reserve assignment list.
- E.8.e. It is understood and agreed that there may be circumstances, including those specified in [Section 30 E.8.b.](#) →, where a “low-time” pilot may be removed from a trip he was previously awarded or assigned in schedule bidding, schedule completion bid, or pursuant to [Section 30 E.](#) Such pilots shall be considered to be “Removed” pilots. With respect to such “Removed” pilots:
- E.8.e.(1) The Company shall handle regular pilots for pay, credit and recovery purposes in the same manner as rescheduled pilots who are eligible for Bid Scheduled Trip Guarantee are treated under [Section 2 GGG.](#), [Section 4 H.](#), [Section 30 C.10.c.](#)
- EXCEPTION: With respect to a call-out pilot who is a removed pilot, such pilot shall receive pay and credit for any trip(s) lost due to the call-out assignment (not, however, for the call-out trip from which he is removed) but shall not have any recovery or availability obligation for such trip(s).
- E.8.e.(2) The Company shall handle reserve pilots by providing guarantee pay time equal to the credit time of the trip lost. Any pay time for reserve flying thereafter performed on the day(s) the lost trip operated shall be used to offset such guarantee. In the event such lost trip operated on a scheduled day(s) off, and the pilot does not fly on such day(s) off, the recovery period shall be extended to a corresponding number of days on the pilot’s next series of reserve duty days in the same bid period.
- E.8.f. In addition, both regular pilots and reserve pilots who are bypassed pursuant to [Section 30 E.8.c.](#) → or removed pursuant to [Section 30 E.8.b.](#) → or [Section 30 E.8.e.](#) → shall be provided, at their request, with a hotel room at the pilot’s base

for the duration of the lost trip (or the extended period specified above for the reserve pilot, if applicable), or the duration of the pilot's availability or reserve obligation, whichever is shorter.

E.9. Splitting of Open Current or Ensuing Day Trips During the Trip Filling Period.

When a trip remains open after Crew Scheduling has attempted to award/assign it during the trip filling period for regular pilots, Crew Scheduling may, at its sole discretion and before assigning the trip to a reserve pilot, break the trip into two parts in accordance with the following process and guidelines.

- E.9.a. Immediately after the filling of open trips pursuant to either [Section 30 E.1.a.](#) through [Section 30 E.1.k.](#) or [Section 30 E.2.a.](#) through [Section 30 E.2.k.](#), Crew Scheduling may decide to split any remaining open current or ensuing day trip(s). If the decision was made to split the trip(s), Crew Scheduling may then either:
- E.9.a.(1) attempt to assign any current and ensuing day trip(s) that was created by trip splitting during that trip filling period starting with [Section 30 E.1.l.](#) or [Section 30 E.2.l.](#), or
 - E.9.a.(2) attempt to award/assign any current or ensuing day trip(s) that was created by trip splitting during that trip filling period pursuant to [Section 30 E.1.](#) or [Section 30 E.2.](#), starting with [Section 30 E.1.a.](#) or [Section 30 E.2.a.](#) It is understood that any current or ensuing day trip(s) that are awarded under this subparagraph E.9.a.(2), will be to pilots who have requested trips via generic bids.
 - E.9.a.(2)(a) If any one of the current day trip(s) that are created by trip splitting are awarded/assigned pursuant to [Section 30 E.9.a.\(2\)](#), then the Company must attempt to award/assign the remainder of such current day trips that were also created by trip splitting pursuant to [Section 30 E.9.a.\(2\)](#).
 - E.9.a.(2)(b) If any one of the ensuing day trip(s) that are created by trip splitting are awarded/assigned pursuant to [Section 30 E.9.a.\(2\)](#), then the Company must attempt to award/assign the remainder of such ensuing day trips that were also created by trip splitting pursuant to [Section 30 E.9.a.\(2\)](#).
 - E.9.a.(2)(c) Before assigning any remaining open trip(s) that are created by trip splitting to a reserve pilot(s) under [Section 30 E.1.l.](#) or [Section 30 E.2.l.](#), Crew Scheduling may use its discretion to reconstitute the trip as it existed before the splitting, in its entirety, from the parts, provided that none of such parts were awarded/assigned under the provisions of [Section 30 E.9.a.\(2\)\(a\)](#) or [Section 30 E.9.a.\(2\)\(b\)](#) →. The reconstituted trip would then be processed starting with [Section 30 E.1.l.](#) or [Section 30 E.2.l.](#)
 - E.9.b. A current or ensuing day trip that becomes open during the trip filling period but after all other open trips have been awarded/assigned pursuant to [Section 30 E.1](#) and/or [Section 30 E.2.](#) will be filled in accordance with [Section 30 E.9.a.](#)

- E.9.c. Any portion(s) of the trip(s) that were split which remain open after the trip filling period and operate other than on the current or ensuing day will be placed on the open flying list.
- E.9.d. A current or ensuing day trip that becomes open after the trip filling period will be assigned pursuant to [Section 30 E.1.](#) and may be filled in accordance with the split trip provisions in [Section 30 E.9.a.](#)

E.10. Splitting of Open Trips that Depart on Other Than the Current or Ensuing Day:

When a trip remains on the open flying list on the third and/or the fourth day prior to its departure day, Crew Scheduling may, at its sole discretion, split such trip into smaller trips. A trip of five days or less may be split into two shorter trips, and a trip of more than five days may be split into two or more shorter trips.

- E.10.a. The trip may be split and all new shorter trips placed on the open flying list between 1200 and 1800 (local base time) on the third and/or the fourth day prior to its departure day.
- E.10.b. If all of the trips that were created by the splitting of a trip remain unawarded/unassigned, Crew Scheduling may use its discretion to reconstitute the trip as it existed before the splitting, in its entirety, from the parts, only to facilitate assignment to pilots pursuant to [Section 30 E.2.i.](#) through [Section 30 E.2.p.](#)

NOTE 1: With a minimum of 15 days notice to the Company, ALPA, at its sole discretion, may delete the provisions of this [Section 30 E.10.](#), as it applies to trips of five days or less, within the first six months after the implementation of this provision.

NOTE 2: Nothing in the preceding subparagraphs **E.9.** or **E.10.** shall operate to override the provisions of the Note following [Section 30 E.1.r.](#)

F. Schedule Completion Bid

Open trips in a new bid period will be assigned, by bid category, first in seniority order of all pilots required to participate and then in seniority order of all pilots desiring to participate in the Schedule Completion Bid.

F.1. Pilots Required to Participate

All regular pilots whose projected scheduled credited time is less than the applicable monthly guarantee shall be required to participate in the Schedule Completion Bid. Examples are set forth in [Section 30 F.1.a.](#) and [Section 30 F.1.b.](#) →.

- F.1.a. A pilot whose schedule is less than the applicable guarantee is required to participate in the Schedule Completion Bid. This does not preclude him from using his bank credit.

- F.1.b. A rescheduled pilot whose schedule for the new bid period has been adjusted and whose remaining schedule, including Bid Scheduled Trip Guarantee, if any, is less than the applicable guarantee is required to participate in the Schedule Completion Bid.
- F.1.c. [Section 24 J.2.](#) notwithstanding, a pilot who did not participate in monthly schedule bidding because it was anticipated that he would not complete simulator training by 0001 on the 25th (see [Section 25 A.6.a.](#)) but who does complete simulator training prior to 1200 MSP time on the calendar day that the Schedule Completion Bid is due for his equipment, those days being either the 24th or 25th of the calendar month (See [Section 30 F.4.a.](#) →). (See [Section 25 A.4.](#) for options for a pilot who, after participating in Schedule Completion Bid, has a schedule value of less than the regular monthly guarantee.)
- F.1.d. A pilot who is returning to line flying after an absence as provided for in [Section 25 A.12.a.\(1\)\(a\)](#).
- F.2. Pilots Desiring to Participate
- A pilot who is, for any reason, projected at or above the applicable guarantee, but below the time available point, may participate in the Schedule Completion Bid.
- F.3. Notification
- Prior to 0001 MSP time on the 23rd of the calendar month for Schedule Completion Bidding occurring on the 24th of the calendar month ([Section 30 F.4.a.](#) →) and prior to 0001 MSP time on the 24th of the calendar month ([Section 30 F.4.a.](#) →) for Schedule Completion Bidding occurring on the 25th of the calendar month, and prior to 0001 MSP time on the 24th of the calendar month for SCB processing which can be accomplished in one day, a list of all trips known to be open in the new bid period and lists of pilots required to participate in the Schedule Completion Bid will be prepared and posted (electronically and via the Voice Response System). Such lists will show the deadline times for submitting selections for each type aircraft.
- F.4. Bidding and Awarding
- F.4.a. Schedule Completion Bidding will take place on the 24th and 25th of the calendar month if **two** days of processing is needed and on the 25th of the calendar month if processing can be accomplished in one day. If **two** days is required for processing, all positions on an aircraft type will be processed on the same day. Schedule Completion Bids for pilots bidding on the 24th must be submitted by 2100 MSP time on the 24th of the calendar month. Schedule Completion Bids for pilots bidding on the 25th must be submitted by 2100 MSP time on the 25th of the calendar month. Bids may be submitted via a schedule adjustment request via PENTRY or VRS by all pilots required to participate and by all pilots eligible to participate under [Section 30 F.2.](#) → and desiring to participate. The list of open trips may be augmented by reason of additional trips becoming open. Schedule

completion selections may be general in nature, indicating type of flying rather than specific flights.

NOTE: Schedule Completion Bidding currently takes place on the 24th of the calendar month for positions on the DC10, DC9, **A330** and A320, and on the 25th of the calendar month for positions on the B744, B747, **B787** and B757 →. The Schedule Completion Bidding date for positions on an aircraft type may be changed only if at least 90 days advance written notice thereof is given to the Association. Such change(s) shall also be included in the monthly bid packet.

- F.4.b. Schedule Completion Bid awarding shall commence at 0001 MSP time on the 25th of the calendar month prior to the start of a new bid period for bidding on the 24th and shall be completed as soon as possible, but no later than 1200 on the 25th of the calendar month. Schedule Completion Bid awarding shall commence at 0001 MSP time on the 26th of the calendar month prior to the start of a new bid period for pilots bidding on the 25th and shall be completed as soon as possible, but no later than 1200 MSP time on the 26th of the calendar month for pilots bidding on the 25th of the calendar month.
- F.4.c. Open trips in the new bid period will be assigned by bid category on the following basis and in the following order:
- F.4.c.(1) Pilots required to participate will have their schedule adjustment requests processed in seniority order, except that pilots assigned to that position as a result of an award to a temporary position, pursuant to the provisions of [Section 24 J.1.c.\(1\)](#) or [Section 24 J.1.c.\(2\)](#) shall select schedules in seniority order following all other pilots assigned to that position. Notwithstanding the above, a pilot preferencing a temporary position and awarded a temporary position in his last permanent position as a result of [Section 24 J.1.a.](#) shall bid in seniority order. Such pilots will be allowed to exchange trips on their schedule with open trips so long as they make every effort to project their schedule at or above the applicable guarantee. Subject to [Section 30 F.4.c.\(5\)](#) →, all requests within this group to fill to above the time available point that cannot initially be accommodated due to limited open trips will be re-processed a second time in seniority order to assign trips that may have come open during the initial assignment process.
- F.4.c.(2) Pilots desiring to participate (in accordance with [Section 30 F.2.](#) →) will have their Schedule Adjustment Requests processed in seniority order. Such pilots will only be allowed to add additional trips; no trip-drops or trip exchanges will be permitted.
- F.4.c.(3) If awards of open flying made pursuant to [Section 30 F.4.c.\(1\)](#) and [Section 30 F.4.c.\(2\)](#) → are insufficient to provide coverage for open trips scheduled to operate on the first and/or second day of the new bid period, assignment of such open trips will be made:

- F.4.c.(3)(a) First, to any line pilot who is requesting to add or exchange for such a trip(s), provided that in such exchange no trip operating on the first and/or second day may be dropped;
- F.4.c.(3)(b) Second, in reverse seniority order among those pilots required to participate in the Schedule Completion Bid without regard to their remaining bid selections. Such assignment may require an adjustment of trip(s) previously assigned during the Schedule Completion Bid to accommodate flying on the first two days of the new bid period.
- F.4.c.(4) Subject to [Section 30 F.4.c.\(5\)](#) →, pilots required to participate whose schedule remains at less than the applicable guarantee after completion of [Section 30 F.4.c.\(1\)](#), [Section 30 F.4.c.\(2\)](#) and [Section 30 F.4.c.\(3\)](#) → will be assigned open trips in reverse seniority order up to the monthly maximum, provided that no adjustment of their schedule, including a trip(s) assigned during Schedule Completion Bid, would be required.
- F.4.c.(5) A pilot who projects above the time available point during the Schedule Completion Bid process shall not, during said process, be awarded or assigned any additional trip, except as provided in [Section 30 F.4.c.\(3\)](#) →.
- F.4.c.(6) If, at the completion of the Schedule Completion Bid process, there are open trips remaining and there are pilots who have not yet exceeded the applicable monthly guarantee, the Company may, at its option, break an open trip into two or more trips. These trips will be awarded or assigned to pilots who are below the applicable monthly guarantee in accordance with the procedures of [Section 30 F.4.c.\(1\)](#) through [Section 30 F.4.c.\(5\)](#) →.
- F.4.d. Pilots who are required to participate who do not submit a Schedule Adjustment Request or who do not submit sufficient choices will be assigned in reverse seniority order as necessary to cover open flying pursuant to [Section 30 F.4.c.\(3\)](#), [Section 30 F.4.c.\(4\)](#) and [Section 30 F.4.c.\(6\)](#) →.
- F.4.e. For the purpose of determining, in the case of multiple bids submitted by a pilot for monthly schedule bidding or Schedule Completion Bidding which bid to use in awarding open flying under [Section 30 B.](#) or [Section 30 F.](#), as applicable, the Company personnel conducting the bidding shall use only the most recent bid unless it is clear from the content of that bid that the pilot intends that bid to supplement one or more earlier bids, in which case both the original bid(s) and the supplemental bid shall be used. (See [Section 30 B.9.](#))
- F.4.f. Trips will be assigned under this Schedule Completion Bid provision prior to being made available on the open flying list.
- F.4.g. Results of Schedule Completion Bidding shall be posted electronically and via the Voice Response System no later than the end of the trip filling period. It shall be the responsibility of a pilot participating in a Schedule Completion Bid to verify his schedule by means of the Voice Response System, Company computer

terminal, remote access or telephone call to Crew Scheduling after the Schedule Completion Bid process.

F.4.h. A pilot who is required to participate in the Schedule Completion Bid for a reason other than having become a rescheduled pilot, but who is not assigned flying sufficient to project his schedule above the applicable regular schedule holder guarantee point, is required to be available each day from 0700 to 1500 hours (local time) on the days determined by [Section 30 F.4.h.\(1\)](#) and [Section 30 F.4.h.\(2\)](#) → for assignment to open flying (see [Section 30 G.](#)).

F.4.h.(1) Number of Required Available Days

To determine the number of required available days, subtract from the applicable guarantee the pilot's scheduled credit time and divide the remainder by 4.25. The quotient is the number of required available days. Fractions of **0.5** and below shall be rounded down. Fractions above **0.5** shall be rounded up.

F.4.h.(2) Dates of Required Availability

The actual dates upon which the pilot shall be required to be available shall be agreed upon by the pilot and Crew Scheduling. In the event agreement cannot be reached, Crew Scheduling shall assign the dates of required availability, provided that, if more than one required available day is to be assigned, such required available days may not be assigned in groupings of less than **two** consecutive days. For example, **five** required available days could only be assigned as **five** consecutive days or a grouping of **three** days and a grouping of **two** days; **three** required available days could only be assigned as **three** consecutive days.

F.4.h.(3) Relief from Required Availability

The pilot shall be relieved of his required availability obligation when his accumulated actual credit time plus his projected scheduled credit time exceeds the applicable regular schedule holder guarantee point.

F.4.h.(4) Limitation on Length of Trip Assignment

A pilot who is assigned a trip on a required available day shall be returned to his base no later than 48 hours from midnight of his last required available day in that sequence of required available day(s).

F.5. Flying remaining unbid upon completion of the Schedule Completion Bid will be placed on the open flying list.

G. The chart (Appendix 1) attached to this Section 30 sets forth the codes and related information applicable to pilots who have availability obligations of various kinds.

Code	Reason for Assignment	Day(s) of Availability	Hours of Availability	Place of Availability	Return to Base Obligation	Released from Obligation	Minimum Pay
<p>P1 (Pilot who chooses Section 25 A.4.b.(2) option) Required Available Days. Section 2 HHH. Section 30 F.4.h. Audit Trail Reason Code 27</p>	<p>Below regular monthly guarantee after Schedule Completion. Section 30 F.4.h.</p>	<p>Crew Scheduling and pilot agreement. If no agreement, Crew Scheduling assigns days. Section 30 F.4.h.(1) and Section 30 F.4.h.(2)</p>	<p>0700-1500 Local Base Time. Section 30 F.4.h.</p>	<p>Location of choice, with exceptions and call-in obligations. Section 25 A.4.b.(2) and Section 25 A 4.b.(2)(a)1' through Section 25 A 4.b.(2)(a)5'</p>	<p>No later than 48 hours from midnight of last day for each period of Required Available Days. Section 30 F.4.h.(4)</p>	<p>Actual accumulated plus projected schedule is at or above the minimum guarantee. Section 30 F.4.h.(3)</p>	<p>Regular guarantee. Section 25 A.4.b.(2)</p>

Code	Reason for Assignment	Day(s) of Availability	Hours of Availability	Place of Availability	Return to Base Obligation	Released from Obligation	Minimum Pay
P2 Recovery Period. Section 2 CCC. Audit Trail Reason Code 01	<p>Lost trip or portion of trip that is BSTG. Section 2 H. Section 2 III. Section 4 H.1. Section 4 H.6. through Section 4 H.9.</p> <p>Lost trip or portion of trip that is BSTG due to Section 25 B. adjustment. Section 2 III. Section 4 H.2. through Section 4 H.4.</p>	<p>Day(s) trip was scheduled to operate. Section 30 C.10.c.(1) through Section 30 C.10.c.(3)</p> <p>If BSTG value less than original trip, recovery days based on how much credit time to scheduled and actual. Whichever is least amount, divide by 4:15 and round down. No more than original days. Section 4 H.2. and Section 4 H.3.</p>	<p>First day from report time to 1500 or 1 hour after original report time if after 1400. Additional days 0700 to 1500. All times Local Base Times. Section 30 C.10.c.(3) Exception (i)</p>	<p>Recovery days at base. Section 30 C.10.c.(3)</p>	<p>During a trip hour period, within 8 hours of original trip hour period or midnight of day original trip scheduled to return, whichever is <u>earlier</u>.</p> <p>Before commencement and after completion of a trip hour period, within 8 hours of original trip hour period or midnight of day original trip scheduled to return, whichever is <u>later</u>. Section 30 C.10.c.(1) through Section 30 C.10.c.(3)</p>	<p>When a pilot is within 4:15 of, scheduled/actual or modified monthly maximum. Section 30 C.10.c.(8)(a) through Section 30 C.10.c.(8)(b)</p>	<p>BSTG or actual trip value, whichever is greater. Section 4 H.1. and Section 4 H.4.</p> <p>Paid up to scheduled or modified monthly maximum. Section 4 H.2. and Section 4 H.3.</p>

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Code	Reason for Assignment	Day(s) of Availability	Hours of Availability	Place of Availability	Return to Base Obligation	Released from Obligation	Minimum Pay
<p>P3 (Pilots who selected Section 25 A.4.b.(1) option) Required Available Days Section 2 HHH. Section 30 F.4.h. Audit Trail Reason Code 27</p>	<p>Below guarantee after schedule completion Section 30 F.4.h.</p>	<p>Crew Scheduling and Pilot agreement. If no agreement, Crew Scheduling assigns days. Section 30 F.4.h.(1) and Section 30 F.4.h.(2)</p>	<p>0700-1500 Local Base Time. Section 30 F.4.h.</p>	<p>At base on days of required availability. Section 25 A.4.b(1)</p>	<p>No later than 48 hours from midnight of last day. Section 30 F.4.h.(4)</p>	<p>Actual accumulated plus projected schedule is at or above the minimum monthly guarantee. Section 30 F.4.h.(3)</p>	<p>Reserve guarantee Section 25 A.4.b.(1)</p>
<p>P4 Recovery Days Section 2 CCC. Reason Code 01</p>	<p>Pilot involved in bid error resolution (Determined by Crew Resources)</p>	<p>Day(s) trip was scheduled to operate, or as agreed if no specific trip. Section 30 C.10.c.(1) through Section 30 C.10.c.(3)</p>	<p>Same as P2 above.</p>	<p>Recovery days at home.</p>	<p>Same as P2 above.</p>	<p>When pilot is within 4:15 of, scheduled/actual monthly maximum. Section 30 C.10.c.(8)(a) and Section 30 C.10.c.(8)(b)</p>	<p>BSTG or actual trip value, whichever is greater, or if no specific trip, then value would have had if no error. Section 4 H.1. and Section 4 H.4.</p>
<p>T3 Recovery Days Section 30 C.10.c.(5) Reason Code 07</p>	<p>Lost trip or portion of trip that is non-BSTG and → below the minimum monthly pay guarantee. Section 2 III. Section 30 C.10.c.(5)</p>	<p>Day(s) trip was scheduled to operate. Section 30 C.10.c.(1) through Section 30 C.10.c.(3)</p>	<p>First day from report time to 1500 or 1 hour after original report time if after 1400. Additional days 0900 to 1500. All times Local Base Times. Section 30 C.10.c.(3) Exception (i)</p>	<p>Recovery days at base Section 30 C.10.c.(3)</p>	<p>Same as P2 above.</p>	<p>Actual accumulated plus projected schedule is at or above the minimum monthly guarantee. Section 30 C.10.c.(5)</p>	<p>Regular guarantee. Section 30 C.10.c.(5) Section 4 A.1.</p>

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Code	Reason for Assignment	Day(s) of Availability	Hours of Availability	Place of Availability	Return to Base Obligation	Released from Obligation	Minimum Pay
T4 Time Available (Last Day of Month) Section 2 WWW. Section 2 XXX.1. Audit Trail Reason Code 04	Lost trip or portion of trip that is <u>non-BSTG</u> due to Section 25 B. Section 2 WWW. Section 2 XXX.1.	Last day of the flying month. Section 2 WWW.	0600-1200 Local Base Time Section 30 D.9.	At base. Section 30 D.9.	No requirement	Actual accumulated plus projected schedule is within 7 hours of the scheduled monthly maximum Section 30 D.9. Note Section 2 XXX.1.	Regular guarantee. Section 4 A.1.
T4 Time Available (Last 2 Days of Month) Section 30 D.8.a. Exception Section 2 VVV. Audit Trail Reason Code 03	Exchange of trip(s) that cause(s) pilot to fall more than 7 hours below scheduled monthly maximum. Section 30 D.8.a. Exception Section 2 XXX.	Last 2 days of the flying month. Section 30 D.8.a. Exception (3)	0600-1200 Local Base Time. Section 30 D.9.	At base. Section 30 D.9.	No requirement.	Actual accumulated plus projected schedule is within 7 hours of the scheduled monthly maximum Section 30 D.8.a. Exception (3) Section 2 XXX.	Regular guarantee. Section 4 A.1.
RP Reserve Duty Pay Day. Section 30 C.6.b. Audit Trail Reason Code 11	Reserve who reports for assigned trip and does not fly the assigned trip Section 30 C.5. and Section 30 C.6.	Day of assignment or 1 st day. Section 30 C.6.b.	Not more than 1 hour at airport or other location, and may resume reserve day until releases to a rest period. Section 30 C.6.b.	At airport or other location. Section 30 C.6.b.	Within applicable days duty time and/or remaining reserve day obligations. Section 30 C.6.b.	Released by Crew Scheduling or maximum duty time due to original check-in time. Section 30 C.6.b.	Minimum duty day (4:15) or duty hour credit if on duty more than 8:30. Section 30 C.6.b.

SECTION 31
LETTERS OF AGREEMENT

NOTE: Any Letters of Agreement that are not reprinted in Section 31 are available at ALPA’s MEC offices.

LETTER 1968-01A

(AIRCRAFT TYPE AGREEMENT)
LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc. (hereinafter referred to as the “Company” or “NWA”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

→

WHEREAS, The continued success of NWA makes it necessary to acquire aircraft which differ from aircraft currently or historically utilized by NWA and for which rates of pay have been established by collective bargaining; and

WHEREAS, The continued employment of pilots represented by ALPA is dependent upon NWA’s success; and

WHEREAS, It is impossible or impractical to define specifically and in advance what differing characteristics as between succeeding models or versions of aircraft may be sufficient to warrant a change in rates of pay, rules and working conditions, and in any event it is difficult, if not impossible, to time the receipt or utilization of aircraft in such a manner that an opening of an existing **NWA/ALPA Pilots Agreement (hereinafter “the Agreement”)** will coincide with such receipt or utilization; and

WHEREAS, It is in the interest of NWA, ALPA, pilots, other NWA employees and the public, as well as within the policies of the Railway Labor Act to provide, to the maximum extent, safe, continuous and uninterrupted service; **and**

WHEREAS, the parties desires to replace the current Letter of Agreement 1968-01 with a revised Letter of Agreement 1968-01A;

NOW, THEREFORE, **BE IT RESOLVED**, the **undersigned** parties **do hereby** agree as follows:

1. Definitions

a. The term “New Aircraft Type” shall include all aircraft not specifically designated by type in **Section 2 C. of the → Agreement** but shall not include modified versions of Existing Aircraft Type. The term “Existing Aircraft Type” shall mean those airplanes specifically identified in **Section 2 C. of the → Agreement** and modified versions of Existing Aircraft Type.

→

b. “Opening Date” shall mean the latest date upon which Notice of Intended Change can be given pursuant to **Section 29 C. of the → Agreement**.

2. When NWA contracts for the procurement of a New Aircraft Type, it shall notify ALPA in writing giving its estimate as to when such New Aircraft Type will be scheduled in **Company Flying (as that term is defined in Section 1 B.1. of the Agreement)**. Such notice shall be given at a time six months prior to the estimated scheduled revenue service date or within 30 days after entering into the contract for procurement of the New Aircraft Type, whichever is later in point of time. No pilot shall be required by NWA to operate a New Aircraft Type in **Company Flying** except in accordance with the procedures described in this **Letter of Agreement**.
3. When NWA schedules a New Aircraft Type for **Company Flying** to commence 4 months or less prior to Opening Date or at a time after Notice of Intended Change has been given but prior to agreement thereon, NWA and ALPA will meet within 30 days following written request by either to negotiate rates of pay, rules and working conditions for such New Aircraft Type in a manner not inconsistent to those relating to Existing Aircraft Type. Should such negotiations result in agreement, the same shall be reduced to writing, signed by both parties, and be incorporated in, and become a part of, the → Agreement. Should such negotiations not result in agreement, then the matter of rates of pay, rules and working conditions for such New Aircraft Type shall become a part of and incorporated in negotiations then or thereafter occurring as a result of Notice of Intended Change as one element therein. Before and during such negotiations and prior to agreement as herein provided, the pilots will take training on and fly such New Aircraft Type in **Company Flying** until such time as all of the processes of the Railway Labor Act and the waiting periods provided therein have been fully exhausted in respect to all matters stated or incorporated in the Notice of Intended Change.
4. When NWA schedules a New Aircraft Type for **Company Flying** to commence more than 4 months prior to Opening Date, NWA and ALPA will meet within 30 days after written request by either to negotiate rates of pay, rules and working conditions for such New Aircraft Type in a manner not inconsistent to those relating to Existing Aircraft Type. Should such negotiations result in agreement, the same shall be reduced to writing, signed by both parties, and be incorporated in, and become a part of, the → Agreement.

Should such negotiations not result in agreement within 30 days after commencement thereof, NWA and ALPA agree that either may serve on the other a written demand for resolution of all open issues regarding rates of pay, rules and working conditions for such New Aircraft Type through binding expedited interest arbitration, utilizing the following procedures:

- a. **The party serving the written demand shall include its proposed terms for rates of pay, rules and working conditions.**
 - b. **Within 5 days after receiving the proposed terms of the party serving the written demand, the other party shall serve its written proposed terms for rates of pay, rules and working conditions.**
 - c. **Either party may then submit the dispute in writing, to the System Board of Adjustment (hereinafter “the Board”) by service of such submission, including the parties’ respective proposed terms for rates of pay, rules and working conditions on the other party. After the expiration of the 5-day period provided in subparagraph 4.b., either party may submit the dispute in writing to the System Board of Adjustment (hereinafter “the Board”). Such submission shall include the parties’ respective proposed terms for rates of pay, rules and working conditions that previously were served on the other party.**
 - d. **The Board shall convene for hearing on the first hearing dates offered by the neutral member selected by the parties. The absence of any party, or any Board Member(s), except the Neutral Member, shall not be cause for delay of this hearing. The hearings shall be completed within 60 days of their commencement with no more than 15 hearing days allotted to the presentation of each party’s case. All briefs shall be submitted to the Board within one week of the close of the record and receipt of the transcript. The Neutral Member shall render a decision in writing as soon as possible following submission of the briefs, but in any event, no later than 30 days after the conclusion of the hearing. Time limits may be extended by mutual agreement of the parties.**
5. **Before and during negotiations and prior to agreement as herein provided in Paragraphs 3. and 4. above (including before, during and following the binding interest arbitration process provided for in Paragraph 4. above), the pilots will take training on and fly such New Aircraft Type in **Company Flying**. → Pilots flying a New Aircraft Type prior to agreement on rates of pay therefore, or prior to issuance of an interest arbitration decision specifying such rates of pay, shall be paid for hours flown at the rates established by the → Agreement applicable to the Existing Aircraft Type which has a maximum certificated gross weight nearest to but less than the maximum certificated gross weight of the New Aircraft Type.**
6. **It is further agreed that at such time as a rate of pay is established for such New Aircraft Type, the difference, if any, between the agreed upon or awarded rates for hours flown**

and the rate paid under the provisions of Paragraph 5. hereof shall be promptly computed and paid retroactively to the date when first operated in **Company Flying**.

- 7. Overlapping or succeeding negotiations on more than one New Aircraft Type prior to an Opening Date shall be kept separate as to each New Aircraft Type.
- 8. This Aircraft Type Agreement shall remain in full force and effect from the date of execution until amended or terminated by mutual agreement notwithstanding any provisions of the → Agreement or the Railway Labor Act; provided, however, that this Aircraft Type Agreement shall be deemed to be separable, and if any part or portion thereof shall be held invalid or unenforceable by the final decision of a court of competent jurisdiction then the remaining parts or portions not so held invalid or unenforceable shall remain in full force and effect →.

→

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the **31st** day of **July, 2006**.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ David Stevens
NWA MEC Chairman

/s/ Timothy J. Rainey
Sr. Vice President Flight Operations/SOC

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

LETTER 1989-02

MEL
LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and the
AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by the
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between NORTHWEST AIRLINES, INC. (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of NORTHWEST AIRLINES as represented by the AIR LINE PILOTS ASSOCIATION, INTERNATIONAL (hereinafter referred to as the “Association”).

NOW, THEREFORE, IT IS AGREED:

1. There shall be no unnecessary, in-flight paperwork in addition to that paperwork required by the FAA on any flight.
2. Radio contacts between the Company and crew shall be kept to a minimum.
3. Simplified, easy-to-read, readily available performance data shall be provided for all aircraft.
4. With respect to the DC-9, B-727, A-320, B-757 and DC-10, continuation of flight with a malfunctioning or inoperative, engine-driven generator shall be at the captain’s discretion. Every effort will be made to effect repairs at the first maintenance base.
5. With respect to the DC-9, departure with a malfunctioning or inoperative APU shall be at the captain’s discretion. Every effort will be made to effect repairs at the first maintenance base.
6. Departure without at least one (1) functioning autopilot shall be at the captain’s discretion. Every effort will be made to effect repairs at the first maintenance base.
7. With respect to the DC-9, departure with malfunctioning automatic pressurization shall be at the captain’s discretion. Repairs will be effected at the first maintenance base.
8. The recommendations of the ALPA MEC will be considered before any current minimum equipment list is made less restrictive.

This Letter of Agreement shall become effective as of September 1, 1989, and shall remain in full force and effect concurrently with the Basic Agreement between the parties.

WITNESS:

For NORTHWEST AIRLINES, INC.

/s/ Robert A. Brodin

/s/ Terry M. Erskine

For THE AIR LINE PILOTS IN THE
SERVICE OF NORTHWEST AIRLINES,
INC

/s/ H. T. Dodge

/s/ Kirk A. Faupel

/s/ Henry A. Duffy

LETTER 1989-03

September 1, 1989

Captain H. T. Dodge, Chairman
Air Line Pilots Association
7900 International Drive, Suite 425
Bloomington, Minnesota 55425

Captain Kirk A. Faupel, Chairman
Air Line Pilots Association
2500 Packard - Suite 105
Ann Arbor, Michigan 48104

Dear Captains Dodge and Faupel:

During negotiations leading to the signing of the current Agreement, we discussed with the ALPA bargaining committee the Company's existing program for requalification training of (1) pilots returning to active service after extended absence and (2) pilots in active service who have been absent from a category for an extended period of time. This program set forth in the attached outline has been developed on the basis of the present state of the art and existing government regulations.

The Company will meet and confer with the ALPA MEC Chairman prior to implementing any changes in this program. The Company expects each pilot reporting for training under this program to have prepared himself in advance to the end that his training can be accomplished in an orderly and timely manner.

Yours very truly,

/s/ Terry M. Erskine
Vice President-Law & Labor Relations

I. REQUALIFICATION OF PILOTS RETURNING FROM LAYOFF, LEAVE OF ABSENCE, DISABILITY RETIREMENT, DISCHARGE OR SUSPENSION WHERE THE ABSENCE WAS ONE (1) YEAR OR MORE

A. One (1) Week of Ground School (five (5) days)

1. Volume “C” Manual
Company Policy and Procedures
Radio Procedures
Dispatch Requirements and Computer Flight Plans
2. Meteorology
TP Program
Turbulence and En Route Meteorology Reports
En Route Procedures
Upper Trop Wind Forecasts
3. FAR’s
Changes
New Regulations
4. Standard Operation Procedures & Emergency Procedures
Low Level Wind Shear
Restricted Articles
ATC Approach Requirements
5. Jeppesen Instrument, En Route, Terminal Area and Approach Charts
H/L Charts
Approach Charges
TERP’s

B. One (1) Week Equipment Ground School (six (6) days)

1. Aircraft Systems Review
727/100-200-200A Differences
A/C Standard Operating Procedures
A/C Emergency Procedures
A/C Abnormal Procedures

C. Flight Training

1. Simulator Training - Six (6) Periods
2. Line Operating Experience Training (safety time) 8-10 Hours Including Line Check.

II. REQUALIFICATION OF PILOTS AFTER ONE (1) YEAR OR MORE ABSENCE FROM A CATEGORY (Assuming current qualification in another category)

- A. Equipment Refresher Ground School (two (2) days)
- B. Simulator Training (three (3) periods including checks)
- C. Aircraft Bounces (one (1) period for establishment of currency)
- D. Line Check (Captain only)

Only one (1) leg required with takeoffs and landings performed on a local trainer.

LETTER 1991-01

LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC .
and
THE AIR LINE PILOTS
in the service
NORTHWEST AIRLINES, INC.
as represented by

THE AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into by and between Northwest Airlines, Inc. (“Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc., as represented by the Air Line Pilots Association, International (“Association”).

PURPOSE

The purpose of this agreement is to promote and insure the highest standards of professionalism and safety among the pilots of Northwest Airlines. It is also to insure that all pilots are treated fairly, consistently, effectively, and with the respect that is due their profession.

SCOPE

The scope of this agreement covers pilot Professional Standards issues affecting the safety or professional conduct of flight; including cockpit conflicts between pilots, conflicts between pilots and other NWA employees, conflicts between pilots and others, such as FAA controllers and passengers. Cases not involving conflicts between individuals, but which involve actions by a pilot which could affect the safe, legal and/or professional conduct of a flight are also covered. However, both ALPA and Northwest Airlines Flight Operations Management recognize that Flight Operations Management’s traditional authority and responsibilities regarding proficiency and air safety shall not in any way be altered by the terms of this agreement.

PROCEDURES

1. When a Professional Standards problem arises, whatever the source, which precipitates a cockpit conflict between pilots, and is brought to ALPA by a pilot, ALPA will act as follows:
 - a. The local Professional Standards Committee members will elicit both sides of the story, generally by telephone, and counsel both parties at a peer level. Then a telephone meeting of the individuals involved will be arranged by the Professional Standards Committee. The individuals involved will be encouraged to discuss the matter privately in a forthright and reasoned manner, in an attempt to settle their dispute. (This step may be omitted if, in the judgment of the Professional Standards Committee, it would be counterproductive.)

- b. Should this fail, the pilots involved will be invited to a Local Professional Standards Committee meeting. After each pilot has had the opportunity to present his or her view of the matter, the committee will seek a commitment from the parties to end the conflict and work together in the future constructively, professionally, and without dissension.
 - c. Should one of the pilots refuse to participate in either a. or b. above, ALPA will advise Flight Operations Management of the conflict and request Management to encourage all involved parties to attend the Professional Standards Committee meeting.
2. When a Professional Standards problem involving a conflict between a pilot and a person who is not a pilot is brought to the attention of ALPA, ALPA will act as follows:
 - a. The pilot involved, after consultation with the Professional Standards Committee, will be encouraged to discuss the matter privately, in a forthright and reasoned manner, with the other party involved, in an attempt to settle their dispute. (This step may be omitted if, in the judgment of the Professional Standards Committee, it would be counter-productive.)
 - b. Failing this, the Local Professional Standards Committee members will talk with the pilot involved and with the other individual and/or the individual's representative. This may be done via telephone. Again, agreement to resolve the dispute will be sought.
 - c. Should this fail, the pilot, the other individual involved, and the other individual's representative will be invited to a Local Professional Standards Committee meeting. After each party has had the opportunity to present his or her view of the matter, the committee (in concert with the non-pilot's representative) will seek a commitment from the parties to end the conflict and work together in the future constructively, professionally and without dissension.
 - d. Should the pilot or the other individual refuse to participate ALPA will advise Management of the conflict and request that Management encourage all involved parties to attend the Professional Standards Committee meeting. (In the case of individuals who are not employees of NWA, it is recognized that this may be inappropriate.)
 - e. ProStan will keep in mind the sensitivity of situations involving NWA's customers and deal appropriately.
3. When a Professional Standards problem involving actions by a pilot which could affect the safe, legal and/or professional operation of a flight is brought to ALPA from any credible source, ALPA will act as follows:
 - a. The Professional Standards Committee will investigate to determine, as best it can, the facts in the case. The investigation will include interviewing all parties

- with information relevant to the case, including the pilot whose actions have been questioned.
- b. The Professional Standards Committee will meet with the pilot whose actions have been questioned and determine whether any ALPA action is warranted in the interest of safety and the profession. The Committee will consult with other relevant MEC Committees, the MEC Chairman, and the appropriate LEC Officers as required. If the Committee determines that no action is warranted, the case will be closed.
 - c. If the Professional Standards Committee, after due investigation, consultation and deliberation decides ALPA action is required; it will make a recommendation for action to the MEC Chairman or his designated representative. The recommendations could include encouraging the pilot to seek the help of the AeroMedical, NAPAP, Safety, or Training Committees. It could also include individual help from the NWA CRM program.
 - d. If the pilot whose actions have been called into question refuses to cooperate with the Professional Standards Committee and/or the MEC Chairman, he or she cannot be forced to do so. However the pilot will be reminded that failure to correct inappropriate behavior will often lead to management and/or the FAA gaining knowledge of the behavior, independent of ALPA. In cases brought to ALPA's attention by management, ALPA is bound, by this agreement, to notify management as to whether or not the case was successfully resolved (see paragraph 4).
 - e. ALPA will maintain confidentiality of the pilots involved in such cases. However, the MEC Chairman, or his designated representative, may take appropriate actions in cases where a NWA pilot or another NWA employee represents an immediate threat to flight safety.
4. When a Professional Standards problem (as defined in para. 1, 2, and 3 above) comes to the attention of management in the first instance, management may refer that issue and the parties involved to ALPA. ALPA will act as follows:
- a. The Professional Standards Committee will handle the case according to the procedures listed in paragraphs 1, 2, and 3 above.
 - b. Successful resolution of a problem will produce an ALPA statement to management that states the matter is under control and being monitored, or resolved.
 - c. Lack of successful resolution will produce an ALPA statement to management that the Professional Standards' Committee is unable to be of assistance.
 - d. Complete confidentiality regarding the committee's meeting with the pilot will be maintained.

- e. Management and ALPA agree not to cite a pilot’s involvement with the Professional Standards Committee in any subsequent disciplinary proceeding. Management and ALPA agree not to call any members of the Professional Standards Committee as witnesses in any disciplinary proceeding.
5. Management and ALPA will jointly publish this agreement and distribute a copy to each member of the pilot group. Management will also publish the following as NWA policy in the Flight Operations Manual (F.O.M.):
- “NWA Flight Operations Department encourages all pilots and other employees to bring any situations involving the professional conduct of NWA pilots to the attention of one of the following:
- BASE CHIEF PILOTS/FLIGHT MANAGERS (This can be done by calling your base Chief Pilot/regional Flight Managers’ office during normal business hours. After normal hours you may call Flight Dispatch and they will put you in contact with a Chief Pilot/Flight Manager.)
- Or
- NWA ALPA PROFESSIONAL STANDARDS (This can be done by calling the NWA ALPA MEC office at 952-854-4484 or 800-NWA-ALPA. During normal business hours a receptionist will direct your call to a ProStan Committee member. After normal business hours a computerized voice messaging system will put you in contact with a ProStan Committee member.)
6. Either party to this-agreement reserves the right to cancel it upon giving 30 days written notice.

Accepted and agreed to this 4th day of June, 1991

For Northwest Airlines

For Air Line Pilots Association

/s/ Stuart L. Henning

/s/ H. T. Dodge, Chairman

Vice President – Flight Ops

Master Executive Council (NWA)

/s/ G. F. Martin

/s/ Curt Kruse

Sr. Director – Flying

NWA ALPA Professional Standards

LETTER 1992-01

LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
THE AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc., as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the Company has notified the pilots of its intention to form an investment subsidiary to be directed by the Company’s pension investment committee to manage the assets held in trust to meet the pension benefits obligations of the Northwest Airlines , Inc. Retirement Plan for Pilot Employees (the “Plan”); and

WHEREAS, the Association wishes to ensure that the Company recognizes its unequivocal and uncontrovertible interest in the safety and security of its retirement benefits; and

WHEREAS, the parties recognize that although ERISA, the Internal Revenue Code, and the Department of Labor provide regulatory protection for the investment of Plan assets, additional safeguards are essential to provide adequate assurance that the assets will be appropriately invested in the best interests of the Plan participants.

NOW, THEREFORE, the parties do hereby agree to the following:

1. The Company shall not invest Plan assets in any employer security or employer real property, as defined in ERISA, Section 407(d)(1), (2), or in any other security or property or venture that is related to the Company either directly or indirectly by ownership interest or control. The Company shall have the right to review continued application of this provision with the Association on an annual basis, or more frequently as agreed to by the parties.
2. The Company shall not invest Plan assets in new issue securities (either public or private) of other air carriers (foreign or domestic). This provision shall not prohibit, however, the purchase of securities of other air carriers in the secondary markets in order to reflect the position of such securities in an “index” (e.g., Wilshire 5000 or Lehman Brothers Aggregate Bond Index) which it is the Plan’s investment policy to replicate.

3. The Company shall not invest Plan assets in any partnership, corporation or other entity which receives more than 10 percent of its total revenues from any airline, airline holding company or airline subsidiary. This provision shall not prohibit, however, the purchase of securities of companies (specified above) in the secondary markets in order to reflect the position of such securities in an “index” (e.g., Wilshire 5000 or Lehman Brothers Aggregate Bond Index) which it is the Plan’s investment policy to replicate.
4. The Company shall not increase the Plan’s investment risk profile above current levels without prior notification to the Association. “Risk profile” as used herein means the forecast standard deviation of total return on aggregate Plan Assets.
5. The Company will provide the Association with a copy of the Investment Policy Statement of the Pension Investment Committee and shall inform the Association of any changes to the Investment Policy Statement at least 30 days before implementation of such change. Further, the Association shall be provided with a complete description of the rights, duties and responsibilities of World Capital Management, Inc., as set forth in its investment management agreement with the Company and will be provided advance notice of any changes to the investment management agreement.
6. The Association shall designate a pilot to serve as liaison to the Pension Investment Committee. The purpose of this liaison shall be to:
 - (a) Receive copies of the minutes of the Committee and monitor compliance with the provisions of this Letter of Agreement; and
 - (b) Communicate to Committee members the position of the Association with respect to the formulation of Plan investment policy and other investment issues.
7. The Company shall provide, on a monthly basis, Plan Trustee statements with sufficient underlying data (including itemized transactions) to enable the Association to compute Plan investment performance and monitor assets held by the Plan. The Company shall further provide the Association with its own Plan investment performance calculations on a quarterly basis by individual manager and asset class type.

Signed this 22nd day of September, 1992.

For NORTHWEST AIRLINES, INC.

/s/ Terry M. Erskine
Vice President, Labor Relations

For AIR LINE PILOTS ASSOCIATION

/s/ J. Randolph Babbitt
President

/s/ O. C. Miller
NWA MEC Chairman

LETTER 1995-06

LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
THE AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between NORTHWEST AIRLINES, INC., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of NORTHWEST AIRLINES as represented by the AIR LINE PILOTS ASSOCIATION, INTERNATIONAL (hereinafter referred to as “ALPA”).

WHEREAS, the parties recognize that computer bidding, if it is applicable to Single Visit Training (SVT) scheduling, may necessitate changes to [Section 11 K.2.d.](#) of the Agreement; and

WHEREAS, the parties desire to initially continue to use the current manual process via the FAST TRACK implementation process; and

WHEREAS, the parties agree that at ALPA’s option, the SVT/computer bidding process outlined in this Letter shall be implemented;

NOW THEREFORE, the undersigned parties do hereby agree that:

- A. The manual bidding process for SVT under computer bidding as set forth in [Section 11 K.2.d.](#) of the Agreement will be continued until ALPA exercises its option to implement the SVT Scheduling and Computer Bidding process set forth in this Letter.
- B. Should ALPA exercise the option set forth in Paragraph A. above, the following procedures shall be used with respect to the coordination of SVT Scheduling and Computer Bidding in an enhanced automated process:
 - 1. The provisions of [Section 11 K.](#) of the Agreement shall continue to be followed. In addition, the provisions of Paragraphs 2. through 7. below shall apply.
 - 2. The Company shall, after determining which pilots will be attending SVT in a given month, pre-assign SVT periods on a preliminary basis so as to avoid NSVT days designated by the pilot.

3. Pilots shall be notified on the bid list, both on paper and electronically, of their assignment to SVT training for the upcoming bid period. However, pilots shall not be notified of the dates of their SVT on the bid list.
 4. For purposes of the automated SVT process, designated bid preferences such as “AVOID (dates)” and “PREFER OFF (dates)” shall indicate dates which shall become, for purposes of SVT, “soft” dates. SVT assignments shall be optimized considering these bids in addition to a pilot’s previously selected NSVT dates. Also, the bid preference “AWARD SVT (dates)” and related bid preferences shall be “soft” commands. The computer bidding programs will include a bid preference command that allows a pilot to reduce the established travel time to and from SVT, up to a parameter limit.
 5. After the bid deadline, but prior to commencement of the bid award process, the following steps shall be undertaken:
 - a. The Company shall retrieve the bids of all pilots who will be doing SVT;
 - b. The Company shall create SVT bid lists (by category);
 - c. Foreign-based pilots on the SVT bid lists who are potentially eligible for travel days shall be identified for the computer bidding process.
 6. The Company shall then process the pilots on the SVT bid lists via computer bidding. This process shall be for the purpose of the preliminary optimization of the pre-assigned SVT events and is concluded before the bid preferences for any pilot bids in the category are run. This run will be based on pilot bid preferences related to SVT and other factors not related to bid preferences (e.g., carry-in, known absences, etc.). These SVT periods shall be awarded respecting “hard” NSVT dates and seeking to optimize “soft” dates and other pilot preferences with respect to SVT, as described in Schedule D of the License Agreement.
 7. The Company shall then process the bid preferences of all pilots in each position, including the pilots covered in Paragraph 6. above. The computer bidding program will, with respect to all pilots in the position, construct a schedule in accordance with their bid preferences, while respecting the “hard” NSVT dates of pilots with SVT (and, where applicable, travel days). The SVT dates preliminarily awarded under Paragraph 6. above may be changed in this process in order to optimize pilot bid preferences.
- C. The parties agree that on the first day of the month following s 60 days written notice by ALPA, the Company shall cease using computer bidding to schedule SVT, and, instead, shall recommence using the system and rules in effect prior to

the signing of this Letter of Agreement, i.e. the manual bidding process for SVT described in Paragraph A. above.

IN WITNESS WHEREOF, the undersigned have signed this Letter of Agreement this 13th day of September, 1998.

For NORTHWEST AIRLINES, INC.

For AIR LINE PILOTS ASSOCIATION

/s/ Robert A. Brodin
Vice President, Labor Relations – Flight

/s/ J. Randolph Babbitt
President

/s/ Robert W. Tice
Senior Labor Counsel - Flight

/s/ William S. Zoller
NWA MEC Chairman

/s/ Reed Erickson
Managing Director, Flight Administration

/s/ Steve Wilson
Chairman Negotiating Committee
(Northwest)

/s/ Mark A. McClain
Member Negotiating Committee
(Northwest)

/s/ Michael S. Maza
Member Negotiating Committee
(Northwest)

LETTER 1998-01A

LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
THE AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc., as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

Whereas, the Company and ALPA reached an Agreement in August 1989 upon a combined contract which superseded the Northwest Airlines, Inc. pilot contract (hereinafter referred to as the “Red Book”) and the Republic Airlines, Inc. pilot contract (hereinafter referred to as the “Green Book”), and

Whereas the same parties also reached a Transition Agreement in August 1989 which implemented the Agreement, and

Whereas, the parties agree that certain provisions of the August 1989 Transition Agreement should remain in effect, **and**

Whereas, the parties desire to replace the current Letter 1998-01 with a revised Letter 1998-01A.

Now, therefore, it is agreed that the following provisions from the Transition Agreement dated August 28, 1989 shall remain in effect:

1. Section 27 of the Agreement notwithstanding, all Green Book pilots who were retired or disabled prior to January 1, 1990, and/or their beneficiaries and eligible dependent survivors of Green Book pilots who were entitled to receive medical, dental and vision benefits on December 31, 1989, shall continue to be eligible to receive such benefits for the same duration and on the same basis as provided under the Green Book in effect prior to September 1, 1989.
2. Former Republic pilots who were disabled prior to January 1, 1990, pursuant to the Republic Airlines, Inc. Pilots’ Employee Benefit Plan (VEBA) shall be deemed to be “retirees” for purposes of receiving ancillary retirement benefits such as passes, insurance, etc.

- 3. Survivor benefits, as specified in Article VI of the terminated Republic Airlines, Inc. Pilots’ Retirement Income Plan for survivors of pilots disabled prior to January 1, 1990, and receiving or entitled to receive disability benefits under the Republic Airlines, Inc. Pilots’ Employee Benefit Plan, shall be provided at Company expense.
- 4. Amounts due and owing from the Prudential Insurance Company for formerly disabled Republic Airlines Pilots who have resumed active employment shall be paid to the Northwest Airlines, Inc., Retirement Plan for Pilot Employees.
- 5. Implementation of the Roberts Award and the Subsequent Award, If Any

The award of Arbitrator Thomas Roberts will be implemented as soon as deemed practical by the Company but not later than the first day of the third month following its effective date, unless the Company objects to conditions and restrictions attendant to the award and invokes arbitration under [Section 22 A.2](#). In the event of such subsequent arbitration, the integrated list, together with all attendant conditions and restrictions, shall become effective as soon as deemed practical by the Company but not later than on the first day of the third month following the effective date of the award from such subsequent arbitration. Any subsequent related ruling of clarification or substance made to either arbitration award shall be implemented as soon as deemed practical by the Company but not later than the first day of the third month following the effective date of such subsequent related ruling.

- 6. **The parties recognize and agree that the continuing force and effect of Paragraphs 1., 2. and 3. above are dependent on the outcome of the 1114 process of the bankruptcy proceeding pending on the date of signing of this Letter of Agreement.**
- 7. Effective Date and Duration

This Letter of Agreement will become effective on its date of signing and, **subject to the provisions of Paragraph 6. above regarding Paragraphs 1., 2. and 3. above,** shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

Signed this 31st day of July, 2006.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ David Stevens
NWA MEC Chairman

/s/ Timothy J. Rainey
Sr. Vice President Flight Operations/SOC

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

LETTER 1998-02

CRAF LETTER
LETTER OF AGREEMENT

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between NORTHWEST AIRLINES, INC. (hereinafter known as the “Company”), and the Air Line Pilots in the service of NORTHWEST AIRLINES, INC., as represented by the AIR LINE PILOTS ASSOCIATION, INTERNATIONAL (hereinafter known as the “Association”).

SECTION 1

It is mutually agreed and understood by and between the parties to this Letter of Agreement that the provisions hereof shall be applicable only to the Company’s Civil Reserve Air Fleet Operation (CRAF). It is further agreed and understood that all sections of the basic NWA-ALPA Agreement, as hereinafter defined, except those sections which are specifically modified or excepted by this Letter of Agreement shall be applicable to the Company’s “CRAF operation.”

SECTION 2
DEFINITIONS

- A. The word “Agreement” when used in this Letter of Agreement means the Agreement between Northwest Airlines, Inc. and the Air Line Pilots in the service of Northwest Airlines, Inc., as represented by the Air Line Pilots Association, International, effective September 13, 1998 as it may be amended or modified.
- B. The term “CRAF operation” for the purpose of this Letter of Agreement means all flight operations conducted in accordance with the agreement between Northwest Airlines and the Department of Defense covering such operation, but shall not include the Company’s certificated service or commercial charter service or any other Government operation.

SECTION 3
COMPENSATION

Rates of compensation on the Company’s CRAF operation shall be those rates specified in the Agreement for pilots engaged in international flying, provided that a pilot in the CRAF operation shall receive minimum monthly compensation equal to the minimum pay guarantee specified in the Agreement → or his average earnings for the 2 calendar months preceding the month he was assigned to the CRAF operation, whichever is greater.

SECTION 4
EXPENSES

A pilot assigned to the Company’s “CRAF operation” shall receive trip and moving expenses in accordance with the Agreement. When transferred from one base to another as a result of assignment to the Company’s CRAF operation, a pilot will be considered to have been

transferred at Company request, and the provisions of [Section 6 A.3.](#) of the Agreement shall apply.

SECTION 5 FILLING OF POSITIONS

- A. In anticipation of the emergency nature of the “CRAF operation,” the Company shall keep on file a currently effective CRAF permanent position preference list. The Company shall advertise such preference list by appropriate pilot bulletin at least once each year. A pilot may submit or withdraw a bid for assignment to the “CRAF operation” at any time → via Company computer terminal, remote access, or by voice response system (VRS). When submitting such a bid, a pilot shall specify the status he is bidding for. The Company will publish a copy of such preference list at least once each calendar year for posting at all bases.
- B. In the event of implementation of the Company’s “CRAF operation,” during the first 60 days of such operation, positions shall be filled in the following order:
1. Assignment by rank of initially qualified pilots who have bids on file in accordance with A. above as of midnight of the day preceding official announcement of the implementation of the Company’s “CRAF operation.” To the extent the requirements of the operation will permit, such assignments shall be made in order of seniority.
 2. In the event existing CRAF positions are not filled in accordance with subparagraph 1. above, the Company may assign initially qualified pilots, by rank, in inverse order of seniority to the extent the requirements of the operation will permit.
 3. In the event the Company is unable to fill CRAF positions with initially qualified pilots under subparagraph 1. or 2. above, assignment will then be made from the current CRAF position preference list in order of seniority to the extent the requirements of the operation will permit.
 4. If CRAF positions still exist after application of subparagraphs 1., 2., and 3. above, pilots will then be assigned in inverse order of seniority to the extent the requirements of the operation will permit.
- C. Pilots assigned under Paragraph B. above will be considered as having been assigned to temporary duty for the purpose of Section 4 above.
- D. The Company may exclude from assignment under subparagraphs B.1. and 2. above any pilot who is not fully qualified for the operation.
- E. Not later than 60 days after the implementation of the Company’s “CRAF operation,” all CRAF assignments shall be open for bid in accordance with Section 24 of the Agreement. Following such initial 60 day period, pilots shall be assigned to and displaced

from the Company’s “CRAF operation” in accordance with the provisions of Section 24 of the Agreement to the extent the requirements of such operation will permit.

SECTION 6
INSURANCE BENEFITS

A pilot assigned to the Company’s “CRAF operation” will be eligible for continued participation in the applicable Company’s group insurance program. In addition, the beneficiaries of each pilot who dies as a result of having been engaged in CRAF operations or due to causes related thereto or to the living or health conditions peculiar to the areas in which he is so engaged shall be indemnified, in the order and manner named in his last group life insurance certificate, in the sum of \$250,000. This life insurance shall be in addition to any life insurance benefits available provided to pilots under Section 27 of the Agreement.

SECTION 7
RETIREMENT BENEFITS

A pilot assigned to the Company’s “CRAF operation” will be eligible for continued participation in the Pilots’ Pension Plan.

SECTION 8
SICKNESS AND INJURY BENEFITS

A pilot assigned to the Company’s “CRAF operation” shall be covered by Section 14 and Section 16 of the Agreement.

SECTION 9
BENEFIT ASSIGNMENTS

A pilot assigned to the Company’s “CRAF operation” shall be covered by Section 17 of the Agreement. The Company shall call to the attention of a pilot assigned to the “CRAF operation” the options set forth in Section 17 of the Agreement and afford such pilot the opportunity to select one of such options. An appropriate form will be made available for this purpose.

SECTION 10
GENERAL

The Company shall provide each pilot in its employ with a copy of this Letter of Agreement.

SECTION 11
DURATION

This Letter of Agreement shall become effective on its date of signing and shall remain in full force and effect concurrently with the Agreement subject to the provisions of Section 29 of such Agreement.

IN WITNESS WHEREOF, the parties hereto have signed this Letter of Agreement this 13th day of September, 1998.

For NORTHWEST AIRLINES, INC.

/s/ Robert A. Brodin
Vice President, Labor Relations – Flight

/s/ Robert W. Tice
Senior Labor Counsel - Flight

/s/ Reed Erickson
Managing Director, Flight Administration

For AIR LINE PILOTS ASSOCIATION

/s/ J. Randolph Babbitt
President

/s/ William S. Zoller
Chairman NWA MEC

/s/ Steve Wilson
Chairman Negotiating Committee (NWA)

/s/ Mark A. McClain
Member Negotiating Committee (NWA)

/s/ Michael S. Maza
Member Negotiating Committee (NWA)

LETTER 1998-04A

LETTER OF AGREEMENT
 between
 → **NORTHWEST AIRLINES CORPORATION,**
NORTHWEST AIRLINES, INC.
 and
THE AIR LINE PILOTS
 in the service of
NORTHWEST AIRLINES, INC.
 as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into by and between → **NORTHWEST AIRLINES CORPORATION** → (“NAC”), **NORTHWEST AIRLINES INC.** (“Northwest”) and the Air Line Pilots in the service of **NORTHWEST AIRLINES** (as represented by the **AIR LINE PILOTS ASSOCIATION, INTERNATIONAL** (the “Association”).

WHEREAS, → **NAC** → is the parent holding company → of Northwest, and owns, manages or controls Northwest, and

WHEREAS, there were sound business reasons for the creation of → **NAC**, and

WHEREAS, → **NAC** → was not formed with the purpose or the effect of circumventing the existing collective bargaining agreement between Northwest Airlines Inc., and the Association (the “CBA”), and

WHEREAS, it is a condition precedent to the effectiveness of the new → **collective bargaining agreement between Northwest and the Association (the “Pilots Agreement”)** that this Letter of Agreement be executed and delivered by the parties hereto.

NOW, THEREFORE, it is agreed that:

1. → **NAC** and → **its** Affiliates (as defined in [Section 1 B.1.](#) of the → **Pilots Agreement**) shall be subject to all terms and conditions of Section 1 of the → **Pilots Agreement (including Letters of Agreement 1998-09-01B and 2003-01-01A regarding the Continental and Delta Alliances, respectively)** and only Section 1, (as it presently exists and as it is subsequently amended) between Northwest Airlines Inc. and the Association as if all references to “Northwest Airlines, Inc.” and/or the “Company” in Section 1 of that CBA expressly referred to → **NAC** as well.
2. This Letter of Agreement shall continue in full force and effect irrespective of any **Complete** Successorship Transaction, as defined in [Section 1 C.1.](#) of the → **Pilots Agreement**, undertaken in respect of → **NAC** or Northwest or any successor thereto and shall be binding on any **Complete Transaction** Successor (as defined in [Section 1 C.1.](#) of the → **Pilots Agreement**) to → **NAC** or Northwest or any **Complete Transaction** Successor thereto.

3. It is further expressly agreed that any disputes which arise out of interpretation or application of this Letter of Agreement will be subject to resolution by final and binding arbitration in accordance with the provisions of **Section 1 F.**, and the procedures of Section 21 of the → **Pilots Agreement**, with → NAC → agreeing in all respects to be subject to the terms and conditions of **Section 1 F.**
4. → NAC and/or Northwest shall not conclude any transaction that results in (1) a **Complete Transaction Successor (as defined in Section 1 C.1. of the Pilots Agreement)** to → NAC or Northwest or (2) any entity that owns, manages or controls → NAC or Northwest unless, as a written and irrevocable condition of such transaction, the successor or entity agrees to execute this Letter of Agreement and to be bound by this Letter of Agreement and Section 1 of the → **Pilots Agreement** in the same manner as → NAC.
5. → NAC and Northwest shall provide to the Association on a monthly basis and in a timely manner, detailed historical operating and financial information on → NAC and its subsidiaries. Access to the information will be governed by an appropriate confidentiality agreement.
6. This Letter of Agreement shall become effective on the date of signing and shall run concurrent with the new → **Pilots Agreement** and any status quo period provided for by the Railway Labor Act.

Agreed to and signed this **31st** day of **July, 2006.**

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES
CORPORATION

/s/ Duane E. Woerth
President

/s/ Douglas M. Steenland
President and Chief Executive Officer

/s/ David Stevens
NWA MEC Chairman

For NORTHWEST AIRLINES, INC.

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

LETTER 1998-05

Schedule Bidding Snapback Letter
 LETTER OF AGREEMENT
 between
 NORTHWEST AIRLINES, INC.
 and
 THE AIR LINE PILOTS
 in the service of
 NORTHWEST AIRLINES, INC.
 as represented by
 AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc. (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc., as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the parties have agreed in Letter of Agreement 1995-03 that computer bidding may be terminated in the future, and

WHEREAS, the parties have also agreed in Letter of Agreement 1995-03 to replace said computer bidding system with the schedule bidding system (including Schedule Completion Bid) in effect in September 1998,

NOW THEREFORE, the undersigned parties do hereby agree that the following changes in the Agreement shall (i) be in effect for those positions for which implementation of computer bidding has not yet occurred or (ii) automatically become effective for all positions upon the termination of computer bidding (including the 3 full flying month notice period):

1. In the event of termination of computer bidding, [Section 2 O.](#) (definition of Computer Bidding) shall be considered deleted from the Agreement.

2. [Section 2 CCC.](#) (definition of Remote Access) shall be amended to read as follows:

““Remote Access” means a method for pilots to ~~submit and revise their bid preferences for computer bidding and to~~ access information in the NWA computers for ~~other~~ specified purposes by usage of their personal computers via a service provider mutually selected by the Company and ALPA.”

3. Section 2 FFF.1. (definition of Rescheduled Pilot) shall be amended to read as follows:

“1. Is removed for any reason (other than [Section 24 J.2.](#) or [Section 24 J.3.](#), or trip trade under ~~Scheduling Rule~~ [Section 30 C.3.](#), or trip exchange under ~~Scheduling Rule~~ [Section 30 D.8.](#)) from his scheduled trip (excluding unflown inbounds) or any portion thereof. “Removed” means removal whether before or after departure

from the pilot's base, including but not limited to loss of a trip or any portion thereof by a pilot as a result of:

- a. Cancellation.
- b. Equipment substitution.
- c. Schedule adjustment required by [Section 25 B.](#)
- d. Personal illness, injury or emergency.
- e. Flight time and/or duty limitations under [Section 12 B.](#) and [Section 12 C.](#)
- f. Flight time limitations under applicable FARs.
- g. His training.
- h. A multiple bid trip.
- i. Jury duty.

Note: A pilot shall not be considered to be a rescheduled pilot with respect to the portion of the trip in the 2nd month if he is removed from any portion of an over-the-end of a month trip which is in month 2 due to changes published in the month-end transitions.”

4. [Section 2 XXX.](#) (definition of Time Available Pilot) shall be amended to read as follows:

- “1. A pilot who has become a rescheduled pilot because of a schedule adjustment required by [Section 25 B.](#) and who is not eligible for bid scheduled trip guarantee and whose accumulated actual credit time plus his projected scheduled credit time is more than 7 hours less than the scheduled monthly maximum; and
2. A regular pilot whose accumulated actual credit time plus his projected scheduled credit time because of unflown inbound flying is more than 7 hours less than the scheduled monthly maximum; and
3. A regular pilot who becomes “time available” by operation of [Section 30 D.8.a.](#)

A regular pilot whose schedule has not been adjusted shall not be considered a time available pilot.

NOTE 1: See Note in [Section 30 D.9.](#)

NOTE 2: For availability obligation, see [Section 2 UUU.](#) and [Section 30 D.9.](#) “

5. Section 2 shall be amended to add a definition of “Unflown Inbound” at the end of the section as follows:

“ “Unflown Inbound” means, with respect to a trip spanning 2 bid periods, the portion of the trip in the second bid period which is published on a monthly schedule for purposes of pilot monthly schedule bidding, and which represents carry-in time scheduled to be flown by a pilot from the first bid period.”

6. [Section 4 H.10.](#) shall be amended to read as follows:

~~“In the 24 hour period prior to the 0400 deadline for submitting bid preferences, the Company shall make no change (except for the bank update) In the event a change is made to a bidding requirement shown on the bid list (for example: vacation 1-14; training 1-20; bank 25 hours) In the event a change is initiated by the Company and made to such bidding requirement after its posting under Section 25 A.1. and prior to the end of the pilot’s 5 minute bid deadline, and up to the 24 hour period prior to the deadline for submitting bid preferences (except for the bank update) and the pilot is not notified of this change in time to adjust his schedule bid preferences, the pilot shall, to the extent not provided for elsewhere in the Agreement, receive the pay time and the credit time lost as a result of the change. The Company shall make a reasonable effort to contact the pilot to notify him of the change. For the pilot who is not on a trip or in training, the Company shall seek to contact him in person or by telephone. A pilot shall be deemed to be notified if he calls the Voice Response System and acknowledges notice of such change. A telephone message (or note in the pilot’s mailbox if a telephone message is not available) will constitute notification. For the pilot who is on a trip or in training, the Company shall contact him by telephone, radio, ACARS or message at the layover station or layover hotel. The Company shall also post the change electronically both as a revision to the bid list and to the individual pilot (a copy of the original bid list shall be retained electronically and in paper form for use by ALPA and the Company). If a pilot receives notification of the change but cannot revise his bid due to lack of timely access to a Company provided bid entry computer or to remote access, the pilot may revise his bid by sending a telephone facsimile bid revision to a telephone fax number established by the Company for this purpose prior to the start of the bid run at 0800 MSP time on the 15th of the calendar month. Company personnel shall enter the timely submitted faxed revised bid entries into the computer schedule bidding program prior to the start of the bid run.”~~

7. [Section 7 D.4.](#) shall be amended to read as follows:

“A pilot holding a regular or reserve schedule shall, at the time of bidding his schedule for the vacation month and at the time of Schedule Completion Bid bidding, be allowed the option of shifting his assigned vacation period 3 days from the scheduled starting date of his vacation. The vacation must remain within the same month. ~~During Schedule Completion Bidding,~~ a A pilot shall be allowed to drop flying to accommodate such shift providing his schedule for the month, including vacation credit, is not reduced below the applicable guarantee hours for the month (~~below 73 hours~~ 7 hours less than the scheduled monthly maximum with respect to Schedule Completion Bid).”

8. [Section 11 H.1.b.](#) shall be amended to read as follows:

“A pilot shall neither enter or reenter any training duty nor take a recurrent proficiency check, for which credit time is provided, if his accumulated credit time plus the projected scheduled credit time for the training or recurrent proficiency check (including travel time) will exceed his monthly maximum if he is a reserve pilot, or exceed either of his monthly maximums if he is a regular pilot, except:

- (1) He may be assigned to an FAA-type rating flight, and

- (2) A regular pilot may be assigned a recurrent proficiency check which causes him to exceed his monthly maximum provided he waives the credit time for such recurrent proficiency check at the time of ~~he enters his schedule bidding~~. He shall, at the time of schedule bidding, either claim or waive the credit time for such recurrent proficiency check ~~when he enters his schedule bid~~. A failure to claim the credit time shall be deemed a waiver. The option selected (to either claim or waive the credit time) cannot be changed ~~after the bid submission deadline, except that a waiver of credit time (whether by selection or default) can later be changed to a claim for credit time prior to the commencement of Schedule Completion Bid by advising Crew Scheduling of the change~~, at a later time. A regular pilot who waives the credit time may take a recurrent proficiency check (including any travel time and warm-up period) which will cause him to exceed the scheduled monthly maximum. The pay time for such recurrent proficiency check (including any travel time and warm-up period) which exceeds the scheduled monthly maximum shall be credited to his bank account as set forth in [Section 12 G.](#) and Section 12 H.”

9. [Section 11 I.](#) shall be amended to read as follows:

“I. Designated Training ~~Trips~~ Schedules

Notwithstanding any provisions of this Agreement to the contrary:

1. A number of First Officer ~~trips~~ regular schedules (determined from month to month by a joint committee of one representative each from Flight Operations and ALPA) will not be subject to selection by line First Officers, but will instead be utilized for the purpose of providing line checks and operating experience (OE).
 - a. The total scheduled credit time ~~number~~ of such designated training schedules ~~trips~~ for a regular position shall not exceed 5% of the ~~total scheduled credit time in that position used for purposes of [Section 24 B.1.](#) for that month~~, regular schedules published for bid in that position. Any fraction shall be rounded up to the next whole number.
 - b. In the event the joint committee is unable to reach agreement on the appropriate number of designated training ~~trips~~ schedules to be used for a given month, the matter will be referred to the Vice President of Flight Operations for review and final decision.
2. First Officer ~~trips~~ not on designated training schedules that are not trips to be actually utilized for the purpose of providing line checks and OE shall be placed on the open flying list.
3. No pay time or credit time shall be generated for any line pilots or for the ALPA Bank by any flying performed by a trainee being administered a line check or ~~IOE~~ on a designated training ~~trip~~ schedule.

4. Scheduled credit time to be included in designated training ~~trips~~ schedules shall not be included in the total scheduled credit time for First Officers set forth in [Section 24 B.1.](#) (staffing formula).
 5. Trips may be removed pursuant to [Section 30 E.1.1.](#) and [Section 30 E.2.1.](#) from the open flying list for the purpose of administering OE.
 6. “The Company shall, for each bid period, prepare and make available ~~electronically~~ to ALPA no later than the first day of the flying month, a report on the trips which were designated as training trips for the ensuing bid period. ~~1200 MSP time on the day following completion of schedule awarding, a report on the trips which were designated as training trips for the ensuing bid period.~~ This report shall be prepared by regular position, and shall include for each designated trip, the pattern number, date of origin, scheduled credit time and the name and employee number of the Captain who was awarded it. The report shall also include, by position, the calculation indicating the percentage of the total scheduled credit time actually blocked from selection by First Officers.”
10. [Section 12 G.2.](#) and [Section 12 G.3.](#) shall be amended to read as follows:
- “2. Statement of Credit
 - a. Each month, and for each pilot, the Company shall state on the bid list the projected balance in the pilot’s bank at the end of the previous month ~~prior to computer bidding.~~
 - ~~b. On the 10th of the calendar month the sum of the actual balance at the end of the month prior to computer bidding plus the projected bank usage for the current month shall be calculated and posted electronically and made available via Company computer terminals, remote access and the Voice Response System.~~
 - ~~c. At the commencement of the bid award process and for the sole purpose of the computer bidding bid award process, the bank balance of the 10th shall be updated with the projection of the expected usage of bank by each pilot during the current month.~~
 - d b. If such statement reflects a positive bank balance in excess of 4:15 in the category to be bid, the bid list shall have the suffix “B” and the time amount of the balance by the individual name. This shall indicate that a bank adjustment may be required.
 3. Use of Credit
 - a. ~~Bank Usage By A Regular Pilot During Computer Bidding~~
 - (1) ~~When a regular pilot has a positive time bank balance in excess of 7 hours, the computer bidding process shall seek to reduce this~~

~~amount towards zero. The positive balance shall be converted to hours and minutes for the pilot's position in the month for which he will be bidding. That amount shall be subtracted from the scheduled monthly maximum. Once the pilot's scheduled credit time first equals or exceeds the resultant amount during the computer bidding process, the pilot will not be awarded any further trips, regardless of his bid preferences. (Note: The following bid preferences will not be available to such pilot: Max Sked Hard and Max Sked.) The pilot will then be credited with bank time to a value 3:00 hours below the scheduled monthly maximum, giving him a schedule with total scheduled credit time which is 3:00 hours below the scheduled monthly maximum.~~

~~Example: A pilot has a positive bank balance of 10 hours (after conversion of bank dollars to time in the current position). The scheduled monthly maximum is 80 hours. Subtraction of 10 hours from 80 hours leaves a sum of 70 hours. If the pilot's credit time prior to the start of the bid award process is 70 hours or more, no trips will be awarded, and the pilot will then be credited up to 7 hours of bank time, but no more than a total of 77 hours of scheduled credit time. If the pilot's credit time prior to the start of the bid award process is less than 70 hours, then a trip(s) shall be awarded pursuant to the pilot's bid preferences, provided that, such trip awarding shall stop when the pilot is first awarded a trip which causes his scheduled credit time to equal or exceed 70 hours. The pilot will then be credited with bank time in an amount sufficient to bring his total scheduled credit time for the bid period to no more than 77 hours.~~

~~Note: For purposes of this subparagraph (1), the term "trip" shall, with respect to a trip operating over the end of the bid period, mean that portion of the trip scheduled to operate in the bid period as shown at the time of bidding for that bid period.~~

- ~~(2) For a pilot who bids MIN SKED and who has a positive bank balance in excess of 7 hours, the positive bank balance shall be subtracted from an amount 12 hours below the scheduled monthly maximum and from the scheduled monthly maximum for purposes of determining the MIN SKED time range. For a pilot who bids MIN SKED and who has a bank balance of 7 hours or less, the positive bank balance shall be subtracted from an amount 12 hours below the scheduled monthly maximum for purposes of determining the lower end of the MIN SKED time range. The pilot's total scheduled credit time shall be the total of his scheduled credit time awarded in computer bidding, plus his positive bank balance, provided that this total shall not exceed an amount 3 hours below the scheduled monthly maximum.~~

a. Trip Drop for Bank

- (1) (a) If as a result of schedule bidding for the ensuing bid period, a pilot's schedule contains a trip(s) the scheduled credit time of which will pay an amount (including international flying rate, where applicable) equal to or less than the amount in his account at the end of the latest month for which bank data is available as published on the current month's bid list, as reduced by the value, computed as above, of a trip(s) dropped under this subparagraph in the current month, he will be required to drop a trip(s) from his schedule during his 5 minute bid deadline period for the ensuing bid period. In the event the pilot does not drop a trip(s) as required herein, it shall be the duty of Crew Scheduling personnel to drop the appropriate trip(s) during the 5 minute bid deadline period and to notify the pilot via a notation on the posted bid results. For the purposes of this subparagraph 3., the term "trip" shall include an unflown inbound, and with respect to a trip operating over the end of the bid period, that portion of the trip shown on the schedule at the time of bidding.
 - (b) Where there is more than one trip in his schedule equal to or less than the amount in his account as computed above, he will be required to drop the trip(s) having the highest value equal to or below the balance in his account.
 - (c) For the purpose of calculating required trip drops under this subparagraph 3., the following procedure shall be used. The bank balance published on the bid list shall be added to the scheduled credit time of the pilot's bid schedule, as adjusted, for the current bid period. From this sum, the scheduled monthly maximum shall be subtracted and the scheduled credit time of trip(s) dropped for bank compliance shall be subtracted. The resulting amount shall be added to the scheduled credit time of the pilot's bid schedule for the ensuing bid period. From this sum, the scheduled monthly maximum shall be subtracted. If the remainder is greater than or equal to the scheduled credit time of any trip(s) on the pilot's bid schedule for the ensuing bid period, a trip drop(s) is required.
- (2) Where a pilot is required to drop a trip(s) and there is more than one trip of equal value in his schedule, he may select, subject to concurrence of Crew Scheduling, which of such trips he must drop from his regular schedule. It is understood that the concurrence of Crew Scheduling will be given unless the dropping of the trip on the particular day or days it is scheduled to operate will create a problem in trip coverage. In the event agreement is not reached between the pilot and Crew Scheduling as to which trip may

be dropped, the matter will be referred to the Office of the Base Manager of Flight Administration for decision.

- (3) When a trip is dropped under the provisions of subparagraph 3.a., the pilot will be credited with the scheduled credit time for such trip against both his monthly maximums. The provisions of subparagraph 3.b. below will apply as to pay.
- (4) When at the time of bidding a schedule for the next ensuing schedule period, a pilot bids a schedule projected to be equal to or greater than the regular schedule holder guarantee, he may file a notice at the time of bidding that he desires to use credit accrued in his account, in which case he will be credited, in the manner set forth in subparagraph (3) above, with hours equal to the hours arrived at by converting the amount in his account, as reduced by the value of a trip(s) dropped under this paragraph in the current month, to hours in accordance with subparagraph (1) above based on the highest paying category (as in [Section 24 F.](#)) scheduled to be flown. This subparagraph (4) will not be applied if the time to be credited is less than 2 hours. The amount converted to credit time will not be used to offset minimum pay guarantee.

b. **Withdrawal of Credit**

When in any month the pilot's pay time, exclusive of pay time for which credit time is not provided, is less than 80 hours, he will be paid for his pay time plus such sums as may be accrued to his account (reduced by the scheduled credit time of any "trip(s) dropped for bank" under subparagraph 3.a.(1) and "bank used to fill" under subparagraph 3.a. in the ensuing month) to the extent that his pay for the month shall not exceed 80 hours (exclusive of pay time for which credit time is not provided) based on the current month's average rate per hour. In those cases where a pilot who has ~~used bank~~ dropped a trip(s) pursuant to subparagraph 3.a. is eligible for guarantee pay, the withdrawal from his account will be computed as follows:

- (1) Compute dollar amount for pay time.
- (2) Add dollar value of ~~bank used~~ trip(s) dropped per subparagraph 3.a.
- (3) Add guarantee pay to raise sum of subparagraphs (1) and (2) above to applicable guarantee level.
- (4) Withdraw from bank to extent available but not to exceed 80 hours (exclusive of pay time for which credit time is not provided)."

11. [Section 18 B.2.](#) shall be amended to read as follows:

"When, due to his jury duty service, a regular pilot loses a scheduled trip(s) or portion thereof, he shall be guaranteed pay time and credit time for the scheduled credit time of

such trip(s) (**however, the pilot shall not receive international pay for such missed trip(s)**) or the guarantee set forth in Paragraph B.1. above, whichever is greater. If a regular pilot is to receive pay time and credit time on a trips missed basis, he shall, after the date on which he has satisfied all obligations under the summons be subject to assignment pursuant to [Section 30 C.10.c](#). If such pilot is unavailable during his period(s) of required availability for assignment to other flying pursuant to [Section 30 C.10.c.](#), he shall forfeit his pay time and credit time for that missed trip giving rise to his period(s) of required availability.

~~With respect to the computer bidding process, the pilot may bid as if no jury duty obligation is present. The pilot shall be awarded a trip(s) in accordance with his bid preferences as if no jury duty obligation is present. The computer bidding program shall then drop any trip(s) conflicting with jury duty from his schedule, credit him with the scheduled credit time for the missed trip(s), and return the trip(s) to the available pool for award to other pilots.~~

NOTE: A pilot is entitled, during monthly schedule bidding and schedule completion bid, to bid and be awarded a trip(s) which conflicts with known jury duty. The provisions of this Paragraph B.2. shall apply to such trips.”

12. [Section 25 A.1.](#) shall be amended to read as follows:

- “1. a. Schedules for bidding purposes, ~~Patterns, a list of the minimum number of reserve days off which will be available for bidding purposes for each day of the bid period,~~ and known month-end pattern changes (i.e., month-end transitions), will be posted at each base by the Company at least 72 hours prior to commencement of bidding. ~~electronically no later than 1800 MSP time on the sixth (6th) of the calendar month. Paper posting of such documents at each base and at NRT shall take place no later than 1800 MSP time on the eighth (8th) of the calendar month.~~ Concurrent with the paper posting of such documents at MSP, they will be sent to each on-line station, and posted at, at least, each of 20 on-line stations designated by ALPA.
- b. A bid list will be posted by the Company at each base, NRT, electronically and by Voice Response System ~~no later than~~ at least 72 hours prior to the commencement of bidding. ~~1800 MSP time on the 7th of the calendar month. The bid list will also be posted by the Company at each base and NRT by paper no later than 0800 MSP time on the 9th of the calendar month. The bid list shall include a deadline for submitting and revising bid preferences which shall be 0400 MSP time on the 15th of the calendar month.~~ No change in the bid list shall be required to accommodate paid or unpaid leaves of absence which become known to the Company within 5 days prior to commencement of bidding, but may be made if deemed necessary by the Company.”

13. [Section 25 A.2.a.](#) shall be amended to read as follows:

“2. a. ~~(1) Schedule bidding The bid award process will commence at 0900 MSP time no later than 0800 on the 15th first regular business day falling on or after the 12th day of the each calendar month. Schedule bidding The bid award process will end no later than 2400 0900 MSP time on the 18th of the calendar month unless a later deadline is agreed to by the Company and ALPA (nineteenth (19th) of the calendar month for the first six (6) months after the date of implementation of computer bidding). 7th regular business day following the day of commencement of bidding. Schedules are to be bid by line pilots at each base monthly. Only regular pilots shall be allowed to bid for a regular schedule. Except as provided in subparagraph 2.b. below, only reserve pilots will be allowed to bid for a reserve schedule. Reserve pilots shall construct reserve schedules via computer bidding by making bid preferences for days off consistent with the requirements of Section 25 C.1.~~

~~2) All regular and reserve schedule awards shall be posted electronically and by paper at the bases and at NRT, and an individual pilot's schedule award shall be accessible via the Voice Response System. For purposes of schedule awards made on the 15th, 16th and 17th (and 18th of the calendar month for the first 6 months after the date of implementation of computer bidding) of the calendar month, such posting shall be done for each position no later than 0800 (MSP time for electronic posting; local time for paper posting) of the calendar day following the conclusion of bid awards for that position. For purposes of schedule awards made on the 18th (and 19th of the calendar month for the first 6 months after the date of implementation of computer bidding) of the calendar month, such posting shall be done for each such position no later than 0900 (MSP time for electronic posting; local time for paper posting) of the same calendar day.”~~

14. [Section 25 A.10.](#) shall be amended to read as follows:

“All flying for flying pay purposes as defined in [Section 2 DD.](#), which is staffed for under [Section 24 B.](#) or known prior to the first bidding deadline ~~bid submission deadline~~ will be posted electronically, by the Voice Response System, and by paper at all bases and NRT for bid, including all flying which is added after schedules ~~patterns~~ are built and posted. Flying which becomes known after the first bidding ~~submission~~ deadline ~~but prior to the commencement of bid awards for the position involved,~~ shall be included in the pool of trips for award during the bid award process for that position. Flying which becomes known after commencement of bid awards for the position involved shall be posted for ~~schedule completion bid and as open flying.~~ shall, upon completion of bidding, be posted as open flying.”

15. [Section 25 C.1.d.](#) shall be amended to read as follows:

“In a month in which a holiday, as defined in [Section 30 D.8.f.](#), occurs ~~the Company shall allocate and award at least one day off on the day before the holiday, the holiday itself~~

~~and the day after the holiday for each reserve position.~~ there shall be at least one reserve schedule containing a series of days off spanning such holiday. The Company shall retain the right to determine the number of pilots who can bid each reserve ~~day-off~~ schedule. The Company will publish on the bid packets the projected minimum number of pilots to bid each reserve schedule ~~day-off~~. Such projection shall be based on reasonable estimates.”

16. [Section 25 C.5.](#) shall be amended to read as follows:

~~“At the time of bidding schedules~~ Except as provided in [Section 25 A.4.](#) above, no later than 2359 MSP time on the second day prior to commencement of the ensuing bid period, pilots awarded reserve schedules may indicate a desire to be assigned as high or as low a position on their respective reserve assignment (SILO) list as their seniority allows and will be assigned in seniority order in accordance with such preference. Pilots not indicating a choice will be assigned to remaining positions on the SILO list in reverse seniority order after the last pilot preferencing high. A reserve pilot not available for assignment at the beginning of the month shall be placed on the reserve assignment (SILO) list in accordance with the provisions of subparagraph C.8. below. ~~The Computer Bidding System will permit pilots bidding to construct reserve schedules to indicate a high/low preference at the time of bid entry or revision; provided that they will be entitled to change this preference after the bid award and prior to the deadline specified above.”~~

17. [Section 30 A.2.](#) amended and [Section 30 A.3.](#) is added to read as follows:

“2. Flight Crew Analysis

The analysis will show all patterns grouped by type of equipment, and the following information shall be included in the following sequence, to the extent practical:

- a. Pattern number.
- b. Route.
- c. Frequency.
- d. Flight numbers.
- e. Departure times.
- f. Arrival times.
- g. All scheduled stops by station.
- h. Intermediate stop block-to-block times.
- i. Total block-to-block.
- j. Duty period credit.
- k. On duty.
- l. Off duty.
- m. Layover time.
- n. Trip hours.
- o. Total flight time.
- p. Total duty period credit.

- q. Trip hour credit.
- r. Total credit hours.
- s. Number of landings.
- t. Percentage of night flying.
- u. Aircraft type.

To the extent practical, the flight crew analysis and schedules shall be arranged so that the first trip presented will be that with the lowest originating flight number.

~~The following additional information will be shown on the flight crew analysis when available: a. Equipment (within type). b. Schedule numbers will be shown on the flight crew analysis when available.~~

- 3. At the time of bidding for a new bid period, schedules posted for bid with an unflown inbound flight(s) will be denoted.”

18. [Section 30 B.1.](#) through [Section 30 B.13.](#) shall be amended to read as follows:

“B. 1. Schedule Bidding

- a. Each pilot is responsible for making or revising his bid preferences prior to the bid submission deadline. schedule choice during his bidding period. A pilot may submit or revise his bid preferences at any time prior to the bid submission deadline. Individual regular pilot bidding periods will be established at 5 minute intervals starting at 0800 local time and ending at 2300 local time. At any time prior to the end of the individual regular pilot’s bidding period, he may submit a schedule choice(s).
- ~~b. Except as provided in [Section 4 H.10.](#) and in subparagraph c. below, pilots must submit and revise their bid preferences through bid entry computers provided by the Company, or through remote access, prior to 0400 MSP time on the 15th of the calendar month.~~
- ~~c. In the event of equipment malfunction which reasonably interferes with a pilot’s ability to submit or revise his bid preferences prior to the bid submission deadline, the pilot may submit or revise his bid preferences by sending a telephone facsimile bid, or bid revision, to a telephone fax number established by the Company for this purpose prior to 0800 MSP time on the 15th of the calendar month. Company personnel shall enter the timely submitted and legible faxed bid entries and revisions into the computer schedule bidding program prior to the start of the bid run. Such bids or revisions shall be in the same bid entry format as if the pilot were making his bid or revision via bid entry computer provided by the Company or home remote access. Company personnel shall enter such bids or revisions exactly as submitted by the pilot and shall not attempt to interpret the meaning thereof.~~

- d. ~~In the event of an equipment malfunction which significantly impairs the ability of a substantial number of pilots to submit timely bids, the Company and the Association shall immediately meet and confer concerning delayed bidding.~~
- e. ~~A pilot using a bid entry computer provided by the Company shall, at the time he submits or revises his bid preferences, and if requested, be provided a printout with his bid preferences and the confirmation number which serves to confirm receipt of his submission or revisions and provides a means to audit the pilot's bid preferences. A pilot using a computer other than a bid entry computer provided by the Company shall be provided a confirmation number for the same purposes but must provide for his own printout.~~

2. ~~Pool of Pilots With a Guaranteed Minimum Schedule Value~~

~~The Company shall guarantee to provide a certain number of pilots in each regular position a schedule with a value equal to or greater than an amount 7 hours less than the scheduled monthly maximum, provided that (i) a pilot in the guarantee pool has not been awarded a schedule pursuant to a bid preference of MIN-SKED, and (ii) a pilot in the guarantee pool does not have unavailabilities that prevent the assignment of trip(s) from the entire trip pool to build such a guaranteed schedule. In determining the number of pilots in a regular position who are to be guaranteed such a minimum schedule value the following calculation shall be made:~~

~~For each regular position, the total scheduled credit time figure for all scheduled, extra section and charter flights which was used for purposes of [Section 24 B.1.](#) staffing for that position shall be divided by that number which is 4.5 hours less than the scheduled monthly maximum for that position. This figure represents required man-months of pilot availability. This number shall be multiplied by 30 to produce the number of required man-days of availability. For purposes of satisfying this amount of man-days of pilot availability, the man-days of unavailability for line flying (as listed in [Section 24 B.4.](#)) shall be excluded, provided that “no bid” pilots and their unavailability shall be ignored for purposes of this subparagraph 2. (the term “no bid” shall mean a pilot who has 29 or more days of unavailability). The total number of pilots needed to produce the calculated number of required man-days of availability shall be the number of pilots in the guarantee pool. Any fraction in the resulting sum shall be rounded up.~~

~~In determining which pilots are to be used to satisfy the required number of man-days of availability, the Company shall use the pilots in the same order they appear on the bid list. The same order shall be used in determining the identity of the pilots in the guarantee pool. The identity of~~

~~the pilots in the pool for each regular position shall be indicated on the bid list.~~

- b. Regular pilots may submit a bid choice(s) in person, by telephone, or as specified in subparagraph B.2. below. Regular pilots shall be permitted one telephone call during their 5 minute bid period for the purpose of bidding a schedule. Company bidding personnel shall assist a pilot in building a schedule pursuant to [Section 30 B.10](#). during his 5 minute bid period. During the actual hours of schedule bidding, a pilot's schedule award will be given over this telephone only during the pilot's 5 minute bid period.
 - c. Each reserve pilot shall submit a written bid as provided in subparagraph B.2. below prior to the reserve bid deadline. The reserve bid deadline shall be at 2300 on the first day of regular pilot bidding. Reserve pilot schedule awards shall be posted no later than 1200 on the third day of regular pilot bidding.
2. Bids may be submitted by:
- a. Schedule Selection Card, or
 - b. Electronic means via Company computer terminal or remote access (~~when available~~), or
 - c. Telegram, or
 - d. Certified mail, or
 - e. PLT, or
 - f. Fax
3. ~~Standby and Monthly~~ Bids must include:
- a. Name.
 - b. Employee number.
 - c. Bid position.
 - d. System seniority number.
 - e. ~~Bid preferences.~~
 - e. Employee signature (when submitting a bid under subparagraph B.2.a. or d. above).
 - f. Corrections or other changes desired to be made on a bid can only be accomplished via the submission of a new ~~revised~~ bid.
 - g. Schedule selection, in order of preference, by:
 - (1) Regular schedule numbers for regular position holders,
 - (2) Reserve schedule numbers for reserve position holders.
4. a. In the event that a pilot has not registered a choice or a sufficient number of choices, he will be assigned a schedule by Crew Scheduling personnel who will use their best judgment as to what

they think the particular pilot's wishes are, but assigning the same trip flown the previous month, when available. Crew Scheduling personnel will not attempt to contact the individual pilot if he has not submitted a choice or a sufficient number of choices, but will assign him a schedule as soon as the individual's bidding deadline has passed. ~~submitted a monthly bid for the current month, the computer bidding program will then use the appropriate standby bid of the pilot. If there is no appropriate standby bid, then the computer bidding program will use the appropriate default bid, as defined by ALPA for each position.~~

- b. For the purpose of determining, in the case of multiple bids submitted by a pilot for monthly schedule bidding or Schedule Completion Bidding which bid to use in awarding open flying under [Section 30 B.](#), or [Section 30 F.](#), as applicable, the Company personnel conducting the ~~computer bidding program~~ shall use only the most recent bid unless it is clear from the content of that bid that the pilot intends that bid to supplement one or more earlier bids, in which case both the original bid(s) and the supplemental bid shall be used. (See [Section 30 F.4.c.\(2\)](#).)

5. Partial Schedules

- a. Partial schedules made available as a result of vacations, bank adjustments, training, known sick leave and known leave of absences will be open for bid to be combined to form a regular schedule which must exceed the applicable guarantee hours.
- b. A trip(s) may be dropped from a partial schedule(s) to accommodate combining, as in a. above.
- c. A pilot bidding a schedule containing unflown inbound flying may augment the scheduled hours available to him from available open flying, or a partial schedule, so as to raise his projected scheduled hours up to the allowable maximum limitations, provided that once the pilot projects above 7 hours below the scheduled monthly maximum he shall not be permitted to further augment his schedule. A pilot may drop flying from his schedule to accommodate the open flying or a partial schedule.
- d. A pilot who has been awarded a numbered schedule during his 5 minute bid period which has scheduled pay time of less than 7 hours below the scheduled monthly maximum, or which, as a result of required trip drops (for reasons such as training, vacation, leave of absence, etc.) during the pilot's 5 minute bid period, has a resulting scheduled pay time of less than 7 hours below the scheduled monthly maximum, shall be able to use subparagraphs

- b. and c. above during his 5 minute bid period for the purpose of augmenting the scheduled credit time of his bid schedule, provided that once the pilot projects above 7 hours below the scheduled monthly maximum, he shall not be permitted to further augment his schedule.
- e. Residue from subparagraph 5.b. above will be available for bid as partial schedules and will remain so until the completion of bidding.
- f. A pilot shall not be allowed to bid or combine more than one numbered non-partial schedule from the monthly analysis.
- 5 6. Flying remaining unbid after completion of bidding will be included in the Schedule Completion Bid (see [Section 30 F.](#), ~~page SR-16~~).
7. A pilot's 5 minute bid period as published in the bid deadline (see [Section 30 B.](#)) shall not be moved to an earlier time without actual advance notice.
- ~~b. The Company shall, to the extent possible, begin filling open trips for the ensuing bid period pursuant to [Section 30 E.](#) below, immediately following the completion of the Schedule Completion Bid process on the twenty seventh (27th) of the calendar month. If it is not possible to commence such process on the twenty seventh (27th), the process shall begin with the trip filling period on the twenty eighth (28th). On the day(s) Schedule Completion is being conducted, the Company shall not be required to fill open trips for the ensuing bid period after 0800 MSP time."~~
19. [Section 30 C.11.b.](#) shall be amended to read as follows:
- "If a pilot who, due to the scheduled credit time of flying scheduled to carry in to the succeeding bid period, bids a schedule for the succeeding bid period which, in combination with the scheduled carry-in time, exceeds the scheduled monthly maximum provided for in [Section 12 B.1.b.](#) and [Section 12 C.1.a.](#), and fails to adjust his bid schedule at the time of schedule bidding to a point below the scheduled monthly maximum, then the Company personnel conducting bidding shall drop the appropriate trip from the pilot's bid schedule during the pilot's 5 minute bid period. The dropped trip shall be made available for schedule bidding by junior pilots. [Section 30 C.11.c.](#) shall be used to determine which trip to drop. In the event there is more than one trip (of equal scheduled credit time) which would be appropriate, the Company personnel conducting bidding shall select one of those trips and drop it from the pilot's bid schedule during the pilot's 5 minute bid deadline."
20. [Section 30 D.1.b.](#) shall be amended to read as follows:
- "Flying which was unknown at the time of the ~~commencement of the bid award process for the position involved~~, first bidding deadline including charters, second sections or

ferries. The flying shall be posted when it becomes known. Flying on aircraft mechanically unfit to be used in revenue flying is not subject to assignment under this rule.”

21. [Section 30 F.1.](#) through [Section 30 F.4.b.](#) shall be amended to read as follows:

“F. Schedule Completion Bid

1. Pilots Required to Participate

All regular pilots whose projected scheduled credited time, excluding any unflown inbound, is less than the applicable monthly guarantee shall be required to participate in the Schedule Completion Bid. Examples are set forth in subparagraphs a. through ~~b~~ c. below.

a. A pilot without an unflown inbound on his schedule for the new bid period and whose schedule is less than the applicable guarantee is required to participate in the Schedule Completion Bid. This does not preclude him from having his schedule adjusted at the time of original bidding or from using his bank credit.

b. A pilot with an unflown inbound flight(s) on his schedule for the new bid period and whose remaining schedule is less than the applicable guarantee is required to participate in the Schedule Completion Bid. This does not preclude him from having his schedule adjusted at the time of original bidding or from using his bank credit.

~~c~~ b. A rescheduled pilot whose schedule for the new bid period has been adjusted and whose remaining schedule, including Bid Scheduled Trip Guarantee, if any, is less than the applicable guarantee is required to participate in the Schedule Completion Bid.

~~e~~ d. [Section 24 J.2.](#) notwithstanding, a pilot who did not participate in monthly schedule bidding because it was anticipated that he would not complete simulator training by 0001 on the 25th (see [Section 25 A.6.a.](#)) but who does complete simulator training prior to 1200 MSP time on the 26th of the calendar month.

2. Pilots Desiring to Participate

A pilot who is, for any reason, projected at or above the applicable guarantee, but below the time available point, may participate in the Schedule Completion Bid.

3. Notification

Prior to 0001 MSP time on the 26th of the calendar month ~~0900 on the third day before the start of a new bid period~~, a list of all trips known to be open in the new bid period and lists of pilots required to participate in the Schedule Completion Bid will be prepared and posted (electronically and via the Voice Response System). Such lists will show the deadline times for submitting selections for each type aircraft ~~and will be posted by Crew Schedules and copies sent to all stations' operations offices.~~

4. Bidding and Awarding

- a. (1) Schedule Completion Bids must ~~should~~ be submitted by 2100 MSP time on the 26th of the calendar month the deadline time via a schedule adjustment request by all pilots required to participate and by all pilots eligible under subparagraph 2. above and desiring to participate. The list of open trips may be augmented by reason of additional trips becoming open. Schedule completion selections may be general in nature, indicating type of flying rather than specific flights.
- b. (2) Schedule Completion Bid awarding shall commence at 0001 MSP time on the 27th of the calendar month prior to the start of a new bid period. Schedule Completion Bid awarding shall be completed as soon as possible, but no later than 1200 MSP time on the 28th of the calendar month. ~~(Note: Until such time as computer bidding is implemented for all regular positions, the completion deadline shall be 1200 MSP time on the twenty eighth (28th) of the calendar month, and the Company shall not be required to continue schedule completion bid awarding past 0800 MSP time on the twenty seventh (27th) of the calendar month.)~~

22. In addition to the foregoing changes in the Agreement, upon the termination of computer bidding, the Company shall have no obligation to credit the "ALPA Computer Bidding Account" as described in Paragraph XXI. of the Computer Bidding Letter of Agreement dated November 17, 1995.

23. The deadline for reserve pilots to submit their bid preferences shall be 2300 on the 12th of a calendar month. Reserve Schedule awards shall be published no later than 1200 on the second business day following the 12th.

24. [Section 7 C.3.i.](#) is amended to read as follows:

f. Options for Waiving Monthly Vacation Days for Regular Pilots

- (1) A regular pilot may, at the time of monthly ~~computer~~ schedule bidding exercise the option to have all awarded and/or assigned monthly vacation

days to be considered as credit-only for the award and/or assignment of trips. At the conclusion of such pilot's ~~computer~~ schedule bidding, such credit-only vacation days shall be assigned to a consecutive period of scheduled days off, if possible. If such assignment is not possible, vacation days will be assigned in a manner that minimizes the number of blocks of vacation days.

- (2) A regular pilot participating in Schedule Completion Bidding (SCB) may exercise the option to have all awarded and/or assigned monthly vacation days appearing on his schedule at the start of SCB to be considered as credit-only for the award and/or assignment of trips. At the conclusion of such pilot's ~~computer~~ schedule bidding, such credit-only vacation days shall be assigned to a consecutive period of scheduled days off, if possible. If such assignment is not possible, vacation days will be assigned in a manner that minimizes the number of blocks of vacation days.
- (3) A regular pilot who is required to participate in Schedule Options Selection (SOS) and who chose to exercise the options in subparagraphs (1) and/or (2) above may, during the SOS change the assignment of vacation days that was made during Monthly or Schedule Completion Bidding. The change of assigned credit-only vacation days shall be awarded during SOS provided that the number of blocks of credit-only vacation previously assigned is not increased. However, a pilot who chooses the reserve schedule option during the SOS shall have no option to waive the days of vacation under this subparagraph (3) and shall have the vacation days originally shown on the bid deadline assigned to the reserve schedule of his choice.

~~Exception: For the flying months of November and December, the Company may also process a bid run for any position requiring all awarded and/or assigned monthly vacation days to be taken as originally scheduled. At the conclusion of the bid run(s) made under this exception, the Company and the ALPA Computer Bidding Committee Chairman, or his designee will attempt to jointly reach consensus on which bid group will be final and published, with the goal of causing the least amount of "stacking" of open time during holiday periods.~~

Signed this 13th day of September, 1998.

For NORTHWEST AIRLINES, INC.

/s/ Robert A. Brodin
Vice President, Labor Relations – Flight

/s/ Robert W. Tice
Senior Labor Counsel - Flight

For AIR LINE PILOTS ASSOCIATION

/s/ J. Randolph Babbitt
President

/s/ William S. Zoller
Chairman NWA MEC

/s/ Reed Erickson
Managing Director, Flight Administration

/s/ Steve Wilson
Chairman Negotiating Committee (NWA)

/s/ Mark A. McClain
Member Negotiating Committee (NWA)

/s/ Michael S. Maza
Member Negotiating Committee (NWA)

LETTER 1998-06

ALASKA AIRLINES PASSES
LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc., as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, Northwest flights between SEA and ANC were eliminated effective October 1, 1995; and

WHEREAS, pursuant to Section 1 C.7.b. of the then current Agreement, the Company could not implement a marketing agreement on SEA-ANC for a twelve month period following October 1, 1995; and

WHEREAS, the Company had entered into a system-wide marketing agreement with Alaska Airlines (excluding SEA-ANC flights); and

WHEREAS, in order to protect feed for SEA flights, the Company wanted to extend the marketing agreement with AS to include SEA-ANC flights as soon as possible; and

WHEREAS, ALPA agreed to permit extension of the marketing agreement with AS to include SEA-ANC prior to the 12 month period provided for in said Section 1 C.7.b. in return for the Alaska Airlines travel benefits specified below:

NOW, THEREFORE, the parties do hereby agree as follows:

Northwest pilots will be provided the following travel benefits on Alaska Airlines for the duration of an NW/AS system wide code share:

- a. NW pilots will be eligible for ID-95 reduced rate travel on all AS flights. Such ID-95 reduced rates will be based upon the YAS rate (subject to minimum charges and applicable taxes).
- b. Service charge space available passes on all AS flights will be provided to commuting NW pilots between the pilot’s place of residence and the pilot’s NW base located in ANC/SEA/LAX. The service charges assigned to commuting NW

pilots will be \$10 round trip coach and \$42 round trip first class (subject to increases that may be applied to AS employees). In addition, a \$12 round trip U.S. departure tax for travel to/from the state of Alaska will be applied. The boarding priority for commuting NW pilots will be OA2X (directly below commuting AS employees).

This Letter of Agreement shall become effective on the date of signing and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 13th day of September 1998.

For NORTHWEST AIRLINES, INC.

For AIR LINE PILOTS ASSOCIATION

/s/ Robert A. Brodin
Vice President, Labor Relations – Flight

/s/ J. Randolph Babbitt
President

/s/ Robert W. Tice
Senior Labor Counsel - Flight

/s/ William S. Zoller
Chairman NWA MEC

/s/ Reed Erickson
Managing Director, Flight Administration

/s/ Steve Wilson
Chairman Negotiating Committee (NWA)

/s/ Mark McClain
Member Negotiating Committee (NWA)

/s/ Michael S. Maza
Member Negotiating Committee (NWA)

LETTER 1998-07

MEC FLIGHT PAY LOSS
 LETTER OF AGREEMENT
 between
 NORTHWEST AIRLINES, INC.
 and the
 AIR LINE PILOTS
 in the service of
 NORTHWEST AIRLINES, INC.
 as represented by the
 AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between NORTHWEST AIRLINES, INC. (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of NORTHWEST AIRLINES as represented by the AIR LINE PILOTS ASSOCIATION, INTERNATIONAL (hereinafter referred to as the “Association”).

WHEREAS, the Company and the Association have agreed in [Section 26 Y.1.b.](#) of the Agreement that, on each January 1, the Company shall credit the Association’s “ALPA Bank” with an amount equivalent to the annual pay of 3 NWA MEC officers (Chairman, Vice Chairman and Secretary-Treasurer); and

WHEREAS, the Company and the Association desire to reduce such annual amount to a sum certain;

NOW, THEREFORE, IT IS AGREED that the Company shall, on each January 1, credit the ALPA Bank with the amount of \$600,000, in full satisfaction of the Company’s obligations under [Section 26 Y.1.b.](#) of the Agreement.

This Letter of Agreement shall become effective on the date of signing and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

Signed this 13th day of September, 1998.

For NORTHWEST AIRLINES, INC.

For THE AIR LINE PILOTS IN THE
 SERVICE OF NORTHWEST AIRLINES,
 INC. AS REPRESENTED BY THE AIR
 LINE PILOTS ASSOCIATION,
 INTERNATIONAL

/s/ Robert A. Brodin
 Vice President, Labor Relations – Flight

/s/ J. Randolph Babbitt
 President

/s/ Robert W. Tice
Senior Labor Counsel - Flight

/s/ William S. Zoller
Chairman NWA MEC

/s/ Reed Erickson
Managing Director, Flight Administration

/s/ Steve Wilson
Chairman Negotiating Committee (NWA)

/s/ Mark McClain
Member Negotiating Committee (NWA)

/s/ Michael S. Maza
Member Negotiating Committee (NWA)

LETTER 1998-08

EXCEEDING MONTHLY MAXIMUM LETTER
LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into by and between Northwest Airlines, Inc. (“Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc., as represented by the Air Line Pilots Association, International (“Association”).

The Company and the Association hereby agree as follows:

1. The Crable Award shall be modified to read in full as set forth in Attachment #1.
2. The System Board of Adjustment (Chaired by Arbitrator Anthony Sinicropi) arbitration of the following grievances which is currently pending is hereby terminated and:
 - a. the following grievances are hereby resolved: 1845-95, 1847-95, 1849-95, 1850-95, 1909-95, 1914-95;
 - b. the following grievances are hereby resolved: 1793-95, 1820-95, 1848-95, 1879-95, 1884-95, 1884-95(B), provided that, (i) the individual pilots involved in the FFAD grievances (1793-95, 1820-95, 1848-95 and 1884-95) shall be paid for their individual FFAD pay claims as set forth in Attachment #2 (a copy of which is not provided in this Agreement), (ii) the Company agrees to cease and desist from further failures to provide the FFAD notification required under [Section 11 D.8.](#), (iii) the Company agrees to provide Captain Duane Hoff with one additional day of vacation based on requiring him to be required available for 3 days instead of the required 2 days using a proper calculation under [Section 4 H.2.](#)
3. Neither the Association nor any pilot may claim or be awarded in any pending or future grievance(s) any paragraph 5.F. remedy under the original “Crable Award” (the July 2, 1994 award of the System Board of Adjustment chaired by Arbitrator Stephen Crable in Grievances 1567-93, 1599-93 and 1619-93), also known at the time as Letter of Agreement 70).

Signed this 13th day of September, 1998.

For NORTHWEST AIRLINES, INC.

For THE AIR LINE PILOTS IN THE
SERVICE OF NORTHWEST AIRLINES,
INC. AS REPRESENTED BY THE AIR
LINE PILOTS ASSOCIATION,
INTERNATIONAL

/s/ Robert A. Brodin
Vice President, Labor Relations – Flight

/s/ J. Randolph Babbitt
President

/s/ Robert W. Tice
Senior Labor Counsel - Flight

/s/ William S. Zoller
Chairman NWA MEC

/s/ Reed Erickson
Managing Director, Flight Administration

/s/ Steve Wilson
Chairman Negotiating Committee (NWA)

/s/ Mark McClain
Member Negotiating Committee (NWA)

/s/ Michael S. Maza
Member Negotiating Committee (NWA)

ATTACHMENT 1 to LETTER 1998-08

IN THE MATTER OF
NORTHWEST AIRLINES, INC,
AND
AIR LINE PILOTS ASSOCIATION

Grievance Nos. 1567-93 (Blechta)
1599-93 (Farmer)
1619-93 (Farmer)

AWARD

Based upon the joint request of Northwest Airlines, Inc. (“the Company”) and the Air Line Pilots Association (“the Association”), the Board makes the following Award. All references to the “Agreement” are to the NWA/ALPA Collective Bargaining Agreement.

1. Cease and Desist. Except as permitted under the Agreement, the Company shall cease and desist scheduling and rescheduling pilots to exceed the monthly maximum credit time limitations of [Section 12 B.1.](#) and [Section 12 C.1.](#) of the Agreement.
2. Monthly Audits. On a monthly basis, and at other times when not disruptive of operations, the Company shall provide to the Association all information and computer access necessary to audit Company compliance with this Award and the applicable monthly maximum credit time limitations of [Section 12 B.1.](#) and [Section 12 C.1.](#) of the Agreement.

SO AWARDED this 2nd day of July, 1994.

/s/ Stephen Crable
Neutral Chairman

FOR NORTHWEST AIRLINES, INC.

FOR THE AIR LINE PILOTS IN THE
SERVICE OF NORTHWEST AIRLINES, INC.,
AS REPRESENTED BY THE AIR LINE
PILOTS ASSOCIATION

/s/ Clay Foushee

/s/ Bill Dollaway

/s/ Andrew Papaleo

/s/ Rob Plunkett

LETTER 1998-09-01B

CONTINENTAL ALLIANCE LETTER OF AGREEMENT NUMBER 1
LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, Northwest has advised ALPA of the Company’s desire to enter into a corporate and marketing relationship (the “Alliance” as more fully defined herein) with Continental Airlines, Inc.; and

WHEREAS, the parties have agreed, subject to the terms set forth herein, that the Alliance is in the best interests of the Company and its pilots, as represented by ALPA; and

WHEREAS, the parties desire both to facilitate the Alliance and to provide protection for the legitimate job interests and expectations of the Company’s pilots; and

WHEREAS, the parties replaced Letter of Agreement 1998-09-01 authorizing the Alliance with Continental Airlines, Inc. with a revised Letter of Agreement 1998-09-01A; and

WHEREAS, the parties desire to replace the current Letter of Agreement 1998-09-01A authorizing the Alliance with Continental Airlines, Inc. with a revised Letter of Agreement 1998-09-01B;

NOW THEREFORE, the undersigned parties do hereby agree as follows:

- A. Specific, Limited Exception to Section 1 of the Agreement
 - 1. The Collective Bargaining Agreement between the Company and ALPA (the “Agreement” as defined herein) applies in all respects except as modified by this Letter of Agreement.
 - 2. The exception to Section 1 of the Agreement provided for in Paragraph C. below (a) does not extend to any successors of Continental, and (b) is not assignable to any other air carrier or entity.

B. Definitions

The definitions of terms provided in the Agreement are applicable to this Letter of Agreement, except as follows, or as otherwise expressly provided in this Letter of Agreement:

1. “Northwest” or “NW” as used herein refers to Northwest Airlines, Inc., its parents, affiliates, subsidiaries, successors and assigns, and any of its commuter airline partners (i.e., air carriers utilizing the NW code designator as permitted by Section 1 of the Agreement) performing revenue flying for Northwest pursuant to [Section 1 B.2.](#) of the Agreement.
2. “Continental” or “CO” as used herein refers to Continental Airlines, Inc., its parents, affiliates, subsidiaries, successors and assigns, including Continental Micronesia, Inc., Continental Express, Inc. and any other Continental commuter airline partners (i.e., air carriers utilizing the CO code designator on jet aircraft with less than 60 seats or turboprop aircraft with less than 80 seats).
3. “Northwest Airlines, Inc.,” or “the Company,” as used herein refers to the air carrier that is a party to the Agreement and does not refer to parents, affiliates or subsidiaries of that air carrier.
4. “Continental Airlines, Inc.” as used herein refers to the air carrier only, and does not refer to parents, affiliates or subsidiaries of that air carrier.
5. “Northwest Domestic Hub” as used herein, refers to an airport with more than 100 Northwest Airlines, Inc. departures per day. The current Northwest Airlines, Inc. Domestic Hubs at MSP, DTW and MEM shall continue to be designated as Domestic Hubs in the future, regardless of the number of departures per day.
6. “Continental Domestic Hub” as used herein, refers to an airport with more than 100 Continental Airlines, Inc. departures per day. The current Continental Airlines, Inc. Domestic Hubs at EWR, IAH, and CLE shall continue to be designated as Domestic Hubs in the future, regardless of the number of departures per day.
7. “Schedule”, “Schedules”, and “Scheduled” as used herein refer to scheduled flights as set forth in the Official Airline Guide (“OAG”).

C. Scope Waiver

As of the Effective Date set forth in this Letter of Agreement, the provisions of Section 1 of the Agreement shall apply to Continental, except as provided below:

1. International Code Sharing By Northwest On Continental Flights.

- a. Transpacific Flying. The NW code designator shall not be used on any Continental flights on transpacific routes (i.e., routes which begin or end in the United States and cross the International dateline) except that:
- (i) the NW code designator may be used on Continental Airlines, Inc. flights to/from IAH/EWR-Japan, and Continental flights to/from HNL-GUM, and
 - (ii) the NW code designator may be used on that number of Continental flights between HNL and Japan which were scheduled to be operated by Continental as of June 1, 1998 (7 roundtrip frequencies per week), provided that if Northwest reduces the number of its scheduled flights per week between HNL and Japan (in the aggregate) below the number which were scheduled to be operated as of June 1, 1998 (28 roundtrip frequencies per week), then the number of scheduled Continental flights per week on these routes on which the NW code designator may be used shall be reduced by one for each scheduled flight per week on these routes reduced by Northwest.
- b. Transatlantic Flying. The NW code designator shall not be used on any Continental flights on transatlantic routes (i.e., routes between North America and Europe) except that the NW code designator may be used on:
- (i) transatlantic flights scheduled to be operated by Continental Airlines, Inc. as of the date of signing of this Letter of Agreement; and
 - (ii) transatlantic flights scheduled to be operated by Continental Airlines, Inc. which originate or terminate at a Continental Domestic Hub, excluding flights to/from AMS; and
 - (iii) any KLM-NWA Joint Venture transatlantic flights scheduled to be operated by Continental Airlines, Inc. on or after the date Continental joins the KLM-NWA Joint Venture,
- provided, however, that in no event shall the NW code designator be used on any Continental flights on transatlantic routes which originate or terminate at a Northwest Domestic Hub.
- c. Asian Interport Flying. The NW code designator shall not be used on any Continental flights in Asian interport flying, i.e. “Fifth Freedom” flying between Japan and Asian cities beyond Japan (not including transpacific flying) (e.g. NRT-HKG, NRT-SEL, NRT-MNL, NRT-BKK, NRT-PEK, NRT-SHA, NRT-SIN, NGO-MNL, KIX-TPE).

- d. Micronesia Flying. The NW code designator shall not be used on Continental flights between GUM-NRT, SPN-NRT or GUM-NGO except that:
- (i) the NW code designator may be used on the aggregate number of flights between GUM-NRT, SPN-NRT and/or GUM-NGO scheduled to be operated by Continental as of June 1, 1998 (31 roundtrip frequencies per week), provided that:
 - (ii) if Northwest reduces the number of its scheduled flights per week on these routes (in the aggregate) below the number which were scheduled to be operated as of June 1, 1998 (21 roundtrip frequencies per week), then the number of scheduled Continental flights per week on these routes on which the NW code designator may be used shall be reduced by one for each scheduled flight per week on these routes reduced by Northwest.
 - (iii) The NW code designator may be used on Continental flights operated wholly within Micronesia, defined as all islands within the oval reflected on Exhibit A to this Letter of Agreement.
- e. West Coast-Hawaii. The NW code designator shall not be used on Continental flights between U.S. West Coast Cities and Hawaii except that the NW code designator may be used on up to 7 roundtrip West Coast-Hawaii frequencies per week by Continental, subject to the following conditions:
- (i) Northwest Airlines, Inc. must schedule at least 28 roundtrip frequencies per week between the U.S. Mainland and Hawaii, of which at least 14 roundtrip frequencies per week shall be between the U.S. West Coast cities and Hawaii; and
 - (ii) Provided that if, during the months of May, September and October and the first 15 days of December, Northwest reduces the number of SEA-Hawaii frequencies from 14 per week to 7 per week, the minimum number of weekly Mainland-Hawaii frequencies during this period may be reduced to at least 21 roundtrip frequencies per week, of which at least 14 roundtrip frequencies per week shall be between the U.S. West Coast and Hawaii.

If Northwest Airlines, Inc. reduces the number of its scheduled flights per week on these routes below the minimum frequencies provided above during any calendar month(s), the NW code may not be used on any Continental West Coast-Hawaii flights during such calendar month(s).

If Continental schedules more than 7 roundtrip West Coast-Hawaii flights per week, the NW code may be used on such additional Continental

frequencies provided that the number of Northwest Airlines, Inc. U.S. Mainland-Hawaii weekly frequencies increases above 28 by at least the number of additional Continental frequencies above 7 on which the NW code is used.

- f. The NW code designator may be used on all Continental International flights to South America, Central America and Mexico provided, however, that the NW code designator may not be used on Continental International flights which operate non-stop to or from Northwest Domestic Hubs or to or from SEA.
 - g. Except as set forth in subparagraphs 1.(a) through (f), the NW code designator may be used only on Continental International flights which operate non-stop to or from Continental Domestic Hubs.
2. Operation of Percentages or Ratios. Whenever the provisions of subparagraph C.1. above provide that use of the NW code designator is contingent upon maintenance of a percentage or ratio between the flights of Northwest Airlines, Inc. and the flights of Continental, the following terms shall apply to the calculation and operation of the percentage or ratio:
- a. The percentage or ratio shall be measured on the basis of the average number of flights (weekly or monthly, as applicable) scheduled to be operated by Northwest Airlines, Inc. and by Continental in the applicable geographic area during the 12-month period prior to the calculation.
 - b. To the extent that the application of a ratio or percentage does not result in a whole number of flights, the number of flights shall be rounded up if .50 or higher and rounded down if less than .50.

D. Separate Marketing Identity and Flight Operations

With respect to the Alliance, Northwest Airlines, Inc. shall maintain its own operating and corporate identity, distinct from Continental (including, but not limited to the Company's name, trade name, logo, livery, trademarks or service marks), provided that this shall not preclude the use of markings reflecting the relationship or alliance between Northwest and Continental.

- E. The Company shall maintain a reasonable ratio of reciprocal code sharing with Continental, subject however, to a reduction **due to a** circumstance **over which the Company does not have** control (See [Section 2 O.](#)).

F. Information Sharing

Subject to an appropriate Confidentiality Agreement, Northwest shall provide to ALPA within 30 days after the conclusion of each month information or operational data reasonably necessary to monitor compliance with the terms of this Letter of Agreement,

including but not limited to the international flights of Continental **and Northwest** on which the NW **and CO** code designators have been placed.

G. Expedited Resolution of Disputes

Any dispute concerning the interpretation or application of this Letter of Agreement shall be subject to expedited arbitration pursuant to the provisions of [Section 1 F.](#) of the Agreement.

H. Effective Date and Duration

This Letter of Agreement shall become effective on the date of signing, and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act and shall replace and supercede Letter of Agreement 1989-09-01A dated September 13, 1998 and Letter of Agreement 1998-09-01A dated January 31, 2003 concerning the Continental Alliance.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 31st day of **July, 2006**.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ David Stevens
NWA MEC Chairman

/s/ Timothy J. Rainey
Sr. Vice President Flight Operations/SOC

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

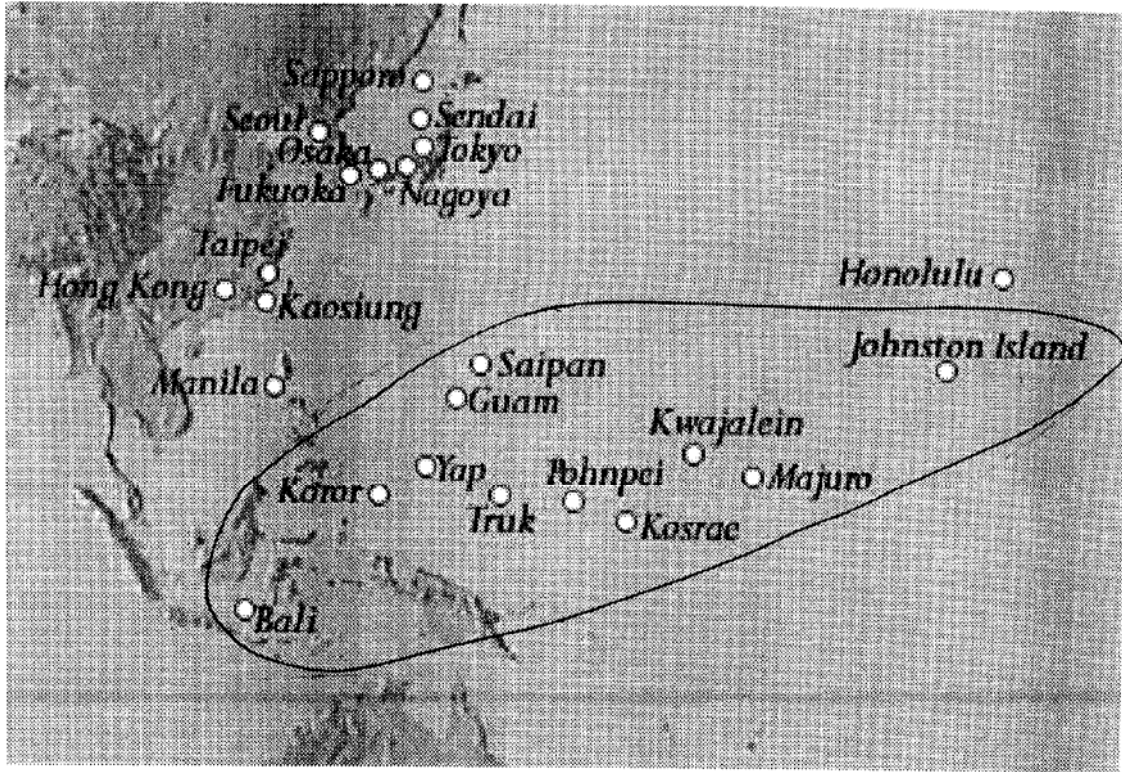
/s/ Danny R. Walters
Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

EXHIBIT A

Overview of Air Micronesia



LETTER 1998-10A

LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, both the Company and the Association desire to provide pilots who may have an alcohol or other chemical dependency problem with prompt and accurate diagnosis and effective treatment; and

WHEREAS, a pilot’s health care coverage in the event of alcohol or other chemical dependency evaluation and/or treatment is a matter of great importance; **and**

WHEREAS, the parties desire to replace the current Letter of Agreement 1998-10 with a revised Letter of Agreement 1998-10A.

NOW THEREFORE, the undersigned parties do hereby agree as follows:

1. In-patient care and treatment of alcohol or other chemical dependency received by a pilot at Hazelden Foundation in Center City, Minnesota (or any other mutually agreed to facility) will be considered **an in-network** medical expense under the NWA Medical Plan as provided in [Section 27 B.](#) of the Pilots Agreement →.
2. Pre-admission certification for a pilot’s inpatient hospitalization for alcohol or other chemical dependency will be performed by the Company’s Managing Director of Flying (or his designee in the case of his unavailability).
-
3. Medical costs incurred by the pilot following the care and treatment specified in Paragraph 1. above for the purpose of receiving medical re-certification by the FAA (e.g., psychiatric and/or psychological examination(s) costs) will be considered as **in-network** covered expenses under the NWA Medical Plan →.

This Letter of Agreement shall become effective on the date of signing, and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this **31st** day of **July, 2006**.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ David Stevens
NWA MEC Chairman

/s/ Timothy J. Rainey
Sr. Vice President Flight Operations/SOC

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

LETTER 1998-12A

RETIREMENT PLAN AGREEMENT
FOR
PENSION PLAN FOR PILOT EMPLOYEES

THIS AGREEMENT, entered into this **31st** day of **July, 2006**, by and between NORTHWEST AIRLINES, INC., a Minnesota corporation (hereinafter sometimes called the “Employer”), and the AIR LINE PILOTS IN THE SERVICE OF NORTHWEST AIRLINES, INC. AS REPRESENTED BY THE AIR LINE PILOTS ASSOCIATION, INTERNATIONAL (hereinafter sometimes called the “Association”);

WITNESSETH THAT:

WHEREAS, Certain employees of the Employer are represented by the Association for collective bargaining purposes (hereinafter individually an “Employee” and collectively the “Employees”); and

WHEREAS, The Employer and the Association have heretofore adopted the “Northwest Airlines Pension Plan for Pilot Employees” and **27** amendments thereto; and

WHEREAS, **a modified collective bargaining agreement (hereinafter the “collective bargaining agreement”)** has been agreed to and is effective on the **31st** day of **July, 2006**, and;

WHEREAS, the parties desire to replace the current Letter 1998-12 with a revised Letter 1998-12A.

NOW, THEREFORE, the parties agree as follows:

→

- 1. SELECTION OF ACTUARY.** The Employer and the Association agree that the Employer shall not change the firm or organization which is the Actuary appointed with respect to the Pension Plan for Pilot Employees without the consent of the Association, which consent cannot be unreasonably withheld.
- 2. MINIMUM FUNDING WAIVERS.** The Employer and the Association agree that the Employer shall not seek any waiver from the minimum funding standards pursuant to section 412 of the Internal Revenue Code without the prior written consent of the Association (which consent may not be unreasonably withheld).
- 3. FUNDING ASSUMPTIONS.** The Employer and the Association agree that prior to any change of the assumptions, actuarial cost methods or actuarial valuation of assets methods used by the Actuary to calculate the funding requirements for the Pension Plan for Pilot Employees, the Actuary will give due consideration to the Association’s recommendations for such assumptions or methods.



IN WITNESS WHEREOF, NORTHWEST AIRLINES, INC. and the AIR LINE PILOTS IN THE SERVICE OF NORTHWEST AIRLINES, INC. AS REPRESENTED BY THE AIR LINE PILOTS ASSOCIATION, INTERNATIONAL have caused this Retirement Plan Agreement to be executed as of the day and year first above written.

For NORTHWEST AIRLINES, INC.

For the AIR LINE PILOTS IN THE SERVICE OF NORTHWEST AIRLINES, INC. AS REPRESENTED BY THE AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

/s/ Julie Hagen Showers
Vice President, Labor Relations

/s/ Duane E. Woerth
President

/s/ Timothy J. Meginnes
Vice President, Compensation and Benefits

/s/ David Stevens
Chairman, NWA MEC

LETTER 1998-13A

RETIREMENT PLAN AGREEMENT
FOR
RETIREMENT SAVINGS PLAN FOR PILOT EMPLOYEES

THIS AGREEMENT, entered into this **31st** day of **July, 2006**, by and between NORTHWEST AIRLINES, INC., a Minnesota corporation (hereinafter sometimes called the “Employer”), and the AIR LINE PILOTS IN THE SERVICE OF NORTHWEST AIRLINES, INC. AS REPRESENTED BY THE AIR LINE PILOTS ASSOCIATION, INTERNATIONAL (hereinafter sometimes called the “Association”);

WITNESSETH THAT:

WHEREAS, Certain employees of the Employer are represented by the Association for collective bargaining purposes (hereinafter individually an “Employee” and collectively the “Employees”); and

WHEREAS, The Employer and the Association have heretofore adopted the “Northwest Airlines Retirement Savings Plan for Pilot Employees” and **20** amendments thereto; and

→

WHEREAS, a modified collective bargaining agreement (hereinafter the “collective bargaining agreement”) has been agreed to and is effective on the **31st** day of **July, 2006**, and;

WHEREAS, the parties desire to replace the current Letter 1998-13 with a revised Letter 1998-13A.

NOW, THEREFORE, The parties agree as follows:

→

→ **FUTURE AMENDMENTS.** If Internal Revenue Code section → section 415(c) is amended to increase the dollar or percentage limitations specified therein, the Retirement Savings Plan shall be amended from time to time by the Employer to the extent necessary to implement each such increased limitation effective as of the later of (i) the earliest date that such increased limitations may be made effective as a matter of law, or (ii) the first day of the plan year commencing after the date of enactment.

→

IN WITNESS WHEREOF, NORTHWEST AIRLINES, INC. and the AIR LINE PILOTS IN THE SERVICE OF NORTHWEST AIRLINES, INC. AS REPRESENTED BY THE AIR LINE PILOTS ASSOCIATION, INTERNATIONAL have caused this Retirement Plan Agreement to be executed as of the day and year first above written.

For NORTHWEST AIRLINES, INC.

For the AIR LINE PILOTS IN THE
SERVICE OF NORTHWEST
AIRLINES, INC. AS REPRESENTED
BY THE AIR LINE PILOTS
ASSOCIATION, INTERNATIONAL

/s/ Julie Hagen Showers
Vice President, Labor Relations

/s/ Duane E. Woerth
President

/s/ Timothy J. Meginnes
Vice President, Compensation and
Benefits

/s/ David Stevens
Chairman, NWA MEC

LETTER 1998-15

September 13, 1998

William S. Zoller, Chairman
Master Executive Council (Northwest)
7900 International Drive, Suite 875
Bloomington, MN 55425

Dear Captain Zoller:

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc., as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

NOW, THEREFORE, IT IS AGREED:

For those former Green Book Pilots whose long-term disability benefits are provided through an insurance company (AMEX or Travelers), the following will apply if they are or have been medically re-certified by the FAA:

- A. Except for the benefit source, such pilots will be handled in accordance with [Section 14 G.](#) of the Agreement; however, the benefit levels will be as provided by the insurance company (AMEX or Travelers) contract;
- B. Costs for continuing such long-term disability benefits (equivalent to those received prior to medical re-certification) that are not borne by the insurance company, shall be borne by the Company;
- C. For purposes of benefit payments only, this Letter of Agreement shall be retroactive to all affected pilots who re-qualified or tried to re-qualify from January 1, 1985 to the date of signing of this Letter of Agreement;
- D. Nothing in this Letter of Agreement shall prejudice the Company’s position relative to the obligation of AMEX or Travelers to make and maintain such long-term disability benefit payments to the affected pilots.

Sincerely,

/s/ Robert A. Brodin
Vice President Labor Relations, Flight

ACCEPTED FOR ALPA BY:

/s/ J. Randolph Babbitt
President

/s/ William S. Zoller
Chairman Master Executive Council (NWA)

/s/ Steve Wilson
Chairman Negotiating Chairman (NWA)

/s/ Mark A. McClain
Member Negotiating Committee (NWA)

/s/ Michael S. Maza
Member Negotiating Committee (NWA)

LETTER 1999-01

(A319 Letter of Agreement)
 LETTER OF AGREEMENT
 between
 NORTHWEST AIRLINES, INC.
 and
 THE AIR LINE PILOTS
 in the service of
 NORTHWEST AIRLINES, INC.
 as represented by
 AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “the Association”).

WHEREAS, the Company anticipates taking delivery of the first of 50 A319 aircraft currently on order in approximately July 1999.

NOW THEREFORE, the undersigned parties do hereby agree as follows:

1. [Section 2 C.](#) of the Agreement shall be amended to read in full as follows:

“Aircraft Type” means all models and versions of a given kind of aircraft in the Company’s fleet. The separate aircraft types currently in the Company’s fleet are as follows:

- | | |
|-------------|---------------------------|
| 1. B747-400 | 5. A320 (including A319*) |
| 2. B747 | 6. B727 |
| 3. DC10 | → |
| 4. B757 | 7. DC9 |

*NOTE: Wherever in the Agreement the term “A320” appears, it shall be deemed and understood to designate both A320 and A319 aircraft.

2. The parties agree that the Company shall staff and schedule A320 and A319 aircraft as a single aircraft type under the Agreement.
3. Notwithstanding the provisions of [Section 3 C.](#) through [Section 3 F.](#), pilots who fly A319 aircraft shall receive the same pay rates as pilots who fly A320 aircraft.
4. Except as provided in Paragraph 5. below, nothing in this Letter of Agreement or any of the discussions or negotiations leading to this Letter of Agreement shall establish, or be used by either party in an attempt to establish, any precedent regarding the interpretation

or application of the Aircraft Type Letter (Letter of Agreement 1968-01) to any aircraft which the Company may introduce to its fleet in the future.

5. In the event that the Company introduces A318 aircraft to its fleet, the parties agree that such aircraft shall be considered a “New Aircraft Type” under the terms of the Aircraft Type Agreement (Letter of Agreement 1968-01 at page 31-1. of the Agreement). In the event that the Company introduces A321 aircraft to its fleet, the parties agree that such aircraft shall be considered a “New Aircraft Type” under the terms of the Aircraft Type Agreement (Letter of Agreement 1968-01 at page 31-1. of the Agreement).

This Letter of Agreement shall become effective on the date of signing, and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 11th day of February, 1999.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane Woerth
President

/s/ Robert A. Brodin
Vice President, Labor Relations - Flight

/s/ Steve Zoller
NWA MEC Chairman

/s/ Robert W. Tice
Sr. Labor Counsel - Flight

/s/ Steve Wilson
Chairman Negotiating Committee
(Northwest)

/s/ Reed Erickson
Managing Director, Flight Administration

/s/ Mark McClain
Member Negotiating Committee
(Northwest)

/s/ Mike Maza
Member Negotiating Committee
(Northwest)

LETTER 1999-03

LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and the Air Line Pilots in the service of
NORTHWEST AIRLINES, INC.
as represented by the
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL
FLIGHT OPERATIONS QUALITY ASSURANCE PROGRAM

For and in consideration of the mutual promises contained herein, this LETTER OF AGREEMENT is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between NORTHWEST AIRLINES, INC., (hereinafter referred to as “the Company” or “Northwest”) and the AIR LINE PILOTS in the service of NORTHWEST AIRLINES, INC. as represented by the AIR LINE PILOTS ASSOCIATION, INTERNATIONAL (hereinafter referred to as “the Association” or “ALPA”).

WHEREAS, the Company and the Association are parties to a collective bargaining agreement, (hereinafter referred to as “the Pilot Working Agreement”), setting forth the rates of pay, rules and working conditions for the Company’s pilots which became effective September 13, 1998, and,

WHEREAS, the parties have met to discuss the implementation of a Flight Operations Quality Assurance (FOQA) Program wherein recorded flight data is collected and analyzed; and,

WHEREAS, the parties intend that the sole purpose of the FOQA Program will be to enhance the safety of flight operations; and

WHEREAS, the parties intend that no pilot be identified, disciplined, discharged or subjected to any additional training/checking as a result of the use of any FOQA Program Information;

NOW, THEREFORE, it is mutually AGREED as follows:

A. DEFINITIONS

1. The term “FOQA Program” means a program designed pursuant to this Letter of Agreement to enhance flight safety through controlled analysis of recorded de-identified flight data information.
2. The term “FOQA Data” means information collected by any means for use in the FOQA program. FOQA Data shall be used solely for the purpose of FOQA analysis.
3. The term “Identifying Data” means any FOQA data or combination of data that allows collected data to be associated with a specific crewmember.

4. The term “Identified Data” means any collected FOQA data prior to removal of all identifying data.
5. The term “De-identified Data” means any FOQA data that exists following the deletion and destruction of any data that could in any way be used to identify specific crew members.
6. The term “FOQA Program Information” means any and all FOQA data and the analysis or compilation of such data.
7. The term “FOQA Monitoring Team” means a committee composed of three (3) members appointed by the Company and three (3) members selected by the Northwest MEC Chairman.
8. The term “Designated ALPA FOQA Monitoring Team Member” means an ALPA member of the FOQA Monitoring Team responsible for all aspects of the FOQA Program.
9. The term “Operational Exceedence Event” means an event in which an aircraft is operated, as determined by FOQA data, outside of mutually agreed upon tolerances. Operational Exceedence Events may include, but are not limited to, the events included in Appendix I of the Flight Safety Foundation report to the FAA on Voluntary Air Carrier FOQA Program, DOT contract No. DTFA 01-92C-00010.
10. The term “Operational Routine Event” means an event in which an aircraft was operated, as determined by recorded data, in a manner consistent with previously established FOQA tolerances.
11. The terms “Aircraft Condition Monitoring System” or “QAR” shall mean a quick-access recorder that captures flight data onto a removable optical disc or any equivalent system.
12. The term “FOQA Analysis” – Data will be analyzed to determine operational norms as established by the FOQA Monitoring Team. Further analysis will be conducted to identify exceedances from the agreed to operational norms. The Exceedance level for detection will also be agreed to by the FOQA Monitoring Team. Aggregate operational norms and exceedances will be analyzed for trends to develop recommendations to eliminate those exceedances.

B. FOQA PROGRAM

1. The design, implementation, and operations of the FOQA Program shall be by written agreement of the Company and the Association. Any variation from the agreed-upon FOQA Program shall require the mutual agreement of the parties prior to implementation. The parties shall mutually agree in writing prior to the implementation date.

2. The Company shall notify the Association in writing not less than thirty (30) days prior to the installation, on any equipment type, of any device, equipment or system which is capable of monitoring pilot performance.
3. The FOQA Monitoring Team shall oversee the day to day operations of the FOQA Program and establish necessary policies and procedures (I and O plan) to ensure compliance with this Letter of Agreement.
4. The FOQA Program shall ensure the complete confidentiality and anonymity of individual crewmembers.
5. If in the view of any member of the FOQA Monitoring Team, there is a violation of the requirements of the FOQA Program as set forth herein, any member of the FOQA Monitoring Team shall have the option of immediately suspending the FOQA Program. Following the suspension, the FOQA Monitoring Team will conduct a review of the alleged violation. The FOQA Monitoring Team must all agree to resume the program.
6. Data collection and analysis shall cease upon receipt of the suspension notice.
7. In the event of termination of the FOQA Program or cancellation of this Letter of Agreement, all Identifying Data and Identified Data will be destroyed.
8. The FOQA Program will, at a minimum, provide for the monitoring of the parameters set forth in Appendix J of the Flight Safety Foundation Report to the FAA on Voluntary Air Carrier FOQA program DOT contract No. DTFA 01-92-C-00010, subject to the recording capability of the aircraft.

C. SCOPE

1. Sufficient de-identified data shall be maintained to fulfill the requirements of the agreed-upon FOQA program. All de-identified data, and analysis of such data, shall be made available to the parties.
2. There shall be continual evaluation of exceedance values by the parties. All changes, additions and deletions shall require the written approval of the parties.
3. Any special studies or evaluations require mutual agreement by the parties. No FOQA data or analysis shall be used for any purpose other than the FOQA program.
4. The FOQA program is a stand-alone safety program, and is not intended to affect or diminish the existing contractual protections regarding acquisition and use of flight data.

D. DATA ACCESS AND RETENTION

1. The Company shall remove identifying data from identified data as soon as possible but not later than seven (7) consecutive days from date of acquisition.
2. Access to the data from a Quick Access Recorder (QAR) or equivalent device, any storage disc, or the receiving computer is not permitted for any reason other than for the purposes of the FOQA program. De-identified data may be retained and accessed on the receiving computer.

E. DATA USE

1. No person, other than an ALPA FOQA Monitoring Team Member shall be authorized to identify the individual crewmembers associated with any specific data.
2. The sole contact with any flight crewmember associated with an Operational Exceedence Event shall be through an ALPA FOQA Monitoring Team Member.
3. Any notes, memoranda, or other documents used by an ALPA FOQA Monitoring Team Member in any contact with any flight crew member concerning a specific FOQA event shall be considered “identified data” for purposes of this agreement and shall be “de-identified” in accordance with the timeline in paragraph D.1 above, and will be subsequently destroyed when the analysis is complete.
4. The FOQA Program will be used for evaluating and improving all of the following areas in any manner not specifically prohibited herein:
 - a. Aircraft Performance
 - b. Aircraft Systems Performance
 - c. Piloting Performance in General [not of specific crewmembers]
 - d. Operational Performance
 - e. Company Procedures
 - f. Training Programs
 - g. Aircraft Design
 - h. ATC System Operation
 - i. Airport Operational Issues
 - j. Meteorological Issues
 - k. Any other area mutually agreed to by the parties.

- 5. FOQA Program Information shall not be used as a basis, in whole or in part, for discipline or discharge action against pilots, individually or collectively.
- 6. FOQA Program Information shall be considered inadmissible in any grievance or System Board of Adjustment, or in any administrative or legal proceeding.
- 7. FOQA Program Information shall not be used to substantiate or corroborate information obtained from other sources.
- 8. The Company shall not initiate any investigation into alleged pilot misconduct on the basis of FOQA Program Information.
- 9. FOQA Program Information shall not be used to evaluate or monitor the judgment or performance of an individual pilot or crew.
- 10. FOQA Program Information shall not be used as a basis, in whole or in part, to justify or require a pilot’s submission to a non-recurrent proficiency check or a line check, or a punitive/retaliatory recurrent proficiency check or line check.

F. The company shall bear the full cost of the FOQA Program in accordance with the FOQA Funding LOA.

G. DURATION

This Letter of Agreement shall become effective, upon the date of signing, and shall continue in effect until 0001 on the day of the second (2nd) anniversary of the FOQA Program, and then, and thereafter, this Letter of Agreement shall be deemed null and void and have no further effect. Notwithstanding the foregoing, and provided that the parties mutually agree in writing that satisfactory pilot protective provisions have been enacted and included in the FARs, this Letter of Agreement shall remain in full force and effect concurrent with the Pilot Working Agreement unless changed in accordance with the provisions of the Railway Labor Act. Notwithstanding any of the foregoing, either party may terminate this Letter of Agreement by serving upon the other party written notice of cancellation. Upon service of this written notice, this Letter of Agreement shall be null and void and this FOQA program shall cease.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 29th day of October, 1999.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Robert A. Brodin
Vice President, Labor Relations

/s/ William S. Zoller
NWA MEC Chairman

/s/ Robert W. Tice
Labor Counsel - Flight

/s/ Michael S. Maza
Chairman Negotiating Committee
(Northwest)

/s/ Gene L. Peterson
Vice President, Flight Operations

/s/ William H. Dollaway
Member Negotiating Committee (Northwest)

/s/ Scott L. Donaldson
Member Negotiating Committee (Northwest)

LETTER 1999-04

LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS [Section 26 V.](#) of the Agreement permits the Company to develop an electronic mailbox system for all pilots which is accessible via Company computer terminals and remote access; and

WHEREAS [Section 26 V.](#) of the Agreement also provides that ALPA must first approve any substitution of delivery in physical mailboxes by use of the electronic mailbox system; and

WHEREAS the Company has now developed an electronic mailbox system for all pilots; and

WHEREAS the parties have agreed upon which subjects now communicated by placement of a paper document in a physical mailbox can be substituted by placement of a message in the electronic mailbox; and

WHEREAS the parties are in agreement that the electronic mailbox system will not be used to (i) communicate on any labor relations dispute between the parties, or (ii) communicate any political or propaganda messages.

NOW THEREFORE BE IT RESOLVED the undersigned parties do hereby agree as set forth below:

- A. The electronic mailbox system (currently known as the PENTRY Pilot E-Mail System) developed by the Company pursuant to [Section 26 V.](#) of the Agreement may be used to replace paper communications via physical mailboxes now required in the following contract sections:

<u>Contract Section</u>	<u>Paper Document Replaced</u>
Section 4 H.11.	Changes to monthly bidding requirements or the bid list.
Section 11 D.8.d.	Written Notification of FFAD Days.
Section 11 K.2.b.	Notification of No SVT (NSVT) days response form. May respond by e-mail.
Section 17 B.	Missing, Internment, Prisoner or Hostage Benefits form.
Section 19.	Notices in this section, previously sent to your company mailbox, will be sent by e-mail. Any notice that is required to be sent by certified mail will continue to be sent by certified mail.
Section 24 D.4.	Position bulletins.
Section 24 J.2.c.	Call-out bypass notices.
Section 26 A.	Notices of changes in pilots' Permanent and Temporary positions.
Section 26 F.	Notices to international pilots of requirements for immunizations and visas.
Section 30 C.10.a.	Notifications to pilots of any changes to their availability obligation or schedule, including changes to their trips.

B. The parties further contemplate that the following information may be communicated via the electronic mailbox:

1. Commencement of or changes to pilot vacation bidding (annual and monthly).
2. Monthly Maximums (will be tailored, eventually, to the individual pilot).
3. Training assignments
4. FAA physical notices
5. Pilot Bulletins, except those intended to be added to a Jeppesen binder
6. Service Pin Recognition Notices
7. PC notices

- 8. Hotel change notices (Will be tailored, eventually, to the individual pilot holding the pattern affected).
- C. The parties also anticipate that other information, which has no contractually-specified delivery system, may be communicated via the electronic mailbox.
- D. However, the parties have agreed that the electronic mailbox system will not be used to:
 - 1. Advance, advocate, state, explain or otherwise communicate their position on any labor relations dispute between the parties;
 - 2. Transmit political or propaganda messages.
- E. This Letter of Agreement shall become effective on the date of signing, and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 28th day of December, 1999.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Robert A. Brodin
Vice President, Labor Relations

/s/ William S. Zoller
NWA MEC Chairman

/s/ Robert W. Tice
Labor Counsel – Flight

/s/ Michael S. Maza
Chairman Negotiating Committee
(Northwest)

/s/ Reed Erickson
Managing Director, Flight Administration

/s/ William H. Dollaway,
Member Negotiating Committee
(Northwest)

/s/ Scott L. Donaldson
Member Negotiating Committee
(Northwest)

LETTER 2000-01

LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the Company and ALPA entered into a Computer Bidding Letter of Agreement dated November 17, 1995 and agree that the computer schedule bidding program should avoid conflicts with scheduled unavailabilities in months subsequent to the month being bid; and

WHEREAS, the Company and ALPA have jointly established priorities that have resulted in the conflict acknowledgement and avoidance programming not yet having been accomplished; and

WHEREAS, the Company and ALPA desire to provide for an interim process for handling pilots whose computer schedule bidding results cause conflicts in subsequent months;

NOW, THEREFORE, the parties do hereby agree as follows:

1. Should a pilot be awarded in monthly computer schedule bidding a carry-out trip in Month 1 that causes a conflict in Month 2, (either by exceeding 81:00 in combination with existing unavailabilities (e.g. annual vacation) in Month 2, or by causing an overlap greater than 3 days with already awarded vacation in Month 2), the following shall apply:
 - a. The pilot’s monthly bid shall be examined to determine if the trip causing such conflict was specifically requested by the pilot.
 - (1) If it is determined that such trip was specifically requested by the pilot, the trip will be immediately dropped with no pay guarantee or recovery obligation. The pilot will then be subject to the Schedule Completion procedures of [Section 30 F](#).
 - (2) If it is determined that such trip was not specifically requested by the pilot, the trip will be immediately dropped and the pilot will be pay protected for the scheduled value of the trip in Month 1. The pilot will have recovery

days in Month 1. Such recovery days need not be served at the pilot's base, but the pilot must be reasonably available for contact during the hours of 9AM–3PM local base time on the day(s) the dropped trip was scheduled to operate.

2. Should a pilot be awarded a carry-out trip in Month 1 that causes a conflict of 3 days or less with already awarded vacation in Month 2 and does not cause the pilot to exceed 81:00, the following shall apply:
 - a. The pilot's monthly bid shall be examined to determine if the trip causing such conflict was specifically requested by the pilot.
 - b. If it is determined that such trip was specifically requested by the pilot, the pilot will be deemed to have elected to slide his vacation in Month 2 in accordance with the provisions of [Section 7 E.4.](#) to avoid the conflict.
 - c. If it is determined that such trip was not specifically requested by the pilot, the pilot will be contacted and given the option to either:
 - (1) Elect to slide his vacation in Month 2 in accordance with the provisions of [Section 7 E.4.](#) to avoid the conflict; or
 - (2) Drop the trip and be pay protected for the scheduled value of the trip in Month 1 and have recovery days in Month 1. Such recovery days need not be served at the pilot's base, but the pilot must be reasonably available for contact during the hours of 9AM–3PM local base time on the day(s) the dropped trip was scheduled to operate.
3. The Company and ALPA agree that the computer schedule bidding program will be revised to prevent such bidding conflicts as described herein. The Company and ALPA agree that when such programming is completed and is put into operation by mutual agreement, this Letter of Agreement will expire.
4. This Letter of Agreement shall become effective on the date of signing, and subject to the expiration clause set forth in Paragraph 3. above, shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 20th day of June, 2000.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane Woerth
President

/s/ Robert A. Brodin
Senior Vice President, Labor Relations

/s/ Mark McClain
NWA MEC Chairman

/s/ Robert W. Tice
Sr. Labor Counsel - Flight

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Reed Erickson
Managing Director, Flight Administration

/s/ Richard E. Woolley
Member Negotiating Committee (Northwest)

/s/ Robert A. Moser
Member Negotiating Committee (Northwest)

LETTER 2000-03A

LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the Association and the Company have agreed to begin a process in June 2000 to eliminate the current backlog; and

WHEREAS, the Association and the Company share the goal of processing and resolving grievances in an expeditious manner so as to prevent a backlog of open grievances, **and**

WHEREAS, the parties desire to replace the current Letter 2000-03 with a revised Letter 2000-03A;

NOW THEREFORE, the undersigned parties do hereby agree as follows:

→

A. With respect to any non-discharge grievances filed after September 1, 2000, it is the mutual goal of the parties to prevent the accumulation of a backlog of outstanding grievances by implementing the following grievance prevention and resolution program as a supplement to Sections 19 and 20 of the Agreement:

1. The Company will redouble its efforts to educate Company personnel responsible for administration of the pilot contract on the proper application of the contract provisions. These education efforts will be maintained on an ongoing basis.
2. The Company will seek to reinforce and maintain a culture in which compliance with the pilot contract is expected and valued.
3. The parties agree to work closely together to resolve issues and problems, especially those involving individual pilots or a crew, in order to try to resolve the matter prior to a grievance filing. Company and ALPA personnel will make themselves available to the other party in a timely manner in order to facilitate

this pre-grievance resolution process (including prompt return of phone or e-mail messages).

4. The Association will reinforce and maintain a rigorous internal screening process to avoid filing grievances prior to a complete review of the facts and the other relevant evidence with the Company. The parties recognize that the Agreement permits individual pilots to file individual grievances. All individual, non-discharge grievances that are not settled shall be subject to the arbitration commitments set forth in **this Paragraph A**.
5. With regard to issues not resolved despite efforts made pursuant to subparagraphs A.1.-4. above, the parties hereby recommit themselves to resolving grievances at the initial grievance hearing process.
→
6. The parties will use the quarterly grievance review process ([Section 20 I.](#)) to review all outstanding grievances (other than grievances not yet heard at the initial grievance hearing). It shall be the goal of this process to resolve most, if not all, such grievances at this point, or within 45 days after the quarterly review.
→
7. The Company official hearing the grievance shall, following → the initial grievance hearing →, when denying a grievance, provide in the written decision a detailed statement of the facts and the contractual interpretation or other theory upon which the Company is relying.
8. Any payments or accrual of credits owed to a pilot pursuant to a grievance settlement or a hearing officer decision shall be paid or credited, as applicable, within 60 days of the date of the settlement or the hearing officer's decision, whichever is applicable. The Company shall notify ALPA in writing when the payment or crediting has been accomplished.
9. Any grievances not resolved at this point will be assigned to the next scheduled arbitrator who has not yet been assigned a case. Each party will have the right three times per calendar year to pass a case to either the next open arbitrator or the second subsequent open arbitrator, in the chronological order of scheduled arbitration dates.
10. The parties shall, in August of each year, schedule three days of arbitration per month for the next calendar year. If, at any time (except in the case of a permissible arbitrator slide under paragraph 10. above), a case would be assigned to an arbitrator on dates more than six months after the date of the submission of the case to the System Board of Adjustment →, the parties will immediately schedule enough additional dates in order to arbitrate the case(s) within the six month period.

- 11. The Chief Operating Officer of Northwest and the MEC Chairman shall meet semi-annually (January and July) to review the grievance process to determine whether further adjustment is needed in order to achieve prevention of grievance filings, and/or timely resolution of grievances.
- 12. Any time limit specified in this Paragraph A. may be extended by mutual agreement of the parties.
- 13. The absence of, or unavailability of, witnesses, Board Members, lawyers or other personnel shall not be a basis for departure from the time limits and schedules established in this Paragraph A, except by mutual agreement of the parties. In the event that an arbitration hearing proceeds without a witness for a party having testified due to unavailability on the day of the hearing, the System Board of Adjustment may, upon a showing of good cause for the unavailability, keep the record open so that such person’s testimony (including cross-examination) can be submitted at a later date. A conflict with other work shall not normally be considered to be “good cause.” If the Board permits later submission of testimony, such testimony must be submitted within 30 days of the hearing. The testimony will be given on a date specified by the Board.

B. This Letter of Agreement shall become effective on the date of signing, and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this **31st** day of **July, 2006**.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ David Stevens
NWA MEC Chairman

/s/ Timothy J. Rainey
Sr. Vice President Flight Operations/SOC

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

LETTER 2000-04

LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the Company’s operations frequently require that its aircraft be flown on test, ferry and positioning flights under a variety of circumstances; and

WHEREAS, the Company and ALPA presently disagree as to whether or not there is a requirement for pilots on the Integrated Pilots System Seniority List to perform such flights; and

WHEREAS, the Company and ALPA desire to resolve their disagreement by defining the circumstances under which the various types of test, ferry and positioning flights may or must be flown by pilots on the Integrated Pilots System Seniority List; and

WHEREAS, the Company and ALPA want to amend and supercede the Test and Ferry Letter of Agreement dated December 10, 1999 and June 20, 2000;

NOW, THEREFORE, the parties do hereby agree as follows:

A. Test/Ferry and Positioning flights will be categorized and defined as follows:

1. FLIGHT TESTING AND FERRYING OF BROKEN/UNAIRWORTHY AIRCRAFT

This category shall consist of any non-revenue flights involving flight testing, ferrying (including engine-out ferry flights) or positioning flights that require the use of special tests or procedures (other than those found in the Cockpit Operating Manual and/or the Crew Operating Procedures section of the Minimum Equipment List) in order to be accomplished.

2. POSITIONING OF AIRWORTHY AIRCRAFT TO OR FROM MAINTENANCE EVENTS OR AIRCRAFT REFURBISHMENT OR TAKING DELIVERY OF NEWLY ACQUIRED AIRCRAFT

a. Scheduled Maintenance, Aircraft Refurbishment and Newly Acquired Aircraft Ferry Flights

This category shall consist of flights that are non-revenue in nature, are not related to a charter operation, and are necessary to position an aircraft to or from a scheduled maintenance event or aircraft refurbishment, or to take delivery of new aircraft. “Scheduled maintenance” shall mean aircraft maintenance which was scheduled to be performed in advance of any known maintenance problems with the aircraft (e.g. heavy checks).

b. Unscheduled Maintenance Ferry Flights

This category shall consist of flights necessary to position an aircraft to or from an unscheduled maintenance event. “Unscheduled maintenance” shall mean aircraft maintenance which was scheduled to be performed after the occurrence of a maintenance problem with the aircraft (e.g. any maintenance item entered into the aircraft logbook or reported by flight or ground personnel).

3. POSITIONING OF AIRCRAFT PRIOR TO THE BEGINNING OF, OR AFTER THE COMPLETION OF A CHARTER OPERATION

This category shall consist of any positioning flights or series of positioning flights required of an aircraft to remove it from the normal rotation to place it at the origination point of any charter and any positioning flights or series of positioning flights required to return the aircraft to its normal rotation from the end point of a charter operation.

4. POSITIONING OF AIRWORTHY AIRCRAFT FOR THE PURPOSE OF CONDUCTING AIRLINE REVENUE OPERATIONS

This category shall consist of positioning flight(s) of an aircraft from one location/station to another solely for the purpose of conducting revenue airline flying operations. This category shall also include positioning flights of an airworthy aircraft from one station to another for the purpose of covering an airline operation at that station left uncovered by a broken aircraft of the same or a different type that will be ferried from that station on an engine-out basis or under a Ferry Permit (such return ferry flight of the broken aircraft shall be a Category A.1. flight).

B. The categories of Test/Ferry and Positioning flying defined in Paragraph A. above will be conducted as set forth below:

1. CATEGORY A.1. FLYING:

Category A.1. flights will be operated using specially trained NWA Supervisory Pilots, specially trained NWA Instructor Pilots assigned to the respective fleet type being flown or by appropriately trained Contract Pilots (i.e., individuals who are not on the Integrated Pilots System Seniority List).

2. CATEGORY A.2. FLYING:

a. Category A.2.a. Flying

Category A.2.a. flights may be operated by either pilots on the Integrated Pilots System Seniority List who have not been specially trained (as defined in Paragraph A.2. of the Safety Related Elements Letter of Agreement Dated October 16, 2000), or those pilots specified in Paragraph B.1. above. In the event a NWA line pilot(s) operate(s) such flight(s), he/they shall be awarded or assigned such flying in accordance with the Pilots Agreement.

b. Category A.2.b. Flying

(1) Except as provided in subparagraph (2) below, Category A.2.b. flights will be operated exclusively by pilots on the Integrated Pilots System Seniority List and shall be awarded or assigned in accordance with the Pilots Agreement.

(2) In circumstances in which the Company is unable to staff a Category A.2.b. flight following the provisions of subparagraph (1) above, the Company may only operate the flight using those pilots specified in Paragraph B.1. above if the Company requests and obtains authorization from ALPA to do so. ALPA shall inform the Company in advance and in writing of the person(s) to whom such request for authorization must be made.

3. CATEGORY A.3. FLYING:

Category A.3. flights will be operated exclusively by pilots on the Integrated Pilots System Seniority List and shall be awarded or assigned in accordance with the Pilots Agreement.

4. CATEGORY A.4. FLYING:

Category A.4. flights will be operated exclusively by pilots on the Integrated Pilots System Seniority List (whether NWA line pilots or NWA Supervisory,

Special Project or Instructor Pilots) and shall be awarded or assigned in accordance with the Pilots' Agreement.

Exception: In the event that pilots on the Integrated Pilots System Seniority List are selected by the Company to operate a Category A.1. flight to ferry a broken aircraft that is to be replaced by an airworthy aircraft, and those same pilots are qualified and available to operate the positioning flight of the airworthy aircraft to that station, the positioning flight of the airworthy aircraft need not be assigned or awarded in accordance with the Pilots' Agreement.

- C.
1. The Company shall provide monthly reports (in an electronic file format) to the Association of all test, ferry and positioning flights conducted. The reports will contain the information necessary to monitor compliance with this Letter of Agreement, including, for each such flight:
 - a. Date(s) of operation;
 - b. Aircraft type and ship number;
 - c. Routing;
 - d. Block out and block in times;
 - e. Purpose of flying;
 - f. Category of flying (A.1. – A.4.);
 - g. Names of pilots used (if other than line pilots);
 - h. Seniority numbers (if any) of pilots used (other than line pilots);
 - i. Type of pilot used (Contract Pilot's employer – NWA or other, Integrated Pilots System Seniority List Pilot – Line Pilot, Instructor Pilot, Special Project Pilot or Supervisory Pilot);
 2. The Company shall provide to ALPA (in electronic file format), prior to the commencement of each month, a list of Contract Pilots available for use in the month, and a statement of each such pilot's qualifications.
 3. The Company shall provide to ALPA a copy of the FAA-approved training program for test and ferry flying by Contract Pilots and Northwest pilots, and a copy of any future revisions to such training programs.
 4. The Company shall provide to ALPA a copy of the contract between Northwest and any organization providing Contract Pilots and a copy of any future contract or contract revision.
- D. The Association agrees not to file any future grievance(s) concerning operation of Test, Ferry and Positioning flights operated by non-seniority list pilots which were awarded or assigned by the Company prior to the date of signing of this Letter of Agreement.
- E. This Letter of Agreement shall become effective on the date of signing, supercedes the Test and Ferry Letters of Agreement dated December 10, 1999 and June 20, 2000, and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 16th day of October, 2000

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Robert A. Brodin
Senior Vice President, Labor Relations

/s/ Mark A. McClain
NWA MEC Chairman

/s/ Robert W. Tice
Senior Labor Counsel - Flight

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny Walters
Managing Director, Flight Administration

/s/ Richard E. Woolley
Member Negotiating Committee
(Northwest)

/s/ Robert A. Moser
Member Negotiating Committee
(Northwest)

LETTER 2001-01

LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the Company and ALPA entered into a Letter of Agreement dated October 16, 2000, dealing with the subject of Test, Ferry and Position Ferry Flights (the “Test and Ferry Letter”); and

WHEREAS, the Company and ALPA have agreed that the safety-related elements regarding Test and Ferry Operations will be published to the pilot group via the Flight Operations Manual and the Flight Standards Office Procedures Manual; and

WHEREAS, the Company and ALPA have deemed it appropriate to prepare a written document to serve as an authoritative source for clarifying, interpreting and applying the safety-related elements regarding Test, Ferry and Position Ferry Flights described in this Letter of Agreement;

NOW THEREFORE, the parties do hereby agree as follows:

A. DEFINITIONS:

Definitions in this Paragraph A. apply to both this Letter of Agreement and the Test and Ferry Letter of Agreement.

1. “Test and Ferry Letter of Agreement” means the Letter of Agreement between ALPA and the Company dated October 16, 2000, that describes the categories of Test and Ferry Flying and the crews that shall be used to fly each category.
2. “Special Training” and “Specially Trained”: The terms “Special Training” and “Specially Trained” referred to in this document and the Test and Ferry Letter of Agreement refer to pilots trained, qualified, evaluated and requalified pursuant to the FAA Approved Test and Ferry Training curriculum for Northwest Airlines and any contractor conducting operations specified under this Letter of Agreement or the Test and Ferry Letter of Agreement.

3. “Test and Ferry Operations”: The term “Test and Ferry Operations” refers to the categories of flying (A.1.-A.4.) described in the Test and Ferry Letter of Agreement and includes within its meaning the definitions of Maintenance Test, Maintenance Ferry and Positioning Ferry Flights as contained herein and in Section 11 of the NWA Approved Flight Operations Manual:
 - a. “Maintenance Test Flights” are flights of airworthy airplanes designed to check the operational fidelity of a system or systems before the airplane returns to revenue service (Category A.1. Flying under the Test and Ferry Letter of Agreement.).
 - b. “Maintenance Ferry Flights” are flights of airplanes that may not meet applicable airworthiness requirements, but are capable of safe flight to a base where the necessary maintenance or alteration can be performed (Category A.1. Flying under the Test and Ferry Letter of Agreement).
 - c. “Maintenance Position Flights of Airworthy Aircraft” are flights that are non-revenue in nature, are not related to a charter operation and are necessary to position an aircraft to or from a scheduled or unscheduled maintenance event or aircraft refurbishment, or to take delivery of new aircraft. “Scheduled maintenance” shall mean aircraft maintenance which was scheduled to be performed in advance of any known maintenance problems with the aircraft (e.g. heavy checks). “Unscheduled maintenance” shall mean aircraft maintenance which was scheduled to be performed after the occurrence of a maintenance problem with the aircraft (e.g. any maintenance item entered into the aircraft logbook or reported by flight or ground personnel). (Category A.2 Flying under the Test and Ferry Letter of Agreement).*
 - d. “Operational Position Ferry Flights”* are intended to move airworthy airplanes from one station to another for operational purposes (Category A.3. and A.4. Flying under the Test and Ferry Letter of Agreement).

*The NWA Approved Flight Operations Manual shall be amended as soon as possible to include the bolded language.
4. “Aviation Services Agreement” means the agreement between Northwest Airlines, Inc. and International Test and Ferry, Inc. signed February 1999.

B. Management Oversight And Control

1. NWA Flight Operations will maintain oversight and control of the training and operations of all Test/Ferry Crews, whether comprised of specially trained Supervisory/Management Pilots, specially trained Instructor Pilots or Contract Test/Ferry Pilots.
 - a. The parties intend that the Company shall retain full management responsibility for Test and Ferry Operations and training.

- b. The parties intend that the provisions of the NWA/ALPA Pilots Agreement and part 121 of the FARs (even if the flight is dispatched under another section of the FARs) shall be applicable to Test and Ferry Operations and Flight Crew Training that involve pilots on the NWA Integrated Pilots System Seniority List, excluding specially trained NWA Supervisory/Management Pilots.
2. The hiring process for Test and Ferry Crewmembers used by any contractor conducting Test/Ferry operations of NWA aircraft will give first preference and consideration to pilots who are retired or retiring from the NWA System Seniority List, or who are laid off or being laid off by Northwest Airlines.
 - a. The parties intend that the Company be entitled to benefit from the skills and experience possessed by former NWA pilots in its Test and Ferry Operations.
 - b. The parties do not intend that any individual or group of current or former NWA pilots be granted a “right of hire” under this agreement. This agreement is not intended to provide any current or former NWA pilot with any contractual right to work for any contractor conducting Test and Ferry flights for the Company.
3. The Fleet Director/Chief Pilot or Fleet Training Captain shall be notified and consulted by the SOC prior to any Test and Ferry Operations involving aircraft within his fleet.
4. The Company will provide written notification to ALPA within 60 days of any modification or cancellation of the Aviation Services Agreement between the Company and International Test and Ferry (ITF) or any other similar contractor conducting Test and Ferry Operations for the Company under this agreement and under the Test and Ferry Letter of Agreement.

C. Crew Complement/Training

1. No NWA System Seniority List pilot, excluding both specially trained NWA Supervisory/Management Pilots and specially trained NWA Captain Instructor Pilots, will act as a crewmember on any flight conducted with Contract Test and Ferry pilots in Category A.1. Flying (Flight Testing and Ferrying of Broken/Unairworthy Aircraft as specified in subparagraph A.1. of the Test and Ferry Letter of Agreement).
2. No NWA System Seniority List pilot, excluding NWA Supervisory/Management Pilots, will act as a crewmember on any flight conducted with Contract Test and Ferry pilots in Category A.2.a. Flying (Positioning of Airworthy Aircraft To Or From Scheduled Maintenance Events Or Aircraft Refurbishment Or Taking Delivery of Newly Acquired Aircraft as specified in subparagraph A.2.a. of the Test and Ferry Letter of Agreement).

3. Any pilot conducting Category A.1. Flying (Flight Testing and Ferrying of Broken/ Unairworthy Aircraft as specified in subparagraph A.1. of the Test and Ferry Letter of Agreement) must have completed and meet all currency and training requirements of the FAA approved Test and Ferry Training Program applicable to NWA and any Test and Ferry contractor.
 4. With respect to flights not requiring a ferry permit, NWA pilots on the Integrated System Seniority List who have not been specially trained and are flying as Line Pilots shall not be required to fly any Maintenance Test/Ferry or Maintenance Position Flight other than those flights that can be accomplished using the procedures specified in the aircraft AOM, COM or the Crew Operating Procedures of the applicable Minimum Equipment List (MEL) or Configuration Deviation List (CDL). If a pilot chooses to fly such a flight requiring usage of procedures not specified in the aircraft AOM, COM, MEL or CDL, he must first discuss the flight with the Fleet Captain Director or Fleet Training Captain. Nothing in this subparagraph is intended to reduce, diminish or alter the authority already granted pilots under Letter of Agreement 1989-02 of the NWA/ALPA Pilots Agreement.
 5. With respect to flights requiring a ferry permit, NWA pilots on the Integrated System Seniority List who have not been specially trained and are flying as line pilots may, at the Captain's discretion, perform Maintenance Test/Ferry Flights, provided that the Captain has first discussed the flight with the Fleet Captain Director or Fleet Training Captain. Nothing in this subparagraph is intended to reduce, diminish or alter the authority already granted pilots under Letter of Agreement 1989-02 of the NWA/ALPA Pilots Agreement.
 6. The Company will provide to ALPA copies of, and any revisions made to, the FAA Approved Training Program, Curriculum and Authority covering Test and Ferry Operations conducted using pilots on the Integrated System Seniority List including Supervisory/Management Pilots and/or any Contract Test and Ferry Pilots.
 7. The Company will provide a monthly list of all pilots that are specially trained pursuant to this agreement to ALPA. The list shall include the date of each pilot's qualification and the duration of said qualification.
- D. The safety-related items contained in this document will be added to the Flight Operations Manual and shall not be modified or deleted without mutual agreement between the Company's Flight Operations Department and ALPA's Central Air Safety Committee.
- E. This Letter of Agreement is a companion document to the Test and Ferry Letter of Agreement dated October 16, 2000, and is intended to amplify and clarify the safety aspects of Test and Ferry Operations conducted by the Company and any Test and Ferry contractor under the terms of that side letter.

- F. This Letter of Agreement shall become effective on the date of signing, shall supercede the Test and Ferry Safety-Related Elements Letter of Agreement dated June 20, 2000, and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 16th day of October, 2000

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Robert A. Brodin
Senior Vice President, Labor Relations

/s/ Mark A. McClain
NWA MEC Chairman

/s/ Robert W. Tice
Senior Labor Counsel - Flight

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny Walters
Managing Director, Flight Administration

/s/ Richard E. Woolley
Member Negotiating Committee
(Northwest)

/s/ Robert A. Moser
Member Negotiating Committee
(Northwest)

LETTER 2001-02

LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS the computer bidding program does not yet include a function which allows a pilot in ANC or HNL to bid a conflict with his travel day(s) as provided for in [Section 11 G.1.b.\(1\)\(a\)](#); and

WHEREAS the parties desire to provide an interim resolution to this problem for travel to SVT, pending completion of the programming necessary to fully implement [Section 11 G.1.b.\(1\)\(c\)](#);

NOW THEREFORE BE IT RESOLVED the undersigned parties do hereby agree as follows:

- A. Until such time as the computer bidding program has been modified to fully implement [Section 11 G.1.b.\(1\)\(c\)](#) of the Agreement, the parties have agreed as follows with respect to travel to SVT:

Computer bidding parameters shall provide that, for purposes of computer bidding, the travel day for ANC-based pilots and the first travel day for HNL-based pilots to SVT shall commence at 1200 local base time, instead of 0005 local base time (which is the parameter currently in use). It is intended that this change will permit pilots to bid and be awarded a trip which terminates prior to 0001 on that travel day. The parties further agree that they may make additional parameter changes with respect to travel days to and from SVT.

- B. This Letter of Agreement shall become effective on the date of signing, and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 5th day of March, 2001.

For AIR LINE PILOTS ASSOCIATION

/s/ Duane E. Woerth
President

/s/ Mark A. McClain
NWA MEC Chairman

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Richard E. Woolley
Member Negotiating Committee (Northwest)

/s/ Robert A. Moser
Member Negotiating Committee (Northwest)

For NORTHWEST AIRLINES, INC.

/s/ Robert A. Brodin
Senior Vice President, Labor Relations

/s/ Robert W. Tice
Senior Labor Counsel - Flight

/s/ Danny Walters
Director, Flight Administration

LETTER 2001-03A

LETTER OF AGREEMENT
 between
 NORTHWEST AIRLINES, INC.
 and
 THE AIR LINE PILOTS
 in the service of
 NORTHWEST AIRLINES, INC.
 as represented by
 AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS the Automated Crew Notification System has → been implemented; and

WHEREAS the **parties wish to review the subject of the timing of calls to pilots pursuant to that system,**

NOW THEREFORE BE IT RESOLVED the undersigned parties do hereby agree as follows:

A. **The parties agree to review potential changes to the timing of calls required by Section 30 C.10. of the NWA/ALPA Pilots Agreement.**

→

B. This Letter of Agreement shall become effective on the date of signing, and shall run concurrent with the NWAIALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 31st day of **July, 2006.**

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
 President

/s/ Julie Hagen Showers
 Vice President Labor Relations

/s/ David Stevens
 NWA MEC Chairman

/s/ Timothy J. Rainey
 Sr. Vice President Flight Operations/SOC

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

LETTER 2001-04A

LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS the parties desire to **set forth their agreements with respect to certain hotel issues.**

NOW THEREFORE BE IT RESOLVED the undersigned parties do hereby agree as follows:

- A. Any additional or better terms, conditions or benefits **than those specified in Section 5 A.7. of the Agreement which are** provided to Northwest flight attendants at the Narita Hotel **in NRT** shall also be provided to pilots.
- B. In the event the **NH City North (formerly Golden Tulip Amsterdam North) hotel in Amsterdam** is expanded **beyond the current 266 sleeping rooms**, the size of the health club and amount of equipment and number of bicycles (see **Section 5 A. 7.g.(2)** of the Pilots Agreement) shall be increased proportionately and the number of vans (see **Section 5 A.7.g.(3)** of the Pilots Agreement) shall also be adjusted to provide adequate transportation coverage.
- C. ALPA Grievance No. NWA-2541-00 is hereby withdrawn without prejudice. Both parties specifically reserve their positions with respect to interpretation of the meaning of “downtown-like” in **Section 5 A.7.b.** of the Agreement and agree that the exceptions for NRT and AMS are unique situations which shall not prejudice the respective positions of the parties and shall not constitute a precedent in any future dispute. The parties further agree that documents, discussions and proposals concerning ALPA Grievance No. NWA-2541-00 and its resolution shall not be introduced into evidence in any subsequent arbitration involving interpretation of the term “downtown-like.”
- D. This Letter of Agreement shall become effective on the date of signing, and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this **31st** day of **July**, 2006.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ David Stevens
NWA MEC Chairman

/s/ Timothy J. Rainey
Sr. Vice President Flight Operations/SOC

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

LETTER 2001-06A

LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the Company and the Association entered into a Flight Operations Quality Assurance Program Letter of Agreement dated October 29, 1999 (Letter 1999-03) that provides in its Paragraph F. that “[t]he Company shall bear the full cost of the FOQA Program in accordance with the FOQA Funding LOA”, and

WHEREAS, the parties have participated in the FOQA Program without a formal funding letter of agreement up to this point, but now desire to enter into such a formal agreement, **and**

WHEREAS, the parties desire to replace the current Letter 2001-06 with a revised Letter 2001-06A

NOW THEREFORE BE IT RESOLVED the undersigned parties do hereby agree as follows:

A. Definitions:

1. “Flight Operations Quality Assurance Monitoring Team (FMT)”: The FMT is a committee of 3 members appointed by the Company and 3 members selected by the Northwest MEC Chairman. **The Company and ALPA will meet and confer with respect to selection of each other’s FMT members.**
2. “Flight Operations Quality Assurance (FOQA) Duty Pilot(s)”: An ALPA-designated Seniority List Pilot assigned as one of the ALPA members of the Flight Operations Quality Assurance (FOQA) Monitoring Team (FMT). Each month, one or more of the ALPA members of the FMT will be scheduled for an entire month of duty working in the FOQA Office conducting FMT duties.
3. “FMT Event Pilot”: An ALPA designated Seniority List Pilot assigned as one of the ALPA members of the Flight Operations Quality Assurance (FOQA)

Monitoring Team (FMT) who is scheduled for duty working in the FOQA Office conducting FMT duties for less than a full month.

4. “FB”: The designation for FOQA Business in the Company Crew Management System (CMS). It is understood that this designation is an NWA Company Business code and not an ALPA Leave code.
5. “FOQA Event/Day”: The terms FOQA Event and FOQA Day may be used interchangeably. These terms refer to and define a duty period/day for any ALPA member of the FOQA Monitoring Team (FMT) who is engaged in FOQA Business (FB). A FOQA Event/Day shall consist of a minimum of 6 hours and not more than 8 hours exclusive of a one-hour meal period as may be appropriate to the time of day the FOQA Event/Day spans.

B. Compensation For ALPA FMT Members Conducting FOQA Business

1. FOQA Duty Pilots. An ALPA member of the FMT scheduled to be a FOQA Duty Pilot for an entire month shall be paid and credited in the same manner as specified in [Section 12 E. 1.](#) and [Section 12 E.2.](#) of the Pilots Agreement. In a month in which the FOQA Duty Pilot’s permanent position is not flexed-up pursuant to [Section 12 I.](#) of the Pilots Agreement, he shall be paid and credited **85** hours in his permanent position and shall be scheduled for **17** FOQA days/events as specified in subparagraph C.1.a. below.
 - a. Non-Minnesota Residents. FOQA Duty Pilots who are not residents of the State of Minnesota, must complete either a “System Safety Audit” or “Line Activity Report” for each month in which they are scheduled as FOQA Duty Pilots (see [Section 11 L.](#) of the Pilots Agreement). Verification of these events will be documented on the OAUR Report (or equivalent).
 - b. The Manager, Flight Safety Data Analysis shall complete an OAUR Report (or equivalent) each month for FOQA Duty Pilot Pay and credit purposes and insure that this information is forwarded to the Flight Payroll area in a timely manner.
 - c. Payment for Additional FOQA Events/Days. Additional FOQA Events/Days beyond **17** as are authorized under subparagraph C.1. below, shall be paid and credited in the same manner as specified in [Section 12 E.2.a.](#) of the Pilots Agreement.
 - d. A FOQA Duty Pilot who chooses to perform flying in place of FOQA Events/Days shall be paid and credited in the same manner specified in [Section 12 E.2.b.](#) of the Pilots Agreement.
 - e. High Time (HIT) and Negative Bank Fly-Back. High Time (HIT) and Negative Bank Fly-back as allowed under subparagraph C.2. below, shall

be paid and credited in the same manner as such flying is paid and credited in [Section 12 E.2.b.](#) of the Pilots Agreement.

2. FMT Event Pilots. An ALPA FMT Member pilot who is periodically assigned in his non-FOQA Duty Pilot month to conduct FOQA Business and attend required FOQA meetings will be designated in CMS as “FB” on any such day(s). Any FOQA Business days (FB) shall be paid and credited at the current daily event rate in the same manner as specified in [Section 12 E.1.](#) of the Pilots Agreement. All known FOQA Business days should be identified prior to monthly bidding, (i.e. there will be no “missed trip” for FB days during schedule bidding). If an FMT Event Pilot is required to drop a trip(s) as a result of a FOQA Business assignment, he shall be paid and credited for the value of the lost trip(s) or the value of his FOQA Event(s) at the daily event rate, in the same manner as specified in Section 12.E.1., and [Section 12 E.2.](#) of the Pilots Agreement, whichever is greater. An FMT Event Pilot who performs line flying in a month in addition to FOQA Business will be subject to the same limitations as specified in [Section 12 E.2.b.](#) of the Pilots Agreement, and shall be paid and credited as provided therein.
3. Compensation and Expense Reimbursement Applicable To Both FOQA Duty Pilots and FMT Event Pilots Conducting FOQA Business
 - a. Per Diem Meal Expenses. A pilot on FOQA Business (FB) shall receive per diem meal expenses in the same manner as provided in [Section 5 B.7.](#) of the Pilots Agreement. Such pilot shall claim such per diem by submitting a Pilot Per Diem Expense Report.
 - b. Lodging. A pilot on FOQA Business (FB) shall receive the Company paid and provided lodging in the same manner as provided in [Section 5 A.1.e.](#) of the Pilots Agreement.
 - c. Other/Additional Expenses. Expenses of a Pilot on FOQA Business (FB) not covered by subparagraph 3.a. above (per diem/meal) shall be claimed on a Company Business expense form and shall be paid by the Company. It is understood that authorization for any such additional expenses shall be required from the Director, Flight Safety in coordination with the ALPA Central Air Safety Chairman.
 - d. **Intentionally left blank.**
 - e. Training/Vacation/ALPA Leave Pay. In a month in which a pilot on FOQA Business (FB) also has training, vacation or ALPA Leave credit, the amount of such credit (plus any other non-FOQA credit time) will be subtracted from such pilot’s applicable monthly maximum. The remaining amount is the FOQA Business (FB) credit that shall be paid by the Company. This mixed month of credit shall be paid, credited and subject

to the same limitations as set forth in [Section 12 E.2.b.](#) of the Pilots Agreement.

- f. Sick Leave Pay And Credit For Pilots Who Become Ill While On FOQA Business. Usage of Sick Leave by pilots on FOQA Business (FB) as described in subparagraph C.3.c. below will be paid and credited at the FOQA Event/Day rate as specified in subparagraphs B.1. and 2. above **(however, the pilot shall be paid sick pay in the same manner as specified in [Section 14 F.](#))**. The Manager, Flight Safety Quality Assurance shall detail usage of sick leave on the OAUR (or equivalent).
- g. Travel. Positive space travel to and from FMT duties is authorized using YT travel procedures as defined in [Section 2 AAAA.](#) of the Pilots Agreement.

C. Scheduling Rules

1. Scheduling Rules Applicable To FOQA Duty Pilots

- a. Normal Month. A FOQA Duty Pilot will schedule himself for **17** FOQA Events/Days per month (except that **18** days shall be scheduled in a month in which such pilot's permanent position is flexed-up pursuant to [Section 12 I.](#) of the Pilots Agreement). Such schedule will be developed cooperatively between the FOQA Duty Pilot(s), the Manager, Flight Safety Data Analysis and the ALPA Central Air Safety Chairman. Days worked should be scheduled as workload requires. First consideration shall be given to conducting FOQA activities during normal business hours, however, other hours may be utilized.
- b. Additional FOQA Events/Days By A FOQA Duty Pilot. Additional FOQA Events, beyond the normal **17** (**18** in a flexed-up month), may not be scheduled or worked without the specific approval of the Director, Flight Safety and the ALPA Central Air Safety Chairman. At his option, the ALPA FOQA Duty Pilot may consent to work such additional events.
- c. High Time (HIT) Flying By A FOQA Duty Pilot. High Time (HIT) flying by a FOQA Duty Pilot is discouraged. However, he may pick-up Open Flying for High Time as specified in [Section 30 E.1.k.](#), [Section 30 E.2.k.](#) and [Section 30 E.3.k.](#) of the Pilots Agreement, provided he complies with the restrictions found in [Section 12 E.2.b.](#) of the Agreement (permitting additional FOQA Events in a month or High Time Flying but not both in the same month). The consent and authorization requirements of this subparagraph are not applicable to an ALPA FOQA Duty Pilot whose permanent position has been flexed up pursuant to [Section 12 I.](#) of the Pilots Agreement. An ALPA FOQA Duty Pilot whose permanent position has been flexed up shall be scheduled for **18** FOQA Events.

2. Scheduling Rules Applicable To FMT Event Pilots

- a. Calculation of FOQA Events/Days in a month with Training, Vacation, ALPA Leave or any other Non-FOQA Credit. The amount of the FMT Event Pilot's training, vacation or ALPA Leave credit, plus any other non-FOQA duty credit, will be subtracted from the pilot's applicable monthly maximum credit. The remaining amount is the FOQA Business (FB) credit. The FB credit amount is divided by 5 hours to determine the number of FOQA Events/Days required to be performed. Fractional amounts will be rounded to whole days in the following manner: decimal remainders of .01 to .50 will be rounded down to the next whole day, and decimal remainders in excess of .50 will be rounded up to the next whole day. FOQA Events/Days shall be scheduled by the individual as required and/or requested by the Manager Flight Safety Data Analysis in coordination with the ALPA Central Air Safety Chairman and the FMT Event Pilot for the month, if applicable. This mixed month of credit shall be paid, credited and subject to the same limitations as set forth in [Section 12 E.2.b.](#) of the Pilots Agreement.
 - b. Restrictions on Scheduling and Performing Additional FOQA Events/Days In Any Month And Performing HIT or Negative Bank Fly-Back. An FMT Event Pilot who performs Line Flying in a month in addition to FOQA Business (FB) will be subject to the same limitations as specified in [Section 12 E.2.b.](#) of the Pilots Agreement. An FMT Event Pilot who is on FB in a month may not perform both additional FOQA Events and HIT flying or Negative Bank Fly-back in the same month.
3. Scheduling Rules Applicable to Both FOQA Duty Pilots and FMT Event Pilots
 - a. Vacation: A pilot on FOQA Business (FB) for all or part of a month may both bid for and have Monthly Vacation forced on his schedule pursuant to [Section 7 C.3.](#) of the Pilots Agreement. A pilot may not be selected as a FOQA Duty Pilot in a month in which he is scheduled for a full month of vacation. A pilot will make every effort to not be assigned as a FOQA Duty Pilot during a month in which annual vacation is scheduled. If a pilot will be unavailable for a portion of a month and additional duty coverage is needed in the FOQA Office, additional ALPA FMT Pilots may be scheduled for FOQA Business (FB) for all or part of a month, as necessary, to cover the unavailability.
 - b. SVT: A pilot shall make every reasonable effort to avoid being scheduled as a FOQA Duty Pilot in a month when Single Visit Training (SVT) is also scheduled. The Training Department will assist in this effort by working with the pilot to ensure that the pilot is scheduled in the early month, normal month, or grace month for SVT working around the FOQA Duty Pilot assignment. To that end, when a FOQA Duty Pilot is approaching his SVT Month, he will determine what applicable months he will be the FOQA Duty Pilot and then contact Training Scheduling to reach a consensus on an acceptable SVT month assignment. Should it

become unavoidable that SVT be taken during the FOQA Duty Pilot month, SVT shall be taken as pay/no credit and will be completed in addition to the FOQA Events. Pay for SVT will be in accordance with [Section 11 K.](#) of the Pilots Agreement.

- c. Sick Leave: A pilot may, at his option, attempt to make up FOQA Events/Days lost to sick time during the same month. If the FOQA Event/Days can be made up in the same month, the Pilot will not be considered to have used Sick Leave and no documentation will be made of any Sick Leave used.
 - d. FB Make-up Flying: FOQA Duty Pilots and FOQA Event Pilots who request open flying in place of FOQA Events/Days (FB Days) shall be awarded such flying under [Section 30 E.1.j.](#), [Section 30 E.2.j.](#) and [Section 30 E.3.j.](#)
- D. The parties recognize that management titles are subject to change. Any management title used in this Letter of Agreement is intended to include any future title held by the person(s) then holding the responsibilities described in this Letter of Agreement.
- E. Expenses and Responsibility for Funding. The parties agree that all expenses and payments required under this Letter of Agreement will be the responsibility of the Company. The Company retains the right to determine when more than one FOQA Duty Pilot will be scheduled for an entire month of duty and the ability to assign less than a full month of FOQA Business to FMT Event Pilots. Additionally all responsibility for future funding as a result of the growth and expansion of the FOQA program will be the responsibility of the Company.
- F. Duration. This Letter of Agreement shall become effective on the date of signing, and shall run concurrent with the Duration clause of the October 29, 1999 FOQA Letter of Agreement (Paragraph G. of Letter 1999-03).

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this **31st** day of **July, 2006**.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ David Stevens
NWA MEC Chairman

/s/ Timothy J. Rainey
Sr. Vice President Flight Operations/SOC

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

LETTER 2001-07A

LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

The undersigned parties do hereby agree as follows:

- A. In order to partially offset the cost to ALPA of its participation in the Northwest Airlines Safety Action Plan (NASAP), the Company shall, on July 1, 2001, and on each July 1 thereafter (as long as the NASAP Program is in existence, with pro-rated reimbursement to the Company should the program be terminated mid year by any of the participating parties), in addition to any other credits owed, credit the “ALPA Bank” with an amount equal to 420 hours times the then current 12th year DC-10 Captain rate (for July 1, **2006**, $420 \times \$159.56 = \$67,015.20$). This credit will be applied to the ALPA Flight Pay Loss bill in the same manner as other Air Safety offsets are currently handled, by offsetting ALPA Flight Pay Loss prior to the addition of the fringe benefit override specified in [Section 26 Y.1.f.](#) of the pilots’ agreement.
- B. It is understood and agreed that (i) ALPA will make all reasonable efforts to provide for ALPA participation in Event Review Committee (ERC) activities, and (ii) such activities will normally be scheduled for the same two weekdays in a calendar week and (iii) when ERC activities are scheduled at the request of the Company after the monthly ALPA Union Leave letter is submitted, ALPA shall not be expected to reimburse Northwest for any flying dropped in order for an ALPA representative to attend an ERC activity.
- C. **Intentionally left blank.**
- D. This Letter of Agreement shall become effective on the date of signing, and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this **31st** day of **July, 2006**.

For AIR LINE PILOTS ASSOCIATION

/s/ Duane E. Woerth
President

/s/ David Stevens
NWA MEC Chairman

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

For NORTHWEST AIRLINES, INC.

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ Timothy J. Rainey
Sr. Vice President Flight Operations/SOC

/s/ Danny R. Walters
Director Flight Administration

LETTER 2001-08

LETTER OF AGREEMENT
Between
NORTHWEST AIRLINES, INC.
And
THE AIR LINE PILOTS
In the service of
NORTHWEST AIRLINES, INC.
As represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA.”)

WHEREAS: ALPA and the Company desire to provide certain financial relief to pilots who are called to extended active duty in the armed forces of the United States.

NOW THEREFORE BE IT RESOLVED the undersigned parties do hereby agree as follows:

- A. Notwithstanding the provisions of [Section 12 H.3.](#) of the Agreement that call for automatic recoupment via payroll deduction of the negative time bank withdrawal of a pilot who is off payroll and anticipated to remain off payroll for more than one month, the company shall not recoup such withdrawal in the case of a pilot who is scheduled for military leave for more than one month. Rather, such pilot’s negative bank withdrawal shall remain at its existing balance at the time the pilot goes off payroll until his return to payroll. Upon such pilot’s return to payroll his time bank shall be subject to the Agreement’s provisions.

Exception. The provisions of this Paragraph A. shall not apply to any pilot who, at the time of signing of this Letter of Agreement is projected by the Company to be laid off and has been issued either a notice of layoff or potential layoff (i.e. is junior to pilot James M. Hagar, SSN6063 on the July 1, 2001 List).

- B. This Letter of Agreement shall become effective on the date of signing. Either the Company or ALPA may terminate this Letter of Agreement by providing at least 30 days advance written notice to the other party of such intent. In the absence of such notice of intent to terminate this Letter of Agreement, it shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 17th day of December 2001.

For AIR LINE PILOTS ASSOCIATION

/s/ Duane E. Woerth
President

/s/ Mark A. McClain
NWA MEC Chairman

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Richard E. Woolley
Member Negotiating Committee (Northwest)

/s/ Robert A. Moser
Member Negotiating Committee (Northwest)

For NORTHWEST AIRLINES, INC.

/s/ Robert A. Brodin
Senior Vice President, Labor Relations

/s/ Robert W. Tice
Senior Labor Counsel - Flight

/s/ Danny Walters
Managing Director, Flight Administration

LETTER 2002-01

LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

The undersigned parties do hereby agree as follows with respect to the application and adjustment of a pilot’s SIV Date:

- A. A pilot’s SIV Date (see [Section 2 SSS.](#) of the Pilots Agreement) may be adjusted pursuant to Paragraph B. below. The day of the calendar month in the SIV Date (e.g. the 5th for a SIV Date of May 5, 1980) shall be used as the SIV Date Marker in each succeeding calendar month for the purpose of determining whether a pilot is entitled to have credited to his sick leave account or vacation account the accrual(s) provided for in [Section 14 A.](#) or [Section 7 A.](#), respectively.

Note: If the SIV Date Marker does not occur in a calendar month, the marker date shall be deemed to have been the last calendar day in that calendar month (e.g. a pilot’s SIV Date is August 31, 1980. His SIV Date Marker is the 31st of each calendar month. The calendar months of February, April, June September and November do not have a 31st day. Thus, the pilot’s SIV Date Marker for February shall be deemed to be the 28th, and for April, June, September and November shall be deemed to be the 30th. In Leap Years, there will be no SIV Date Marker on February 29; such SIV Date Marker in Leap Years shall be deemed to be March 1).

B. SIV Date Adjustment

- 1. General Rule: Except as provided in subparagraphs B.6. and B.7. below, a pilot’s SIV Date shall be adjusted (i.e. moved to a later date) when the pilot is off payroll due to each separate occurrence of more than 30 consecutive calendar days of layoff, disciplinary suspension, or unpaid leave as calculated in subparagraph B.5. below).
- 2. A pilot’s SIV Date shall be adjusted (i.e. moved to a later date) for each day a pilot is on strike and until the date of his post-strike return to payroll or 4 months

and 4 days after the date the strike ended, whichever is earlier, at which point the pilot shall be converted to layoff status.

3. With respect to a pilot who has been off-payroll and a SIV Date adjustment is to be made, such adjustment shall not be made until the pilot has returned to payroll.
4. If the “day” component of an adjusted SIV Date is not a calendar day, the adjusted SIV Date shall be deemed to be the first day of the next calendar month (e.g. there is no November 31, 1992 so the adjusted SIV Date shall be deemed to be December 1, 1992).
5. “Calculated 30 Day Month” Assumption for Purposes of SIV Date Adjustments

In making SIV Date adjustments the Company’s calculations shall include the assumption that each calendar month contains 30 days (see the following example for an illustration of this “calculated 30 day month” assumption).

Example: A pilot’s SIV Date is May 5, 1980. On October 1, 1992, he is laid off for 45 days, returning to payroll on November 15, 1992. October is a 31 day calendar month. For purposes of this calculation, however, October is assumed to be a 30 day month.

1	Return Date	11/15/1992
2	Leave Date	10/01/1992
3	Time Off Payroll (Subtract Line 2 from Line 1)	01 month 14 days
	SIV Date adjusted to May 19, 1980 by the following calculation	
4	Time Off Payroll	01 month 14 days
5	Subtract 1 Month Credit	01 month
6	SIV Date Adjustment (Subtract Line 5 from Line 4)	00 months 14 days

6. Military Leave: A pilot’s SIV Date shall not be adjusted (i.e. moved to a later date) as the result of a military leave of absence.
7. Leave Granted Due To Injury While On Duty: A pilot’s SIV Date shall not be adjusted (i.e. moved to a later date) as the result of a leave of absence granted due to injury while on duty.

C. Accruals

1. Accruals to a pilot’s sick leave account(s) and vacation account shall be earned and credited for a “month of service as a pilot” (see Section 14 A.I. with respect to sick leave and [Section 7 A.](#) with respect to vacation). A pilot shall be deemed to have a “month of service as a pilot” for a month and shall earn said accruals for

that month by being “on payroll” (see subparagraph C.3. below) on a SIV Date Marker or an adjusted SIV Date Marker, for the month that contains that SIV Marker Date. This accrual shall be credited by the Company following the end of the flying month in which it was earned and shall be stated on the crewmember activity statement for that flying month.

2. Exception For Leaves In Excess of 30 Days: In the case of a pilot whose leave exceeded 30 days, in the month he returns to payroll, he will receive accruals to his sick leave account(s) and vacation account for that month only if he returns to payroll on or before his SIV Date Marker in that month (as adjusted, if appropriate, following such leave).
3. For purposes of this Paragraph C., [Section 7 A.](#) and Section 14 A.1, except as provided immediately below, a pilot is considered to be “on payroll” if he is not off-payroll.

Exception: A pilot who is off-payroll shall, nevertheless, be deemed to be on-payroll in the following circumstances: 1) for purposes of vacation accrual only, is on leave of absence due to injury sustained while on duty, and 2) for purposes of vacation and sick leave accruals, during any off-payroll status of 30 consecutive calendar days or less (other than due to a strike in which the pilot was a participant or in which the pilot withheld his services in sympathy with the strike of another employee group) (i.e. a “first 30 days grace period”).

4. Accruals to the sick leave accounts and vacation account of a pilot who is off-payroll on a SIV Date Marker shall be calculated after the pilot returns to payroll.
 - a. Any accruals owed for a prior month of service as a pilot shall be credited to the pilot’s accounts following the end of the flying month in which he returned to payroll and shall be stated on the crewmember activity statement for that flying month.
 - b. With respect to the month(s) preceding the month in which the pilot returns to payroll, the SIV Date shall not be adjusted until after the accruals for such month(s) have been calculated and credited.
 - c. With respect to the month in which the pilot returns to payroll, the accruals shall be calculated and credited after the pilot’s SIV Date has been adjusted, if appropriate, for that month.

Exception: If the pilot returns to payroll in the month following the month he went off-payroll, the accruals shall be calculated and credited prior to adjusting the pilot’s SIV Date, if appropriate (i.e. the off-payroll period exceeded 30 continuous days).

5. With respect to the month in which a pilot is first employed by the Company (i.e. the month in which the pilot’s EDAP and initial SIV Date occurs), the pilot shall

receive his first sick and vacation accruals in the subsequent month only if he is on payroll status on his SIV Marker Date in the subsequent month.

D. The following examples are provided to aid understanding of this Appendix 1 - SIV Date

Example 1 - No Adjustment of SIV Marker Date

A pilot's SIV Date is June 20, 1980. He has never been off-payroll more than 30 consecutive days, so there has been no adjustment to his SIV Date. The pilot's SIV Marker Date is the 20th. During calendar year 2001 the pilot is not off-payroll more than 30 consecutive days at any time.

Calendar year 2001 (Calendar Months)

Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Etc.
SIV Marker Date	20th	20th	20th	20th	20th	20th	20th	20th	

The pilot is on payroll for each SIV Date Marker. After each flying month, the pilot will be credited with his sick leave and vacation accruals for the corresponding calendar month.

Example 2

A pilot's SIV Date is June 5, 1980 and his SIV Date Marker is the 5th. Beginning on June 12, 2001 and through July 25, 2001, the pilot is off-payroll on a medical leave of absence. The pilot's SIV Date will be adjusted, upon return to payroll, by 14 days. His adjusted SIV Date is June 19, 1980 and his adjusted SIV Date Marker is the 19th. The pilot's SIV Date adjustment is calculated as follows:

1	Current SIV Date	06	05	1980
2	Return to Payroll Date	07	26	2001
3	Off Payroll Date	06	12	2001
4	Calculated Time Off Payroll (Subtract Line 3 from Line 2)	01 Month	14 Days	0 Years
5	Subtract 1 Month Credit	01 Month		
6	Time To Adjust (Subtract Line 5 from Line 4)	00 Months	14 Days	0 Years
7	Current SIV Date	06	05	1980
8	Plus Time To Adjust	00 Months	14 Days	0 Years
9	Adjusted SIV Date (Add Line 7 and Line 8)	06	19	1980

The pilot’s accruals in Example 2 will be handled as follows:

Calendar Month	Jun	Jul	Aug	Sep
SIV Date Marker prior to off-payroll	5	5		
Off-payroll	12			
Return to payroll		26		
Adjusted SIV Date Marker upon return to payroll		19 (Accrual is credited before SIV adjustment - See subparagraph C.4.c.)	19	19
Status of sick & vacation accruals for each calendar month	Yes, on payroll for SIV Date Marker on 5th.	Yes, credited after return to payroll. Deemed to be on payroll since off payroll less than 30 days (see exception in subparagraph C.4.c. above).	Yes, on payroll on adjusted SIV Date Marker of 19th.	Yes, on payroll on adjusted SIV Date Marker of 19th.

Example 3

A pilot’s SIV Date is July 5, 2000 and his SIV Date Marker is the 5th. Beginning on February 15, 2001 and through July 30, 2001, the pilot is off-payroll on a medical leave of absence. The pilot’s SIV Date will be adjusted, upon return to payroll, by 4 months and 16 days. His adjusted SIV Date is November 21, 2000 and his adjusted SIV Date Marker is the 21st. The pilot’s SIV Date adjustment is calculated as follows:

1	Current SIV Date	07	05	2000
2	Return to Payroll Date	07	31	2001
3	Off Payroll Date	02	15	2001
4	Calculated Time Off Payroll (Subtract Line 3 from Line 2)	05 Months	16 Days	0 Years
5	Subtract 1 Month Credit	01 Month		
6	Time To Adjust (Subtract Line 5 from Line 4)	04 Months	16 Days	0 Years
7	Current SIV Date	07	05	2000
8	Plus Time To Adjust	04 Months	16 Days	0 Years
9	Adjusted SIV Date (Add Line 7 and Line 8)	11	21	2000

The pilot's accruals in Example 3 will be handled as follows:

Calendar Month	Feb	Mar	Apr, May and Jun	Jul
SIV Date Marker prior to off- payroll	5			
Off-payroll	15			
Return to payroll				31
Adjusted SIV Date Marker upon return to payroll		21	21	21
Status of sick & vacation accruals for each calendar month	Yes, on payroll for SIV Date Marker on 5th.	Yes, credited after return to payroll. Deemed to be on payroll since off payroll less than 30 days (see subparagraph C.3. above - "first 30 days grace period").	No, not on payroll.	No, not on payroll on adjusted SIV Date Marker of 21st.

Example 4

A pilot's SIV Date is October 15, 1997 and his SIV Date Marker is the 15th. Beginning on May 1, 2001 and through November 10, 2001, the pilot is off-payroll on a medical leave of absence. The pilot's SIV Date will be adjusted, upon return to payroll, by 5 months and 10 days. His adjusted SIV Date is March 25, 1998 and his adjusted SIV Date Marker is the 25th. The pilot's SIV Date adjustment is calculated as follows:

1	Current SIV Date	10	15	1997
2	Return to Payroll Date	11	11	2001
3	Off Payroll Date	05	01	2001
4	Calculated Time Off Payroll (Subtract Line 3 from Line 2)	06 Months	10 Days	0 Years
5	Subtract 1 Month Credit	01 Month		
6	Time To Adjust (Subtract Line 5 from Line 4)	05 Months	10 Days	0 Years
7	Current SIV Date	10	15	1997
8	Plus Time To Adjust	05 Months	10 Days	0 Years
9	Adjusted SIV Date (Add Line 7 and Line 8)	03	25	1998

The pilot's accruals in Example 4 will be handled as follows:

Calendar Month	May	Jun, Jul, Aug, Sep and Oct	Nov
SIV Date Marker date prior to off-payroll	15		
Off-payroll	1		
Return to payroll			11
Adjusted SIV Date Marker upon return to payroll		25	25
Status of sick & vacation accruals for each calendar month	Yes, credited after return to payroll. Deemed on payroll since off payroll less than 30 days (see subparagraph C.3. above - "first 30 days grace period").	No, not on payroll or within grace period.	Yes, on payroll on SIV Date Marker of 25th.

- E. This Letter of Agreement shall become effective on the date of signing, and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 18th day of March, 2002.

For AIR LINE PILOTS ASSOCIATION

/s/ Duane E. Woerth
President

/s/ Mark A. McClain,
NWA MEC Chairman

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Richard E. Woolley
Member Negotiating Committee (Northwest)

/s/ Robert A. Moser
Member Negotiating Committee (Northwest)

For NORTHWEST AIRLINES, INC.

/s/ Robert A. Brodin
Senior Vice President, Labor Relations

/s/ Robert W. Tice
Senior Labor Counsel - Flight

/s/ Danny Walters
Managing Director, Flight Administration

LETTER 2002-02

LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS the Company and ALPA have been jointly working on implementation of a computer schedule bidding process that is acceptable to the Company and the pilot group; and

WHEREAS the computer schedule bidding implementation process occasionally results in unintended and undesired schedule bidding results; and

WHEREAS the Company and ALPA prefer that efforts be made to resolve such unintended and undesired schedule bidding results through a cooperative bid error resolution process rather than immediately through the grievance and arbitration processes of Sections 20 and 21 of the Pilots Agreement.

NOW THEREFORE BE IT RESOLVED the undersigned parties do hereby agree as follows:

A. Definition of Regular Schedule Awarding Error

1. A Regular Schedule Awarding Error occurs when (i) a regular pilot’s seniority is violated during the regular pilot awarding process; or (ii) when a regular pilot is awarded a schedule that violates either the Federal Aviation Regulations or the Pilots Agreement; or (iii) when a regular pilot is prevented from taking action permitted by the Pilots Agreement during the regular pilot schedule bidding and awarding process; or (iv) when the Chairman of the ALPA Computer Bidding Committee and the Director of Crew Resources, or their designees, agree that a Regular Schedule Awarding Error has occurred.
2. If the Chairman of the ALPA Computer Bidding Committee and the Director of Crew Resources, or their designees, either agree that there was not a Regular Schedule Awarding Error, or agree that there was a Regular Schedule Awarding Error and that the appropriate handling of that error is the resolution process set forth in Paragraph B. below, their decision shall be final and binding and shall

preclude the affected pilot from further challenging the schedule award or resolution. If the Chairman of the ALPA Computer Bidding Committee and the Director of Crew Resources, or their designees cannot so agree, the affected pilot can challenge the schedule award pursuant to Section 20 of the Pilots Agreement, as modified by Letter 2000-03 (i.e. the Pre-Grievance process).

B. Resolution of Regular Schedule Awarding Errors

1. When a Regular Schedule Awarding Error occurs, the Company and the affected pilot shall discuss potential resolutions agreeable to both parties. Resolutions that require pilots that do not reside in base to spend a night(s) in base that exceeds that which would have been required had his bid been processed properly will include lodging at Company expense. Notwithstanding other provisions of the Pilots Agreement, the Company and the pilot may agree to allow the pilot to select, prior to Schedule Completion Bid, from trips open after schedule awarding. However, under no circumstances will a trip be removed from the schedule of a junior pilot in order to resolve a Blockholder Schedule Awarding Error.
2. If the Company and the affected pilot are unable to agree upon any other resolution, the following “Default Resolution Process” shall be utilized:
 - a. Using the entire pool of trips in the affected pilot’s position, the Company shall construct a legal schedule that satisfies the “SET” and “AVOID” bid commands of the bid group from which the affected pilot’s schedule should have been awarded.
 - b. The affected pilot shall fly any trips from that constructed schedule that were awarded from the open flying list or were initially awarded to the pilot in the monthly schedule bidding process. The affected pilot shall have recovery days on each calendar day the trip(s) from that constructed schedule which was awarded to another pilot(s) was scheduled to operate (see [Section 30 C.10.c.](#)). The recovery days need not be served at his base provided he meets the requirements of [Section 25 A.4.b.\(2\)\(a\)](#) 1’ through 5’ (the pilot is a P-4 pilot – see [Section 30 G.](#)). The pilot shall be entitled to BSTG for the trip(s) on such constructed schedule. BSTG for each trip in such constructed schedule shall be based on the credit value of the trip(s) in the constructed schedule. He shall not be entitled to BSTG for any trip dropped from his original schedule as a result of this resolution process.
 - c. A pilot with a recovery obligation day as specified above, who is assigned a trip by Crew Scheduling and is unable to travel to base due to aircraft load or other reason in sufficient time to fly such assigned trip, shall nevertheless receive BSTG for the entire value of the trip on his constructed schedule. In order to receive such BSTG a pilot must, to the extent there is more than one flight to his base, have stood by for at least

two such flights and been denied boarding due to aircraft load or other reason and the pilot must have requested Y1 transportation to his base and been denied such transportation on the last scheduled flight for which he stood by. When the timing of the assignment would only allow one possible flight to his base and the aircraft load or other reason will not permit his usage of that flight, he shall request Y1 transportation on that flight and if denied by Crew Scheduling he shall nevertheless receive the BSTG as described in subparagraph b. above. With respect to a pilot covered by this subparagraph c., such pilot will not be required to travel to his base, but will return to his previously scheduled recovery days.

- 3. If the Chairman of the ALPA Computer Bidding Committee agrees that the result of the Default Resolution Process is the appropriate handling of the error and that the process was properly followed, the affected pilot shall be precluded from further disputing either the Regular Schedule Awarding Error or the resolution of that error. If the Chairman of the ALPA Computer Bidding Committee does not agree that the (i) result of the Default Resolution Process is the appropriate handling for the error, or (ii) that the Default Resolution Process was properly followed, the affected pilot shall be allowed to dispute the error and/or resolution pursuant to Section 20 of the Pilots Agreement, as modified by Letter 2000-03 (i.e. the Pre-Grievance process).

C. This Letter of Agreement shall become effective on April 1, 2002, and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 21st day of March, 2002.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Robert A. Brodin
Senior Vice President, Labor Relations

/s/ Mark A. McClain
NWA MEC Chairman

/s/ Robert W. Tice
Senior Labor Counsel - Flight

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny Walters
Managing Director, Flight Administration

/s/ Richard E. Woolley
Member Negotiating Committee
(Northwest)

/s/ Robert A. Moser
Member Negotiating Committee
(Northwest)

LETTER 2002-04

LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the Company and ALPA have an interest in facilitating employment opportunities for pilots who have been laid off by the Company; and

WHEREAS, an opportunity exists for some laid off Company pilots to be utilized as pilots for Pinnacle Airlines, Inc. (hereinafter referred to as “Pinnacle”).

NOW, THEREFORE, BE IT RESOLVED the undersigned parties do hereby agree as follows:

- A. Company pilots who are on layoff and who are selected to perform services for Pinnacle (hereinafter referred to as “such pilots” or “Pinnacle pilots”) will, for purposes of the NWA/ALPA Pilots Agreement (hereinafter “the Agreement”), be considered to be on layoff pursuant to Section 23 for all purposes during their terms of service as Pinnacle pilots. Such pilots will, during their terms of service at Pinnacle, have all their accruals handled consistent with those of a laid off pilot, including but not limited to seniority, pension, longevity for pay, vacation, sick leave, SIV Date adjustment, etc.
- B. During the terms of service of such pilots with Pinnacle, they shall be governed exclusively by the pay, benefits, work rules, policies and procedures governing pilots in the service of Pinnacle, and will not be covered by the Agreement.
- C. Company pilots who are on layoff and who are not selected to perform services for Pinnacle shall have no recourse under the Agreement to challenge the decision of Pinnacle not to so select them.
- D. Notwithstanding the provisions of Section 23 of the Agreement regarding recall of laid off pilots, the following provisions shall apply to Company pilots who are on layoff and who are selected to perform services for Pinnacle:

1. Minimum Term of Service at Pinnacle

The recall rights of a Pinnacle pilot shall be deemed modified to the extent necessary to provide for a Minimum Term of Service at Pinnacle of 18 months. Such 18-month Minimum Term of Service shall begin on the date of hire by Pinnacle and shall end after the completion of the 18th flying month of employment with Pinnacle (e.g. date of hire is January 5, 2003; the 18-month Minimum Term of Service ends at the end of the June 2004 flying month).

2. Maximum Monthly Recall From Pinnacle

The recall rights of a Pinnacle pilot shall be deemed modified to the extent necessary to provide that Pinnacle may limit the maximum number of Pinnacle pilots recalled to the Company to 5 per month. Only Pinnacle pilots who have completed their 18-month Minimum Terms of Service shall be eligible for recall by the Company (in seniority order as listed on the NWA/ALPA Integrated Pilots Seniority List).

3. Recall From Pinnacle

- a. Recall Bypass. A Pinnacle pilot who has not completed his Minimum Term of Service obligation to Pinnacle, or is not one of the 5 most senior Pinnacle pilots who has completed his Minimum Term of Service obligation to Pinnacle, and who would otherwise be eligible for recall by the Company, shall be bypassed for recall until such time as he has both (i) become one of the 5 most senior Pinnacle pilots who has completed his Minimum Term of Service obligation to Pinnacle; and (ii) would otherwise be subject to recall by the Company.
- b. If a Pinnacle pilot's employment at Pinnacle is terminated for any reason before the time that he would be eligible for recall by the Company pursuant to subparagraph a. above, he shall nevertheless be bypassed for recall until such time as he would have been eligible for recall by the Company pursuant to subparagraph a. above.
- c. If a Pinnacle pilot is on layoff status with Pinnacle at a time when he would otherwise be recalled by the Company, his Minimum Term of Service obligation to Pinnacle shall be deemed satisfied, and he shall not be subject to the Maximum Monthly Recall provisions of subparagraph 2. above.
- d. The parties recognize that the Recall Bypass provisions of this Letter of Agreement may result in junior pilots being recalled prior to Pinnacle pilots, and new pilots being hired before Pinnacle pilots are recalled. The parties agree that the presence of such junior pilots and/or new hire pilots in active service at the Company shall not create a recall right for Pinnacle pilots who were bypassed for recall as provided in this Letter of Agreement; rather, such a Pinnacle pilot will only be recalled when a need

for additional pilots exists and such pilot is the appropriate pilot to be recalled. The parties further agree that the running of the 10-year period of continuous layoff provided by Section 22 D.8.a. of the Agreement shall be tolled during any period of time that a Pinnacle pilot's recall has been bypassed as provided in this Letter of Agreement.

4. The Company shall maintain a list, updated on a monthly basis and provided to ALPA, of Pinnacle pilots. The list shall include, for each such pilot, the date he completes (or is projected to complete) his Minimum Term of Service at Pinnacle, and whether he is eligible for recall or subject to the Recall Bypass provisions of this Letter of Agreement. The parties shall meet and confer from time to time to confirm the accuracy of the information in the list.
5. Except as otherwise provided in the Agreement with respect to accrual of longevity for pay purposes (see [Section 3 A.2.b.](#)) a Pinnacle pilot whose recall is delayed or bypassed as a result of this Letter of Agreement shall not be eligible for Company pay, benefits or accruals of any kind, including but not limited to seniority, pension, longevity for pay, vacation, sick leave, SIV Date adjustments, etc., during the period of the delay or bypass.
6. A Pinnacle pilot whose recall was bypassed as a result of this Letter of Agreement and who is later eligible for recall shall have the [Section 23 B.2.](#) option to defer recall, provided there is a junior pilot on layoff who is eligible for recall.

E. Pinnacle Preferential Hiring

1. The Company shall obtain from Pinnacle a waiver of its policy that would otherwise require a new hire Pinnacle pilot to resign from his employment at the Company to be eligible for employment at Pinnacle as a pilot.
2. The Company shall obtain from Pinnacle a commitment to hire as Pinnacle pilots, those laid off Company pilots who apply, subject to the following conditions:
 - a. The applicant must submit a properly completed application to Pinnacle in compliance with Pinnacle's standard pilot hiring application process.
 - b. The applicant must (i) submit to the standard interview process required of pilot applicants at Pinnacle; (ii) pass the standard Pinnacle background check and medical evaluation for pilots; (iii) possess the FAA medical certificate and pilot licenses required for pilot employment at Pinnacle; and (iv) pass any standard objective tests required of pilot applicants at Pinnacle.
 - c. With respect to laid off pilots whose applications are on file at any one time at Pinnacle, and who meet the hiring requirements described in subparagraph b. above, Pinnacle shall make offers of employment in seniority order as listed on the NWA/ALPA Integrated Pilots Seniority List.

- d. To the extent that there are sufficient laid off Company pilots who have met the requirements of subparagraphs a. through c. above, beginning in January 2003, no less than 75% of new hire positions in a new hire class at Pinnacle shall be filled by such Company pilots, provided that Pinnacle shall not be required to hire more than 15 laid off Company pilots per new hire class. Prior to January 2003, laid off Company pilots may be hired at Pinnacle pursuant to this Letter of Agreement, but there shall be no minimum hiring requirements.

- F. In order to be hired at Pinnacle pursuant to this Letter of Agreement, a laid off Company pilot shall first be required to sign the attached document acknowledging his acceptance of the terms of this Letter of Agreement. Such pilot shall provide the signed acknowledgement to Pinnacle in accordance with the instructions set forth on the attachment. The Company shall provide a copy of the signed acknowledgement to ALPA.

- G. This Letter of Agreement shall become effective on the date of signing hereof, and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 29th day of August, 2002.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Robert A. Brodin
Senior Vice President, Labor Relations

/s/ Mark A. McClain
NWA MEC Chairman

/s/ Robert W. Tice
Senior Labor Counsel - Flight

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny Walters
Director, Flight Administration

/s/ Richard E. Woolley
Member Negotiating Committee
(Northwest)

/s/ Robert A. Moser
Member Negotiating Committee
(Northwest)

ACKNOWLEDGEMENT

By my signature below, I hereby acknowledge that I have read and accept the terms of the Letter of Agreement between Northwest Airlines, Inc., and the Air Line Pilots Association regarding the hiring of laid off Northwest pilots by Pinnacle Airlines, Inc.

I understand that in order to be eligible for employment at Pinnacle pursuant to such Letter of Agreement, I must submit this signed Acknowledgement to Pinnacle with my Application for Employment.

Date

Name (Please Print)

Signature

NWA Employee Identification Number

LETTER 2003-01-01A

(Delta Alliance Letter of Agreement Number 1)
LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, Northwest has advised ALPA of the Company’s desire to enter into a marketing relationship (the “Alliance” as more fully defined herein) with Delta Airlines, Inc. and Continental Airlines, Inc.; and

WHEREAS, the Company and ALPA are already parties to agreements that provide the required authorization for a marketing relationship with Continental Airlines, Inc. (Letters 1989-01-01A through 1989-01-04); and

WHEREAS, the parties have agreed, subject to the terms set forth herein, that the Alliance is in the best interests of the Company and its pilots, as represented by ALPA; and

WHEREAS, the parties desire both to facilitate the Alliance and to provide protection for the legitimate job interests and expectations of the Company’s pilots; and

WHEREAS, the parties desire to replace the current Letter of Agreement 2003-01-01 authorizing the Alliance with Delta Air Lines, Inc. with a revised Letter of Agreement 2003-01-01A and to include in this letter of agreement certain provisions from Letter 2003-01-02;

NOW THEREFORE, the undersigned parties do hereby agree as follows:

- A. Specific, Limited Exception to Section 1 of the Agreement
 - 1. Section 1 of the Collective Bargaining Agreement between the Company and ALPA (the “Agreement”) applies in all respects except as modified by this Letter of Agreement.
 - 2. The exception to Section 1 of the Agreement provided for in Paragraph C. below:
 - (a) does not extend to any successors of Delta, and (b) is not assignable to any other air carrier or entity.

B. Definitions

The definitions of terms provided in the Agreement are applicable to this Letter of Agreement, except as follows, or as otherwise expressly provided in this Letter of Agreement:

1. “Northwest” or “NW” as used herein refers to Northwest Airlines, Inc., its parents, affiliates, subsidiaries, successors and assigns, and any of its Feeder Carrier partners (i.e., air carriers utilizing the NW code designator as permitted by [Section 1 B.8.c.](#) of the Agreement) performing revenue flying for Northwest pursuant to [Section 1 B.8.c.](#) of the Agreement.
2. “Delta” or “DL” as used herein refers to Delta Airlines, Inc., its parents, affiliates, subsidiaries, successors and assigns, including any Delta commuter airline partners (i.e., a “Delta Connection Carrier” operating a “permitted aircraft type” (as those terms are defined in the ALPA/Delta Pilots Agreement) in accordance with [Section 1 D.](#) of the ALPA/Delta Pilots Agreement).
3. “Northwest Airlines, Inc.,” or “the Company,” as used herein refers to the air carrier that is a party to the Agreement and does not refer to parents, affiliates or subsidiaries of that air carrier.
4. “Delta Airlines, Inc.” as used herein refers to the air carrier only, and does not refer to parents, affiliates or subsidiaries of that air carrier.
5. “Northwest Domestic Hub” as used herein, refers to MSP, DTW and MEM and any other airport that the Company and ALPA agree to designate as a Northwest Domestic Hub.
6. “Delta Domestic Hub” as used herein, refers to ATL, CVG, SLC and DFW and any other airport that the Company and ALPA agree to designate as a Delta Domestic Hub.
7. “Schedule”, “Schedules”, and “Scheduled” as used herein refer to scheduled flights as set forth in the Official Airline Guide (“OAG”).

C. Scope Waiver

The provisions of Section 1 of the Agreement shall apply to the code sharing relationship with Delta, except as provided below:

1. International Code Sharing By Northwest On Delta Flights
 - a. Transpacific Flying. The NW code designator may be used on any Delta Airlines, Inc. transpacific **routes** (i.e., **routes** which begin or end in the United States and cross the International dateline) that originate or terminate at a Delta Domestic Hub.

- b. Transatlantic Flying.
 - (1) The NW code designator may be used on any Delta Airlines, Inc. transatlantic flights (i.e. flights between North America and Europe) which originate or terminate at a Delta Domestic Hub, excluding flights to/from AMS,
 - (2) provided, however, that in no event shall the NW code designator be used on any Delta flights on transatlantic routes which originate or terminate at a Northwest Domestic Hub,
 - (3) and provided further that the NW code designator may be used on Delta Airlines, Inc. non-stop transatlantic flights to/from or through JFK on which placement of the NW code designator is legally permissible, excluding flights to or from AMS.

- c. Hawaii Flying. The NW code designator may be used on up to 35 Delta roundtrip West Coast cities-Hawaii flights per week subject to the following conditions:
 - (1) Northwest Airlines, Inc. must schedule at least 28 roundtrip frequencies per week between the U.S. Mainland and Hawaii, of which at least 14 roundtrip frequencies per week shall be between U.S. West Coast cities and Hawaii;
 - (2) provided that, if, during the months of May, September and October and the first 15 days of December, Northwest Airlines, Inc. reduces the number of SEA-Hawaii frequencies from 14 per week to 7 per week, the minimum number of weekly U.S. Mainland-Hawaii frequencies during this period may be reduced to at least 21 roundtrip frequencies per week, of which at least 14 roundtrip frequencies per week shall be between U.S. West Coast cities and Hawaii.
 - (3) If Northwest Airlines, Inc. reduces the number of its scheduled flights per week on the routes described in subparagraphs (1) and (2) above, below the minimum frequencies provided therein during any calendar month(s), the NW code may not be used on any Delta West Coast-Hawaii flights during such calendar month(s).

If Delta schedules more than 35 roundtrip West Coast-Hawaii flights per week, the NW code designator may be used on such additional Delta frequencies provided that the number of Northwest Airlines, Inc. U.S. Mainland-Hawaii weekly frequencies increases above 28 by at least the number of additional Delta frequencies above 35 on which the NW code designator is used.

- d. The NW code designator may be used on all Delta International flights to South America, Central America, the Caribbean, Bermuda and Mexico provided, however, that the NW code designator may not be used on Delta International flights that operate non-stop to or from Northwest Domestic Hubs or to or from SEA.

D. Separate Marketing Identity and Flight Operations

With respect to the Alliance, Northwest Airlines, Inc. shall maintain its own operating and corporate identity, distinct from Delta (including, but not limited to the Company's name, trade name, logo, livery, trademarks or service marks), provided that this shall not preclude the use of markings reflecting the relationship or alliance between Northwest, Delta and Continental.

- E. The Company shall maintain a reasonable ratio of reciprocal code sharing with Delta, subject however, to a reduction **due to a** circumstance **over which the Company does not have** control (See **Section 2 O. of the Agreement**).

F. Information Sharing

Subject to an appropriate Confidentiality Agreement, Northwest shall provide to ALPA within 30 days after the conclusion of each month information or operational data reasonably necessary to monitor compliance with the terms of this Letter of Agreement, including but not limited to the international flights of Delta **and Northwest** on which the **NW and DL** code designators have been placed.

G. Expedited Resolution of Disputes

Any dispute concerning the interpretation or application of this Letter of Agreement shall be subject to expedited arbitration pursuant to the provisions of **Section 1 F.** of the Agreement.

- H. A pilot laid off in 2001, 2002 or 2003, may, by the monthly advance payment of the premium to the Company, continue his medical and/or dental coverage until the next premium due date following 3 years from the effective date of his layoff (effectively amending Sec. 27 A.5.a.(1)(a) of the Agreement with respect to such pilot).

- I. Upon approval by the necessary regulatory agencies, including the Department of Transportation and the Transportation Security Agency, of the proposed ATA Cockpit Access Security System, that operates on existing non-PC based Company computer terminals, the Company will take all necessary action, consistent with action taken by other carriers participating in the ATA Cockpit Access Security System, to allow off-line jumpseat riders access to Northwest cockpit jumpseats.

J. Effective Date and Duration

This Letter of Agreement shall become effective on the date of signing, and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status

quo period under the Railway Labor Act and shall replace and supercede Letter of Agreement 2003-01-01 dated January 31 2003, concerning the Delta Alliance.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this **31st** day of **July**, 2006.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ David Stevens
NWA MEC Chairman

/s/ Timothy J. Rainey
Sr. Vice President Flight Operations/SOC

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

LETTER 2003-06

(HNL-MSP 747-200 Base Closings)
LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the Company has made the decision to close the HNL and MSP 747-200 pilot bases in November 2003; and

WHEREAS, the Company has committed to re-establishing the HNL DC10 pilot base in May 2004; and

WHEREAS, ALPA and the Company recognize that under the specific circumstances surrounding the HNL 747-200 pilot base closing, there will be some pilots who will sustain genuine hardships as a result of having established residences in the State of Hawaii and being displaced from positions in the HNL base and taking positions at one of the bases in MSP, DTW, MEM or ANC; and

WHEREAS, pilots and their family members at both bases may experience difficulties in traveling on-line between HNL or MSP and the location to which they are considering relocating their residence; and

WHEREAS, the Company and ALPA desire to alleviate such difficulties on such pilots and their families.

NOW THEREFORE, BE IT RESOLVED, the undersigned parties do hereby agree as follows:

- A. A 747-200 pilot who is entitled to a Company-paid move pursuant to the provisions of Section 6 of the NWA/ALPA Pilots Agreement (“the Agreement”), or a hardship move pursuant to Paragraphs D. and E. of this Letter of Agreement, as a result of the closing of the HNL and MSP 747-200 pilot bases, and (i) is both based in HNL and resides in Hawaii, or (ii) is both based in MSP and resides within 300 miles of MSP, shall be entitled to relocation passes on a “Y-2” priority between the HNL or MSP base, as applicable, and the other pilot base(s) at which the pilot is based or is considering being

based (DTW, MSP, MEM and ANC). These passes are for relocation purposes such as investigating housing options, or house closings on either a new residence or the pilot's former residence in Hawaii or within 300 miles of MSP, as applicable. Such passes are not to be used for commuting or any other purposes. These relocation passes can be obtained from HNL or MSP base management or the base management of the other pilot base at which the pilot is based or is considering being based. Pilots, their spouses and dependent family members are eligible for these relocation passes beginning on the date of signing of this Letter of Agreement and continue to be so eligible until the pilot is no longer eligible pursuant to Section 6 of the Agreement, or a hardship move pursuant to Paragraphs D. and E. of this Letter of Agreement, for a paid move as a result of the closing of the HNL and MSP 747-200 pilot bases.

B. A HNL 747-200 pilot who

- (i) is awarded or displaced to a permanent position in ANC in the same category as his HNL permanent position, during the permanent position awarding process for October or November 2003, and
- (ii) is eligible for a Company-paid move pursuant to [Section 6 A.](#) of the Agreement as a result of such award or displacement, and
- (iii) has not taken a Company-paid move to ANC as a result of such award or displacement, and
- (iv) had resided in Hawaii prior to being displaced from his permanent position in HNL and continuously maintained his residence in Hawaii thereafter while holding a permanent position at the ANC base,

shall be deemed to have completed his [Section 24 H.](#) 24-month foreign base term of service at ANC for the purpose of awarding to such pilot a HNL permanent position.

Example: A pilot is displaced from HNL 747-200 First Officer Reserve to 747-200 First Officer Regular in ANC. Later, a vacancy opens in HNL DC-10 Captain Reserve that the pilot is preferencing as a superior choice to his current ANC position and he is the next pilot to receive the award under the provisions of the Agreement. Provided the pilot is otherwise eligible for the award, he shall be awarded the position in HNL and his 24-month term of service in ANC shall be deemed to have been completed.

C. The parties acknowledge that the Agreement requires, in the event of re-establishment of the HNL DC-10 pilot base, that in order to be eligible for [Section 24 E.10.](#) "return to previous permanent position rights" to a HNL DC-10 position, a pilot must have continuously maintained such position as a superior choice on his EPL.

D. Criteria for Consideration for a Company-Paid Hardship Move

1. The pilot must have been displaced from a permanent position at the HNL base during the permanent position awarding process for October or November 2003.

2. The pilot must have received a Company-paid move to the State of Hawaii and must reside in the State of Hawaii at the time of his displacement from his permanent position at the HNL base. For purposes of this Letter of Agreement, a pilot resides in the State of Hawaii if he is not a commuting pilot. A pattern of travel to Hawaii prior to, or travel from Hawaii following, a trip or period of reserve duty or availability obligation will be regarded as a strong indicator that a pilot was a commuter and not a resident of Hawaii for purposes of this Letter of Agreement. The parties acknowledge that some pilots may have received a Company-paid move to Hawaii of only a vehicle and/or a small quantity of household goods or personal effects. The parties do not intend that Company-paid hardship moves under this Letter of Agreement shall extend to transfer of only a vehicle and/or a small quantity of household goods or personal effects of a pilot who established a commuter place of abode in Hawaii as opposed to a residence. Conversely, the parties acknowledge that some such pilots may have thereafter established residence in the State of Hawaii while being based in HNL and therefore meet the criteria for a Company paid hardship move.
3. A pilot shall apply for a Company-paid hardship move pursuant to this Letter of Agreement by notifying the Company's Director of Flight Administration, in writing, of the facts and circumstances that he believes meets the requirements of subparagraphs 1. and 2. above. The writing may be delivered to base management in HNL for transmission to the Director of Flight Administration. Within a reasonable period of time, the Director of Flight Administration shall notify the pilot, in writing, whether the pilot meets the criteria of subparagraphs 1. and 2. above for a Company-paid hardship move. In the event of a denial, the Company shall state the reasons therefore. A copy of any denial shall be provided to the ALPA NWA MEC Contract Administration Chairman.
4. A pilot who does not meet both of the requirements set forth in subparagraphs 1. and 2. above, (including any pilot who has received a denial pursuant to subparagraph 3. above) who nevertheless wishes to be considered for a Company-paid hardship move under this Letter of Agreement may submit, in writing, to the Company's Director of Flight Administration such information as he would like the Company to take into consideration. This writing may be delivered to base management at HNL for transmission to the Director of Flight Administration. The decision of the Director of Flight Administration shall be final and binding, although the comments and recommendations of the ALPA NWA MEC Contract Administration Chairman shall be taken into consideration.

E. Company-Paid Hardship Move

1. The pilot must move to and establish a residence in one of the 48 contiguous states of the United States.
2. The Company's payment of moving expenses shall be limited to those set forth in [Section 6 C.1.](#), [Section 6 C.2.](#), [Section 6 C.3.](#) and [Section 6 F.](#) of the Agreement. In addition, the Company's payments of moving expenses shall be limited to the

expense that the Company would incur if the pilot moved to within 300 miles of the base of his new permanent position.

3. The provisions of [Section 6 D.](#) of the Pilots Agreement shall also apply to the Company-paid hardship moves provided pursuant to this Letter of Agreement.
4. Notwithstanding any provisions of the Agreement to the contrary, a pilot who takes a hardship move pursuant to this Letter of Agreement shall be ineligible for any Company-paid move for a minimum of 24 months after the date of such hardship move.

F. This Letter of Agreement is reached on a non-precedent and non-prejudicial basis.

G. This Letter of Agreement shall become effective on the date of signing, and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 13th day of June, 2003.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Robert A. Brodin
Senior Vice President, Labor Relations

/s/ Mark A. McClain
NWA MEC Chairman

/s/ Robert W. Tice
Senior Labor Counsel - Flight

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny Walters
Managing Director, Flight Administration

/s/ Richard E. Woolley
Member Negotiating Committee
(Northwest)

/s/ Robert A. Moser
Member Negotiating Committee
(Northwest)

LETTER 2003-08

LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as “Northwest”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, Northwest and ALPA wish to agree to amend the “NORTHWEST AIRLINES PENSION PLAN FOR PILOT EMPLOYEES” adopted by Northwest on August 7, 1975, but effective July 1, 1974, as heretofore amended by twenty-three amendments (hereafter collectively referred to as the “Pension Plan” and the “Pension Plan Statement”), insofar as the Pension Plan applies to the Disability offset of Retirement Pension benefits due to Frederick M. Nord, John P. Gentry, William C. Doty and Tim L. Durham (hereafter collectively referred to as the “Four Pilots”); and

WHEREAS, Northwest and ALPA wish to agree to amend the Pension Plan and Pension Plan Statement insofar as the Pension Plan applies to the Disability offset of Retirement Pension benefits due to certain other pilots described below who may become similarly situated to the Four Pilots, but who are not capable of being identified by name at this time (hereinafter collectively referred to as the “Potentially Eligible Pilots”); and

WHEREAS, pertinent facts surrounding the Four Pilots and the Potentially Eligible Pilots are summarized as follows:

- a. The Four Pilots and the Potentially Eligible Pilots are Participants in the Pension Plan.
- b. Each of the Four Pilots previously had a Disability and due to the Disability each of the Four Pilots has received a Disability Retirement Pension. Each of the Four Pilots had a cessation of his Disability and his Disability Retirement Pension and subsequently returned to active line flying.
- c. For purposes of this Agreement, a “Potentially Eligible Pilot” (and collectively “Potentially Eligible Pilots”) is each pilot who: (i) is, as of the date of this Agreement, a Participant under the Pension Plan receiving a Disability Retirement Pension; and (ii) had a Disability Retirement Date before September 13, 1998; and (iii) has a cessation of his Disability and subsequently returns to active line

flying prior to the end of the calendar month of January 2006; and (iv) has a Normal Retirement Date on or before February 1, 2006.

- d. The provisions of Section 3.3.5 of the Pension Plan, as applied to the Four Pilots and the Potentially Eligible Pilots, provide that if a Participant's "Disability Retirement Pension payments terminate by reason of cessation of the Disability, the Participant shall be entitled to such other retirement benefit provided by this Section 3 to which he or she would otherwise have been entitled, reduced" in accordance with a formula "to reflect the Disability Retirement Pension Benefit already received."
- e. The fraction that is part of this formula is specified as follows:

Numerator: The Participant's years of Benefit Service after return to active service (not to exceed the denominator).

Denominator: Twenty-five (25).
- f. Northwest, as plan administrator, has interpreted the expression "years of Benefit Service after return to active service" in the fraction's Numerator as including only the Participant's years of Benefit Service earned after returning from disability to active service (and as excluding Benefit Service earned before the Participant received payments under a Disability Retirement Pension).
- g. ALPA contends that the expression "years of Benefit Service after return to active service" in the fraction's Numerator should be interpreted as including all of the Participant's years of Benefit Service (both Benefit Service earned before the Participant received payments under a Disability Retirement Pension and Benefit Service earned after returning from Disability to active service).
- h. ALPA and Northwest have agreed that notwithstanding their different interpretations of the relevant language, when the Four Pilots and the Potentially Eligible Pilots begin receiving benefits under the Pension Plan, Northwest, as plan administrator, shall apply ALPA's interpretation to calculate the reduction in benefits under the Pension Plan for benefits previously received under the Disability Retirement Pension.
- i. ALPA and Northwest have agreed that notwithstanding their different interpretations, when any pilot other than the Four Pilots and the Potentially Eligible Pilots with a Disability Retirement Date before September 13, 1998, who has returned or returns to active service and subsequently begins receiving benefits under the Pension Plan, Northwest, as plan administrator, shall apply Northwest's interpretation to calculate the reduction in benefits under the Pension Plan for benefits previously received under the Disability Retirement Pension.
- j. ALPA and Northwest have further agreed that, notwithstanding the provisions of the Plan, on a one-time, non-precedential basis, years of Benefit Service in the fraction's Numerator for the Four Pilots and the Potentially Eligible Pilots also

includes deemed Benefit Service for the period between the Participant's Disability Retirement Date and recovery from Disability.

- k. ALPA and Northwest have further agreed that notwithstanding the provisions of the Pension Plan, when the Four Pilots and the Potentially Eligible Pilots begin receiving a Normal Retirement Pension, Early Retirement Pension or Vested Benefit under the Pension Plan, Northwest shall apply the provisions of Section 3.3.4 of the Pension Plan, as amended on September 13, 1998, to calculate such pension, so that there is deemed Benefit Service and Vesting Service for the period between the Participant's Disability Retirement Date and recovery from Disability.
- l. ALPA and Northwest have also agreed that when any pilot with a Disability Retirement Date before September 13, 1998, other than the Four Pilots and the Potentially Eligible Pilots, who returns to active service and subsequently begins receiving a Normal Retirement Pension, Early Retirement Pension or Vested Benefit under the Pension Plan, Northwest shall apply the provisions of Section 3 of the Pension Plan in effect prior to September 13, 1998; and

WHEREAS, Northwest and ALPA wish to amend the terms of the Pension Plan Statement as applied to the Four Pilots and the Potentially Eligible Pilots on a one-time only, non-precedential basis, to reflect this agreement.

NOW, THEREFORE, it is hereby agreed by and between the parties as follows:

1. When interpreting the fraction used to calculate the reduction in benefits under the Pension Plan for benefits previously received under the Disability Retirement by the Four Pilots and the Potentially Eligible Pilots, Northwest will use ALPA's interpretation of the Numerator to calculate the reduction in benefits under the Pension Plan.
2. This interpretation of the Numerator of the fraction will be used only for the Four Pilots and the Potentially Eligible Pilots on a one-time, non-precedential basis. For all other affected pilots, Northwest shall apply its interpretation of the Numerator to calculate the reduction in benefits under the Pension Plan.
3. On a one-time, non-precedential basis and only for the Four Pilots and the Potentially Eligible Pilots, the Numerator of the fraction will include deemed Benefit Service for the period between the Participant's Disability Retirement Date and recovery from Disability.
4. When the Four Pilots and the Potentially Eligible Pilots begin receiving a Normal Retirement Pension, Early Retirement Pension or Vested Benefit under the Pension Plan, Northwest shall apply the provisions of Section 3.3.4 of the Pension Plan, as amended on September 13, 1998, to calculate such pension, so that there is deemed Benefit Service and Vesting Service for the period between the Participant's Disability Retirement Date and recovery from Disability.

5. The provisions of Paragraph 4. above will be used only for the Four Pilots and the Potentially Eligible Pilots on a one-time, non-precedential basis. For all other pilots with disability retirement dates prior to September 13, 1998, Northwest shall apply the provisions of the Pension Plan in effect prior to September 13, 1998.
6. To the extent necessary, this Letter of Agreement shall be considered an amendment of the Pension Plan Statement insofar as it applies to the Four Pilots and the Potentially Eligible Pilots.
7. This Letter of Agreement shall, upon signing, become effective as of June 27, 2003, and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 11th day of September, 2003.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Robert A. Brodin
Senior Vice President Labor Relations

/s/ Mark A. McClain
NWA MEC Chairman

/s/ Tim Meginnes
Vice President Benefits

LETTER 2003-09

(ATLAS Phase 2)
LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the NWA/ALPA Pilots Agreement (“the Agreement”) provides at [Section 2 CCC](#). that the Company and ALPA shall mutually agree upon a “service provider” for the purpose of allowing pilots to use their personal computers to participate in monthly schedule bidding and access information in Company computers for other specified purposes (i.e. “remote access”); and

WHEREAS, the “service provider” agreed upon by the Company and ALPA to date has been “CompuServe”, whose services require payment of a monthly fee by pilots; and

WHEREAS, the Company and ALPA desire to take advantage of newer technology that will permit pilots to select their own service provider to gain remote access to Company computer systems; and

WHEREAS, the Company has been involved in the analysis and feasibility of “ATLAS Phase 2” and ALPA agrees that implementation of ATLAS Phase 2 will be an improvement over the current CompuServe-based system, in part because a one-time pilot-paid fee will be substituted for the current monthly CompuServe payment;

NOW, THEREFORE, BE IT RESOLVED the undersigned parties do hereby agree as follows:

- A. The Company and ALPA agree that the present CompuServe-based remote access system will be phased out and replaced by the ATLAS Phase 2 system currently under development by the Company. The CompuServe-based system will be retained until the ATLAS Phase 2 system is fully implemented. The ATLAS Phase 2 system will be implemented in accordance with the implementation plan and schedule outlined in Paragraph J. below.

B. Pilot participation in the ATLAS Phase 2 system will be voluntary. All pilots may continue to participate in monthly schedule bidding and access other permissible information in Company computers by means of computer terminals at pilot bases and other Company locations. The Company shall continue to provide a sufficient number of computer terminals at pilot bases and other Company locations. The number of such computer terminals available on the date of signing of this Letter of Agreement shall not be reduced as a result of implementation of ATLAS Phase 2. Use of such Company computer terminals shall not require any payment by any pilot. Pilots who participate in ATLAS Phase 2 will retain access to the ATLAS Phase 2 system (i) while on payroll, or (ii) while off payroll for any reason as long as during such pilot's off-payroll period he retains an employment relationship with the Company. A pilot who resigns, is terminated, retires or is on a disability retirement will not be considered to have an employment relationship with the Company for purposes of this Letter of Agreement.

C. Enrollment

1. The Company plans to allow pilots to enroll in the ATLAS Phase 2 remote access system in conjunction with system implementation.
2. Only pilots on the current Integrated Pilots System Seniority List as of the date of signing of this Letter of Agreement shall be subject to an enrollment fee. Such pilots who enroll will not be charged an enrollment fee until the system is fully operational. Such pilots who enroll will be charged a fee of \$99 to enroll. Payment of this fee shall provide any pilot identified by Paragraph B. above as eligible for access to the ATLAS Phase 2 system with such access for as long as he retains an employment relationship with the Company.
3. Pilots on Payroll Who Elect to Enroll on or After the Date ATLAS Phase 2 Becomes Fully Operational for Use by All Pilots

Unless a pilot elects to pay the enrollment fee in one payment through payroll deduction, such fee will be made in 2 installments through payroll deduction. If the 2-payment option is made, the first payment of \$49.50 will be made in the first month following the pilot's enrollment. The second payment of \$49.50 will be made in the 4th month following the pilot's enrollment.

Exception 1: A pilot who will reach the Regulated Age (see [Section 24 M.](#) of the Agreement) within 12 months following implementation of ATLAS Phase 2 and who does not desire to fly as a Second Officer beyond the Regulated Age may request to pay \$8.25 for each month or partial month during which he has access to the ATLAS Phase 2 system. Such fee will be made in one payment through payroll deduction at the time of enrollment.

Exception 2: A pilot who has elected the 2-payment option and, after making his first payment, is anticipated to, or does go off payroll (other than a pilot reaching the regulated age covered by the provisions of Exception 1 above), but retains an employment relationship with the Company as specified in Paragraph B. above,

shall have his final payment deducted from his last payroll check before going off payroll unless he exercises his right to cancel his enrollment as provided for in subparagraph C.5. below. A pilot who elects to cancel his enrollment will have his access terminated until he pays the outstanding portion of the enrollment fee.

4. Pilots not Enrolled and not on Payroll on the Date ATLAS Phase 2 is Fully Operational for Use by All Pilots

Pilots not on payroll on the date ATLAS Phase 2 is fully operational who are eligible for ATLAS Phase 2 access as provided in Paragraph B. above and who enroll, shall be subject to the \$99 enrollment fee described in subparagraph C.2. above. Such fee, which shall be made in one payment, shall be by personal check or money order made payable to Northwest Airlines, Inc. The Company and ALPA shall meet and confer on the details to implement this enrollment process for such off-payroll pilots.

5. A pilot may cancel his enrollment at any time. There will be no refund of any payment that has already been made. A pilot who wishes to reinstate his enrollment must pay the outstanding unpaid portion of the enrollment fee. A pilot who has paid the enrollment fee in full prior to the cancellation of his enrollment will be reinstated upon the pilot's request so long as the pilot has an employment relationship with the Company as specified in Paragraph B. above. Employees who have not enrolled in the ATLAS Phase 2 system will not be able to obtain remote access through another employee's enrollment.

D. If any employee group, including Management, is permitted to use the Atlas Phase 2 remote access system at a lower cost or receives more favorable terms or conditions for use of the ATLAS Phase 2 system than provided for in this Letter of Agreement, then such lower cost or more favorable terms or conditions shall be made available to the pilot group, both prospectively and retroactively, with any refund to be paid promptly by the Company.

Exception 1: This paragraph shall not apply to Company employees or vendors whose duties include development, modification, maintenance or other required support of the ATLAS Phase 2 remote access system.

Exception 2: At such time as any pilot becomes eligible to access ATLAS Phase 2 without payment of an enrollment fee, as provided in Paragraph C. above, this Paragraph D. shall have no further force or effect.

E. The Company (whether through Company employees, independent contractors and/or a vendor) shall provide support assistance to pilots who have enrolled in ATLAS Phase 2 as specified in the Service Level Agreement (SLA) provided for in Paragraph F. below. The Company shall have no responsibility for any pilot's personal computer installation, configuration or application issues other than as specified in the SLA.

F. The Company and the ALPA Information Services Committee will work together to:

1. develop a mutually agreed upon Service Level Agreement (SLA) for ATLAS Phase 2; and
2. develop a list of PARS functionality emulation masks to be incorporated into ATLAS Phase 2 as a substitute for commonly used native PARS functions. The list of PARS emulation masks will include all masks currently available in the Company's ATLAS and RADAR systems, together with 4 additional masks to be agreed upon by the Company and the ALPA Information Services Committee. One of the 4 additional masks shall consist of a single-entry generic free-form PARS emulation mask that allows PARS string access.

If the Company and ALPA have not agreed upon the terms of an SLA and/or the 4 additional PARS emulation masks by October 1, 2003, the open issues may be submitted to expedited arbitration utilizing the procedures of [Section 1 G.](#) of the Agreement.

- G. Secure "hard tokens" currently used for remote access will not be required under ATLAS Phase 2. Security under ATLAS Phase 2 shall be controlled through "hardened internet identification" and a password known only to the pilot. Pilots will be required to return their hard tokens to the Company after receiving remote access through ATLAS Phase 2 (or, in the case of a pilot who does not enroll in ATLAS Phase 2, remote access through CompuServe has been discontinued).

- H. [Section 2 DDD.](#) of the Agreement is hereby amended to read in full as follows:

DDD. "Remote Access" means a method for pilots to submit and revise their bid preferences for computer bidding and to access information in the NWA computers for other specified purposes by usage of their personal computers via a service provider mutually agreed to by the Company and the Association. After implementation of the Atlas Phase 2 remote access system, "Remote Access" shall mean a Company-provided method for pilots to submit and revise their bid preferences for computer bidding and to access information in the NWA computers for other specified purposes by usage of their personal computers via Atlas Phase 2, through an internet service provider (ISP) of an individual pilot's choice.

- I. The parties recognize that the Company may modify the ATLAS Phase 2 system after it is implemented for purposes of correcting or enhancing the system. This Letter of Agreement shall not be interpreted to prevent such modifications. However, this Letter of Agreement shall not apply to a remote access system that replaces the ATLAS Phase 2 system, and the Company recognizes its obligation to bargain with ALPA over any such replacement system, provided however, there shall be no cost payable to the Company by any pilot for such replacement system. Should the parties disagree over (i) whether any modification to the ATLAS Phase 2 system was corrective or enhancing as opposed to a diminution of the system from ALPA's perspective; or (ii) whether any remote access system change constitutes a replacement of the ATLAS Phase 2 system as opposed to a modification thereof, the parties agree to an expedited arbitration of such dispute utilizing the procedures of [Section 1 G.](#) of the Agreement.

J. Implementation Plan and Schedule

The Company shall use its best efforts to make the ATLAS Phase 2 system fully operational for use by all pilots on or before June 30, 2004. In the event this target date is not met, there shall be no financial or other penalty payable by the Company to ALPA or any individual pilot.

K. This Letter of Agreement shall become effective on the date of signing and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 22nd day of October, 2003.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Robert A. Brodin
Senior Vice President, Labor Relations

/s/ Mark A. McClain,
NWA MEC Chairman

/s/ Robert W. Tice
Senior Labor Counsel - Flight

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny Walters
Managing Director, Flight Administration

/s/ Richard E. Woolley
Member Negotiating Committee (Northwest)

/s/ Robert A. Moser
Member Negotiating Committee (Northwest)

LETTER 2004-02A

LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the Company and ALPA desire to enter into an agreement that will provide the Company with certain incentives to maintain and expand its dedicated freighter operations while providing Northwest pilots with certain job growth and job security provisions in exchange therefore; **and**

WHEREAS, the parties desire to replace the current Letter 2004-02 with a revised Letter 2004-02A.

NOW, THEREFORE, BE IT RESOLVED, the undersigned parties do hereby agree as follows:

- A. → If, at any time after the date of signing of this Letter of Agreement and Paragraphs D.3. and E.3. below notwithstanding, the Company’s widebody freighter fleet is thereafter reduced to less than 14 active aircraft (with a daily average scheduled utilization rate of at least 9:00 per aircraft for the 14 active aircraft fleet, as measured on a rolling 12-month basis), this Letter of Agreement **and Section 1 B.2.(c). of the NWA/ALPA Pilots Agreement (the “Agreement”)** shall be terminated effective on the first day of the following month. For purposes of this Letter of Agreement “active aircraft” includes hot spares and aircraft in maintenance. →
- B. Non-Augmented ANC-Asia 747F Flying

Subject to the provisions of Paragraph A. above, and notwithstanding any provisions of [Section 12 C.2.](#), [Section 12 C.3.](#), [Section 12 D.](#) and [Section 12 F.](#) of the → Agreement→ to the contrary, the Company may schedule pilots who are assigned to a non-augmented crew of a B747-200 Freighter aircraft (“747F”) to perform 2 747F flights in a duty period that includes a “transpacific flight” (as that phrase is defined in [Section 12 C.2.a.\(4\)](#) of the Agreement), provided that the following conditions are met:

1. All other provisions of the Agreement applicable to transpacific flying on 747F aircraft shall apply to such 747F flights and duty period, except as specifically provided for in this Letter of Agreement;
2. Such flying in a single duty period is on 747F flights between ANC and Asia with an intermediate stop in Asia;
3. When such duty period begins in ANC and operates westbound from ANC and ends in Asia, the On-Duty Limitations for such single duty period shall be 14:20 scheduled and 16:00 actual (Exception: When the routing is ANC-Japan-TPE, the On-Duty Limitation shall be 15:00 scheduled and 16:00 actual);
4. When such duty period begins in Asia and operates eastbound from Asia and ends in ANC, the following conditions shall apply:
 - a. The On-Duty Limitations for such single duty period shall be 14:00 scheduled and 16:00 actual;
 - b. There shall be a maximum of 18 weekly frequencies of such single duty periods;
5. Scheduling Parameters for ANC-Asia 747F Flying

The following scheduling parameters shall apply:

- a. The Duty Period must be scheduled to commence in ANC between 0630 and 0800 standard time (0730 and 0900 daylight savings time) ANC time (inclusive).
- b. The Duty Period must be scheduled to commence in Asia between 1400 and 1900 local time (inclusive).
- c. A duty period that consists of 2 flights, including a transpacific flight, will only be scheduled as the origination or termination of the trip hour period.
- d. The minimum rest required prior to a duty period that consists of 2 flights, including a transpacific flight shall be as follows:
 - (1) 15:45 hours actual rest (release to report) prior to a duty period starting with a westbound flight;
 - (2) 18 hours actual rest (release to report) prior to a duty period starting with an eastbound flight.
- e. The minimum rest required after a duty period that consists of 2 flights, including a transpacific flight shall be as follows:

- (1) 15:45 hours actual rest (release to report) after a duty period starting with a westbound flight;
 - (2) 18 hours actual rest (release to report) after a duty period starting with an eastbound flight.
- f. The minimum rest required between any two consecutive duty periods each of which consists of a 2-segment transpacific flight (both within a trip hour period and between trip hour periods) shall be 18 hours actual rest (release to report).
- g. Restrictions applicable to delayed operations of a 2-flight duty period which contains a transpacific flight and which originates a trip hour period:

A pilot may not depart ANC unless he is anticipated to have a release time at his final destination that is no later than 17 hours after having reported for his duty period.

Note 1: In the event the Company desires to delay a pilot's report time, said delay shall not be effective unless the pilot has been actually notified of the delay by Crew Scheduling or other designated Company personnel via a telephone call with the pilot prior to the pilot's departure from his home or his hotel. The Company personnel shall call the pilot's designated contact numbers. A pilot who has already left his home or hotel for the airport, but who has not yet checked-in, may be notified of the delay by Crew Scheduling or other designated Company personnel via a phone call with the pilot at a designated cell phone contact number. A pilot shall be considered to have reported for his trip if (i) the pilot checks in for his trip, and (ii) it is within 3 hours of the originally scheduled departure time and (iii) the pilot was not actually notified of a delayed departure in accordance with the above provisions.

Note 2: The intent of this restriction is to limit the amount of a pilot's continuous hours of wakefulness for delayed operations.

- h. Ground time limitations at the intermediate stop in a 2-flight transpacific duty period:
- (1) Minimum time at all stations: 70 minutes scheduled;
 - (2) Maximum Time:
 - (a) NRT: 120 minutes scheduled;
 - (b) Other stations: 90 minutes scheduled.

- i. Rest facilities at the intermediate stop in a 2-flight transpacific duty period:
 - (1) NRT: The Company shall provide a comfortable and adequate pilot lounge.
 - (2) Other stations: Company to provide a comfortable and adequate pilot lounge, if feasible with respect to facility and customs issues.
- j. The maximum number of non-augmented transpacific duty periods in a trip hour period (whether such transpacific duty period consists of 1 flight or 2 flights) shall be 6.

Note: With respect to 747-200 transpacific passenger flying that is combined in a trip hour period with 747F transpacific flying, this restriction shall apply to both augmented and non-augmented 747-200 passenger flying.

- k. Layover Hotel

The Company shall provide a hotel at a location near the airport (i.e. the travel time to the hotel is shorter than that to a downtown hotel location) for any actual or scheduled layover which is less than 19 hours (release to report), if feasible, based on consideration of the savings in drive time and increased cost, if any associated with such hotel.

- l. The duty period may be awarded or assigned as part of a trip to pilots from a base other than ANC only pursuant to [Section 30 D.10.](#), [Section 30 E.1.](#) and [Section 30 E.2.](#) of the Agreement.
- m. In the event that a crew has a layover at a scheduled intermediate station in Asia resulting from a trip disruption caused by contractual and/or FAR duty limitations or rest requirements, lodging at a hotel at or near the airport that is acceptable to ALPA will be provided to the crew.

- 6. Exception 2 following [Section 12 C.2.a.\(4\)](#) of the Agreement as set forth in the Letter of Agreement dated March 14, 2003 shall be superceded by this Paragraph B. of this Letter of Agreement.

C. Foreign Air Carrier Cargo Code Sharing

The parties agree that for purposes of this Letter of Agreement concerning freighter flying only, [Section 1 B.8.a.\(2\)](#) and [Section 1 B.8.b.\(3\)](#) of the Agreement shall not operate to prevent placement of the NW code designator on foreign air carrier freighter flights between ANC and the 48 contiguous states of the United States where:

- 1. ANC is an intermediate stop on a flight between Asia and the 48 contiguous states of the United States; and

2. No freight is put on or taken off the freighter aircraft in ANC, except for the purpose of cross-loading freight to or from other aircraft in ANC, or the delivery of freight in ANC which originated in Asia, or the delivery of freight in Asia which originated in ANC.

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D. Freighter Wet Lease Flying (Foreign Air Carrier Cargo Code Sharing)

1. The Company may enter into a cargo code sharing agreement with a foreign air carrier that involves the Company's initial use of "wet leased" freighter aircraft (i.e. flown by pilots who are not on the NWA Integrated Pilots System Seniority list), provided that the following conditions are met:
 - a. The Company's agreement with the foreign air carrier has the effect of committing the Company to perform additional block hours of freighter flying that cannot be accomplished with the Company's then-present fleet of widebody freighter aircraft; and
 - b. The Company's Board of Directors has approved the addition of a number of widebody aircraft in an all-cargo configuration to the Company's then-present fleet of widebody freighter aircraft which is sufficient to continue the flying performed by the wet lease carrier upon termination of the wet lease; and
 - c. The Company has, pursuant to subparagraph D.1.b. above, entered into a contract for the acquisition of such number of widebody freighter aircraft or the conversion of such number of widebody freighter aircraft for delivery in accordance with the provisions of Paragraph F. below.
2. The Company's use of wet leased aircraft to perform the route(s) of the additional flying that cannot be accomplished with the Company's then-present fleet of widebody freighter aircraft shall be subject to the following conditions:
 - a. The Company may wet lease the equivalent payload capacity of the widebody freighter aircraft to be acquired or converted; and
 - b. The wet lease shall be limited to a maximum duration in accordance with the provisions of Paragraph F. below; and
 - c. The wet lease shall terminate within 30 days of the introduction to scheduled service of an additional widebody freighter to the Company's fleet (on a pro-rata basis if more than one aircraft with different delivery dates is involved);
 - d. In the event that the Company makes the decision not to acquire one or more of the additional widebody freighter(s) referenced in subparagraphs D.1.b. and D.1.c. above, the Company shall promptly so notify ALPA, and

the wet lease for the equivalent payload capacity of the widebody freighter aircraft not to be acquired or converted, as applicable, shall be terminated within 60 days of such notice to ALPA.

3. In the event the Company introduces the additional block hours of freighter flying and the freighter aircraft provided for in subparagraph D.1. above to scheduled service, such aircraft shall be flown as an addition to the freighter fleet and the daily average scheduled utilization rate of the freighter fleet shall not fall below 9:00 per aircraft for the 12-month period following the termination of the wet lease agreement. In any single month of such 12-month period, the daily average scheduled utilization rate of the freighter fleet shall not fall below 7:30.

Exception: The Company shall be excused from the obligation set forth in subparagraph D.3. above in the event of a “circumstance over which the Company does not have control” as that phrase is defined in [Section 2 O.](#) of the Agreement, but only to the extent, and for the time period, that an exception is made necessary by such circumstance. The one-year period provided for in subparagraph D.3. above shall be tolled during the period made necessary by such circumstance. If, after invoking this Exception and following the period made necessary by such circumstance, the Company does not restore the monthly block hours and freighter fleet to the levels specified in subparagraph D.3. above this Letter of Agreement shall be terminated effective on the first day of the second month after the time period that an exception is made necessary by such circumstance. The Company shall immediately notify ALPA in writing if it intends to invoke the provisions of this Exception. The Company shall, in the same document, describe in detail the circumstance which it believes permits noncompliance with subparagraph D.3. above. In the event the Company invokes this Exception, all existing wet lease agreements provided for in this Paragraph D. shall be terminated within 60 days of the notice to ALPA.

E. Freighter Wet Lease Flying (No Foreign Air Carrier Cargo Code Sharing)

1. The Company may initially use “wet leased” freighter aircraft (i.e. flown by pilots who are not on the NWA Integrated Pilots System Seniority List), provided that the following conditions are met:
 - a. The Company has entered into an agreement with one or more major customers which has the effect of committing the Company to perform additional block hours of freighter flying that cannot be accomplished with the Company’s then-present fleet of widebody freighter aircraft; and
 - b. The agreement does not involve code-sharing with a foreign air carrier (see Paragraph D. above if Foreign Air Carrier Code-Sharing is involved); and
 - c. The Company’s Board of Directors has approved the addition of a number of widebody aircraft in an all-cargo configuration to the Company’s then-

present fleet of widebody freighter aircraft which is sufficient to continue the flying performed by the wet lease carrier upon termination of the wet lease; and

- d. The Company has, pursuant to subparagraph E.1.c. above, entered into a contract for the acquisition of such number of widebody freighter aircraft or the conversion of widebody passenger aircraft to widebody freighter aircraft for delivery in accordance with the provisions of Paragraph F. below.
2. The Company's use of wet leased aircraft to perform the route(s) of the additional flying that cannot be accomplished with the Company's then-present fleet of widebody freighter aircraft shall be subject to the following conditions:
- a. The Company may wet lease the equivalent payload capacity of the widebody freighter aircraft to be acquired or converted; and
 - b. The wet lease shall be limited to a maximum duration in accordance with the provisions of Paragraph F. below; and
 - c. The wet lease shall terminate within 30 days of the introduction to scheduled service of an additional freighter to the Company's fleet (on a pro rata basis if more than one aircraft with different delivery dates is involved); and
 - d. In the event that the Company makes the decision not to acquire one or more of the additional freighter(s) referenced in subparagraphs E.1.c. and E.1.d. above, the Company shall promptly so notify ALPA, and the wet lease for the equivalent payload capacity of the freighter aircraft not to be acquired or converted, as applicable, shall be terminated within 60 days of such notice to ALPA.
3. In the event the Company introduces the additional block hours of freighter flying and the freighter aircraft provided for in subparagraph E.1. above to scheduled service, such aircraft shall be flown as an addition to the freighter fleet and the daily average scheduled utilization rate of the freighter fleet shall not fall below 9:00 per aircraft for the 12-month period following the termination of the wet lease agreement. In any single month of such 12-month period, the daily average scheduled utilization rate of the freighter fleet shall not fall below 7:30.

Exception: The Company shall be excused from the obligation set forth in subparagraph E.3. above in the event of a "circumstance over which the Company does not have control" as that phrase is defined in [Section 2 O.](#) of the Agreement but only to the extent, and for the time period, that an exception is made necessary by such circumstance. The one-year period provided for in subparagraph E.3. above shall be tolled during the period made necessary by such circumstance. If, after invoking this Exception and following the period made necessary by such circumstance, the Company does not restore the monthly block hours and

freighter fleet to the levels specified in subparagraph E.3. above, this Letter of Agreement shall be terminated effective on the first day of the second month after the time period that an exception is made necessary by such circumstance. The Company shall immediately notify ALPA in writing if it intends to invoke the provisions of this Exception. The Company shall, in the same document, describe in detail the circumstance which it believes permits noncompliance with subparagraph E.3. above. In the event the Company invokes this Exception, all existing wet lease agreements provided for in this Paragraph E. shall be terminated within 60 days of the notice to ALPA.

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F. The following provisions shall govern the permitted duration of a wet lease agreement permitted by subparagraphs D.1.c., D.2.b., E.1.d. and E.2.b. of this Letter of Agreement:

- 1. If the required contract for acquisition is for new aircraft, the maximum duration of the wet lease shall be 24 months, provided that the contract for acquisition of the aircraft shall provide for delivery of the aircraft by a date which is no more than 24 months from the date of commencement of the wet lease.**
- 2. If the required contract for acquisition is for conversion of passenger aircraft to freighter aircraft the maximum duration of the wet lease shall be 24 months, provided that the contract for acquisition of the aircraft shall provide for delivery of the aircraft by a date which is no more than 24 months from the date of commencement of the wet lease.**
- 3. If the required contract for acquisition is for used aircraft, the maximum duration of the wet lease shall be 12 months, provided that the contract for acquisition of the aircraft shall provide for delivery of the aircraft by a date which is no more than 12 months from the date of commencement of the wet lease.**

G. In the case of an “ad hoc” military charter flight involving an aircraft in an all-cargo configuration, when the military prohibits the flight crew from leaving the military base during an en route stop at the base that is scheduled for in excess of 4 hours, the Company is not required to provide a hotel/motel room in accordance with [Section 5 A.8.](#) of the Agreement. For purposes of this Paragraph G., “ad hoc” means that the military cargo charter flight was not awarded to the Company in advance of pilot schedule bidding for the month the flying occurs.

H. → The Company shall provide the following to ALPA:

1. freighter daily utilization numbers on a monthly basis in order to monitor compliance with this Letter of Agreement; and

2. the Flight Profitability System results for the freighter operation on a monthly basis; and
3. upon ALPA request, the Flight Profitability System results for a specific freighter operation route; and

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4. the schedules of any foreign air carrier cargo code share partner subject to Paragraph C. of this Letter of Agreement whose schedules are not published in the Official Airline Guide (OAG).

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- I.
 1. The Company shall provide the crews of all cargo flights that make a scheduled intermediate stop in Asia with a cellular telephone for its use in establishing communications between themselves and Company offices in Japan and the United States when crews are flight planning onboard the aircraft. Such cellular telephone shall normally be provided to the crew by Company personnel at the time that the flight release documents are delivered to the flight deck. If the crew requires the use of such cellular telephone prior to this point one shall be provided upon request. If, for good reason, a cellular telephone is not available under the circumstances required herein, the crew will be provided with timely access to a landline telephone capable of calling Company offices in Japan and the United States.
 2. When a widebody freighter crew is awarded or assigned to more than one flight in a single duty period that involves an en route stop in Asia, appropriate first class crew meals shall be provided to each crewmember on each flight.
 3. The parties agree to work together to modify procedures regarding notification of pilots on all-cargo flights of delays at down-line stations prior to their departure from their hotels, and at ANC prior to the start of a trip hour period.

J. Peak Season and Unanticipated Flying Opportunities

In any calendar year, the Company may schedule to be flown by a Wet Lease Operator (an air carrier who performs Company flying who does not employ pilots on the Integrated Pilots System Seniority List to perform such flying) on dedicated freighter aircraft, in addition to wet lease freighter flying permitted elsewhere in this Letter of Agreement, up to 5% of the total scheduled block hours of Company freighter flying to handle peak season and unanticipated flying opportunities that cannot be flown by Company aircraft and pilots.

- K. → This Letter of Agreement shall become effective on the date of signing, and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this **31st** day of **July**, 2006.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ David Stevens
NWA MEC Chairman

/s/ Timothy J. Rainey
Sr. Vice President Flight Operations/SOC

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

LETTER 2004-03

LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, [Section 19 A.2.a.](#) of the NWA/ALPA Pilots Agreement (the “Agreement”) provides that, when the Company holds a pilot out of service in connection with a discipline or discharge investigation, such pilot is to be issued a written notice that he is being so withheld not later than one calendar day after the day he is withheld from service; and

WHEREAS, the Company, ALPA and the Federal Aviation Administration are signatories to a Memorandum of Understanding dated December 1, 2002 that establishes and governs the operation of the Northwest Airlines Safety Action Program (the “NASAP Program”); and

WHEREAS, the operation of the Event Review Committee (“ERC”) pursuant to the NASAP Program has the potential to conflict with the requirements of [Section 19 A.2.a.](#) of the Agreement and the Company and ALPA desire to eliminate that potential conflict.

NOW, THEREFORE, BE IT RESOLVED the undersigned parties do hereby agree as follows:

- A. In the event that an accident, incident or event occurs (“the Event”) that may be the subject of an Air Safety Report (“ASR”) handled under the NASAP program and the Company wishes to remove a pilot involved in the Event from flight status while the Event is under consideration, the following procedure shall be followed:
 - 1. The pilot may be removed from flight status. Such removal may take place up to 48 hours domestically and 72 hours internationally following the end of the duty period in which the Event occurred. The pilot will be notified of his removal from flight status by a Supervisory Pilot. Such pilot shall be placed on Company Business (“CB”) status. (See Paragraph F. below for pay and credit provisions.)
 - 2. During the period specified in subparagraph A.1. above, the Company shall not issue and is under no obligation to issue, pursuant to [Section 19 A.2.a.](#) of the

Agreement, written notice to such pilot. The Company and ALPA may mutually agree to extend the time period allowed in subparagraph A.1. above due to circumstances related to the event, incapacitation of the pilot or other good cause.

3. If, prior to the end of the period in subparagraph A.1. above, the pilot files an ASR under the NASAP program and/or indicates his intent to do so by calling the 1-800-NWA-Safe Line, then any obligations the Company has pursuant to [Section 19 A.2.a.](#) of the Agreement shall be tolled during the period that the Event is being reviewed by the ERC pursuant to the NASAP program.
- B. If, following the expiration of the time period in subparagraph A.1. above (i) the pilot involved with the Event has not filed an ASR under the NASAP program as described in subparagraph A.3. above, and (ii) the Company decides to conduct a discipline and discharge investigation into such Event, the Company shall comply with the provisions of [Section 19 A.2.](#) of the Agreement, including compliance with [Section 19 A.2.a.](#) within one business day following the expiration of such period and compliance with the provisions of [Section 19.A.2.b.](#) within 14 calendar days after the date that the [Section 19 A.2.a.](#) notice is sent pursuant to this Paragraph B.
- C. If, following the issuance of a [Section 19 A.2.a.](#) notice pursuant to Paragraph B. above, the pilot files an ASR subject to the NASAP program and the ERC accepts the report regardless of its lack of timeliness, then any notice issued under [Section 19 A.](#) of the Agreement shall be rescinded in writing within one business day following the ERC's acceptance. The NWA ERC member handling the Event shall not have been a participant in the Company [Section 19 A.2.](#) investigation that had begun and shall not be given any documents from, or be influenced in any way by, such prior investigation. The provisions of [Section 19 A.2.](#) of the Agreement shall be tolled pursuant to subparagraph A.3. above, pending the ERC determination and the Company shall take no further investigative or disciplinary action under Section 19 of the Agreement until the ERC has made such determination. A pilot covered by this Paragraph C. who has been removed from service pursuant to Section 19 A.2 of the Agreement shall be placed on CB until the ERC makes a determination on the Event.
- D. If the ERC determines that an ASR Report filed pursuant to subparagraph A.3. or Paragraph C. above is not covered by the NASAP program, and the Company decides to conduct a discipline or discharge investigation into such Event, then the Company shall comply with the provisions of [Section 19 A.2.](#) of the Agreement, including compliance with [Section 19 A.2.a.](#) within one business day following the determination by the ERC and compliance with the provisions of [Section 19 A.2.b.](#) within 14 days after the date that the [Section 19 A.2.a.](#) notice is sent pursuant to this Paragraph D.
- E. Once a pilot has: (i) filed an ASR which is intended to be included in the NASAP program for an Event as required in subparagraph A.1. above, and/or (ii) complied with the provisions of subparagraph A.3. above, or (iii) met the provisions of Paragraph C. above, such pilot shall remain on CB until the ERC makes a final determination on such Event.

- F. A pilot placed on CB under this Letter of Agreement shall receive pay and credit for each day he is in CB status, whether away from his residence or not, as would be provided to a pilot under the provisions of [Section 26 Q.](#) of the Agreement. Such pilot with a known unavailability, or who would have been on vacation, or becomes sick during the period in which he has been placed on CB shall be paid for and credited for the unavailability as would normally be provided under the Agreement. Following any known unavailability, such pilot will return to CB if the ERC has not made its final determination, or shall be returned to either training or flight status after the ERC reaches its final determination.

- G. This Letter of Agreement shall become effective on the date of signing, and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act. However, this Letter of Agreement shall expire in the event of termination of the NASAP Program, as provided under the terms of the MOU by and among the Company, ALPA and the FAA.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 16th day of November, 2004.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Robert A. Brodin
Senior Vice President, Labor Relations

/s/ Mark A. McClain
NWA MEC Chairman

/s/ Robert W. Tice
Senior Labor Counsel - Flight

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny Walters
Managing Director, Flight Administration

/s/ Richard E. Woolley
Member Negotiating Committee (Northwest)

/s/ Robert A. Moser
Member Negotiating Committee (Northwest)

LETTER 2004-07A

LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the Company and ALPA have agreed on pilot pay rates for the A330-200/300 aircraft and the **A350** aircraft; and

WHEREAS, the Company and ALPA have agreed that, in the event that (i) **A350** aircraft are added to the Company’s fleet, and, (ii) the FAA determines that the A330-200/300 and the **A350** are common aircraft types, then the A330-200/300 aircraft and the **A350** aircraft shall be considered a single aircraft type for permanent position award purposes under the NWA/ALPA Pilots Agreement (the “Agreement”).

WHEREAS, the Company and ALPA have agreed that, in the event that (i) **A350** aircraft are added to the Company’s fleet, and (ii) the FAA determines that the A330-200/300 and the **A350** are a common aircraft type, that there shall be established a “blended rate” for pilot pay for pilots who fly such aircraft type.

NOW, THEREFORE, BE IT RESOLVED the undersigned parties do hereby agree as follows:

- A. In the event that the Company places orders for **A350** aircraft, the Company and ALPA shall meet and confer to establish a “blended rate” for pilot pay for pilots who hold permanent positions on the A330-200/300/**A350** aircraft type (assuming for purposes of the negotiations that the FAA will determine that the A330-200/300 and the **A350** are a common aircraft type).
- B. This Letter of Agreement shall become effective on the date of signing, and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this **31st** day of **July, 2006**.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ David Stevens
NWA MEC Chairman

/s/ Timothy J. Rainey
Sr. Vice President Flight Operations/SOC

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

LETTER 2004-09

LETTER OF AGREEMENT
 between
 NORTHWEST AIRLINES, INC.
 and
 THE AIR LINE PILOTS
 in the service of
 NORTHWEST AIRLINES, INC.
 as represented by
 AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

The undersigned parties do hereby agree as follows:

The Company agrees to place a reference in Section 3 (Airmen) of the Flight Operations Manual related to the “Call-In Honest Policy.” Such reference will indicate that General Bulletin 99-70, which describes the “Call-In Honest Policy,” is located on the Atlas Website. NWA also agrees to place and maintain General Bulletin 99-70 (dated July 26, 1999) on the Atlas Website under the Flight Operations tab, identified as the “Call-In Honest Policy.” The Company reserves the right to revoke and/or modify the “Call-In Honest Policy.” Any revocation or modification of the “Call-In Honest Policy” will be communicated to ALPA in a timely manner.

This Letter of Agreement shall become effective on the date of signing, and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 22nd day of November, 2004.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
 President

/s/ Robert A. Brodin
 Senior Vice President, Labor Relations

/s/ Mark A. McClain
 NWA MEC Chairman

/s/ Robert W. Tice
 Senior Labor Counsel - Flight

/s/ William H. Dollaway
 Chairman Negotiating Committee
 (Northwest)

/s/ Danny Walters
 Managing Director, Flight Administration

/s/ Richard E. Woolley
Member Negotiating Committee
(Northwest)

/s/ Robert A. Moser
Member Negotiating Committee
(Northwest)

LETTER 2004-13

(Long Call Time Implementation Agreement)
LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the air line pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the Company and ALPA (hereinafter referred to as “the parties”) have agreed to implement a Long Call/Short Call Reserve System (“Reserve System”) as set forth in Bridge Letter of Agreement 4 (Letter 2004-04-04) amending Section 25 of the NWA/ALPA Pilots Agreement (the “Agreement”).

NOW, THEREFORE, the undersigned parties do hereby agree as follows:

1. Upon the initial implementation of the new Reserve System, the “Long Call Time” (that period of time following notification that a Long Call pilot is required to report for a trip assignment) will initially be 10 hours. The intent of the parties is to increase this Long Call time every six months in one-hour increments, from ten hours up to twelve hours. The purpose of this approach is to allow, after each incremental increase, a six-month window to evaluate and, if necessary, address flight cancellations triggered by any increase.
2. Six months after initial implementation, if there has been no flight cancellation as described in paragraph 4. below, triggered solely by the increase to 10 hours, from the 9 hours used in the A320 test, then the Long Call time will be increased to 11 hours. After an additional six months of an 11-hour Long Call Time, if there has been no flight cancellation triggered solely by the increase to 11 hours, then the Long Call time will be increased to 12 hours. After an additional six months of a 12-hour Long Call Time, if there has been no flight cancellation triggered solely by the increase to 12 hours, the 12-hour Long Call will then become the contractual provision.
3. The parties recognize that a flight may be canceled for a variety of reasons that have to do with crew resources, such as no pilot being available, no available pilot having sufficient credit time to be assigned the trip, no pilot being in the correct RAP for an assignment and many others. The pertinent question here is: Would a flight cancellation

have occurred regardless of the incremental increase in the Long Call time? To conclude that the incremental increase in Long Call Time was the causal factor of a cancellation, the following conditions must be met:

- a. The cancellation was solely because of the unavailability of a Short Call Reserve Pilot for the assignment; and
 - b. A Long Call pilot was available on a reserve duty day; and
 - c. Such Long Call pilot could have legally flown the flight that was canceled had the Long Call Time been at the next lower increment from where it was set at the time of the cancellation, or he could have been assigned a different trip that was instead assigned to a Short Call pilot, who, in turn, could have flown the trip in question; and
 - d. Such Long Call pilot was not on the same day assigned to a different trip in which a flight would have been canceled had he flown the trip in question.
4. If a flight is canceled and the above conditions appear to have been met, then the original working group from ALPA and the Company will review and/or reconvene in a timely manner to determine the causal factors, to determine if any changes can be implemented to mitigate those factors, and to determine whether the Long Call Time should be reduced, remain the same, or be increased at the six-month point. At no time however, may the Long Call Time be reduced to less than 10 hours.
 5. If a flight is canceled solely because of the incremental increase in the Long Call Time and no solution can be reached to mitigate the causal factors, then the Long Call Time will be reduced to the next lower incremental value (not less than 10 hours) until the provisions of Rescheduling Chart 2, that address the bidding of [Section 30 E.1](#). open flying by regular pilots are implemented. After that, the Long Call time will once again be increased to the next higher one-hour increment for 6 months. The system will be evaluated as previously described in paragraphs 2-4 above to determine if the implementation of Rescheduling Chart 2 mitigated the problems. If the parties determine that the problem was not mitigated, then the Long Call time will be reduced to the next lower incremental value (not less than 10 hours) on a permanent basis. After attaining a 12-hour Long Call Time for 6 months without a flight cancellation, which meets the conditions set forth in subparagraph 3. above, triggered solely by the increase to 12 hours, the 12-hour Long Call will then become the contractual provision.
 6. The Long Call Time that is specified and determined by the terms of this Letter of Agreement will be mirrored in the Section 25 references to such Long Call time (such as Sections 25 C.8.c.(2)(a), 25 C.8.c.(2)(b), 25 I.1.a.(5)(c)) and conversion from Long Call to Short Call (such as Sections 25 I.4.b.(1)(b) and 25 I.4.b.(2)).
 7. A few explanatory examples of possible scenarios follow:

Example #1: The Long Call time is 11 hours. A trip opens with a report time for the originating segment 10:30 hours into the future. The only reserve pilot

contractually legal to be assigned the flight is a Long Call pilot who declines to accept a reduced report time. The Company does not delay the flight to allow the Long Call pilot to fly it, and the flight is subsequently canceled due to unavailability of any pilot for assignment. This flight cancellation was triggered by the increase in Long Call time, because, at the next lower Long Call increment (10 hours), this pilot could have flown the trip.

Example #2: The Long Call time is 11 hours. A trip opens with a report time for the originating segment 10:30 hours into the future. The only reserve pilot available to be assigned the flight is a Long Call pilot who declines to accept a reduced report time, but reports and operates the flight 30 minutes late. This does not constitute a flight cancellation triggered by the increase in Long Call time.

Example #3: The Long Call time is 11 hours. A trip opens with a report time for the originating segment 9 hours into the future. The only reserve pilot available to be assigned the flight is a Long Call pilot who declines to accept a reduced report time. The flight is subsequently canceled due to unavailability of any pilot for assignment. This flight cancellation was not triggered by the increase in Long Call time because, even at the next lower Long Call time (10 hours), this pilot would not be available to be assigned the trip.

Example #4: The Long Call time is 11 hours and there is a pilot in the Long Call RAP. A trip becomes open with a report time 10:30 into the future. The trip was assigned to the remaining Short Call pilot. A second trip opens due to a sick call 3 hours prior to report time. The Company does not delay the flight and it is subsequently cancelled due to the unavailability of any pilot for assignment. This flight cancellation was triggered by the increase Long Call time because at the next lower Long Call increment (10 hours) the Long Call pilot could have flown the first trip and the Short Call pilot could have flown the second trip.

This Letter of Agreement shall become effective on the date of signing, and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 22nd day of November, 2004.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Robert A. Brodin
Senior Vice President, Labor Relations

/s/ Mark A. McClain
NWA MEC Chairman

/s/ Robert W. Tice
Senior Labor Counsel - Flight

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny Walters
Managing Director, Flight Administration

/s/ Richard E. Woolley
Member Negotiating Committee
(Northwest)

/s/ Robert A. Moser
Member Negotiating Committee
(Northwest)

→

LETTER 2005-02



A1170

March 7, 2005

Captain Bill Dollaway
Chairman, NWA MEC Negotiating Committee
Air Line Pilots Association
7900 International Drive, Suite 875
Bloomington, MN 55425

Re: Freighter Operations Letter of Agreement (Letter 2004-02)

Dear Bill:

In discussions earlier this year, we agreed that the above referenced Letter of Agreement contained a drafting error in subparagraph B.5.a. that transposed the times for Daylight Savings Time and Non-Daylight Savings Time operations. The language in the letter as originally written was as follows:

The Duty Period must be scheduled to commence in ANC between 0730 (0630 daylight savings time) and 0900 (0800 daylight savings time) ANC time (inclusive).

ALPA and the Company agree that they actually intended that this scheduling parameter language should read as follows:

The Duty Period must be scheduled to commence in ANC between 0630 and 0800 standard time (0730 and 0900 daylight savings time) ANC time (inclusive).

We have agreed that, as published in Section 31 of the revised Pilots Agreement, subparagraph B.5.a. shall be corrected as set forth immediately above, and that this letter shall confirm our correction of this error in drafting.

If you are in agreement with the foregoing, please sign in the space provided below and return one of the originals of this letter to me.

Sincerely,

/s/ Robert W. Tice
Senior Labor Counsel—Flight

The foregoing letter is hereby agreed to and accepted by the Air Line Pilots Association.

/s/ William H. Dollaway

Dated: 3/8/05

LETTER 2005-03

MEMORANDUM OF UNDERSTANDING
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Memorandum of Understanding is made and entered into by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

The Company and ALPA, in Letter 2004-04-04 dated November 22, 2004, negotiated several significant changes to the existing Reserve system (set forth in Section 25 of the NWA/ALPA Pilots Agreement (the “Agreement”)) that they mutually recognized in Letter 2004-06, also dated November 22, 2004, would require them to meet and confer regarding an implementation schedule for many of those changes.

The Company and ALPA have met and conferred and have entered into this Memorandum of Understanding regarding an implementation schedule regarding changes to Section 25 of the Agreement.

Attached to this Memorandum of Understanding as Exhibits A and B, respectively, are a Pilot Bulletin and a document entitled “Long Call/Short Call Transition Rules” that set forth an implementation schedule regarding changes to Section 25 of the Agreement. These documents shall be printed and distributed to pilots and made available to pilots in electronic format via the ATLAS Website.

The Company shall attempt to implement the various phases of Section 25 changes in compliance with the schedule set forth in the attached Exhibits A and B. In the event that the Company concludes that full implementation of the Section 25 changes will not be achieved by the target month of May, 2006, the Company shall promptly notify ALPA for the purpose of meeting and conferring with respect to making further efforts to meet such target month or mutually identifying a new target month.

IN WITNESS WHEREOF, the undersigned parties have signed this Memorandum of Understanding this 28th day of April, 2005.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Mark A. McClain
NWA MEC Chairman

/s/ Robert A. Brodin
Senior Vice President Labor Relations

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Tim Rainey
Senior Vice President SOC and Flight
Operations

LETTER 2005-05

MEMORANDUM OF UNDERSTANDING
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Memorandum of Understanding is made and entered into by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the Company and ALPA, in Letter 2004-04-04 dated November 22, 2004, negotiated several significant changes to the existing Reserve system (set forth in Section 25 of the NWA/ALPA Pilots Agreement (the “Agreement”)) that they mutually recognized in Letter 2004-06, also dated November 22, 2004, would require them to meet and confer regarding an implementation schedule for many of those changes; and

WHEREAS, the Company and ALPA, in a Memorandum of Understanding dated April 28, 2005, established certain “Long Call/Short Call Transition Rules” that set forth an implementation schedule regarding changes to Section 25 of the Agreement. Attached to that Memorandum of Understanding as Exhibit B was a document entitled “Long Call/Short Call Transition Rules (“Transition Rules”), a copy of which is attached to this Memorandum of Understanding. Paragraph 6. of the Transition Rules provided that: “Wide-Body Long Call RAP Bidding ... [w]ill not be available until automation is completed”; and

WHEREAS, the Company and ALPA have agreed upon procedures to permit partial implementation of a Long Call process for reserve pilots on widebody, beginning with the flying month of September 2005.

NOW, THEREFORE, the Company and ALPA do hereby set forth the following Memorandum of Understanding regarding “Long Call/Short Call Transition Rules for Widebody Aircraft”:

1. The following procedures shall substitute for Paragraph 6. of the Transition Rules and are intended to give Wide Body pilots access to Long Call during the transition period prior to implementation of an automated Widebody Long Call Reserve System. These procedures shall apply until such automation is completed, or until such time as they are modified as provided for in Paragraph 2. below.
 - a. The appropriate number of possible Long Call awards will be determined using the ratio of Long Call to Short Call pilots as specified in Paragraph 9.d. of the Transition Rules.

- b. Pilots who waive their NAPs (as provided in Paragraph 1.d. of the Transition Rules) may be awarded Long Call. Such pilots will also be counted in the Long Call/Short Call ratio provided they meet the criteria provided in Paragraph 9.c. of the Transition Rules.
 - c. After the number of Long Call positions to be awarded is calculated, pilots in the shortest SILO (in days, including the one-day SILO) will be awarded Long Call if they have preferenced it. If the pilots in said SILO have not preferenced Long Call, then the Long Call assignment, although not filled, will be “deemed to have been awarded”. There will not be a backfill for this award.
 - d. Pilots in each successive longer SILO (in days) will be afforded the right to be awarded Long Call until the number of awarded plus “deemed-to-have-been-awarded” Long Call assignments is equal to the possible Long Call awards as determined in Paragraph 9.d. of the Transition Rules.

Example: There are 5 computed Long Call positions to be awarded. There are 3 pilots in the shortest SILO. Only one of the 3 is preferencing Long Call. The pilot preferencing Long Call will be awarded Long Call. The other 2 pilots in the shortest SILO will remain on short call, but two long call positions will be deemed to have been awarded. Thus, there will be 2 remaining Long Call positions to be awarded in the next shortest SILO or SILOs (if, for example, there is only 1 pilot in the next shortest SILO).
 - e. If there is more than 1 pilot preferencing Long Call in a SILO for which 1 or more Long Call award(s) is to be made, then Long Call will be awarded in seniority order of those pilots in that SILO preferencing Long Call.
 - f. Long Call for widebody pilots will be 11 hours. This 11-hour Long Call requirement may be reduced at the pilot’s option. All references to 10 hour Long Call in the Transition Rules will be deemed to mean 11 hours for Long Call for widebody pilots.
 - g. Any conversion of Long Call Pilots to Short Call Pilots outside of the Trip Filling Period will be done in reverse seniority order.
 - h. A Long Call Pilot is the first to be awarded a trip if the trip meets FIFO/SILO within the Long Call Pilot group and is 11 or more hours before report time.
 - i. The implementation schedule for these Widebody Transition Rules will be August 1, 2005 for all 744, 747, D10, and A330 pilots.
2. ALPA and the Company will meet and confer on or about October 28, 2005 and January 27, 2006 to review the effectiveness of these procedures. Additionally, either party may request a meeting at any time during the first 90 days of this procedure if operational circumstances indicate an interim review or modification is necessary.

IN WITNESS WHEREOF, the undersigned parties have signed this Memorandum of Understanding this 28th day of July, 2005.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Mark A. McClain
NWA MEC Chairman

/s/ Julie Hagen-Showers
Vice President Labor Relations

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

LETTER 2005-06

LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the Company and ALPA have an interest in facilitating employment opportunities for pilots who have been or are projected to be laid off by the Company (hereinafter “Laid off Pilots”); and

WHEREAS, non-pilot employment opportunities at the Company arise from time to time; and

WHEREAS, the Company and ALPA have identified certain issues that they wish to resolve and/or clarify regarding the employment in non-pilot positions of Laid off Pilots.

NOW, THEREFORE, BE IT RESOLVED the undersigned parties do hereby agree as follows:

A. General

1. Employment by the Company of Laid Off Pilots in non-pilot positions is not subject to the provisions of the NWA/ALPA Pilots Agreement (the “Pilots Agreement”). Accordingly, except as provided in subparagraph A.2. below, the Company is free to exercise its discretion with respect to all matters involving the employment in non-pilot positions of Laid off Pilots, and neither ALPA nor any pilot or group of pilots shall have recourse to the provisions or procedures of the Pilots Agreement to challenge any Company action with respect thereto. The phrase “matters involving employment” shall include, for purposes of illustration and not limitation, the hiring process, compensation, benefits, retention and promotion.
2. If a Laid Off Pilot who is employed by the Company in a non-pilot position is discharged from employment by the Company due to misconduct while employed in such non-pilot position, the Laid Off Pilot shall have the right to challenge his discharge from employment by the Company in one of the following processes:

- a. any grievance and arbitration process available to him in connection with his non-pilot employment, in which case the procedural and substantive provisions of such process shall apply to the Laid Off pilot's claim; or
- b. the grievance and arbitration process provided for in Sections 19 and 21 of the NWA/ALPA Pilots Agreement; in which case the procedural and substantive provisions of those sections of the Pilots Agreement shall apply to the Laid Off Pilot's claim as if he were not on layoff status. The sole issue before the System Board of Adjustment (the "Board") in such case shall be whether the Company had just cause to discharge such Laid Off Pilot from employment as a pilot. If the Board determines that no just cause existed, then the Board may order reinstatement to employment as a pilot, and award back pay if the discharge prevented the pilot from being recalled as a pilot. However, the Board shall not have jurisdiction to (i) award a remedy that the Company return the Laid Off Pilot to any non-pilot position with the Company, or (ii) to award any pay remedy as a consequence of the Laid Off Pilot's dismissal from any non-pilot position with the Company.

If such Laid Off Pilot's discharge from employment by the Company is not overturned as a result of the grievance and arbitration process selected by him, he shall forfeit his seniority rights under the Pilots Agreement. If a Laid Off Pilot who is employed by the Company in a non-pilot position separates from such employment for a reason other than misconduct, such fact shall not affect his recall rights under the Pilots Agreement (see Paragraph C. below).

3. ALPA and the Company acknowledge that, if a Laid off Pilot is employed by the Company in a position that is covered by a collective bargaining agreement other than the Pilots Agreement, such employment shall be subject to the provisions of such other collective bargaining agreement.
- B. Layoff Pay. Employment by the Company in a non-pilot position of a Laid off Pilot shall not impair such pilot's entitlement to Layoff Pay as provided under [Section 23 A.2.](#) of the Pilots Agreement (nor shall such employment alter the effect of [Section 23 A.2.a.\(1\)](#) on the Pilots Agreement as it would reduce such pilot's entitlement to layoff pay).
 - C. Recall Rights. Employment by the Company in a non-pilot position of a Laid off Pilot shall not impair such pilot's recall rights under the Pilots Agreement (including the Option to Defer Recall in [Section 23 B.2.](#) of the Pilots Agreement, the Recall Bypass option in Letter 2003-02 and the option to request a Personal Leave of Absence with pilots laid off in [Section 13 A.4.](#) of the Pilots Agreement).
 - D. SIV Date. Employment by the Company in a non-pilot position of a Laid off Pilot shall result in such pilot's SIV Date (see Letter 2002-01) not being adjusted for the period of his layoff that coincides with the period of his non-pilot employment. ALPA will not support any grievance by any pilot or group of pilots that seeks to have his or their SIV

- Date(s) adjusted on account of the impact on the SIV Date of any Laid off Pilot who is employed by the Company in a non-pilot position.
- E. Longevity For Pay Purposes. Employment by the Company in a non-pilot position of a Laid off Pilot shall have no effect on such pilot's longevity for pay purposes. Such pilot's longevity for pay purposes under the Pilots Agreement shall be the same as if he had been laid off and not been employed by the Company in a non-pilot position.
- F. Vacation. A Laid off Pilot who is employed by the Company in a non-pilot position shall receive a vacation payoff pursuant to the provisions of [Section 7 F.1.](#) of the Pilots Agreement. When such pilot is recalled to a pilot position, he shall not have any vacation accrual (or Paid Time Off or other similar accrual) in his account transferred to his pilot vacation account(s). Any vacation accrual remaining in his account at the time of such Laid Off Pilot's recall to a pilot position shall be handled pursuant to the then-current Company policy applicable to management employees, or the collective bargaining agreement that applies to such Laid Off Pilot's non-pilot employment, as applicable.
- G. Sick Leave Account. A Laid off Pilot who is employed by the Company in a non-pilot position shall retain his pilot sick leave account as provided by [Section 14 A.4.](#) of the Pilots Agreement (subject to any changes to Section 14 of the Pilots Agreement that the Company and ALPA may negotiate in the interim). However, he shall not be allowed to access his pilot sick leave account during such period of non-pilot employment. Rather, his access to sick pay (or Paid Time Off or other similar account) during such non-pilot employment shall be limited to such benefit provided for such non-pilot position.
- H. Medical and Dental and Other Benefits. A Laid off Pilot who is employed by the Company in a non-pilot position shall be entitled to the medical, dental and other benefits that are provided for such non-pilot position.
- I. Pension. A Laid off Pilot who is employed by the Company in a non-pilot position shall not receive any benefit service or earnings credit under the Northwest Airlines Pension Plan for Pilot Employees for such non-pilot employment. A Laid off Pilot in a non-pilot salaried position shall not participate in the frozen Northwest Airlines Pension Plan for Salaried Employees but shall participate, according to the plan provisions, in the Northwest Airlines Retirement Savings Plan for Salaried Employees. A Laid off Pilot in a non-pilot contract position shall be covered under the provisions of the Northwest Airlines Pension Plan for Contract Employees (or its successor plan) in effect during such employment as applicable to the non-pilot contract employment.
- J. Pass Travel Benefits. A Laid off Pilot who is employed by the Company in a non-pilot position shall be entitled to use his date of employment by the Company for purposes of pass travel boarding priority, as presently provided in the Company's pass travel policy (which the Company specifically reserves the right to amend from time to time).
- K. Workers' Compensation Benefits. A Laid off Pilot who is employed by the Company in a non-pilot position and who sustains an occupational injury or illness for which he receives workers' compensation payments, shall be entitled to such benefits as a

consequence of his employment in such non-pilot position, and shall not, as a consequence of his subsequent recall to a pilot position, be entitled to any greater workers' compensation payments or benefits that might have been provided to him had his occupational injury or illness occurred while working for the Company while covered by the provision of the Pilots Agreement.

- L. Other Benefits and Incidents of Employment. A Laid off Pilot who is employed by the Company in a non-pilot position shall receive other benefits and incidents of such employment not otherwise enumerated above as if he were a new hire to such non-pilot employment.
- M. This Letter of Agreement shall become effective on the date of signing, and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 3rd day of November, 2005.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen-Showers
Vice President Labor Relations

/s/ Mark A. McClain
NWA MEC Chairman

/s/ Robert W. Tice
Sr. Labor Counsel – Flight

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

LETTER 2005-07

LETTER OF AGREEMENT
 between
 NORTHWEST AIRLINES, INC.
 and
 THE AIR LINE PILOTS
 in the service of
 NORTHWEST AIRLINES, INC.
 as represented by
 AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the "Company") and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as "ALPA").

The undersigned parties do hereby agree as follows:

1. Each pilot who has been issued a notice of layoff effective for January 1, 2006 and who has not been unavailable for flight duty as a result of his use of sick leave during the period December 15-31, 2005, shall have his layoff date adjusted to January 2, 2006, for the sole purpose of granting him an additional month of Company-paid insurance benefits, subject to the pilot's payment of the contractual premium-sharing amount.
2. Each pilot who is laid off in November 2005 or January 2006 shall be eligible for use of normal pass benefits for the period January 1, 2006 through the last day of the 1113(c) Extension Letter of Agreement.
3. This Letter of Agreement shall become effective on the date of signing, and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 3rd day of November, 2005.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
 President

/s/ Julie Hagen-Showers
 Vice President Labor Relations

/s/ Mark A. McClain
 NWA MEC Chairman

/s/ Robert W. Tice
 Sr. Labor Counsel – Flight

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

LETTER 2005-09

LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the Company and ALPA desire to make certain improvements to the current Preferential Bidding System (“PBS”) for bidding and awarding/assigning monthly pilot schedules; and

WHEREAS, such improvements are intended to result in the replacement PBS being in full compliance with all pertinent provisions of the NWA/ALPA Pilots Agreement (“Agreement”); and

WHEREAS, the Company recognizes that ALPA’s input in the development and implementation of the replacement PBS is crucial to the success of the project.

NOW, THEREFORE, the Company and ALPA do hereby agree as follows regarding the replacement PBS:

1. The parties agree that CARMEN shall be the vendor for the replacement PBS, provided the vendor contract terms can be agreed upon with CARMEN. It is understood and agreed that the NWA MEC Computer Bidding Committee shall have approval authority over the components of the replacement PBS projects outlined in the requirements document (Attachment A) and shall include the following.
 - a. replacement of the current PBS for regular pilots;
 - b. initial PBS for reserves producing conflict-free schedules;
 - c. compliance with the Pilot Agreement’s pertinent provisions (e.g. regular pilot protected pool and open time targets, automated bidding of reserve pilot schedules, pro-ration of required reserve days Section 25.C.1.e. free from duty periods per Section 25.C.1);
 - d. The PBS application (to be developed) using the function to simulate along with the Reasons Report is the primary official tool to validate Bid Errors.

- e. Utilization of the ATLAS Bid or vendor interface for both regular and/or reserve pilots as project funding permits (mutual agreement on reserve bidding syntax).
2. The implementation of the replacement PBS for both regular pilots (blockholders) and the introduction of PBS Bidding for reserve pilots is expected to commence in the September 2005 bidding process for the flying month of October 2005.
- a. The parties met on August 6, 2005, to assess the production readiness of the reserve PBS replacement system (CARMEN) and the preparedness of the pilot group to effectively utilize the replacement system.
 - b. In the August 6 meeting, the parties determined that the reserve PBS replacement system was not ready for implementation and the parties agree to meet and confer to determine a new implementation schedule, as described in Paragraphs 3. and 4. below.
 - c. In the event of a catastrophic technical malfunction preventing the implementation of the replacement PBS for regular pilots (blockholders), the parties will meet and confer to determine a new implementation schedule, as described in Paragraphs 3. and 4. below.
 - d. The ALPA NWA MEC Computer Bidding Chairman has the authority to delay publishing blockholder and reserve results to accommodate the transition to a new PBS vendor.
3. The replacement PBS will not be introduced in either of the following months: October for the November flying month, or November for the December flying month.
4. In the event issues are identified that could delay the replacement PBS project implementation schedule, the ALPA NWA MEC Computer Bidding Chairman and the Company's designated representative shall meet and confer in an effort to agree upon a resolution, and, if necessary, a revised implementation schedule. In the event of inability to reach such a resolution, the matter shall be referred to the ALPA NWA Negotiating Committee and the Company negotiating team for resolution.
5. This Letter of Agreement shall become effective on the date of signing and shall remain in effect for the duration of the Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 31st day of July, 2005.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen-Showers
Vice President Labor Relations

/s/ Mark A. McClain
NWA MEC Chairman

/s/ Robert W. Tice
Sr. Labor Counsel – Flight

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ Donald L. McCune
Member Negotiating Committee
(Northwest)

/s/ Michael P. Bigelow
Member Negotiating Committee
(Northwest)

Letter 2005-10

(Fleet-Wide Distance Learning CQ)
LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the Company and ALPA have a joint desire to develop a Distance Learning program for Continuing Qualification Training and Single Visit Training (hereinafter jointly referred to as “CQ” or “CQ programs”) that allows pilots to spend 3 days at the Training Center rather than 4 under the traditional CQ format conducted at the Training Center with a ground school instructor; and

WHEREAS, there is currently a Letter of Agreement in effect regarding provisions for optional pilot participation in Distance Learning Continuing Qualification Training for the B747-400 program (Letter 2004-01 dated January 9, 2004) which will be superseded by this Letter of Agreement; and

WHEREAS, Distance Learning Continuing Qualification (DLCQ) will, pursuant to this Letter of Agreement, be extended to all fleets; and

WHEREAS, the parties agreed in Letter 2004-11 dated November 22, 2004 to meet and confer to negotiate a Letter of Agreement to expand the Distance Learning CQ provisions to include the CQ programs for all aircraft types in the Company's fleet on a mandatory basis; and

WHEREAS, the FAA has approved the Distance-Learning concept for CQ Programs developed by the Company for all other aircraft types in the Company's fleet.

NOW, THEREFORE, BE IT RESOLVED the undersigned parties do hereby agree as follows:

- A. Section 2 B.1. of the NWA/ALPA Pilots Agreement (“the Agreement”) is hereby amended to read in full as follows:
 - B.1. “Continuing Qualification” (“CQ”) means a curriculum under an Advanced Qualification Program (AQP) in which pilots who are fully qualified in a

category maintain their proficiency. Continuing Qualification is the AQP equivalent of Single Visit Training in a non-AQP training program. Provisions of the contract which apply to SVT shall also apply to Continuing Qualification. See the Letter of Agreement regarding Distance Learning CQ dated [Month and Day], 2005 (LOA 2005-02)

B. Distance Learning Continuing Qualification (“DLCQ”)

A pilot assigned to CQ shall conduct a portion of his CQ at a location away from the training center via remote access (e.g. at home, at a layover station by means of a personal computer, at a crew domicile or at some other location where the Company provides computer access to pilots for this purpose pursuant to Paragraph E. below).

C. DLCQ Pay and/or Credit

1. A pilot shall receive 2:40 pay for his study of the training materials relating to the Distance Learning portion of CQ (but shall receive no lodging or “meal expense” pursuant to [Section 5 B.1.](#) of the Agreement for such study time). A pilot conducting Distance Learning CQ shall have the option to claim or waive credit time for CQ pursuant to [Section 11 K.2.e.\(2\)](#) of the Agreement. This pay (and credit, if not waived) shall be paid at the same time as the rest of the CQ program is paid (and credited, if not waived), regardless of when the Distance Learning portion is performed.
2. Travel days for training, per diem and lodging for pilots conducting Distance Learning CQ associated with days 2 through 4 will be provided pursuant to [Section 11 G.](#) of the Agreement.
3. The CQ course will be displayed and awarded (in all computer systems) as a 3-day event (Days 2 through 4) Day 2 will have a value of 5:20, which will include the pay (and credit, if claimed) for the DLCQ (Day 1). Days 3 and 4 will each have a value of 2:40. If credit is claimed for Day 2, the entire 5:20 credit value must be claimed.

EXCEPTION: If Day 2 is not completed as scheduled for any reason (e.g., sick call, rescheduling, simulator malfunction, etc.), the pilot will not receive the 2:40 pay (or credit, if claimed) for the DLCQ (Day 1) at that time. However, if his DLCQ validation is still current when his CQ is rescheduled, he will receive 2:40 pay (and credit, if claimed) for his DLCQ at the time of his rescheduled CQ. If the pilot’s DLCQ validation expires, he will receive 2:40 pay only in the pay month in which his DLCQ expires.

D. Distance Learning CQ Content

1. DLCQ shall consist of the ground school material previously covered in Day 1 and the fleet-specific subjects previously covered in Day 2 of the current classroom-based CQ.

2. The purpose of DLCQ is to move up to 8 hours of classroom material from the traditional classroom-based CQ Day 1 and Day 2 to an internet-based program of self-directed learning. The days of the new DLCQ will be referred to using Day 1 through Day 4, as conducted in the traditional classroom-based CQ program. However, the “new” Day 1 of CQ provided for in this Letter of Agreement will consist of up to 8 hours of classroom material converted to a Distance Learning format conducted away from the classroom. The total amount of CQ classroom training time (including validation examination) replaced by DLCQ shall be no greater than 8 hours. Prior to either the implementation of a DLCQ program in any fleet, or any change to the content of the DLCQ program in any fleet, the Company shall meet and confer with the ALPA Training Committee regarding the amount of time that pilots will likely spend on DLCQ training materials. The ALPA Training Committee shall have the right to monitor, via access to Company-generated reports, program performance data regarding the DLCQ program, including student performance, and amount of time spent performing DLCQ.
3. A pilot conducting DLCQ shall report to the location of CQ training to attend CQ beginning at 1400 on new Day 2 of the 4-day CQ program (Day 2 shall end no later than 1800).

EXCEPTION: Notwithstanding [Section 11 G.1.a.](#) of the Agreement, and only until such time as the FAA approves on-line Systems Validation (SV) for the 747-400 CQ program (see Paragraph H. below), pilots in 747-400 CQ training may be required to report to the location of CQ training to attend CQ beginning at 1300 on new Day 2. This exception will be for the sole purpose of providing an extra simulator warm-up for this group. A pilot who is unable to arrive for a 1300 start time due to a lack of scheduled flights on this day of CQ will be accommodated with a 1400 start time.

4. The DLCQ program shall be designed to be an interactive instructional program. Fleets will provide instruction such as CBT programs and links to relevant supplementary material. The various fleets will develop a common DLCQ training module; however, it is recognized that some differences in course content for DLCQ training across the fleets may occur.
5. The DLCQ systems instructional program shall provide an “end of section” question bank consisting of sample questions with correct answers. This question bank should be similar to the current CQ systems handout, and contain enough questions to reinforce systems learning during the course as well as to allow the pilot to adequately assess his preparation for the Validation examinations. As these sample questions are the only feedback a pilot will receive in DLCQ, an average failure rate on the Validation examination(s) of any fleet that exceeds the average failure rate of the Validation examination(s) as of the date of signing of this LOA will require ALPA and NWA to meet and confer to evaluate the number and content of the practice questions offered.

E. Company Provided and Maintained Computer Equipment

The Company shall provide and maintain an adequate number of computer terminals capable of running the DLCQ application(s) in a suitable location at each pilot domicile, NRT and AMS layover hotels, hubs and the Training Center. The Company shall design the DLCQ website to be usable via a dial-up modem and broadband, and via Macintosh (broadband only) or PC-based platforms. At a point when most pilots no longer use dial-up modems, ALPA and NWA agree to meet and confer to determine whether or not to retain this dial-up modem capability.

F. Process for Receiving Distance Learning CQ Training Materials

No later than 60 days prior to his early CQ month (except for a transition month, e.g. changing the yearly training format) a pilot who is being scheduled for CQ will receive a Company e-mail reminder confirming that the following materials have been placed on a Company website accessible to all pilots:

1. An instructional bulletin providing the pilot with general information regarding DLCQ and instructions regarding how to access the web-based CQ materials from a remote location or on Company computer terminals.
2. The web-based Distance Learning CQ materials will cover Systems Review, Annual Recurrent Ground School (“RTGS”) topics and other training subjects. The Systems Review portion of the DLCQ materials will normally cover the one-half of the aircraft systems that are part of the appropriate year’s FAA-approved CQ program for the month in which the pilot will receive his CQ. A pilot may access DLCQ materials for purposes of study at any time, but cannot perform the validation portions prior to the timeframe specified above.

NOTE: With respect to CQ that takes place within 60 days following the effective date of this Letter of Agreement, the pilot shall be provided a minimum of 30 days, after notification of participation in this new DLCQ program, in order to complete the DLCQ materials. Reasonable accommodations will be made for pilots who are unable to accomplish DLCQ within this reduced timeframe.

G. Contacts for Distance Learning CQ Questions

The Company shall provide an instructor for contact via e-mail and telephone to answer questions by a pilot conducting the DLCQ portion of his CQ training. The e-mail and telephone contact shall be staffed from 8AM to 5PM MSP time Monday through Friday. Questions shall be routed to instructors who are adequately prepared to answer questions regarding the DLCQ program being presented, and knowledgeable regarding the equipment for which the questions are asked. Telephoned questions shall be promptly answered during staffed hours. Instructors shall respond to e-mailed questions as soon as possible, but not later than the next business day.

H. Distance Learning CQ Validation/Testing

1. A pilot conducting DLCQ will be “trained to proficiency” and required to validate his knowledge regarding the subjects covered in the CQ materials. Such validation/testing will take place online from a location away from the training center (pursuant to Paragraph B. above). This validation/testing must be accomplished by the pilot prior to 1400 on Day 2, the classroom portion of the pilot’s scheduled CQ training. As of the date of signing of this Letter of Agreement, only the RTGS materials have been approved by the FAA for validation/testing on-line. Once the Company has demonstrated to the FAA its ability to successfully validate/test pilots with regard to RTGS, the Company will seek FAA approval to validate/test Systems Validation (SV) on-line. If the FAA has not approved on-line SV validation by one year after the effective date of this Letter of Agreement, either party may terminate this Letter of Agreement by written notice to the other party. Such termination shall be effective on the first day of the month following a 60-day period commencing on the date of such notice.
2. A pilot should complete DLCQ, including validation, by 7 days prior to the scheduled Training Day 2. It is understood that exceptional circumstances may prevent timely DLCQ completion. For a period of one year from the date of signing of this Letter of Agreement (or less if the parties mutually agree), Training Scheduling will contact all pilots who have not completed DLCQ six days prior to Scheduled Training Day 2 to coordinate timely completion of DLCQ. A pilot who is contacted by Training Scheduling and reports for CQ Day 2 having failed to complete DLCQ for any reason other than failure of a validation exam may be sent home and will not receive pay for this incomplete DLCQ and cancelled CQ. The pilot will be paid (and credited if credit is not waived) pursuant to Paragraph C. above for rescheduled CQ and DLCQ. Because of the scheduling flexibility afforded by DLCQ, a pilot is expected to conduct DLCQ in a timeframe that will not create any required rest conflicts.
3. There is a FAA-required time limit for taking each on-line Validation examination. A pilot who commences, but does not complete an on-line Validation examination within the FAA-required time limit will not be deemed to have completed the on-line Validation examination. Such pilot shall contact Training Scheduling to coordinate authorization to reschedule the on-line Validation examination(s). This authorization may not be unreasonably withheld.
4. A pilot who has failed his first attempt to pass an on-line Validation examination via distance learning will be provided with an ability to obtain additional study to retake the examination through the same means. This study, if a requirement for retesting, shall be limited to the subjects requiring remediation. Such on-line remediation shall not exceed one hour. In the event that required remediation exceeds one hour, such remediation will be conducted at the Training Center prior to Maneuvers Validation.

- 5. A pilot who has failed on his second attempt to pass an on-line Validation examination will be required to receive additional training and testing at the Training Center, prior to his completion of CQ.

- I. Within 6 months of the effective date of this Letter of Agreement, the pilot training critique program for all training, including CQ and DLCQ, will be moved from a paper system to a web-based electronic system. The current paper form, including the current comment section, shall be duplicated in the electronic format. A pilot shall be given the option to submit his critique anonymously. All critiques shall be automatically electronically forwarded to the ALPA Training Committee. Prior to completion of the development of the electronic system, paper critiques will be forwarded to the ALPA Training Committee Chairman, via mail or other direct delivery means.

- J. This Letter of Agreement supersedes and replaces LOA 2004-01 dated January 9, 2004 (Distance Learning CQ for the 747-400).

- K. Duration

This Letter of Agreement shall become effective on the date of signing, and, except as provided in subparagraph H.1. Above, shall run concurrent with the Pilots Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 31st day of July, 2005.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen-Showers
Vice President Labor Relations

/s/ Mark A. McClain
NWA MEC Chairman

/s/ Robert W. Tice
Sr. Labor Counsel – Flight

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

LETTER 2005-11

LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the Service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc. (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, Section 4.1.4. of the Northwest Airlines Retirement Savings Plan for Pilot Employees (the “Plan”) provides for the creation by agreement between the Company and ALPA of specified investment Subfunds and further provides that the general characteristics, the Investment Manager or Managers, the operational rules, the duration and modifications of such Subfunds shall be established from time to time by separate written agreement between the Company and ALPA; and

WHEREAS, the Company and ALPA have agreed to add investment managers to certain of the negotiated Subfunds heretofore established by agreement of the Company and ALPA pursuant to Section 4.1.4. of the Plan; and

WHEREAS, the Company and ALPA have also agreed to make available to participants of the Plan the Lifecycle funds established by the Company for the benefit of participants of the Retirement Saving Plans for Salaried Employees and for Contract Employees; and

WHEREAS, the parties desire to memorialize their agreements in a separate written agreement in accordance with Section 4.1.4. of the Plan;

NOW THEREFORE, the undersigned parties do hereby agree as follows effective October 1, 2005:

1. Goldman Sachs shall be added as an additional investment manager for the large capitalization equity Subfund.
2. Western Asset Management shall be added as an additional investment manager for the bond Subfund.
3. There shall be added as additional negotiated Subfunds under Section 4.1.4 of the Plan at least five Lifecycle funds, to be managed by Barclay’s Global Investors and invested in

Barclay’s Global Investors LifePath Index Portfolios “F” (specifically, Lifecycle Retirement, Lifecycle 2010, Lifecycle 2020, Lifecycle 2030 and Lifecycle 2040).

4. To the extent necessary, this Letter of Agreement shall be considered an amendment of Section 4.1.4. of the Plan Statement, effective October 1, 2005.

IN WITNESS WHEREOF, NORTHWEST AIRLINES, INC. AND THE AIR LINE PILOTS IN THE SERVICE OF NORTHWEST AIRLINES, INC. AS REPRESENTED BY THE AIRLINE PILOTS ASSOCIATION, INTERNATIONAL have caused this Amendment to be executed as of September 26, 2005.

NORTHWEST AIRLINES, INC.

AIR LINE PILOTS IN THE SERVICE OF
NORTHWEST AIRLINES AS REPRESENTED BY
THE AIR LINE PILOTS ASSOCIATION,
INTERNATIONAL

/s/ Julie Hagen-Showers
Vice President Labor Relations

/s/ Duane E. Woerth
President

/s/ Timothy J. Meginnes, Vice President
Compensation and Benefits

/s/ Mark A. McClain
NWA MEC Chairman

LETTER 2006-01

(Restructuring Letter of Agreement Number 1)
LETTER OF AGREEMENT
Between
NORTHWEST AIRLINES, INC.
and
NORTHWEST AIRLINES CORPORATION
And
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”) and with respect to paragraphs C., D.,G.,H.,I., AND N., between and among ALPA, the Company and Northwest Airlines Corporation.

WHEREAS, the Company and ALPA have agreed to certain modifications (the “Modifications”) of the NWA/ALPA Collective Bargaining Agreement (the “ALPA Agreement”) in furtherance of the Company’s effort to successfully reorganize through the Chapter 11 bankruptcy process; and

WHEREAS, the Modifications embodied in this Letter of Agreement and the attachments will, when executed, result in a revised ALPA Agreement (the “ALPA Restructuring Agreement”); and

WHEREAS, ALPA’s agreement on behalf of the pilots in the service of the Company to such modifications is conditioned on the Company’s implementation of certain cost savings for all of its other employee groups; and

WHEREAS, the Company and ALPA have agreed that certain additional protections for the pilot group are appropriate.

NOW, THEREFORE, BE IT RESOLVED, the undersigned parties do hereby agree as follows:

- A. Labor Cost Reductions. The pilots in the service of the Company, as represented by ALPA, hereby agree to the Modifications in the ALPA Agreement that the parties have projected will generate an average annual pilot labor cost savings to the Company of \$358 million for the period 2007-2010.

- B. Pilots Agreement Amendments. The attached Restructuring Letter of Agreement Number 2 (Letter 2006-02), which sets forth certain of the Modifications to the ALPA Agreement, shall be executed concurrently herewith and is incorporated herein by reference.
- C. Bankruptcy Protection Letter. The attached letter regarding Terms for Bankruptcy Protection, Release, Exculpation, Indemnity, Claims and Related Provisions (Letter 2006-03) shall be executed concurrently herewith and is incorporated herein by reference.
- D. Conditions to Effectiveness and Covenants.
1. Conditions to Effectiveness. This Restructuring Letter of Agreement Number 1 and the ALPA Restructuring Agreement shall not become effective until the occurrence of the following events:
 - a. The Company implementing, through binding agreement or legal unilateral authority, revisions to (i) the labor contracts of the Company's other unionized employees and (ii) the wages, benefits and working conditions of the Company's non-union employees so that the aggregate revisions in (i) and (ii) are reasonably projected to produce \$963 million in average annual savings in labor costs from January 1, 2006 through December 31, 2010 (excluding any implementation, severance, or separation program costs). The aggregate savings shall exclude any net saving attributable to pension plans but shall include the following: savings achieved as a result of the current 1113/1114 restructuring negotiations; savings, net of outsourcing costs realized through imposition of terms imposed on AMFA represented employees on August 19, 2005; savings from cost reductions imposed on the Company's management and non-union employees; and
 - b. The Company providing sufficient relevant information necessary to perform an audit of the terms referred to hereinabove; and
 - c. ALPA membership ratification under ALPA's Constitution and By-Laws, and execution of this Restructuring Letter of Agreement Number 1 and the ALPA Restructuring Agreement by ALPA; and
 - d. Approval by the Company's Board of Directors, if required; and
 - e. Approval by the Bankruptcy Court of this Restructuring Letter of Agreement Number 1 and the ALPA Restructuring Agreement and entry of an order of the Court in a form acceptable to the Company authorizing the entry into this Restructuring Letter of Agreement Number 1 and the ALPA Restructuring Agreement.

ALPA may waive one or all of the conditions a., b. or c., at its discretion.

2. Covenants.

- a. If, subsequent to the effective date and during the term of this Restructuring Letter of Agreement Number 1 and the ALPA Restructuring Agreement, excluding any status quo period, the Company concludes any agreement with the IAM, the PFAA or AMFA on matters relating to (i) equity compensation to be paid to employees represented by of any of those unions; or (ii) board representation or other matters relating to corporate governance, that in either case is more favorable to those unions than the agreements reached with ALPA, then those more favorable terms shall be automatically applied to ALPA-represented employees. If, subsequent to the effective date and during the term of this Restructuring Letter of Agreement Number 1 and the ALPA Restructuring Agreement, excluding any status quo period, the Company makes a material aggregate improvement in the wage rates, work rules, benefits or other compensation of IAM, PFAA, ATSA, NAMA, TWU or AMFA-represented employees (without a hard dollar equivalent offset in another area or other compensation), then such improvement or its proportional hard dollar equivalent shall be automatically applied to reduce the labor cost savings agreed upon for ALPA-represented employees.
 - b. ALPA shall be given reasonable access during the term of this Restructuring Letter of Agreement Number 1 and the ALPA Restructuring Agreement to relevant Company financial and other data necessary to measure and audit actual labor cost savings and stock allocation for the IAM, PFAA, AMFA, TWU, ATSA and NAMA.
- E. Lump Sum Payment. Upon the Company’s emergence from bankruptcy, a lump sum payment of \$16.8 million shall be paid by the Company to the pilots in the service of the Company. ALPA shall determine the allocation of such payment. The parties shall meet and confer to agree upon the method of such payment.
- F. ALPA Fees and Expenses. In payment of fees and expenses incurred by ALPA related to the restructuring negotiations, the Company shall, in addition to any other credits owed, credit the “ALPA Bank” (see [Section 26 Y.1.](#) of the ALPA Restructuring Agreement) with \$1,500,000 on June 1, 2006. In addition, the Company will pay \$14,300 to Counsel to Special Trustee.
- G. ALPA Board of Directors Seat. The attached ALPA Board of Directors Seat Letter of Agreement (Letter 2006-12) shall be executed concurrently herewith and is incorporated herein by reference.
- H. Incentive Performance Plan for Pilots. The attached Northwest Airlines Pilot Incentive Performance Plan Letter of Agreement (Letter 2006-04) shall be executed concurrently herewith and is incorporated herein by reference.

- I. Profit Sharing Plan. The attached Northwest Airlines Profit Sharing Plan Letter of Agreement (Letter 2006-05) shall be executed concurrently herewith and is incorporated herein by reference.
- J. Pass Benefits.
1. The Company agrees to amend its pass travel policy to extend pass benefits for current and future laid-off Northwest pilots through one year from the Date of Signing of this Restructuring Letter of Agreement Number 1 and the ALPA Restructuring Agreement.
 2. The Company agrees to amend its pass travel policy to remove the current pass travel restrictions for pilots who are on Extended Sick Leave. This commitment shall not require the Company to change its current pass travel policy restrictions for pilots on short term sick; however, the Company agrees to remove restrictions for pass travel to and from a pilot's base before and after a short term sick call.
 3. The Company agrees to consider (but is not committed at this point to implement) a "Company-wide program" to waive the annual pass travel service charge for the pilot and eligible family members for a calendar year if the pilot has had no sick call in the prior calendar year.
- K. ALPA Bank. The Company and ALPA agree to discuss at a later date a process that will permit a pilot to pick up a trip that will bring his projected credit time to his applicable monthly maximum and direct the remainder of the value of the added trip to the ALPA Bank.
- L. Pension Benefits. The attached Retirement Plan Agreement for Pension Plan for Pilot Employees and Retirement Savings Plan for Pilot Employees (Letter 2006-09) and the attached letter regarding the Northwest Airlines Retirement Savings Plan for Salaried Employees (Letter 2006-19) shall be executed concurrently herewith and are incorporated herein by reference.
- M. Pilot Early Retirement Program. The attached Letter of Agreement regarding the Pilot Early Retirement Program (Letter 2006-06) shall be executed concurrently herewith and is incorporated herein by reference.
- N. Limitations on Related Party Transactions. The attached Letter of Agreement regarding Limitations on Related Party Transaction (Letter 2006-15) shall be executed concurrently herewith and is incorporated herein by reference.
- O. This Restructuring Letter of Agreement and the ALPA Restructuring Agreement shall become effective immediately upon the satisfaction or waiver of all the conditions provided in Paragraph D.1. above, and this Restructuring Letter of Agreement shall run concurrently with the ALPA Restructuring Agreement including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 31st day of July, 2006.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ David Stevens
NWA MEC Chairman

/s/ Timothy J. Rainey
Sr. Vice President Flight Operations/SOC

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

For NORTHWEST AIRLINES
CORPORATION agreeing to be bound by
Paragraphs C., D., G., H., I., and N

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

/s/ Douglas M. Steenland
President and Chief Executive Officer

LETTER 2006-02

(Restructuring Letter of Agreement Number 2)
LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the Company and ALPA have agreed to certain modifications (the “Modifications”) of the NWA/ALPA Collective Bargaining Agreement (the “ALPA Agreement”) in furtherance of the Company’s effort to successfully reorganize through the Chapter 11 bankruptcy process; and

WHEREAS, the Modifications embodied in this Letter of Agreement and the attachments will, when executed, result in a revised ALPA Agreement (the “ALPA Restructuring Agreement”).

NOW, THEREFORE, BE IT RESOLVED, the undersigned parties do hereby agree as follows:

- A. Section 1 of the ALPA Agreement is hereby amended in full as set forth in document entitled SECTION 1 RECOGNITION AND JOB SECURITY, which is attached hereto and incorporated herein by reference.
- B. Section 2 of the ALPA Agreement is hereby amended in full as set forth in document entitled SECTION 2 DEFINITIONS, which is attached hereto and incorporated herein by reference.
- C. Section 3 of the ALPA Agreement is hereby amended in full as set forth in document entitled SECTION 3 COMPENSATION, which is attached hereto and incorporated herein by reference.
- D. Section 4 of the ALPA Agreement is hereby amended in full as set forth in document entitled SECTION 4 MINIMUM PAY GUARANTEE, which is attached hereto and incorporated herein by reference.

- E. Section 5 of the ALPA Agreement is hereby amended in full as set forth in document entitled SECTION 5 TRAVELING EXPENSES, which is attached hereto and incorporated herein by reference.
- F. Section 7 of the ALPA Agreement is hereby amended in full as set forth in document entitled SECTION 7 VACATION, which is attached hereto and incorporated herein by reference.
- G. Section 8 of the ALPA Agreement is hereby amended in full as set forth in document entitled SECTION 8 DEADHEAD, which is attached hereto and incorporated herein by reference.
- H. Section 9 of the ALPA Agreement is hereby amended in full as set forth in document entitled SECTION 9 MISCELLANEOUS FLYING, which is attached hereto and incorporated herein by reference.
- I. Section 11 of the ALPA Agreement is hereby amended in full as set forth in document entitled SECTION 11 TRAINING, which is attached hereto and incorporated herein by reference.
- J. Section 12 of the ALPA Agreement is hereby amended in full as set forth in document entitled SECTION 12 HOURS OF SERVICE, which is attached hereto and incorporated herein by reference.
- K. Section 13 of the ALPA Agreement is hereby amended in full as set forth in document entitled SECTION 13 LEAVE OF ABSENCE, which is attached hereto and incorporated herein by reference.
- L. Section 14 of the ALPA Agreement is hereby amended in full as set forth in document entitled SECTION 14 SICK LEAVE, which is attached hereto and incorporated herein by reference.
- M. Section 15 of the ALPA Agreement is hereby amended in full as set forth in document entitled SECTION 15 MEDICAL EXAMINATIONS, which is attached hereto and incorporated herein by reference.
- N. Section 18 of the ALPA Agreement is hereby amended in full as set forth in document entitled SECTION 18 JURY DUTY, which is attached hereto and incorporated herein by reference.
- O. Section 22 of the ALPA Agreement is hereby amended in full as set forth in document entitled SECTION 22 SENIORITY, which is attached hereto and incorporated herein by reference.
- P. Section 24 of the ALPA Agreement is hereby amended in full as set forth in document entitled SECTION 24 STAFFING AND FILLING OF POSITIONS, which is attached hereto and incorporated herein by reference.

- Q. Section 25 of the ALPA Agreement is hereby amended in full as set forth in document entitled SECTION 25 SCHEDULING, which is attached hereto and incorporated herein by reference.
- R. Section 27 of the ALPA Agreement is hereby amended in full as set forth in document entitled SECTION 27 INSURANCE BENEFITS, which is attached hereto and incorporated herein by reference.
- S. Section 29 of the ALPA Agreement is hereby amended in full as set forth in document entitled SECTION 29 EFFECT OF PRIOR AGREEMENTS, AMENDMENT, DURATION, which is attached hereto and incorporated herein by reference.
- T. Section 30 of the ALPA Agreement is hereby amended in full as set forth in document entitled SECTION 30 SCHEDULING RULES, which is attached hereto and incorporated herein by reference.
- U. Section 31 of the ALPA Agreement is hereby amended in full as set forth in document entitled SECTION 31 LETTERS OF AGREEMENT, which is attached hereto and incorporated herein by reference.
- V. Sections 6, 16, 17, 19, 20, 21, 23, 26 and 28 of the ALPA Agreement shall remain in effect in the ALPA Restructuring Agreement without change, except as to appropriate cross-reference changes that the parties identify in the re-publishing of the ALPA Restructuring Agreement.
- W. This Restructuring Letter of Agreement Number 2 (Letter 2006-02) and the ALPA Restructuring Agreement shall become effective as provided in Paragraph O. of Restructuring Letter of Agreement Number 1 (Letter 2006-01), and this Restructuring Letter of Agreement Number 2 shall run concurrently with the ALPA Restructuring Agreement including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 31st day of July, 2006.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ David Stevens
NWA MEC Chairman

/s/ Timothy J. Rainey
Sr. Vice President Flight Operations/SOC

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

LETTER 2006-03



Douglas M. Steenland
President and
Chief Executive Officer
Northwest Airlines, Inc.
2700 Lone Oak Parkway
Eagan MN 55121-1534
nwa.com

Captain Duane Woerth, President
Air Line Pilots Association, International
1625 Massachusetts Avenue, N.W.
Washington, D.C. 20036

Captain David Stevens
MEC Chairman
Air Line Pilots Association, International
7900 International Drive
Suite 875
Bloomington, MN 55425

Re: Terms for Bankruptcy Protection, Release, Exculpation, Indemnity, Claims and Related Provisions (“Bankruptcy Protection Letter”)

Dear Captains Woerth and McClain:

The modifications to the collective bargaining agreements currently in effect between Northwest Airlines (the “Company”) and ALPA (such agreements, the “ALPA Agreement” and such modifications, the “Modifications”) reached in connection with the 2006 Restructuring Program of the Company were agreed to by ALPA in furtherance of the Company’s effort to improve liquidity and profitability and successfully restructure its capital structure and operations and reorganize through the Chapter 11, and in consideration of the Company’s agreements herein. The Modifications were embodied in the revised collective bargaining agreement between ALPA and the Company described as the “ALPA Restructuring Agreement.”

This Letter of Agreement is a part of the Modifications and the ALPA Restructuring Agreement, and is effective only if and when the ALPA Restructuring Agreement becomes effective pursuant to Paragraph 4. This Letter of Agreement will be binding on any Chapter 11 trustee appointed in these cases or other entity operating with the equivalent authority of a Chapter 11 trustee.

The Company and ALPA believe that:

- The Modifications are based on the most complete and reliable information available to the Company;

- The Company has provided ALPA with all relevant information reasonably necessary to enable ALPA to evaluate the Company’s proposals and ALPA’s counterproposals;
- The Modifications permit the Company to avoid irreparable harm and provide for the appropriate modifications to the ALPA Agreement that are necessary, fair, and equitable in order to permit the successful restructuring and reorganization of the Company in Chapter 11 and the continuation of its business;
- Subject to the specific provisions herein, the balance of equities favors the ALPA Restructuring Agreement and the Company’s adherence thereto.

The Company and ALPA agree that:

1.
 - a. Except as otherwise provided in this Letter of Agreement neither the Company nor any affiliate, including but not limited to NWAC, will file or support any motion pursuant to 11 U.S.C. Sections 1113, 1113(e), or any other relevant provision of the Bankruptcy Code, seeking rejection or modification of, or relief or interim relief from, the ALPA Agreement as modified by the ALPA Restructuring Agreement (a “Motion”), and the Company and its affiliates will actively oppose any such Motion if filed by another party.
 - b. The Company and all of its affiliates, including but not limited to NWAC, reserve the right to file or support any Motion only if the following requirements are met (i) if, after March 3, 2006, there is a material deterioration in the financial condition or financial prospects projected in the NWA business plan (version 1.2) presented to ALPA and the other unions in connection with the Company’s motion for relief under section 1113(c) of the Bankruptcy Code, whether because of general economic circumstances, or otherwise; or (ii) if such actions are essential to prevent imminent cessation of operations or liquidation. All requirements and provisions of section 1113 will also remain applicable to any such Motion. ALPA reserves its right to object to such Motion and nothing in this Letter of Agreement shall be construed as an agreement by ALPA to such modifications or relief.
2. To the extent that there are any asserted or unasserted grievance claims arising out of, in connection with, or related to, the ALPA Agreement or any other agreement with ALPA prior to the ALPA Restructuring Agreement becoming effective, they shall not be elevated in status as a result of the ALPA Restructuring Agreement becoming effective or assumed, but shall have the same priority and status that they would have had in the absence of the ALPA Restructuring Agreement, subject to any defenses or objections that the Company may raise; provided, however, in the event of an assumption of the ALPA Restructuring Agreement no more than \$1 million will be paid on account of such prepetition grievance claims as costs and expenses of administration of the Chapter 11 cases. Notwithstanding the foregoing, if the Company agrees that any pre-ALPA Restructuring Agreement grievance claims with any other union “ride through” the Chapter 11 case, any similarly situated ALPA grievance claims shall ride through to the same extent. Except for the foregoing grievance claims and the ALPA Claim (as defined

in Paragraph 7), no other claims shall arise in connection with, or related to, the ALPA Agreement, the ALPA Restructuring Agreement or any other agreement with ALPA; any grievance claims arising under the ALPA Restructuring Agreement during the period after it becomes effective and prior to its rejection shall constitute costs and expenses of administration of the Chapter 11 cases.

3. No claims shall arise by either the Company or ALPA as a result of the Company's instant requests for section 1113 relief or the parties' entry into the ALPA Restructuring Agreement modifying the ALPA Agreement, except as expressly provided under the terms of the ALPA Restructuring Agreement, including this Letter of Agreement. Any claim for rejection of the ALPA Restructuring Agreement that arises at any time after the effective date of the ALPA Restructuring Agreement and prior to the effective date of any Chapter 11 plan of reorganization for the Company shall be treated in the Chapter 11 cases or any other superseding bankruptcy cases as a pre-petition general unsecured claim against the Company and shall not be entitled to priority, as an expense of administration of the Chapter 11 cases, any superseding bankruptcy cases, or otherwise, except to the extent that such claims are for compensation, contributions to a defined contribution plan (but only to the extent otherwise due under the terms of the ALPA Restructuring Agreement) or benefits, in each case, for services actually rendered to the Company during the pendency of these Chapter 11 cases and prior to such rejection, in which case such claims shall be accorded status as administrative expenses of the Chapter 11 cases to the full extent permitted by law. The Company reserves the right to argue that no claims for damages arise as a result of rejection of a collectively-bargained agreement and ALPA reserves the right to argue that a claim for damages does arise as a result of such rejection and both parties reserve their rights with respect to the amounts of any such claim. Notwithstanding the foregoing, if the Company agrees to any additional administrative or general unsecured claims for any other union arising from any rejection of such union's restructured collective bargaining agreement, ALPA shall be entitled to administrative or general unsecured claims to the same extent.
4. The ALPA Restructuring Agreement will become effective immediately upon approval by the Bankruptcy Court and upon satisfaction of such other conditions as are set forth in the Restructuring Letter of Agreement Number 1; provided, however, that notwithstanding that the ALPA Restructuring Agreement shall become effective, it shall not be considered a post-petition agreement for purposes of priority of any claims, nor shall it be assumed or deemed assumed by the Company as an executory contract unless and until a chapter 11 plan of reorganization for the Company shall have been confirmed by order of the Bankruptcy Court and substantially consummated, and shall have the same rights and status as if it had been entered into and became effective prior to commencement of the chapter 11 cases on September 14, 2005. Any plan of reorganization for the Company shall provide for assumption of the ALPA Restructuring Agreement, to the extent such Agreement has not been rejected pursuant to the provisions of this Letter of Agreement, and the Company agrees that it will not file, sponsor or support confirmation of a plan of reorganization that does not provide for assumption of the ALPA Restructuring Agreement, to the extent such Agreement has not been rejected pursuant to the provisions of this Letter of Agreement.

5. In addition to any other exculpation or release provisions provided for in a plan of reorganization for the Company and its affiliates, any plan of reorganization for the Company and its affiliates will include the same plan exculpation and release provision for (a) the Company, all of its affiliates, and each of their current or former officers, directors, employees, agents, attorneys, accountants, advisors, consultants, actuaries, investment bankers, experts and other representatives, and (b) ALPA, the Northwest Airlines Master Executive Council of the Air Line Pilots Association, International, and each of their current or former members, officers, committee members, employees, advisors, attorneys, accountants, actuaries, investment bankers, consultants, agents and other representatives, with respect to any liability such person or entity may have in connection with or related to the Northwest Airlines bankruptcy cases; the formulation, preparation, negotiation, dissemination, implementation, administration, confirmation or consummation of any of the plan of reorganization, the disclosure statement concerning the plan of reorganization, the ALPA Agreement, ALPA Restructuring Agreement, this Letter of Agreement, the Retirement Plan Agreement (and all related agreements, plan documents and amendments) or any contract, employee pension or other benefit plan, instrument, release or other agreement of document created, modified, amended, terminated or entered into in connection with either the plan of reorganization or any agreement between the Company, Northwest Airlines Corporation and the Association, or any other act taken or omitted to be taken in connection with the Company's bankruptcy. The order approving the ALPA Restructuring Agreement and this Letter of Agreement shall include comparable release and exculpation provisions in respect of this Letter of Agreement, the ALPA Restructuring Agreement and all other related agreements, plan documents and amendments. Upon request of ALPA, the Company, at its full expense for costs and fees, will appear and intervene, or, if intervention is not authorized, file an amicus brief, asserting and defending the application of these exculpation provisions in any relevant proceeding relating to the application of these exculpation provisions to ALPA.
6. a. Indemnification. Northwest Airlines Corporation and the Company (collectively, "Northwest") hereby agree to indemnify and hold harmless ALPA, the Northwest Airlines Master Executive Council of the Air Line Pilots Association, International, and each of their current or former members, officers, committee members, employees, advisors, attorneys, accountants, actuaries, investment bankers, consultants, agents and other representatives (each, an "Indemnified Person") from any and all losses, damages, fines, penalties, taxes, expenses, claims, lawsuits, or administrative charges of any sort whatsoever (including reasonable attorney's fees and costs arising in connection with the investigation and defense of any such matter) relating to, concerning or connected with the negotiation or implementation of (a) the ALPA Restructuring Agreement, (b) the Retirement Plan Agreement, (c) the Pension Omnibus Agreement, (d) the Twenty-Seventh Amendment to the Northwest Airlines Pension Plan for Pilot Employees, (e) the Nineteenth Amendment to the Northwest Airlines Retirement Savings Plan for Pilot Employees, (f) the Fifth Amendment to the Northwest Airlines Pension Excess Plan for Pilot Employees, (g) the Disability Agreement, (h) the Northwest Airlines LTD Plan for Pilot Employees, (i) the Family Member Death Benefit Agreement, and (j) any other document or agreement forming part

of the ALPA Restructuring Agreement and/or the Modifications which is in any way related to or connected with any of the foregoing (any such event, a “Claim”); provided however, (i) Northwest shall have no indemnification obligation to the extent that a Claim against an Indemnified Person is finally determined by a court of competent jurisdiction to have resulted from the gross negligence, fraud or willful misconduct of such Indemnified Person; (ii) the Indemnification Procedures set forth below are met; (iii) Northwest will only be liable for 50% of the first \$3 million obligation for the defense, settlement and/or satisfaction of a Claim, and 100% thereafter; and (iv) Northwest shall have no obligation to provide indemnification with respect to any Claim based upon, relating to or arising out of any determination by ALPA of the manner of distribution or allocation of benefits. This indemnification obligation shall continue in full force and effect without regard to the duration clause of the ALPA Restructuring Agreement.

- b. Indemnification Procedure. (1) An Indemnified Person must give prompt notice to the Company of the facts and circumstances that may constitute a Claim under this paragraph 6; provided, however, that any delay by an Indemnified Person in giving such notice shall not relieve Northwest of its obligations under this paragraph 6 except to the extent that such delay causes material damage or prejudice to Northwest. (2) Northwest shall be entitled to participate in a judicial or administrative proceeding concerning an actual or potential Claim (an “Action”) and, upon ten (10) days notice to the applicable Indemnified Person, may assume the defense of such Claim with counsel of Northwest’s choosing and reasonably satisfactory to the Indemnified Person. Upon assumption of the defense of an Action by Northwest, Northwest shall control the defense of the Indemnified Person and nothing that follows shall allow any other person to maintain or assume control of such defense. Following any assumption of the defense of an Action by Northwest, Northwest shall not be liable for any subsequent fees of legal counsel or other expenses incurred by the Indemnified Person in connection with the defense of such Action, subject to reimbursement for actual out-of-pocket expenses incurred by the Indemnified Person as the result of a request for cooperation or assistance by Northwest; provided, however, if, in the reasonable opinion of outside counsel to the Indemnified Person, there exists an actual, material conflict of interest between Northwest and the Indemnified Person, Northwest shall be liable for the legal fees and expenses of separate counsel to the Indemnified Person; provided, further, the Indemnified Person shall have the right to participate in the defense of an Action with its own counsel at its own expense. (3) No compromise or settlement of any Action shall be binding on Northwest for purposes of Northwest’s obligations under this paragraph 6 without Northwest’s express written consent, which consent shall not be unreasonably withheld. Northwest shall not compromise or settle any Action or otherwise admit to any liability for any Claim on a basis that would reasonably be expected to adversely affect the future activity or conduct of the Indemnified Person without the prior written consent of the Indemnified Person, which consent shall not be unreasonably withheld. (4) In the event Northwest assumes the defense of any Action under this paragraph 6, Northwest shall (i) keep ALPA and the applicable

Indemnified Person informed of material developments in the action, (ii) promptly provide ALPA and such Indemnified Person with copies of all pleadings, responsive pleadings, motions and other similar legal documents and papers received in connection with the Action, (iii) permit ALPA and such Indemnified Person and their counsel, to the extent practicable, to confer on the defense of the Action, and (iv) permit ALPA and such Indemnified Person and their counsel, to the extent practicable, an opportunity to review all legal papers to be submitted prior to their submission. The parties shall provide to each other such assistance as may be reasonably required to ensure the proper and adequate defense of the Action, and each party shall use its good faith efforts and cooperate with each other party to avoid the waiver of any privilege of another party.

7. a. Upon the occurrence of and subject to the effective date of any plan of reorganization for the Company and the assumption of the ALPA Restructuring Agreement, ALPA will have an allowed general unsecured pre-petition claim in the Company's chapter 11 case in the amount of \$888 million, as set forth in the attached Schedule (the "ALPA Claim"), in respect of the concessions made by ALPA, as reflected in the ALPA Bridge Agreement and the ALPA Restructuring Agreement. ALPA shall have no claims in respect of the ALPA Agreement or any other agreement between the Company and ALPA, except (i) as set forth in the Bankruptcy Protection Letter; and (ii) the ALPA Claim. The Northwest Master Executive Council of ALPA will have the authority to determine the manner of distribution of such claim, including the distribution of equity on account of such claim, provided that the manner of distribution is legal and complies with all applicable regulations. If requested by the Northwest Master Executive Council, distribution of cash or equity securities received in respect of the ALPA Claim will be made, to the maximum extent permitted by law, in the form of an employer contribution to the Northwest Airlines Retirement Savings Plan for Pilot Employees. Neither the Company nor any of its officers or directors shall have any responsibility or liability for such Plan's disposition or continued holding of any such equity securities. All such responsibility shall instead be that of the Plan's participants. The documents and instruments governing such Plan shall be amended to provide that participants shall have all discretionary authority and responsibility respecting the disposition and the Plan's continued holding of any such equity securities. The Company's indemnification obligation under Paragraph 6 of the Bankruptcy Protection Letter shall not apply to claims against any Indemnified Party relating to or arising from the determination by ALPA of the manner of distribution of the ALPA Claim or of equity on account of such claim, or to claims against any Indemnified Party relating to or arising out of the disposition or continued holding of equity securities by the Plan.
- b. The ALPA Claim shall receive distributions under any plan of reorganization confirmed in these cases on the same terms and conditions and on a pro rata, pari passu basis, as all other allowed general unsecured pre-petition claims against the Company; provided, however, the Company reserves the right to separately classify certain claims (other than the ALPA Claim) for administrative convenience and treat such claims differently.

- c. At a minimum, pilots represented by ALPA will receive a percentage of the common equity, securities and/or other consideration provided to all company employees covered by collective bargaining agreements that is no less than the percentage the Association's cost reductions, as calculated for the categories and time periods in the attachment, represents of the total labor cost reduction, as calculated in the same categories and time periods, for all employees covered by collective bargaining agreements.

Since the ALPA Claim will not arise until the effective date of a plan of reorganization for the Company, the ALPA Claim shall not be allowed for voting purposes. Neither this Agreement nor any rights or interests in this Agreement, including without limitation the ALPA Claim, may be assigned or transferred in any way nor shall ALPA directly or indirectly grant any participation in any of the foregoing; unless such action: (1) is consistent with any order governing the trading of claims; and (2) occurs after the entry of an order confirming a plan of reorganization for the Company. Any assignee or transferee of the ALPA Claim shall take such claim subject to all of the terms and conditions of the ALPA Restructuring Agreement, including this Letter of Agreement, and any plan of reorganization for the Company, including the condition that no ALPA Claim shall arise unless and until a plan of reorganization becomes effective and the ALPA Restructuring Agreement is assumed.

8. It is expressly recognized and agreed that if the ALPA Restructuring Agreement does not become effective, all of the above paragraphs are inapplicable and will be of no force or effect. At such time as the ALPA Restructuring Agreement becomes effective, but prior to its assumption on the effective date of a plan of reorganization for the Company, and subject to the limitations set forth in this Letter of Agreement, this Letter of Agreement shall constitute a binding and enforceable post-petition agreement between ALPA and the Company.

Please indicate your agreement to the foregoing by signing below.

Yours truly,

/s/ Douglas M. Steenland
President and Chief Executive Officer,
Northwest Airlines Corporation

Agreed this 31st day of July 2006

/s/ Captain Duane Woerth
President, Air Line Pilots Association, International

/s/ Captain David Stevens
Chairman, Northwest MEC
Air Line Pilots Association, International

ALPA CLAIM

<u>Source of Savings</u>	<u>Effective Date</u>	<u>Savings</u>
ALPA Bridge Agreement	December 1, 2004 – December 31, 2006	\$521M
Interim Agreement	November 15, 2005 – February 28, 2006	\$81M
Restructuring Agreement	April 1, 2006 – December 31, 2006	\$269M
Retiree Medical	April 1, 2006 – December 31, 2006	<u>\$17M</u>
Total		\$888M

LETTER 2006-04

LETTER OF AGREEMENT
among
NORTHWEST AIRLINES CORPORATION
NORTHWEST AIRLINES, INC.
and the
AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
THE AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

NORTHWEST AIRLINES PILOT INCENTIVE PERFORMANCE PLAN

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and among Northwest Airlines Corporation (“NWA Corp.”), Northwest Airlines, Inc. (“Northwest Airlines”) (collectively referred to as the “Company”) and the Air Line Pilots in the service of the Company as represented by the Air Line Pilots Association, International (the “ALPA”).

As part of an overall compensation plan for the Company’s pilots, the Company hereby establishes an annual incentive performance program to be known as the “Northwest Airlines Pilot Incentive Performance Plan” (the “Plan”), as set forth herein. The Plan provides for the awarding of annual payments to Participants subject to the achievement of certain pre-established performance goals for each calendar year commencing with 2007. The Plan shall be part of the ALPA Restructuring Agreement, become effective as of the Effective Date of the ALPA Restructuring Agreement, and shall terminate on December 30, 2011 and shall not be effective for any status quo period thereafter.

The Company and the Association agree as follows:

I. DEFINITIONS

The following terms will be defined as set forth below for purposes of the Letter of Agreement:

- 1.1 Annual Base Salary. The total remuneration paid to a Participant by Northwest Airlines during any Plan Year, as reported on Treasury Form W-2 (or any comparable successor form) [in Box 1 + Box 10 + Box 12 code D thereof].
- 1.2 Award. The right of a Participant to receive a payment based on satisfaction of the applicable Performance Goals established for a Plan Year, determined by multiplying the Award Percentage for the Plan Year by the Participant’s Annual Base Salary for the Plan Year.

- 1.3 Award Percentage. The percentage determined under the provisions of Section 4.1 below.
- 1.4 Disqualifying Separation. The termination of a pilot's employment for cause or a pilot's voluntary termination of his or her employment; provided, however, a normal retirement, early retirement or disability retirement (or commencement of LTD Benefit) shall not constitute a voluntary termination.
- 1.5 Participant. A pilot of Northwest Airlines who meets the eligibility requirements in Section 3.1 below to participate in the Plan.
- 1.6 Plan Year. Each of the calendar years 2007, 2008, 2009, 2010, and 2011 (through December 30, 2011).

II. ADMINISTRATION

- 2.1 Administration. The Plan shall be administered by the Compensation Committee of the Board of Directors of Northwest Airlines.
- 2.2 Determination of Performance Goals. Prior to January 1 of each Plan Year, the Compensation Committee shall establish a threshold performance goal, a target performance goal, and a maximum performance goal for such Plan Year under the Plan (the "Threshold Performance Goal," the "Target Performance Goal" and the "Maximum Performance Goal", respectively, and collectively the "Performance Goals"). The Performance Goals may be based on (i) Company on-time performance, (ii) customer satisfaction, (iii) Company financial measures, (iv) pilot work attendance, (v) other Company operating metrics, (vi) other appropriate criteria as determined by the Compensation Committee, or (vii) a combination of the foregoing. The Company will meet and confer with ALPA regarding the establishment of the Performance Goals for each Plan Year prior to the Compensation Committee establishing such goals for such Plan Year.
- 2.3 Review of Calculation. The Company shall provide to ALPA within 75 calendar days following the end of each Plan Year, a report setting forth information regarding performance relative to the Performance Goals for such Plan Year and other appropriate information relevant to calculating the Award amounts.
- 2.4 Dispute Resolution. In the event of any dispute regarding the satisfaction of the Performance Goals, the Award amounts, or other administrative matters, such dispute shall be subject to the grievance and System Board of Adjustment procedures under the Pilot Agreement.

III. ELIGIBILITY AND PARTICIPATION

- 3.1 Eligibility. Subject to Section 3.2, any Northwest Airlines pilot on the Northwest seniority list shall be eligible to participate in the Plan with respect to a Plan Year if such pilot was actively employed by Northwest Airlines at any time during the applicable Plan Year; provided, however, if a Participant is eligible to receive an

award under another incentive program maintained by the Company during such Plan Year (other than the Northwest Airlines Profit Sharing Plan), such Participant will be eligible to participate in the Plan during such Plan Year if the amount of such Participant's Award is greater than the amount such Participant would receive under such other incentive programs, in which event such Participant would cease to be eligible to participate in such other incentive program.

- 3.2 Partial Year Participation. Notwithstanding Section 3.1, if an eligible pilot's employment with Northwest Airlines ceases as a result of a Disqualifying Separation, such pilot shall not be eligible to be a Participant for the Plan Year during which his or her Disqualifying Separation occurred.

IV. AWARD DETERMINATION

- 4.1 Award Percentage. The Award Percentage for a Plan Year shall be determined as follows:
- (a) If only the Threshold Performance Goal has been satisfied, the Award Percentage shall be 0.5%.
 - (b) If the Threshold Performance Goal and Target Performance Goal have been satisfied, the Award Percentage shall be 1.0%.
 - (c) If the Threshold Performance Goal, Target Performance Goal, and Maximum Performance Goal have been satisfied, the Award Percentage shall be 1.25%.

- 4.2 Each Participant's Award for each Plan Year shall be determined as follows:

The Award Percentage for each Plan Year determined in accordance with Section 4.1 above shall be multiplied by the Participant's Annual Base Salary for the Plan Year to determine the amount of each Participant's Award for the Plan Year. All calculations with respect to a Participant's Award shall be rounded to two (2) decimal places.

V. PAYMENT OF AWARDS

- 5.1 Form and Timing of Payment. Each Participant's Award shall be paid in cash in one lump sum no later than March 31 immediately following the end of the Plan Year with respect to which the Award is paid (including March 2012 for the 2011 Plan Year).
- 5.2 Withholding Taxes. The Company shall deduct from all payments under the Plan all applicable Federal, state or local payroll withholding taxes required by law to be withheld with respect to such payments.

VI. MISCELLANEOUS

- 6.1 Amendments. The Plan may only be amended or modified in a written agreement among ALPA, Northwest Airlines and NWA Corp.
- 6.2 Governing Law. This Agreement and the Plan shall be governed by and construed in accordance with the Railway Labor Act, and the internal laws of the State of Minnesota without regard to the choice of law principles thereof.
- 6.3 No Employment Rights. The establishment of the Plan and participation in the Plan shall not confer upon any Participant any right to continued employment with Northwest Airlines, nor, subject to any applicable agreement, shall it interfere in any way with the right of Northwest Airlines to terminate the employment of any Participant at any time.
- 6.4 Unfunded Status of the Plan. The Plan is intended to constitute an “unfunded” plan. With respect to any payments not yet made to a Participant by the Company, nothing contained herein shall give any such Participant any rights that are greater than those of a general creditor of the Company.
- 6.5 Nontransferability. A Participant’s interest in the Plan may not be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of by any Participant and any such attempted violation of this Section 6.5 shall be null and void and without effect.

IN WITNESS WHEREOF, the parties have signed this Letter of Agreement as of this 31st day of July, 2006.

For AIR LINE PILOTS ASSOCIATION

/s/ Duane E. Woerth
President

/s/ David Stevens
NWA MEC Chairman

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

For NORTHWEST AIRLINES
CORPORATION

/s/ Douglas M. Steenland
President and Chief Executive Officer

For NORTHWEST AIRLINES, INC.

/s/ Julie Hagen Showers
Vice President Labor Relations

LETTER 2006-05

LETTER OF AGREEMENT
among
NORTHWEST AIRLINES CORPORATION
NORTHWEST AIRLINES, INC.
and the
AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
THE AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

NORTHWEST AIRLINES PROFIT SHARING PLAN

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and among Northwest Airlines Corporation (“NWA Corp.”), Northwest Airlines, Inc. (“Northwest Airlines”) (collectively referred to as the “Company”) and the Air Line Pilots in the service of the Company as represented by the Air Line Pilots Association, International (the “Association”).

As part of an overall compensation plan for the Company’s employees, the Company hereby establishes an annual incentive compensation program to be known as the “Northwest Airlines Profit Sharing Plan” (the “Plan”), as set forth herein. The Plan provides for the awarding of annual payments to Participants based on the Company’s achievement of financial performance goals during each fiscal year commencing with fiscal year 2006. The Plan shall be part of the ALPA Restructuring Agreement, become effective as of the Effective Date of the ALPA Restructuring Agreement and its duration shall be concurrent with such Agreement and subject to any status quo period thereafter.

All prior profit sharing plans between ALPA and the Company, including the Pilots Profit Sharing Program pursuant to Letter 1998-16A and the 2004 Pilots Incentive Plan pursuant to Letter 2004-04-02, are hereby terminated and are of no further force or effect.

The Company and the Association agree as follows:

I. DEFINITIONS

The following terms will be defined as set forth below for purposes of the Letter of Agreement:

- 1.1 Annual Base Salary. The total remuneration paid to a Participant by Northwest Airlines during any Plan Year, as reported on Treasury Form W-2 (or any comparable successor form) [in Box 1 + Box 10 + Box 12 code D thereof].

- 1.2 Aggregate Payout Amount. The amount determined under the provisions of Section 4.1 below for any Plan Year.
- 1.3 Award. The award paid to a Participant for a Plan Year, determined by multiplying the Participant's Award Percentage for the Plan Year by the Aggregate Payout Amount for the Plan Year.
- 1.4 Award Percentage. The percentage determined under the provisions of Section 4.2 below.
- 1.5 Income. For any Plan Year, the Company's consolidated net income (taking into account expenses accrued for payments due under the Plan but excluding (i) extraordinary, unusual or special items; (ii) restructuring gains or losses; and (iii) gains and losses on the sale or disposition of assets or equity investments; and including only that portion of the results of any subsidiary equal to such subsidiary's results multiplied by the Company's ownership percentage in such subsidiary), plus income taxes, minus preferred stock requirements, as reported in the Company's Consolidated Financial Statements.
- 1.6 Participant. An employee of Northwest Airlines who meets the eligibility requirements in Section 3.1 below to participate in the Plan.
- 1.7 Pre-Tax Margin. Income as a percent of Revenue for any Plan Year, rounded to two decimal places.
- 1.8 Plan Year. Each of the Company's fiscal years, currently January 1 through December 31, commencing with fiscal year 2006, occurring during the term hereof.
- 1.9 Revenue. The Company's total revenues for any Plan Year, as reported in the Company's Consolidated Financial Statements.

II. ADMINISTRATION

- 2.1 Administration. The Plan shall be administered by the Board of Directors of Northwest Airlines (or a committee thereof).
- 2.2 Review of Calculation. The Company shall provide to each union whose employees participate in this Plan, within 75 calendar days following the end of a Plan Year, the financial results of the Company for such Plan Year and all information relevant to calculating the Pre-Tax Margin and the Award amounts, if any.
- 2.3 Dispute Resolution. In the event of any dispute regarding the calculation of the Pre-Tax Margin or the Award amounts or other administrative matters, such dispute shall be subject to the grievance and System Board of Adjustment procedures under the applicable collective bargaining agreements.

III. ELIGIBILITY AND PARTICIPATION

- 3.1 Eligibility. Any Northwest Airlines employee represented by a union that has agreed to participation by its members in the Plan and any Northwest Airlines employee of a group, class or craft that the Company has designated as eligible to participate in the Plan shall be eligible to participate in the Plan with respect to a Plan Year if such employee was actively employed by Northwest Airlines on the last day of the applicable Plan Year; provided, however, if a Participant is eligible to receive an award under another incentive program maintained by the Company during a Plan Year, such Participant will be eligible to participate in the Plan during such Plan Year if the amount of such Participant's Award is greater than the amount such Participant would receive under such other incentive programs, in which event such Participant would cease to be eligible to participate in such other incentive program; provided, further, no salaried or management employee who participates in another management incentive program shall be eligible to participate in the Plan.
- 3.2 Partial Year Participation. Notwithstanding Section 3.1, if an employee's employment with Northwest Airlines ceases as a result of retirement, such an employee shall be eligible to be a Participant for the Plan Year during which his or her retirement occurred.

IV. AWARD DETERMINATION

- 4.1 Aggregate Payout Amount.
- (a) If the Company's Pre-Tax Margin for a Plan Year is less than or equal to ten percent (10%), the Aggregate Payout Amount for such Plan Year shall be equal to ten percent (10%) of Income for such Plan Year, provided such amount is in excess of \$1,000,000.00.
- (b) If the Company's Pre-Tax Margin for a Plan Year is greater than ten percent (10%), the Aggregate Payout Amount for such Plan Year shall be equal to the sum of (i) ten percent (10%) of that portion of Income for such Plan Year which portion would have resulted in the Pre-Tax Margin being equal to ten percent (10%) (the "10% Margin Portion") and (ii) fifteen percent (15%) of Income for such Plan Year in excess of the 10% Margin Portion, provided the sum of (i) and (ii) is in excess of \$1,000,000.00.
- (c) If the amount determined under (a) or (b) is less than \$1,000,000.00, the Aggregate Payment Amount shall be zero.
- 4.2 Each Participant's Award for each Plan Year shall be determined as follows:
- (a) The Award Percentage for each Participant for a Plan Year shall be equal to the Participant's Annual Base Salary for such Plan Year divided by the

aggregate amount of the Annual Base Salaries of all Participants for such Plan Year, rounded to ten (10) decimal places.

- (b) Once the Award Percentage for each Participant has been determined, the Award Percentage for each Participant shall be multiplied by the Aggregate Payout Amount for the Plan Year to determine the amount of each Participant's Award for the Plan Year. All calculations with respect to a Participant's Award shall be rounded to two (2) decimal places.

V. PAYMENT OF AWARDS

- 5.1 Form and Timing of Payment. Each Participant's Award shall be paid in cash in one lump sum no later than April 15 immediately following the end of the Plan Year with respect to which the Award is paid.
- 5.2 Withholding Taxes. The Company shall deduct from all payments under the Plan all applicable Federal, state or local payroll withholding taxes required by law to be withheld with respect to such payments.

VI. MISCELLANEOUS

- 6.1 Amendments. The Plan may only be amended or modified for employees represented by a union in a written agreement among such union, Northwest Airlines and NWA Corp.
- 6.2 Governing Law. This Agreement and the Plan shall be governed by and construed in accordance with the Railway Labor Act, and the internal laws of the State of Minnesota without regard to the choice of law principles thereof.
- 6.3 No Employment Rights. The establishment of the Plan and participation in the Plan shall not confer upon any Participant any right to continued employment with Northwest Airlines, nor, subject to any applicable agreement, shall it interfere in any way with the right of Northwest Airlines to terminate the employment of any Participant at any time.
- 6.4 Unfunded Status of the Plan. The Plan is intended to constitute an "unfunded" plan. With respect to any payments not yet made to a Participant by the Company, nothing contained herein shall give any such Participant any rights that are greater than those of a general creditor of the Company.
- 6.5 Nontransferability. A Participant's interest in the Plan may not be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of by any Participant and any such attempted violation of this Section 6.5 shall be null and void and without effect.

IN WITNESS WHEREOF, the parties have signed this Letter of Agreement as of this 31st day of July, 2006.

NORTHWEST AIRLINES CORPORATION

/s/ Michael L. Miller
Vice President Law and Secretary

NORTHWEST AIRLINES, INC.

/s/ Julie Hagen Showers
Vice President Labor Relations

AIR LINE PILOTS ASSOCIATION
INTERNATIONAL

/s/ Duane E. Woerth
President

/s/ David Stevens
NWA MEC Chairman

LETTER 2006-06

(Pilot Early Retirement Program—PERP)
LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the Company and ALPA have agreed to certain modifications of the NWA/ALPA Collective Bargaining Agreement (the “Pilots Agreement”) in furtherance of the Company’s effort to improve liquidity and profitability and successfully restructure its capital structure and operations and reorganize through the Chapter 11 bankruptcy process; and

WHEREAS, ALPA’s agreement on behalf of the pilots in the service of the Company to such modifications is conditioned on the Company’s implementation of certain cost savings for all of its other employee groups; and

WHEREAS, the Company and ALPA agree that such modifications of the Pilots Agreement may create excess in certain permanent positions in a category; and

WHEREAS, the Company and ALPA have agreed that offering a Pilot Early Retirement Program to pilots in certain permanent positions in a category may reduce the total number of pilot furloughs that may occur from the implementation of certain modifications of the Pilots Agreement).

NOW, THEREFORE, BE IT RESOLVED the undersigned parties do hereby agree as follows:

- A. Effective with the second flying month following the effective date of the ALPA Restructuring Agreement as set forth in Paragraph O. of Restructuring Letter of Agreement Number 1 (Letter 2006-01) (the “Effective Date”), the Company may designate certain permanent positions in a category eligible for the Pilot Early Retirement Program (“PERP Program”) pursuant to the following terms and conditions:
 - 1. Eligible Excess Pilots. The following pilots shall be considered eligible to apply to participate in the PERP Program: Pilots who are at least 50 years of age with at least 10 years of benefit accrual service as of the Effective Date of this Letter of

Agreement and who (i) hold a permanent position in a category of excess as determined by the Company, or (ii) hold a permanent position in a category where there is not an excess, but where the Company determines that there exists an advantage to it of extending the PERP Program to such category. The Company will provide to ALPA a list of Eligible Excess Pilots as soon as reasonably practicable.

2. **Time Window.** The Company shall provide notice to all Eligible Excess Pilots as soon as reasonably practicable after the Effective Date of this Letter of Agreement and shall provide all Eligible Excess Pilots with a reasonable period of time to apply to participate in the PERP Program.
3. **Selection Criterion.** In the event of oversubscription for the PERP Program in any category, seniority on the Integrated Pilots System Seniority List shall be the determining criterion among Eligible Excess Pilots who have made timely applications.
4. **PERP Payment.** All Eligible Excess Pilots who make timely application for and are selected to participate in the PERP Program shall receive a Lump Sum payment of 5 months of pay at 75 hours per month at the pilot's pay rate as specified in the new Pilots Agreement for the pilot's permanent position.
5. **Retiree Medical Contribution.** All Eligible Excess Pilots who make timely application for and are selected to participate in the PERP Program, and are at least 50 years of age with at least 23 years of benefit accrual service, are eligible for the Company subsidy of 50% of the cost of retiree medical benefits. In addition, the pilot may elect to use his sick leave balance on the day prior to his last day of employment with the Company to "buy down" the contribution from 50% to 35% of the cost of retiree medical benefits until the pilot reaches age 60. The conversion rate for such "sick leave buy down" will be 20 hours of sick leave accrual will equal 1 month of coverage at the 35% contribution rate instead of the 50% rate.

Note: Pilots who are not eligible for the 50% retiree medical benefits rate are not eligible for the "sick leave buy down" provide for in this subparagraph A.5.

6. **Timeline.** The Company will advise a pilot who has been selected to participate in the PERP Program of the date that his early retirement will take place at the time he is awarded participation in the PERP Program.
- B. This Letter of Agreement shall become effective on the date set forth in Paragraph **O.** of Restructuring Letter of Agreement Number 1 (Letter 2006-01), and shall run concurrently with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 31st day of July, 2006.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ David Stevens
NWA MEC Chairman

/s/ Timothy J. Rainey
Sr. Vice President Flight Operations/SOC

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Timothy J. Meginnes
Vice President Compensation and
Benefits

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

LETTER 2006-07

(Feeder Carrier Affiliate)
LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
NORTHWEST AIRLINES CORPORATION
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between and among Northwest Airlines, Inc., (hereinafter referred to as the “Company” or “NWA” or “Northwest”) and Northwest Airlines Corporation and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the Company and ALPA have agreed to certain modifications (the “Modifications”) of the NWA/ALPA Collective Bargaining Agreement (the “ALPA Agreement”) in furtherance of the Company’s effort to successfully restructure through the Chapter 11 bankruptcy process; and

WHEREAS, all such Modifications embodied in this Letter of Agreement and others to be executed on the same date as this Letter of Agreement, will, when executed, resulted in a revised ALPA Agreement (the “ALPA Restructuring Agreement”); and

WHEREAS, the Modifications embodied in this Letter of Agreement pertain to the agreement of the parties to permit the Company to establish a Feeder Carrier Affiliate pursuant to the provisions of [Section 1 B.7.c.\(7\)\(d\)](#) of the ALPA Restructuring Agreement, and

WHEREAS, such Feeder Carrier Affiliate shall be making pilot employment opportunities available to laid off Company pilots in accordance with Letter 2004-14 (the Flow Agreement).

NOW, THEREFORE, BE IT RESOLVED, the undersigned parties do hereby agree as follows:

A. In the event the Company establishes a Feeder Carrier Affiliate pursuant to the provisions of [Section 1 B.7.c.\(7\)\(d\)](#) of the ALPA Restructuring Agreement, the following provisions shall be incorporated into a collective bargaining agreement between such Feeder Carrier Affiliate and the Air Line Pilots Association as certified bargaining representative of the pilots in the service of such Feeder Carrier Affiliate:

1. DURATION.

Such collective bargaining agreement between such Feeder Carrier Affiliate and ALPA shall become amendable on April 1, 2013.

2. ARBITRATION—FIRST COLLECTIVE BARGAINING AGREEMENT.

In order to resolve any issues that remain open in the process of negotiating the first such collective bargaining agreement, the Feeder Carrier Affiliate and ALPA shall enter into a Letter of Agreement that provides as follows:

Captain Duane Woerth
President
Air Line Pilots Association, International
1625 Massachusetts Ave., NW
Washington, DC 20036

Re: First Feeder Carrier Affiliate Pilots Collective Bargaining Agreement

Dear Captain Woerth:

In the 2006 collective bargaining agreement between ALPA and Northwest Airlines, Inc. (the “Agreement”), the parties agreed to an exception to the “scope” provisions of Section 1 of the 2004 collective bargaining agreement, which permits Northwest to place its NW code designator on certain aircraft of Feeder Carriers under specified terms and conditions (see [Section 1 B.7.c. – Code Share Agreements With Feeder Carriers](#)). One of the options available to Northwest under this exception to the “scope” provisions preserves NWA pilot flying work opportunities by permitting Northwest to place its NW code designator on certain aircraft of a subsidiary Feeder Carrier which is an Affiliate so long as Northwest and this Feeder Carrier adhere to specific terms and conditions stated in the Agreement. These terms and conditions include provisions regarding size and number of aircraft, job opportunities for laid off Northwest pilots hired by this Feeder Carrier, recognition of ALPA as representative of the pilots, change of control, and ALPA and this Feeder Carrier entering into a collective bargaining agreement which includes these terms among its provisions.

This will confirm and assure that this subsidiary Feeder Carrier, if and when established, will recognize ALPA as exclusive representative of its pilots (including Captains, First Officers and check pilots), adhere to the terms and conditions in the exception to Section 1 of the Agreement permitting its operation, and enter into the collective bargaining agreement reached under the procedures set forth below:

1. Contract language and, as to certain items, terms which have been negotiated and agreed to by ALPA and Northwest to be incorporated in the collective bargaining agreement are set forth in [Section 1 B.7.c.](#) of the Agreement and this associated Letter of Agreement 2006-07.

2. Negotiations to complete the agreement as to all other terms and conditions, including all contract language, will begin within 60 days after ratification of the 2006 Agreement.
3. If the parties are unable to complete the agreement within 120 days after the commencement of negotiations, all open issues will be submitted for resolution through mediation and interest arbitration, to be completed within 180 days of the commencement of negotiations.
4. If no agreement is reached within 120 days after the commencement of negotiations, the parties will engage in mediation with the mediator/arbitrator (the “Neutral”) for up to 30 days.
5. If no agreement is reached within 150 days from the commencement of negotiations, the unresolved issues will be submitted to the Neutral for final and binding interest arbitration, with the process to be completed within 180 days of the commencement of negotiations.
6. All mediation and arbitration sessions shall be conducted conference style, without formal hearings or transcripts.
7. Once appointed, the Neutral shall be in attendance at all negotiations sessions between the parties, unless the parties mutually agree otherwise as to one or more negotiations sessions.
8. Mediation and arbitration sessions under the auspices of the Neutral shall be at such times and places as agreed by the parties and the Neutral or, in the absence of agreement, at such times and places as determined by the Neutral.
9. The Neutral shall, in his or her discretion, assist the parties through facilitation of the process and mediation of all differences over the issues, including meeting in joint and separate sessions with the parties and making recommendations and suggestions to resolve issues.
10. The Neutral may make interim decisions, but only regarding such issues the parties mutually agree to submit for interim resolution.
11. As to each individual open issue as to which the parties do not reach agreement through direct negotiations or mediation, the Neutral shall decide the issue by selecting the proposal that more closely conforms to the industry standard for carriers operating the same or similar aircraft or by fashioning a determination that in his/her judgment conforms to the industry standard for carriers operating the same or similar aircraft. The award shall be limited to the open issues and within the last offers or positions of the parties in their proposals.
12. The Neutral shall be selected in accordance with the following procedure:

- a. The parties shall attempt to agree within 30 days after the commencement of negotiations on a Neutral who is available in a timely manner.
 - b. If the parties cannot agree on a Neutral, a joint request shall be made to the National Mediation Board (NMB) within 30 days after commencement of negotiations for a panel of 7 members of the National Academy of Arbitrators with both mediation and arbitration experience in the airline industry. The NMB shall be asked to confirm the willingness to serve of each individual prior to placement on the list and providing the list to the parties.
 - c. If mutual agreement as to the selection of a Neutral from the panel cannot be reached, the parties shall utilize the alternative strike method to determine the Neutral, with a coin toss to determine which party shall make the first strike.
 - d. If the selected Neutral is unwilling or unable to serve, as required, the parties shall toss a coin to determine the selection between the last two names from the list struck by the parties.
13. Any dispute arising under this Letter of Agreement, except as to matters specifically within the designated authority of the Neutral, shall be resolved in an expedited manner, using the procedures set forth in [Section 1 F](#) of the Agreement, modified as follows:
- a. The Neutral to be selected under Paragraph 12. above shall be the Neutral Member of the System Board if already selected.
 - b. The parties will convene the System Board as soon as practical but in no case later than 30 days after submission of the dispute to the System Board. The Board will render its decision within 30 days after the initial hearing date before the Board unless the parties agree otherwise.

Please indicate ALPA’s agreement with the above by signing in the space below:

For NORTHWEST AIRLINES
CORPORATION
Douglas M. Steenland,
President and Chief Executive
Officer

For NORTHWEST AIRLINES
CORPORATION
Douglas M. Steenland,
President and Chief Executive
Officer

Agreed

For AIR LINE PILOTS ASSOCIATION

Duane E. Woerth,
President

3. ARBITRATION—FIRST SECTION 6 NEGOTIATIONS.

In order to resolve any issues that remain open in the process of the first Section 6 bargaining between the Feeder Carrier Affiliate and ALPA, the collective bargaining agreement shall include a Letter of Agreement that provides as follows:

WHEREAS, the Feeder Carrier Affiliate and ALPA are desirous of promoting harmony, trust, confidence and a positive productive effort by management and the pilots toward their common goals of stability, economic opportunity, growth and advancement, and

WHEREAS, the Feeder Carrier Affiliate and ALPA have agreed that, for purposes of the first section 6 negotiations concerning amendment of the new Feeder Carrier Affiliate/ALPA Collective Bargaining Agreement (the “Agreement”) it is in the best interests of the parties to initiate progressive steps to achieve greater labor stability and harmony and at the same time to assure that the interests of the pilots and the Company shall be fully developed, and

WHEREAS, the parties believe that arbitration of any unresolved issues relating to amendment of the new Agreement would best serve these interests.

NOW, THEREFORE, BE IT RESOLVED the undersigned parties do hereby agree as follows:

1. a. Section 29 (Duration) of the Agreement notwithstanding, the arbitration process set forth in this Letter of Agreement shall be used to resolve any issues which are not resolved through direct negotiation or mediation.
- b. The Feeder Carrier Affiliate and ALPA shall serve written notices of intended change (“Openers”) in accordance with Section 6, Title 1 of the Railway Labor Act, as amended (the “Act”) between November 1, 2012 and November 30, 2012 (during the 5th month prior to the amendable date of April 1, 2013). The Openers shall specify those provisions of the Agreement which are proposed to be amended or otherwise dealt with.
2. Conferences (direct negotiations) to resolve the issues with respect to the above Section 6 notices will begin no later than 30 days after November 30, 2012 (last day for filing of Openers).

3. If the Feeder Carrier Affiliate and ALPA are unable to reach a complete and final agreement on all issues within 120 days after the commencement of direct negotiations as to notices served under Paragraph 1. above, all open issues will be submitted for resolution through mediation and interest arbitration, to be completed within 330 days of the commencement of negotiations.
4. If no agreement under Paragraph 3. above is reached within 175 days after the commencement of direct negotiations as to notices served under Paragraph 1. above, the Feeder Carrier Affiliate and ALPA will engage in mediation with the mediator/arbitrator (the “Neutral”) for up to 90 days.
5. If no agreement is reached within 265 days from the commencement of negotiations as to notices served under Paragraph 1. above, the unresolved issues will be submitted to the Neutral for final and binding interest arbitration, with the process to be completed and the final and binding award of the Neutral to be issued within 330 days of the commencement of negotiations.
6. All mediation and arbitration sessions shall be conducted conference style, without formal hearings or transcripts.
7. Once appointed, the Neutral shall be in attendance at all negotiations sessions between the Feeder Carrier Affiliate and ALPA, unless the Feeder Carrier Affiliate and ALPA mutually agree otherwise as to one or more negotiations sessions.
8. Mediation and arbitration sessions under the auspices of the Neutral shall be at such times and places as agreed by the parties and the Neutral or, in the absence of agreement, at such times and places as determined by the Neutral.
9. The Neutral shall, in his or her discretion, assist the Feeder Carrier Affiliate and ALPA through facilitation of the process and mediation of all differences over the issues, including meeting in joint and separate sessions with the parties and making recommendations and suggestions to resolve issues.
10. The Neutral may make interim decisions, but only regarding such issues the Feeder Carrier Affiliate and ALPA mutually agree to submit for interim resolution.
11. Subject to the provisions of this Paragraph 11., as to each open issue as to which the Feeder Carrier Affiliate and ALPA do not reach agreement through direct negotiations or mediation (limited to 20 issues per party), the Neutral shall decide the issue by selecting the proposal that more closely conforms to the regional carrier industry standard for carriers operating the same or similar aircraft or by fashioning a determination that

in his/her judgment conforms to the regional carrier industry standard for carriers operating the same or similar aircraft. The decision and award of the Neutral (i) shall be limited to the open issues (including any issue if submitted to him or her at the conclusion of the Section 6 negotiations in 2014 that concerns the continuation of this Letter of Agreement, provided that any award which continues this Letter of Agreement in effect shall do so only for the next ensuing agreement (2014 Agreement), and that the issue of continuation of this Letter of Agreement shall not thereafter be submitted to arbitration); (ii) shall be within the last offers or positions of the Feeder Carrier Affiliate and ALPA in their proposals; and (iii) shall not address or resolve any issue or subject which is not a mandatory subject of bargaining under the Railway Labor Act.

12. The Neutral shall be selected in accordance with the following procedure:
 - a. The Feeder Carrier Affiliate and ALPA shall attempt to agree within 30 days after the commencement of negotiations on a Neutral who is available in a timely manner.
 - b. If the Feeder Carrier Affiliate and ALPA cannot agree on a Neutral, a joint request shall be made to the National Mediation Board (NMB) within 30 days after commencement of negotiations for a panel of 7 members of the National Academy of Arbitrators with both significant mediation and arbitration experience in the airline industry. The NMB shall be asked to confirm the willingness to serve of each individual prior to placement on the list and providing the list to the Feeder Carrier Affiliate and ALPA.
 - c. If mutual agreement as to the selection of a Neutral from the panel cannot be reached, the Feeder Carrier Affiliate and ALPA shall utilize the alternative strike method to determine the Neutral, with a coin toss to determine which party shall make the first strike.
 - d. If the selected Neutral is unwilling or unable to serve, as required, the Feeder Carrier Affiliate and ALPA shall toss a coin to determine the selection between the last two names from the list struck by the Feeder Carrier Affiliate and ALPA.
13. Any dispute arising under this Letter of Agreement, except as to matters specifically within the designated authority of the Neutral, shall be resolved in an expedited manner, using the procedures set forth in Section 1 of the Feeder Carrier Affiliate and ALPA Agreement, modified as follows:
 - a. The Neutral to be selected under Paragraph 12. above shall be the Neutral Member of the System Board if already selected.

- b. The Feeder Carrier Affiliate and ALPA will convene the System Board as soon as practical but in no case later than 30 days after submission of the dispute to the System Board. The Board will render its decision within 30 days after the initial hearing date before the Board unless the Feeder Carrier Affiliate and ALPA agree otherwise.
 - 14. This Letter of Agreement shall be binding upon the Feeder Carrier Affiliate and ALPA and their successors in the same manner and to the same extent as the Agreement.
 - 15. This Letter of Agreement shall be effective upon the date of signing and shall run concurrent with the Agreement, including any status quo period.
- 4. The collective bargaining agreement between such Feeder Carrier Affiliate and the Air Line Pilots Association shall provide for the following regarding base pay:
 - a. 76-seat Regional Jet Pay Rates:

<u>Step</u>	<u>Captain</u>	<u>First Officer</u>
1	60.41	23.18
2	62.41	33.68
3	64.53	35.83
4	66.52	37.29
5	68.55	38.25
6	70.65	39.18
7	72.66	40.07
8	74.88	40.88
9	77.41	41.06
10	80.01	41.18
11	82.45	41.18
12	85.01	41.18
13	87.58	41.18
14	90.24	41.18
15	92.78	41.18
16	95.16	41.18
17	97.45	41.18
18	99.73	41.18

- b. Initial Feeder Carrier Affiliate pay step based on lesser of: (i) step 2 for Captain and step 4 for First Officer; or (ii) Northwest longevity. Example: A laid off Northwest pilot with 9 years of longevity for pay purposes at Northwest who holds a First Officer position at the Feeder Carrier Affiliate would be paid as a step 4 First Officer in his first year at the Feeder Carrier Affiliate. If the same pilot then became a Captain at the Feeder Carrier in his second year, he would be paid as a step 3 Captain during such year.

- c. Future pay increases:
 - June 1, 2008 1.75%
 - June 1, 2009 1.75%
 - June 1, 2010 1.00%
 - June 1, 2011 1.00%
 - June 1, 2012 1.75%

- 5. The collective bargaining agreement between such Feeder Carrier Affiliate and the Air Line Pilots Association shall provide for the following regarding Per Diem: \$1.55.

- 6. The collective bargaining agreement between such Feeder Carrier Affiliate and the Air Line Pilots Association shall provide for the following regarding Scheduling:
 - a. Monthly Maximum: Scheduled – 89-95 credit hours; Actual: 100 credit hours.
 - b. Monthly Pay Guarantee: Regular – 75 hours; Reserve – 75 hours.
 - c. Minimum Days Off in a Month.
 - (1) Reserves: 11 days.
 - (a) Inviolate Days: 1 block of no more than 4 days; at least 1 block will have 4 consecutive days.
 - (b) Continuous Duty Overnight rules to be negotiated.
 - (2) Regulars: 11 days off for schedule construction, waiveable by pilot at time of bidding (coordinate with computer bidding).
 - d. Minimum Rest.
 - (1) At base: 10 hours scheduled/FAR actual.
 - (2) Away from base: 9 hours scheduled/FAR actual.
 - e. Length of Duty Day: 14 hours scheduled/16 hours actual.
 - f. No Trip Hour Credit or Duty Period Credit.
 - g. Minimum Duty Period Credit: 3:30.
 - h. Deadheading: 75% Pay and Credit.
 - i. Rescheduling.

- (1) Regular Pilot: If regular pilot is rescheduled and forced outside the original trip hour period then pilot is paid 150% of hours flown outside footprint.
 - (2) Reserve pilot: If flown into days off then must be given the day off back.
 - (3) Junior manning
 - (a) Conceptually similar to Northwest involuntary call-out.
 - (b) Paid at 150%.
 - (c) Limit the number of occurrences per pilot per year (need more discussion)
- j. Reserve System.
 - (1) Feeder Carrier Affiliate assigned 15 hour Required Availability Period (RAP).
 - (2) Once staffing reaches 30 reserves, Feeder Carrier Affiliate will meet and confer about the possibility of instituting long call reserve assignments.
 - (3) SILO low-time out assignment methodology.
- k. Bid Scheduled Trip Guarantee – same as Northwest.
- l. Trip Filling Period - Pecking order (Note: create process to verify assignments):
 - (1) Recovery pilots;
 - (2) Pilots below guarantee;
 - (3) All other regular pilots in seniority order;
 - (4) Reserve assignments;
 - (5) Junior manning
7. The collective bargaining agreement between such Feeder Carrier Affiliate and the Air Line Pilots Association shall provide for the following regarding Training:
 - a. Daily rate: 3:30 per day for ground and flight training; trip value for Operating Experience.
 - b. No pay or credit for non-training days or Free From All Duty Days.

- c. All pilots type rated during Initial Qualification (Require new hire pilots to repay cost of Initial Qualification training if resign within 12 months, prorated throughout year. Amount to be determined.).
 - d. Distance Learning for FAA-approved training up to and including Systems Validation. Such training will receive 50% pay and no credit. Indoctrination training for the 1st Initial Qualification (IQ) is unpaid.
 - e. Continuing Qualification credit may be waived at pilot option.
 - f. Non-seniority List Instructors used for all ground and simulator training.
 - g. 1-year freeze for Northwest pilots who flow down and require IQ training.
 - h. Seniority list check airman for line checks and OE.
8. The collective bargaining agreement between such Feeder Carrier Affiliate and the Air Line Pilots Association shall provide for the following regarding Staffing and Monthly Bidding:
- a. The Company will make best efforts in staffing to reduce junior manning.
 - b. Captain and basing assignments awarded in seniority order and posted on Bid List; based on pilots' preferences.
 - c. Northwest- comparable Preferential Bidding System with zero open time out of the bid.
 - d. No vacation slides in bidding, including schedule completion.
 - e. No separate regular/reserve (minimum reserve staffing to be determined 1 year after start up based on historical junior manning data.
 - f. Introduce pilot-to-pilot trip trading system.
9. The collective bargaining agreement between such Feeder Carrier Affiliate and the Air Line Pilots Association shall provide for the following regarding Vacation:
- a. Accrual: Year 1 through 6: 13 days; Year 7 through 13: 20 days; Year 14 through 19: 24 days; Year 20+: 26 days.
 - b. All vacation bid in annual bid process.
 - c. Daily Rate: 3:00.
10. The collective bargaining agreement between such Feeder Carrier Affiliate and the Air Line Pilots Association shall provide for the following regarding Sick Leave:

- a. Accrual: 0 through 4 years: 3.0 hours per month; 5+ years: 3.5 hrs per month.
- b. Cap: 450 hours.
- c. Pay: Based on number of sick call incidents in rolling 12 calendar months: 1st incident paid at 100% of hourly rate of pay; 2nd and more incidents paid at 75% (but 2nd incident paid at 100% if pilot presents written statement from accredited doctor associated with 2nd incident within 5 business days thereof confirming that pilot was unable to perform pilot duties due to illness or injury). Note: A pilot may erase an incident of illness or injury by making-up the sick leave used in conjunction with the incident.
- d. Sick leave management.
 - (1) Regular Attendance. In order to meet the needs of the competitive demands of the airline industry, each pilot is needed on the job, on time, every scheduled work day. Accordingly, regular attendance is required as a condition of continued employment.
 - (2) Medically Related Absences
 - (a) In the event a pilot has 3 incidents of illness or injury (other than pregnancy), in any rolling 12-month period, he must submit to his pilot or base manager a written statement from an accredited doctor confirming that he was unable to perform his regular duties and he may be counseled by his pilot manager or base manager regarding such absenteeism. Note: A Company request for a written statement from an accredited doctor must be made to the pilot within 24 hours of the pilot's notification of illness or injury to Crew Scheduling. If the Company's request is not made within such 24-hour period, then no note will be requested or required.
 - (b) Medically related illness or injury in excess of 2 in any rolling 12-month period may be handled in accordance with the principles of progressive discipline. The Company reserves the right to publish and amend a medically-related absence progressive discipline policy in the Flight Operations Manual (FOM) and the Association reserves the right to challenge said policy or its application (i) on the basis of being unreasonable, discriminatory and/or arbitrary and (ii) on lack of "just cause" grounds with respect to its application to any pilot or group of pilots. An individual pilot retains his right to challenge any such progressive discipline pursuant to Sections 19 and 21 of the Agreement.

11. The collective bargaining agreement between such Feeder Carrier Affiliate and the Air Line Pilots Association shall provide for the following regarding Medical/Dental Insurance:
 - a. Active employee; same plan design (blended pool) as Northwest employees as long as Feeder Carrier is an affiliate.
 - b. Medical: 25% employee contribution; 7% cap on annual increases.
 - c. Dental: 20% employee contribution; 7% cap on annual increases
12. The collective bargaining agreement between such Feeder Carrier Affiliate and the Air Line Pilots Association shall provide for the following regarding Retiree Medical: Pilot pay 100% of retiree costs (blended rate)
13. The collective bargaining agreement between such Feeder Carrier Affiliate and the Air Line Pilots Association shall provide for the following regarding Pension/401k:
 - a. Contributions:
 - (1) 1 through 4 years: 50% match to 6% (3% employer contribution);
 - (2) 5 through 8 years: 50% match to 8% (4% employer contribution);
 - (3) 9+ years: 50% match to 10% (5% employer contribution).
 - b. Vesting: 3 years; 1/3 per year – Any remaining Affiliate Feeder Carrier vesting period for Northwest pilots who are recalled to active service will immediately vest upon recall.
14. The collective bargaining agreement between such Feeder Carrier Affiliate and the Air Line Pilots Association shall provide for the following regarding Profit Sharing: None.
15. The collective bargaining agreement between such Feeder Carrier Affiliate and the Air Line Pilots Association shall provide for the following regarding Successor Issues: To be negotiated.
16. The collective bargaining agreement between such Feeder Carrier Affiliate and the Air Line Pilots Association shall provide for the following regarding Metering Issues: To be included in Flow Agreement (NWA/ALPA Letter 2006-14).
17. The collective bargaining agreement between such Feeder Carrier Affiliate and the Air Line Pilots Association shall provide for the following regarding Probation: No Captains on probation at Feeder Carrier Affiliate; All other items to be included in Flow Agreement.

- 18. The collective bargaining agreement between such Feeder Carrier Affiliate and the Air Line Pilots Association shall provide for the following regarding Union Security and Check-Off: Same as Northwest Airlines, Inc.
- 19. The collective bargaining agreement between such Feeder Carrier Affiliate and the Air Line Pilots Association shall provide for the following regarding Long Term Disability: Feeder Carrier Affiliate will provide an insured LTD Plan (not self-insured); 50% pay up to a maximum of \$4,000 per month; Calculation methodology and disability definition same as Northwest.
- 20. The collective bargaining agreement between such Feeder Carrier Affiliate and the Air Line Pilots Association shall provide for the following regarding Life Insurance: One time pay, no cap. Feeder Carrier Affiliate will offer employee-paid “Buy-up Option”.

B. This Letter of Agreement shall become effective on the date set forth in Paragraph O. of Restructuring Letter of Agreement Number 1 (Letter 2006-01), and shall run concurrently with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 31st day of July, 2006.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ David Stevens
NWA MEC Chairman

/s/ Timothy J. Rainey
Sr. Vice President Flight Operations/SOC

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

For NORTHWEST AIRLINES
CORPORATION

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

/s/ Douglas M. Steenland
President and Chief Executive Officer

LETTER 2006-08

(Partial Month Leaves)
 LETTER OF AGREEMENT
 between
 NORTHWEST AIRLINES, INC.
 and
 THE AIR LINE PILOTS
 in the service of
 NORTHWEST AIRLINES, INC.
 as represented by
 AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the parties desire to find creative ways to reduce the expected overstaffing problem; and

WHEREAS, there may be pilots who desire to take unpaid leave in increments of less than one month,

NOW THEREFORE BE IT RESOLVED the undersigned parties do hereby agree as follows:

- A. The Company and ALPA shall meet and confer to establish a program to offset overstaffing by granting personal leave (hereinafter referred to as Partial Month (PM) Leave) no later than 6 months from date of signing of this Agreement.
- B. This Letter of Agreement shall become effective on the date set forth in Paragraph O. of Restructuring Letter of Agreement Number 1 (Letter 2006-01), and shall run concurrently with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 31st day of July, 2006.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
 President

/s/ Julie Hagen Showers
 Vice President Labor Relations

/s/ David Stevens
 NWA MEC Chairman

/s/ Timothy J. Rainey
 Sr. Vice President Flight Operations/SOC

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

LETTER 2006-09

RETIREMENT PLAN AGREEMENT
FOR
PENSION PLAN FOR PILOT EMPLOYEES
AND
RETIREMENT SAVINGS PLAN FOR PILOT EMPLOYEES

THIS AGREEMENT, entered into by and between Northwest Airlines, Inc., a Minnesota corporation (hereinafter sometimes called the “Employer”), and the Air Line Pilots in the Service of Northwest Airlines, Inc. as Represented by the Air Line Pilots Association, International , (hereinafter sometimes called the “Association”);

WITNESSETH THAT:

WHEREAS, certain employees of the Employer are represented by the Association for collective bargaining purposes (hereinafter individually an “Employee” and collectively the “Employees”); and

WHEREAS, the Employer and the Association are parties to a collective bargaining agreement that covers wages, hours, benefits and other terms and conditions of employment of such Employees (hereinafter referred to as the “Pilots Agreement”); and

WHEREAS, the Employer and the Association have heretofore adopted the “Northwest Airlines Pension Plan for Pilot Employees” and twenty-seven amendments thereto and the Employer and the Association have agreed to further amend said plan by the adoption of the “Twenty-Eighth Amendment of Northwest Airlines Pension Plan for Pilot Employees” attached hereto as Exhibit A (such Plan and twenty-eight amendments being hereinafter collectively referred to as the “Pension Plan”); and

WHEREAS, the Employer and the Association have heretofore adopted the “Northwest Airlines Retirement Savings Plan for Pilot Employees” and nineteen amendments thereto and the Employer and the Association have agreed to further amend said plan by the adoption of the “Twentieth Amendment of Northwest Airlines Retirement Savings Plan for Pilot Employees” attached hereto as Exhibit B (such Plan and twenty amendments being hereinafter collectively referred to as the “Retirement Savings Plan”).

NOW, THEREFORE, the parties agree as follows:

1. **AMENDMENTS ADOPTED.** The Employer and the Association agree that:
 - a. the document attached hereto as Exhibit A and entitled “Twenty-Eighth Amendment of Northwest Airlines Pension Plan for Pilot Employees” is adopted, and
 - b. the document attached hereto as Exhibit B and entitled “Twentieth Amendment of Northwest Airlines Retirement Savings Plan for Pilot Employees” is adopted.

2. **CONTRIBUTIONS.** The Employer and the Association further agree with respect to the Retirement Savings Plan as follows.

- a. The rate of Pilot Employer contributions to the Pilot Employer Contribution Account under Section 3.3 of the Retirement Savings Plan shall be the rate described in [Section 3 L.1.](#) of the Pilots Agreement.
- b. Effective as of February 1, 2006, the rate of Employer contributions to the Employer Contribution Account under Section 3.4 of the Retirement Savings Plan shall be five percent (5%) of Recognized Compensation until the beginning of the first payroll period that commences after the Employer exits from the currently pending bankruptcy proceeding. Effective as of the beginning of the first payroll period that commences after the Employer exits from the currently pending bankruptcy proceeding the rate shall be determined as follows:

With respect to Recognized Compensation paid during the following calendar years	The Employer contributions shall be the following percentage of the aggregate amount of the Participants’ Recognized Compensation
2007	5%
2008	6%
2009	6.5%
2010	7%
2011 and thereafter	8%

The foregoing supercedes and replaces all prior agreements insofar as they relate to Employer contributions to the Employer Contribution Account under Section 3.4 of the Retirement Savings Plan.

- c. Unless and until an alternate method for allocating the Employer contribution is established as provided paragraph d. below, the Employer contribution made with respect to a Participant’s Recognized Compensation shall be allocated to that Participant’s Employer Contribution Account under Section 3.4 of the Retirement Savings Plan.
- d. The Association shall have the right to determine an alternate method for allocating the Employer contribution to Participants’ Employer Contribution Accounts subject to the Employer’s agreement that it is legal, complies with applicable regulations and is administratively feasible. The agreement shall be evidenced by an amendment of the Plan, a retirement plan agreement or similar writing signed on behalf of the Association and the Employer. Any such alternate method for allocating the Employer contributions shall only be prospectively effective.

3. **PERMANENCE.** The Employer and the Association agree that the Pension Plan, the Excess Plan, the Retirement Savings Plan, the Long Term Disability Plan, the Decreasing Term Life Insurance Benefit and this Agreement shall continue in effect without change for the benefit of Employees represented by such Association for the periods covered by the collective bargaining agreement relating to such Employees and as such collective bargaining agreement may be renewed from time to time thereafter provided that written notice of intended change in the Pension Plan, the Excess Plan, the Retirement Savings Plan the Long Term Disability Plan, the Decreasing Term Life Insurance Benefit or this Agreement may be served in accordance with Section 6, Title I, of the Railway Labor Act, as amended, by either party hereto, and in accordance with the applicable provisions of the collective bargaining agreements relating to such Employees.
4. **IRS QUALIFICATION.** It is the intent of the Employer and the Association that the Pension Plan and Retirement Savings Plan shall comply with the pertinent provisions of the Internal Revenue Code and, in particular, Section 401(a) thereof so as to entitle the Employer to deduct from its gross income subject to federal income tax, contributions for the support of the Pension Plan and the Retirement Savings Plan, subject to the provisions of Section 404(a) of the Internal Revenue Code. The Employer agrees promptly to submit the Pension Plan and Retirement Savings Plan to the Internal Revenue Service for a determination as to each plan's tax qualification. The Employer and the Association agree to negotiate any amendments to the Pension Plan or Retirement Savings Plan as may be necessary to obtain and retain such approval. In the event the Employer is unable to obtain such approval, or, if after obtaining such approval, such approval is withdrawn for any reason, then this Agreement shall be null and void and the Employer and the Association will meet to determine the disposition of funds which would otherwise be paid into the trust funds established pursuant to the Pension Plan and Retirement Savings Plan.

In Witness Whereof, Northwest Airlines, Inc. and the Air Line Pilots in the Service of Northwest Airlines, Inc. as Represented by the Airline Pilots Association, International have caused this Retirement Plan Agreement to be executed as of July 31, 2006.

For NORTHWEST AIRLINES, INC.

For AIR LINE PILOTS ASSOCIATION

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ Duane E. Woerth
President

/s/ Timothy J. Meghinnes
Vice President Compensation and
Benefits

/s/ David Stevens
NWA MEC Chairman

/s/ Danny R. Walters
Director Flight Administration

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

LETTER 2006-10

(Feeder Carrier Hiring)
LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the Company and ALPA have agreed to certain modifications (the “Modifications”) of the NWA/ALPA Collective Bargaining Agreement (the “ALPA Agreement”) in furtherance of the Company’s effort to successfully restructure through the Chapter 11 bankruptcy process; and

WHEREAS, all such Modifications embodied in this Letter of Agreement and others to be executed on the same date as this Letter of Agreement, will, when executed, result in a revised ALPA Agreement (the “ALPA Restructuring Agreement”); and

WHEREAS, the Modifications embodied in this Letter of Agreement pertain to the agreement of the parties to provide for employment opportunities for laid off Company pilots at Feeder Carriers (as that term is defined in [Section 1 B.7.c.\(1\)](#) of the ALPA Restructuring Agreement) and employment opportunities at the Company for certain pilots of certain Feeder Carriers.

NOW, THEREFORE, BE IT RESOLVED, the undersigned parties do hereby agree as follows:

A. Definitions.

1. “Participating Feeder Carrier” means a Domestic Air Carrier that is a Feeder Carrier (both as defined in [Section 1 B.7.a.](#) and [Section 1 B.7.c.\(1\)](#) of the Agreement) that has contracted with the Company to operate Qualifying Aircraft.
 - a. “Category 1 Participating Feeder Carrier” means a Participating Feeder Carrier that is an Affiliate of the Company.
 - b. “Category 2 Participating Feeder Carrier” means a Participating Feeder Carrier that is not an Affiliate of the Company and that operates

Qualifying Aircraft that are owned, financed, leased, or sub-leased by the Company (not including the AVRO85 replacements at Mesaba Airlines).

- c. “Category 3 Participating Feeder Carrier” means a Participating Feeder Carrier that is not an Affiliate of the Company and that operates Qualifying Aircraft that are not owned, financed, leased or sub-leased by the Company.
2. “Qualifying Aircraft” means a 51-76 seat aircraft as defined in Section 1.B. 7.c.(1) of the ALPA Restructuring Agreement.
3. “Eligible Furloughed Pilot” means a pilot whose name appears on the Feeder Carrier Opportunity List.
4. “New Position” means a (Captain or First Officer) position on a Qualifying Aircraft that is created at a Category 1 or Category 2 Participating Feeder Carrier as a result of a Participating Feeder Carrier’s taking delivery of, or announcing firm delivery of, Qualifying Aircraft after the effective date of the ALPA Restructuring Agreement. The number of New Positions at a Participating Feeder Carrier shall be determined without regard to whether pilots employed by the Participating Feeder Carrier are furloughed or remain on furlough.
5. “New Hire Position” means a New Pilot position at a Category 3 Participating Feeder Carrier.
6. “Backfill Position” means a position (Captain or First Officer) on a Qualifying Aircraft at a Participating Feeder Carrier that becomes open when an Eligible Furloughed Pilot vacates that position.
7. “Feeder Carrier Opportunity List” means the list maintained by the NWA MEC Membership Committee after review by all Participating Feeder Carriers pursuant to the terms of this Letter of Agreement.

B. Offers of Opportunity (Filling of Vacancies)

1. A Category 1 Participating Feeder Carrier shall make 100% of New Positions (Captain and First Officer) and 100% of Backfill Positions available to Eligible Furloughed Pilots.
2. A Category 2 Participating Feeder Carrier shall make 50% of New Positions (Captain and First Officer) and 100% of Backfill Positions available to Eligible Furloughed Pilots, subject to conditions and restrictions that provide for efficient and timely processing and hiring of such Eligible Furloughed Pilots.
3. The Company will provide enhanced opportunities for a laid off Company pilot to obtain pilot employment at a Category 3 Participating Feeder Carrier. As part of the negotiation of a new ASA agreement, or to amend an existing ASA agreement with a Category 3 Participating Feeder Carrier, the Human Resources

Departments of the Company and such Feeder Carrier will develop a mutually acceptable program that will serve to provide laid off Company pilots who meet all other pilot hiring criteria defined by such Feeder Carrier with “additional weighting” relative to other pilot candidates not already employed by such Feeder Carrier. Nothing in this program will guarantee that any laid off Company pilot will be hired ahead of other candidates who are not laid off Company pilots.

- C. This Letter of Agreement shall become effective on the date set forth in Paragraph O. of Restructuring Letter of Agreement Number 1 (Letter 2006-01), and shall run concurrently with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 31st day of July, 2006.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ David Stevens
NWA MEC Chairman

/s/ Timothy J. Rainey
Sr. Vice President Flight Operations/SOC

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

LETTER 2006-11

(Distance Learning Expansion)
LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the parties have previously entered into Letters of Agreement that have allowed the introduction of Distance Learning concepts into Continuing Qualification (CQ) training; and

WHEREAS, the parties are interested in expanding Distance Learning concepts to areas of pilot training other than CQ.

NOW THEREFORE BE IT RESOLVED the undersigned parties do hereby agree as follows:

- A. The Company and ALPA shall meet and confer no later than 6 months from the date of signing of this Letter of Agreement for the purpose of negotiating the expansion of Distance Learning into areas other than CQ.
- B. This Letter of Agreement shall become effective on the date set forth in Paragraph O. of Restructuring Letter of Agreement Number 1 (Letter 2006-01), and shall run concurrently with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 31st day of July, 2006.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ David Stevens
NWA MEC Chairman

/s/ Timothy J. Rainey
Sr. Vice President Flight Operations/SOC

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

LETTER 2006-12

(ALPA Board of Directors Seat)
LETTER OF AGREEMENT
between
NORTHWEST AIRLINES CORPORATION,
NORTHWEST AIRLINES, INC.
And
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines Corporation (hereinafter referred to as “NAC”), Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the Company and ALPA have agreed to certain modifications of the NWA/ALPA Collective bargaining Agreement (the “Pilots Agreement”) in furtherance of the Company’s effort to successfully reorganize through the bankruptcy process;; and

WHEREAS, the Company and ALPA have agreed that certain additional protections for the pilot group are appropriate.

NOW, THEREFORE, BE IT RESOLVED, the undersigned parties do hereby agree as follows:

- A. ALPA has the right to designate one representative to the Company’s Board of Directors from the date of signing of this Letter of Agreement to December 31, 2012. ALPA recognizes that, as part of the Company’s plan of reorganization, the Company intends to raise significant amounts of new equity. The Company has represented that the potential exists for such equity investors to condition their investment on having no “labor” directors on the Board. In that event, ALPA agrees to meet and confer with the Company to discuss modification of this provision such that the equity investors’ objections are satisfied and that ALPA has a reasonable opportunity to participate in the Company’s corporate governance.
- B. This Letter of Agreement shall become effective on the date set forth in Paragraph O. of Restructuring Letter of Agreement Number 1 (Letter 2006-01), and shall run concurrently with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 31st day of July, 2006.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES
CORPORATION

/s/ Duane E. Woerth
President

/s/ Douglas M. Steenland
President and Chief Executive Officer

/s/ David Stevens
NWA MEC Chairman

For NORTHWEST AIRLINES, INC.

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Timothy J. Rainey
Sr. Vice President Flight Operations/SOC

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

LETTER 2006-13

(77–110 Seat Aircraft Work Rules)
LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the Company and ALPA have agreed to certain modifications of the NWA/ALPA Collective Bargaining Agreement (the “Pilots Agreement”) in furtherance of the Company’s effort to improve liquidity and profitability and successfully restructure its capital structure and operations and reorganize through the Chapter 11 bankruptcy process; and

WHEREAS, such modifications include certain work rules and pay rates that shall apply to certain aircraft certificated to seat between 77 and 110 passengers.

NOW, THEREFORE, BE IT RESOLVED, the undersigned parties do hereby agree as follows:

A. Definitions.

1. 77–110 Seat Aircraft. For purposes of this Letter of Agreement, “77–110 Seat Aircraft” shall mean Company aircraft that are configured with 77 to 110 passenger seats, but shall not include (i) aircraft certificated for more than 118 seats, (ii) aircraft in the Company’s fleet on the date of signing of this Agreement, and (iii) aircraft of a different model, series or derivative of an aircraft type in the Company’s fleet on the date of signing of this Agreement (e.g. B717 and A318). Furthermore, when the term “77–110 Seat Aircraft” is used in this Letter of Agreement, it shall encompass 77–100 Seat Aircraft, 101–110 Seat Aircraft and EMB195 Aircraft.
2. 51–76 Seat Aircraft. For purposes of this Letter of Agreement, “51–76 Seat Aircraft” shall mean Company aircraft that are configured for 51 to 76 passenger seats but are not certificated for more than 86 passenger seats (or, as to the LR CRJ 900 series, are not certificated for more than 90 passenger seats), and are certificated with a maximum gross takeoff weight of 89,000 pounds or less.

3. 77–100 Seat Aircraft. For purposes of this Letter of Agreement, “77–100 Seat Aircraft” shall mean Company aircraft that are certificated to seat no more than 108 passengers and configured to seat no more than 100 passengers.
 4. 101–110 Seat Aircraft. For purposes of this Letter of Agreement, “101–110 Seat Aircraft” shall mean Company aircraft that are certificated to seat no more than 118 passengers and configured to seat no more than 110 passengers.
 5. EMB195 Aircraft. For purposes of this Letter of Agreement, “EMB195 Aircraft” shall mean the EMB195 aircraft in the Company’s fleet in any of its possible seating configurations.
- B. Except as specifically provided for in this Letter of Agreement, the provisions of the Pilots Agreement regarding hours of labor, wages and other employment conditions covering the pilots in the employ of the Company shall also apply to such pilots who operate 77–110 Seat Aircraft (as well as 51–76 Seat Aircraft operated by the Company, if any; see Paragraphs C and J. below).
- C. Pay Rate. A pilot who holds a permanent position on a 77–110 Seat Aircraft shall be paid the pay rate established for such position in Section 3 of the Pilots Agreement. Such pilot’s Employment Date As Adjusted (see [Section 2 Z.](#) of the Pilots Agreement) and his resulting longevity for pay purposes shall be the same as if he were holding a permanent position on an aircraft type other than a 77–110 Seat Aircraft. In the event the Company operates 51–76 Seat Aircraft, a pilot who holds a permanent position on such aircraft shall be paid the pay rate established in Section 3 of the Pilots Agreement for the 77–100 Seat Aircraft (i.e. the Captain or First Officer rate, as appropriate).
- D. Variable Monthly Maximum Range. The provisions of [Section 12 B.1.](#) of the Pilots Agreement with respect to a pilot holding a permanent position on 77–110 Seat Aircraft shall be deemed amended to provide for a variable monthly maximum range of 85 to 95 hours.
- E. Reserve Pilot Minimum Monthly Guarantee. The provisions of [Section 4 A.2.](#) of the Pilots Agreement with respect to a pilot holding a permanent position on 77–110 Seat Aircraft shall be deemed amended to provide for a reserve pilot minimum monthly guarantee of 70 hours.
- F. Reserve Pilot Days Off. The provisions of [Section 25 C.1.](#) of the Pilots Agreement with respect to a pilot holding a permanent position on 77–110 Seat Aircraft shall be deemed amended to provide for a minimum number of days off for a reserve pilot of 11 days in any month. The provisions of [Section 25 C.1.a.](#) of the Pilots Agreement with respect to a pilot holding a permanent position on 77–110 Seat Aircraft shall be deemed amended to provide that a reserve pilot may designate at least one block of no more than 4 consecutive days off in any month as inviolate days off.
- G. Duty Hour Credit. The provisions of [Section 4 B.1.a.](#) of the Pilots Agreement with respect to a pilot holding a permanent position on 77–110 Seat Aircraft shall be deemed

amended to provide for a duty hour credit of 1 hour pay time and credit time for each 2:25 duty hours.

- H. Initial Qualification Training Freezes. The provisions of [Section 24 E.3.](#) of the Pilots Agreement with respect to a pilot holding a permanent position on 77–110 Seat Aircraft shall be deemed amended to provide for the following Initial Qualification Training Freeze lengths:
1. In the case of a Captain on a 77–110 Seat Aircraft, 36 months before any position award may be made to a First Officer or Second Officer position on an aircraft other than a 77–110 Seat Aircraft;
 2. In the case of a Captain on a 77–110 Seat Aircraft, 24 months before any position award may be made to a Captain position on any other aircraft;
 3. In the case of a First Officer on a 77–110 Seat Aircraft, the freeze length shall be the same as for any First Officer or Second Officer position on an aircraft other than 77–110 Seat Aircraft, except that a pilot who transitions directly from a First Officer position on a 77–110 Seat Aircraft to a Captain position on the same 77–110 Seat Aircraft type shall have all of his time in both such positions credited toward any applicable initial qualification training freeze.
- I. No Vacation Slides after monthly bidding for reserve pilots. The provisions of [Section 7 E.4.](#) of the Pilots Agreement (regarding the 3-day vacation slide) with respect to a pilot holding a reserve schedule on 77–110 Seat Aircraft shall be deemed amended to provide that a reserve pilot may not be allowed the option of shifting his assigned vacation period at the time of schedule completion bidding.
- J. In the event the Company operates 51–76 Seat Aircraft, the provisions of this Letter of Agreement shall apply to pilots holding permanent positions on such aircraft.
- K. This Letter of Agreement shall become effective on the date set forth in Paragraph O. of Restructuring Letter of Agreement Number 1 (Letter 2006-01), and shall run concurrently with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 31st day of July, 2006.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ David Stevens
NWA MEC Chairman

/s/ Timothy J. Rainey
Sr. Vice President Flight Operations/SOC

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

LETTER 2006-14

(76-Seat Small Regional Jet Flow Through Agreement)
LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the Company and ALPA have agreed to certain modifications of the NWA/ALPA Collective Bargaining Agreement (the “Pilots Agreement”) in furtherance of the Company’s effort to improve liquidity and profitability and successfully restructure its capital structure and operations and reorganize through the Chapter 11 bankruptcy process; and

WHEREAS, the Modifications embodied in this Letter of Agreement pertain to the agreement of the parties to permit the Company to establish a Feeder Carrier Affiliate pursuant to the provisions of [Section 1 B.7.c.\(7\)\(d\)](#) of the ALPA Restructuring Agreement (hereinafter “Feeder Carrier Affiliate ”), and

WHEREAS, the parties have agreed to a 76 Seat Small Regional Jet Flow Through term sheet and are desirous of reflecting the terms thereof in this Letter of Agreement.

NOW, THEREFORE, BE IT RESOLVED, the undersigned parties do hereby agree as follows:

A. General.

1. This Letter of Agreement governs employment opportunities at the company and at the Feeder Carrier Affiliate for all NWA pilots with a system seniority number together with future pilots employed by the Company and pilots employed by the Feeder Carrier Affiliate. In the event of a sale of Feeder Carrier Affiliate such that it is no longer an affiliate of NWA, the flow up rights of Feeder Carrier Affiliate new hire pilots (Sections D and H below) can be terminated by the Feeder Carrier without impacting the Company’s upper cap in Section 1.B.7.c. (e.g. upper cap of 90) The ramifications of a stoppage of flow down rights of NWA furlougees (both current and future laid off NWA pilots, including new hire NWA pilots from Feeder Carrier Affiliate and elsewhere) in this circumstance are addressed in Section 1.B.7.c. (e.g. reduced to lower cap of 55).

2. The provisions of the NWA/ALPA Pilot Agreement and Feeder Carrier Affiliate/ALPA Pilot Agreement will continue to apply, except as modified in writing by the parties hereto and, in the event of a conflict between said Pilot Agreements and this Flow Through Agreement, this Flow Through Agreement shall apply.

B. Flow Down Rights

1. All NWA pilots covered under A.1 above shall have the right to flow down to pilot positions at Feeder Carrier Affiliate. Feeder Carrier Affiliate preferences will be incorporated into the current NWA Crew Resources EPL process pursuant to the NWA /ALPA Pilot Agreement.
2. For purposes of flowing down into a pilot position at the FEEDER CARRIER AFFILIATE, all NWA pilots:
 - a. shall be considered senior to all FEEDER CARRIER AFFILIATE Pilots (See D. below); and
 - b. shall be ranked among themselves on the FEEDER CARRIER AFFILIATE Pilots Seniority List in order of their seniority at NWA.
3. The FEEDER CARRIER AFFILIATE will make all reasonable efforts to facilitate and expedite the flow down of NWA pilots to the FEEDER CARRIER AFFILIATE, however both parties recognize that the timing of this flow down process may be limited by the available training capacity. Unless waived by the FEEDER CARRIER AFFILIATE, the number of NWA pilots who flow down from NWA in any bid month shall not exceed available training capacity. For each bid period in which NWA flow down pilots are awaiting training, the FEEDER CARRIER AFFILIATE will commit all available training capacity to the training of the flow down of NWA pilots which is not otherwise needed in the normal course for IQ, RQ, and CQ training of FEEDER CARRIER AFFILIATE pilots. For the purposes of this provision, “available training capacity” means training capacity owned or controlled (e.g. long-term capital lease) by the FEEDER CARRIER AFFILIATE. If the FEEDER CARRIER AFFILIATE does not own or control training devices, and is not training for new aircraft deliveries, the FEEDER CARRIER AFFILIATE will obtain training capacity sufficient to conduct the training of at least 20 NWA flow down pilots per month. The Parties recognize that this provision may result in junior pilots flying at the FEEDER CARRIER AFFILIATE while senior pilots are awaiting training. No pilot will be paid by the FEEDER CARRIER AFFILIATE while awaiting his first initial training. With respect to the assignment of pilots to such training, crews need not be balanced (e.g. All 20 trainees could be captains) and all training slots shall be filled so as to expedite the training of the flow down NWA pilots.

C. Election Not To Flow Down

Only under the following-listed limited circumstances shall a furloughed NWA pilots covered under A.1 above have no further rights to employment at the FEEDER CARRIER AFFILIATE or to any other benefits of this Flow Through Agreement. Such furloughed NWA pilots shall, however, retain all rights pursuant to the NW/ALPA Pilot Agreement including their Recall rights to NWA mainline flying at the company.

A furloughed NWA pilot who:

1. elects not to accept pilot employment at the FEEDER CARRIER AFFILIATE; or
2. does not elect to flow down to the FEEDER CARRIER AFFILIATE in a timely manner as is hereinafter provided; or
3. initially accepts but later declines the offer of pilot employment at the FEEDER CARRIER AFFILIATE; or
4. fails to appear for pilot training at the FEEDER CARRIER AFFILIATE as scheduled; or
5. fails to complete his systems validation (SV) in a timely manner prior to the start of his initial flight training at the FEEDER CARRIER AFFILIATE; The FEEDER CARRIER AFFILIATE and ALPA will meet and define “timely”, however it should allow Training Scheduling adequate time to reassign such pilot’s training; or
6. fails or withdraws from pilot training at the FEEDER CARRIER AFFILIATE after being provided remediation opportunities, provided, however that nothing herein is intended to disadvantage a NWA pilot who temporarily withdraws or is withdrawn from training due to a leave (e.g. military, medical, family, bereavement, etc); or
7. resigns from pilot employment at the FEEDER CARRIER AFFILIATE or whose just cause discharge there from is upheld by the System Board of Adjustment; or
8. otherwise fails to continue in the service of the FEEDER CARRIER AFFILIATE as a pilot,

shall have no further rights to employment at the FEEDER CARRIER AFFILIATE or to any other benefits of this Flow Through Agreement.

D. Protected Rights of Feeder Carrier Affiliate Pilots (Not furloughed NWA pilots working at Feeder Carrier Affiliate)

1. Not later than forty-five (45) days after their notification of an employment opportunity at NWA (see H. below), FEEDER CARRIER AFFILIATE pilots may elect “protected rights status” and permanently forfeit the NWA employment

opportunity provided by this letter by submitting a written notice. FEEDER CARRIER AFFILIATE pilots who elect protected rights status will not be subject to flow down by NWA pilots, i.e., cannot be bumped by NWA pilots. Any FEEDER CARRIER AFFILIATE who elects protected rights status is required to forfeit his recall rights he may hold at other airlines.

2. The ratio of seniority positions preserved for NWA pilots on the FEEDER CARRIER AFFILIATE seniority list as compared to the number of “protected rights status” positions shall be determined through the process for concluding the first FEEDER CARRIER AFFILIATE CBA and shall be incorporated into this NWA-ALPA Flow Through Agreement. This ratio shall not thereafter be reduced.
3. Protected rights FEEDER CARRIER AFFILIATE pilots shall be senior at the FEEDER CARRIER AFFILIATE to any pilot flowing down from NWA subsequent to their employment at the FEEDER CARRIER AFFILIATE.

E. FEEDER CARRIER AFFILIATE Master Bid

1. Master Bids will be conducted by the Feeder Carrier Affiliate only in the following events:
 - a. An Initial Feeder Carrier Master Bid will be conducted to initially staff the airline and the following pilots will be eligible to submit a bid: NWA Pilots on furlough, currently active NWA pilots who have received a layoff notice, or have been approved for and have accepted a voluntary furlough.
 - b. A Master Bid may also be conducted in the event that the Company has given written notice of an anticipated large scale layoff of NWA pilots.
2. NWA ALPA will provide the Company and Feeder Carrier Affiliate an initial Feeder Carrier Affiliate Opportunity List that will be used at the initial time of staffing of the Feeder Carrier Affiliate to fill all open pilot positions at the FEEDER CARRIER AFFILIATE in seniority order. In the event of an anticipated large-scale layoff of NWA pilots, the Company will promptly notify NWA ALPA of same, and NWA ALPA will update the Feeder Carrier Opportunity List to ensure that the next pilots awarded positions at the Feeder Carrier Affiliate are processed in seniority order.
3. Based on training capacity constraints, it is recognized that there may be pilots from NWA senior to existing FEEDER CARRIER AFFILIATE pilots awaiting training.
4. After positions are awarded from the Master Bid, pilots will be promptly contacted by the Feeder Carrier Affiliate and notified of training start dates.

F. Layoff Pay

1. A NWA pilot who accepts pilot employment at the FEEDER CARRIER AFFILIATE and who is eligible to receive layoff pay from NWA, shall receive layoff pay only for the period of time between his layoff date and the date of the first training opportunity at the FEEDER CARRIER AFFILIATE offered to him, or the period of layoff pay as provided in the Pilots Agreement, whichever is less.
2. A NWA pilot who accepts a pilot position at the FEEDER CARRIER AFFILIATE shall not have time spent at the FEEDER CARRIER AFFILIATE count against his recall period provided for in Section 22.D.2. as long as the FEEDER CARRIER AFFILIATE remains an affiliate. This suspension of the Section 22.D.2 recall period is terminated when the pilot first bypasses recall to NWA.
3. A pilot who is laid off from NWA and who accepts pilot employment at the FEEDER CARRIER AFFILIATE pursuant to this Flow Through Agreement and who receives all layoff pay as provided in the Pilots Agreement is not entitled to additional pay by the Company or the FEEDER CARRIER AFFILIATE prior to the date of the first training opportunity at the FEEDER CARRIER AFFILIATE offered to the pilot. This includes pilots awaiting a training opportunity at the FEEDER CARRIER AFFILIATE.

G. Recall Rights

With the exception of Items F & I herein, Sections 22 and 23 of the NWA ALPA Pilots Agreement apply fully to all pilots recalled to NWA while employed by the FEEDER CARRIER AFFILIATE.

H. Feeder Carrier Affiliate Pilot Employment Opportunities (Other Than Laid Off NWA Pilots)

1. Terms and conditions for hiring FEEDER CARRIER AFFILIATE pilots at NWA are the same as non-FEEDER CARRIER AFFILIATE pilot employment as established by NWA.
2. FEEDER CARRIER AFFILIATE pilots shall be selected for employment opportunities at NWA in seniority order.
3. The number of and provisions for FEEDER CARRIER AFFILIATE pilots required to be in each NWA new hire class will be negotiated as part of the initial CBA between the FEEDER CARRIER AFFILIATE and ALPA.
4. FEEDER CARRIER AFFILIATE pilots who fail initial training at NWA may return to the FEEDER CARRIER AFFILIATE, however the only other case in which FEEDER CARRIER AFFILIATE pilot may return to FEEDER CARRIER AFFILIATE is when the return is due to a flow down.

I. Withholding From Recall

1. A furloughed NWA pilot who is employed as a pilot at the FEEDER CARRIER AFFILIATE, and who is recalled to the Company, may be withheld from such recall due to the operational needs of the FEEDER CARRIER AFFILIATE. In the event that such withholding occurs, the pilot shall be paid by the FEEDER CARRIER AFFILIATE the greater of:
 - a. the base hourly rate for his position at the FEEDER CARRIER AFFILIATE; or
 - b. the base hourly rate for the NWA pilot position from which he is being withheld.
 - c. If the period that the recalled pilot is so withheld extends beyond 3 months, the FEEDER CARRIER AFFILIATE will contribute to the pilot's 401k the difference between the percentage of Defined Contribution that the pilot would have received at NWA and the Feeder Carrier Affiliate's 401k match. In no case will the amount of such contribution exceed the pilots' Defined Contribution at NWA.
 2. During such period of withholding, such pilot shall remain an employee of the FEEDER CARRIER AFFILIATE and shall remain on layoff status from the Company. Further, the pilot's SIV date shall be adjusted to reflect his Effective Date of Recall per Section 23.B.1.d.(2) of the NWA ALPA Pilots Agreement.
 3. A recalled Company pilot who is withheld from recall shall maintain an EPL with the Company and be subject to awards and/or displacements pursuant to Section 24 of the NWA ALPA Pilots Agreement.
 4. A furloughed NWA pilot who is discharged for just cause as a pilot at the FEEDER CARRIER AFFILIATE forfeits his recall rights unless such discharge is overturned, withdrawn or settled as part of a grievance or arbitration.
 5. If a FEEDER CARRIER AFFILIATE pilot accepts an employment opportunity at NWA, but is unable to report due to the Feeder Carrier Affiliate's operational constraints, he shall be placed on NWA's seniority list on the day of his new hire class date. His NWA system seniority and pay SIV date shall be calculated and maintained as if he had been in the new hire class which NWA initially offered him.
 6. A FEEDER CARRIER AFFILIATE pilot who is offered a new hire position at NWA will be provided the same flexibility to delay his transition to NWA as provided to other new hire pilots to NWA.
 7. The provisions of I.1 above do not apply to pilots withheld from recall due to a training freeze at the FEEDER CARRIER AFFILIATE.
- J. Reduction in Pilot Positions at the Feeder Carrier Affiliate

In the event of a reduction in the number of pilot positions at the FEEDER CARRIER AFFILIATE, displacements will be in reverse order of the FEEDER CARRIER AFFILIATE seniority; as defined in B.2 above.

K. Probation

1. A furloughed NWA pilot who accepts a pilot position at the FEEDER CARRIER AFFILIATE and who has completed the 12-month probationary period at NWA will be deemed to have completed any probationary period at the FEEDER CARRIER AFFILIATE.
2. NWA pilots who have not completed the 12-month probationary period at NWA shall continue to be on probation during the period of time spent at the FEEDER CARRIER AFFILIATE until the remainder of the 12-month NWA probationary period is complete. This period satisfies probation at both carriers.
3. No Captain shall be on probation at the FEEDER CARRIER AFFILIATE.

L. Longevity

A furloughed NWA pilot shall not earn incremental NWA longevity for pay, vacation and sick accruals, or SIV Date adjustments beyond what is currently provided for in the NWA ALPA Pilots agreement, except as provided in paragraph I.2.

M. Feeder Carrier Affiliate Training Reimbursement

A furloughed pilot covered under A.1 above who elects to flow down to the FEEDER CARRIER AFFILIATE, and subsequently completes training at the FEEDER CARRIER AFFILIATE, shall be required to reimburse the FEEDER CARRIER AFFILIATE for training expenses should the pilot resign from the FEEDER CARRIER AFFILIATE within 12 months of the completion of training at the FEEDER CARRIER AFFILIATE. These expenses should abate 1/12 per month following the completion of training.

N. Benefits

All NWA furloughed benefits will be handled in the same manner regardless of their possible employment at the FEEDER CARRIER AFFILIATE. Similarly, the FEEDER CARRIER AFFILIATE benefits of any NW pilot recalled to the mainline will be handled in the same manner as all other pilots who resign from the FEEDER CARRIER AFFILIATE.

O. Resolution of Disputes

Resolution of disputes by or for NWA pilots arising under the terms of this Letter of Agreement will be processed pursuant to the NWA/ALPA Pilot Agreement. Disputes by or for pilots of the Feeder Carrier Affiliate (non-furloughed NWA pilots) will be resolved pursuant to the Feeder Carrier Affiliate/ALPA Pilot Agreement.

P. Protection

Laid off NWA pilots who accept positions at the Feeder Carrier Affiliate will retain their NWA system seniority number and shall not be required by the FEEDER CARRIER AFFILIATE or a successor to resign their NWA seniority number to stay at the FEEDER CARRIER AFFILIATE or flow down to the FEEDER CARRIER AFFILIATE.

Q. Interest Arbitration

Interest arbitration shall be used to resolve any issues unresolved pending the signing of the Feeder Carrier Affiliate/ALPA Pilot Agreement.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 31st day of July, 2006.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ David Stevens
NWA MEC Chairman

/s/ Timothy J. Rainey
Sr. Vice President Flight Operations/SOC

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

LETTER 2006-15

(Related Party Transactions)
LETTER OF AGREEMENT
between
NORTHWEST AIRLINES CORPORATION,
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into by and between NORTHWEST AIRLINES CORPORATION (“NAC”), NORTHWEST AIRLINES INC. (“Northwest”) and the Air Line Pilots in the service of NORTHWEST AIRLINES (as represented by the AIR LINE PILOTS ASSOCIATION, INTERNATIONAL (the “Association”).

WHEREAS, NAC is the parent holding company of Northwest, and owns, manages or controls Northwest, and

WHEREAS, it is a condition precedent to the effectiveness of the new collective bargaining agreement between Northwest and the Association (the “Pilots Agreement”) that this Letter of Agreement be executed and delivered by the parties hereto.

NOW, THEREFORE, it is agreed that:

1. Limitations on Related Party Transactions: NAC and Northwest agree that neither (nor any subsidiary under either’s direct or indirect control) shall enter into a transaction (or series of transactions) which is required to be disclosed by Item 404 of Regulation S-K, unless (i) the terms of such transaction(s) represent the fair market value of the services or assets that are the subject of the transaction(s), and (ii) if the transaction is with an entity with which a director or executive officer is affiliated and such affiliation is the reason such disclosure would be required, the Company had actual knowledge of such affiliation at the time the transaction was entered into; provided, however, in no event shall the Company's commercial relationship with KLM be subject to the provisions of this Paragraph 1.
2. This Letter of Agreement shall become effective on the date set forth in Paragraph O. of Restructuring Letter of Agreement Number 1 (Letter 2006-01), and shall run concurrently with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

Agreed to and signed this 31st day of July, 2006.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES
CORPORATION

/s/ Duane E. Woerth
President

/s/ Douglas M. Steenland
President and Chief Executive Officer

/s/ David Stevens
NWA MEC Chairman

For NORTHWEST AIRLINES, INC

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

LETTER 2006-16

(Re-Opener on SJs)
LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company” or “Northwest”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the undersigned parties have entered into a collective bargaining agreement (the “Agreement”) dated July 31, 2006; and

WHEREAS, as part of the Agreement, the parties have agreed to provisions involving jet aircraft configured with 110 seats or less; and

WHEREAS, as part of the Agreement, the parties have agreed that, except as specifically provided otherwise in [Section 1 B.](#) of the Agreement, jet aircraft configured with 77-110 passenger seats (“77-110 Seat Aircraft,” as defined in [Section 1 B.7.c.\(7\)\(c\)1’](#) of the Agreement) will be flown exclusively at Northwest with Northwest seniority list pilots under the Agreement; and

WHEREAS, the parties anticipate entry of the 77-110 Seat Aircraft into active service during the term of the Agreement, but the Company cannot commit to such entry into service at this time,

NOW THEREFORE, the undersigned parties do hereby agree as follows:

- A. With respect to [Section 1 B.7.c.](#) of the Agreement and Letters of Agreement referenced therein (hereinafter collectively referred to as “Section 1 B.7.c.”), in the event that the parties exhaust the “major dispute” procedures of the Railway Labor Act, as amended, following the exchange of Section 6 notices pursuant to [Section 29 C.](#) of the Agreement, the Company (i) waives any and all rights to engage in any self-help regarding changes to the provisions of [Section 1 B.7.c.](#) or other changes to the Agreement which would change the rights, requirements or conditions set forth in [Section 1 B.7.c.](#) (hereinafter collectively referred to as the “SJ provisions”) or to attempt to implement or to implement any change to the SJ provisions, (ii) will not engage in any self-help regarding the SJ provisions and (iii) will not take or advance any position before any court, board or agency inconsistent with this Letter of Agreement.

- B. This Letter of Agreement shall not be subject to reopening under [Section 29 C.](#) of the Agreement until the next ensuing collective bargaining agreement after the present Agreement is subject to such reopening.
- C. This Letter of Agreement shall become effective on the date set forth in Paragraph O. of Restructuring Letter of Agreement Number 1 (Letter 2006-01), and shall run concurrently with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 31st day of July, 2006

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ David Stevens
NWA MEC Chairman

/s/ Timothy J. Rainey
Sr. Vice President Flight Operations/SOC

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

LETTER 2006-17

(Zero Open Time)
LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the Company and ALPA have agreed to certain modifications of the NWA/ALPA Collective Bargaining Agreement (the “Pilots Agreement”) in furtherance of the Company’s effort to improve liquidity and profitability and successfully restructure its capital structure and operations and reorganize through the Chapter 11 bankruptcy process; and

WHEREAS, such modifications include providing the Company with the additional efficiencies that will result from eliminating open time in the course of the monthly computer schedule bidding process;

NOW THEREFORE, the undersigned parties do hereby agree as follows:

A. Forcing of open trips.

1. The computer bidding program may require the forcing of open trips in reverse seniority order. No trips operating on a given day shall be exempt from this forcing requirement. Trips shall be forced in reverse seniority order to achieve zero open time out of the monthly bid process, if mathematically possible.
2. It is understood and agreed that in forcing an open trip on the junior pilot pursuant to subparagraph A.1. above, a trip drop(s) by the junior pilot may be required, in which case the trip(s) to be dropped shall be selected consistent with such pilot’s bid preferences.
3. If more than one open trip exists on a given day(s), and one (or more) such trip(s) is to be forced pursuant to subparagraph A.1. above, then the determination of which trip(s) is to be forced shall be made so as to cause the least amount of disruption to pilot bid preferences, taking into account the number of pilots who would be affected and the bid preferences of the individual pilot(s) who would be involved.

- B. The Company and ALPA agree to meet and confer to review bid command or syntax changes that may preserve or enhance bidder satisfaction associated with the change to zero open time out of the monthly bidding process.
- C. This Letter of Agreement shall become effective on the date set forth in Paragraph O. of Restructuring Letter of Agreement Number 1 (Letter 2006-01), and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

Agreed to and signed this 31st day of July, 2006.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ David Stevens
NWA MEC Chairman

/s/ Timothy J. Rainey
Sr. Vice President Flight Operations/SOC

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

LETTER 2006-18

(Implementation)
LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the Company and ALPA have agreed to certain modifications of the NWA/ALPA Collective Bargaining Agreement (the “Pilots Agreement”) in furtherance of the Company’s effort to improve liquidity and profitability and successfully restructure its capital structure and operations and reorganize through the Chapter 11 bankruptcy process; and

WHEREAS, some such modifications may be implemented immediately while others will require a period of transition before they can be implemented.

NOW THEREFORE BE IT RESOLVED the undersigned parties do hereby agree as follows:

- A. The parties will meet and confer as soon as reasonably practicable following the effective date of this Letter of Agreement to discuss and develop an implementation schedule for the modifications to the Pilots Agreement set forth in Restructuring Letter of Agreement Number 2 (Letter 2006-02).
- B. This Letter of Agreement shall become effective on the date set forth in Paragraph O. of Restructuring Letter of Agreement Number 1 (Letter 2006-01), and shall run concurrently with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 31st day of July, 2006.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ David Stevens
NWA MEC Chairman

/s/ Timothy J. Rainey
Sr. Vice President Flight Operations/SOC

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

LETTER 2006-19

July 31, 2006

Captain William Dollaway
Chairman, NWA MEC Negotiating Committee
Northwest Airlines Pilots Master Executive Council
7900 International Drive
Suite 875
Bloomington, MN 55425

Dear Captain Dollaway:

The Company currently provides an employer contribution in the Northwest Airlines Retirement Savings Plan for Salaried Employees (Salaried Plan). The rate of contribution varies from 6% to 18% based on the number of points that an employee accumulates.

The Company has decided to reduce the rate of employer contribution, on a prospective basis, to a range of 5% to 15% based on the number of points that an employee accumulates. The new formula will be effective when final agreements with the IAM, PFAA and ALPA are effective.

For the duration of the Collective Bargaining Agreement with ALPA, the Company agrees that it will not increase the employer contribution rate in the Salaried Plan, provided that the Defined Benefit Salaried Plan remains frozen and is not terminated.

Sincerely,

Timothy J. Meginnes
Vice President, Compensation and Benefits

LETTER 2006-20

MEMORANDUM OF UNDERSTANDING
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Memorandum of Understanding is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the Company and ALPA have previously discussed and agreed on a variety of mutually beneficial ways to reduce the negative impact of surplus pilots that have occurred from time to time; and

WHEREAS, those previous discussions resulted in the “No Availability Option Program” to be made available to Northwest pilots in positions of surplus that have occurred from time to time; and

WHEREAS, the Letter of Agreement dated October 4, 2001 which detailed the No Availability Option Program was inadvertently omitted from the NWA/ALPA Pilots Agreement that became effective on December 1, 2004; and

WHEREAS, the Company and ALPA mutually desire to reinstate the No Availability Option Program from the October 4, 2001 Letter of Agreement.

NOW, THEREFORE, BE IT RESOLVED, the undersigned parties do hereby agree as follows:

- A. Option For Reduced Guarantee With No Availability (No Availability Option)
 - 1. Eligibility. Pilots eligible for the No Availability Option Program are all pilots (except those with one or more days of the following unavailabilities scheduled in a month: vacation, jury duty and other leaves, and training - except for DLCQ or non-ground school requalification training) who hold a permanent position that the Company determines is surplus for such month. In the event there are more bidders in a position of surplus than there are surplus positions, awards shall be made in seniority order.

2. Bidding.

a. Prior To Monthly Schedule Bidding

The Company will post electronically via PENTRY e-mail no later than 5PM MSP time on the 7th of the calendar month the number of No Availability Option slots open for pilot bid in each position. Eligible pilots may bid to participate in the No Availability Option Program for a month by submitting a completed application to Crew Resources by no later than 5PM MSP time on the 9th day of the immediately preceding calendar month)Exception: for October 2005 bidding the Company will post electronically via PENTRY e-mail no later than 5PM MSP time on October 9, 2005 the number of No Availability Option slots open for bid in each position and eligible pilots may submit completed applications via fax 612-726-2940 to Crew Resources no later than 8AM MSP time on October 12, 2005.) All pilots who submit bids will be informed of the results by 1800 MSP time of the next day via PENTRY e-mail. Any No Availability Option Slots that remain unbid following this process shall be handled pursuant to subparagraph A.2.b. below.

b. During Schedule Option Selection

Any No Availability Option slots in regular positions that remain unbid following the bidding process described in subparagraph A.2.a. above, and any new No Availability Option slots in regular positions created at the Company's discretion following monthly schedule bidding will be available for bid as an additional option available to regular pilots with a schedule value less than the regular monthly schedule guarantee during the Schedule Option Selection (SOS) process bid provided for in [Section 25 A.4.](#) of the Pilots Agreement.

3. Pay. A No Availability Option Program Pilot will receive pay at his applicable hourly rate for the permanent position he holds for such month. Such pilot's hourly pay rate shall include an appropriate component of International Flying Rate based on the percentage of international flying (compared to total flying) performed by his position in the subject month. Such pilot shall receive 55 hours of pay for each month of participation in the program, and shall receive all accruals and benefits for each such month. Such pilot shall have no flying or availability obligations in any month of participation in the program.
4. Duration. Either the Company or ALPA may discontinue the No Availability Option Program completely or for any month, by notifying the other party prior to 5PM MSP time on the 5th calendar day of the immediately preceding month.
5. Sick Leave. A pilot who participates in the No Availability Option Program shall not be eligible to use any sick leave accrual during such month of participation.
6. Carry-In. Carry-in pay from the prior month shall offset the pay provided for in

subparagraph A.3. above.

7. A pilot who participates in the No Availability Option Program shall not be eligible to be awarded or assigned flying pursuant to [Section 30 E. 1., 2. or 3.](#) of the Pilots Agreement. Exception: In the event a pilot who has elected the No Availability Option is contacted by Crew Scheduling and voluntarily accepts an assignment, such pilot shall be paid for the month the greater of (i) the scheduled monthly maximum for his permanent position, or (ii) 150% of the actual credit hours for the trip(s) flown.
 8. Pilot’s Time Bank. The bank provisions will operate normally in addition to the pay provided for in subparagraph A.3 above.
- B. This Memorandum of Understanding shall become effective on the date of signing, and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.

IN WITNESS WHEREOF, the undersigned parties have signed this Memorandum of Understanding this 31st day of July, 2006.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

William H. Dollaway, Chairman
Negotiating Committee (Northwest)

Danny R. Walters, Director
Flight Administration

LETTER 2006-21

(Voluntary Layoff)
LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc. as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

WHEREAS, the Company and ALPA have an interest in facilitating employment opportunities for pilots who are projected to be laid off by the Company; and

WHEREAS, employment opportunities outside the Company arise from time to time for pilots who may not be projected to be laid off at the time the employment opportunity arises; and

WHEREAS, the Company and ALPA agree that in appropriate circumstances a voluntary layoff (out of seniority order) may be in the best interests of both the Company and ALPA.

NOW, THEREFORE, BE IT RESOLVED the undersigned parties do hereby agree as follows:

A. General:

1. Notwithstanding the provisions of [Section 22 C.2.](#) and Section 23.A of the NWA/ALPA Pilots Agreement (the “Pilots Agreement”) requiring releases of pilots from service with the Company due to reduction in force to be in reverse seniority order, any pilot on the NWA system seniority list may submit a request for Voluntary Layoff out of reverse seniority order, in accordance with the provisions of this Letter of Agreement. The Company shall retain full discretion to approve or deny such requests, in accordance with the procedures set forth in subparagraph 2 below.
2. Availability and Procedures for Requesting Voluntary Layoff:
 - a. It is expected that a pilot who wishes to submit a request for Voluntary Layoff will provide the Company with as much advance notice as possible.

- b. A Voluntary Layoff request may be made and will be considered only after the Company has given notice of its intent to layoff pilots by issuing notice to pilots under the provisions of Section 23 A.1 or at any time that pilots remain on layoff except as provided in Paragraph A.2.b.(2) below. Voluntary Layoffs shall no longer be available if:
- (1) all pilots on layoff have been recalled, or
 - (2) the only pilots remaining on layoff are pilots who have by-passed recall under the provisions of Section 23 B.2 and the Company has begun hiring pilots.
- c. Voluntary Layoff Forms: Voluntary Layoff request forms will be made available on the ATLAS website in a printable format. A pilot shall submit his completed and signed paper form to Crew Resources via U.S. mail, in person, or telephone facsimile transmission in accordance with the instructions contained on the form.
- d. Crew Resources: The Company's Crew Resources Department shall be responsible for considering the request of a pilot who submits a Voluntary Layoff request on or before the 20th calendar day of the second month prior to his requested Voluntary Layoff month (e.g. no later than February 20 for an April Voluntary Layoff commencement). The Company's Director of Crew Resources will have sole discretion and responsibility to deny such request on the basis of pilot staffing for the flying month(s) that are subject to the pilot's Voluntary Layoff request for the category in which the pilot holds a permanent position.
- e. Crew Scheduling: The Company's Crew Scheduling Department shall be responsible for considering the request of a pilot who submits a Voluntary Layoff request after the 20th calendar day of the second month prior to his requested Voluntary Layoff month. After monthly schedule bidding has been completed for a specific month for which a pilot has submitted a request for Voluntary Layoff to commence, the Company's Director of Crew Scheduling will have sole discretion and responsibility to approve or deny such request on the basis of reserve staffing coverage.
- f. Appeal Process: In the event a pilot's request for Voluntary Layoff has been denied, the pilot or ALPA on behalf of the pilot, may request an informal hearing with the Vice President of Flight Operations Administration for the purposes of discussing the denial and to review additional information and or mitigating circumstances. The Company shall notify ALPA of all denials of Voluntary Layoff requests and of any appeals that are filed by individual pilots.

3. Voluntary Layoff Period:
- a. For purposes of this Letter of Agreement, a pilot whose request for Voluntary Layoff is granted shall be considered to be on “Voluntary Layoff” from the date of commencement of such Voluntary Layoff until the date he would have actually been on layoff had his request for Voluntary Layoff not been granted. Thereafter, such pilot shall be considered to be on layoff status for all purposes as provided for in the Pilots Agreement, except as provided otherwise in this Letter of Agreement.
 - b. A pilot who is granted a Voluntary Layoff and who absent such voluntary layoff would not have actually been on layoff shall have no claim for out-of-seniority recall or flying under the provisions of [Section 23 B.1.a.\(2\)\(b\)](#) and [Section 23 B.1.a.\(2\)\(c\)](#) as to a pilot flying junior to him that was never on layoff status.
- B. Layoff Pay: A pilot who is approved for Voluntary Layoff pursuant to this Letter of Agreement shall receive Layoff Pay as provided under [Section 23 A.2.](#) of the Pilots Agreement, as if the pilot had not requested and been granted Voluntary Layoff (i.e. a pilot is approved for a Voluntary Layoff commencing in April 2006, but his actual seniority number would not have been laid off until September 2006; the pilot will not commence receipt of Layoff Pay until September 2006, and his applicable hourly rate of Layoff Pay shall be that for the permanent position he held in August 2006). For purposes of determining the quantity of such pilot’s Layoff Pay pursuant to [Section 23 A.2.b.](#) of the Pilots Agreement, his layoff date shall be the date of his Voluntary Layoff (i.e. he shall not receive credit toward years of “Completed” service as a pilot for any period of time during his Voluntary Layoff). A pilot granted Voluntary Layoff and who would subsequently never have been placed on actual layoff shall not be entitled to layoff pay.
- C. Recall Rights: A pilot on Voluntary Layoff shall be recalled under the provisions of [Section 23 B.](#) and shall have the same recall rights under the Pilots Agreement including the Option to Defer Recall in [Section 23 B.2.](#) and the option to request a Personal Leave of Absence with pilots laid off in [Section 13 A.4.](#) as any other pilot on a non-voluntary layoff.
- D. SIV Date: Voluntary Layoff shall result in such pilot’s SIV Date (see Letter 2002-01) being adjusted for the period of his Voluntary Layoff to the same extent as if he had been on involuntary layoff for such period. ALPA on will reinforce and maintain a rigorous internal screening process to avoid filing grievances that involve challenges to this Paragraph D. prior to a complete review of the facts and the other relevant evidence with the Company. The parties recognize that the Agreement permits individual pilots to file individual grievances.
- E. Longevity for Pay Purposes: A pilot who is approved for Voluntary Layoff shall have his longevity for pay purposes adjusted pursuant to [Section 3 A.2.](#) of the Pilots Agreement to the same extent as if he had been on involuntary layoff for such period.

- F. Vacation: A pilot approved for Voluntary Layoff shall receive a vacation payoff pursuant to the provisions of [Section 7 F.1.](#) of the Pilots Agreement. Such vacation payoff shall be paid following commencement of the Voluntary Layoff unless the pilot has elected the [Section 7 F.1.](#), to defer such payment.
- G. Sick Leave Account: A pilot who is approved for Voluntary Layoff shall retain his pilot sick leave account, as provided by [Section 14 A.4.](#) of the Pilots Agreement, for his use upon recall.
- H. Medical and Dental and Other Benefits: A pilot who is approved for voluntary layoff shall be eligible for a continuation of such benefits pursuant to [Section 27 A.5.a.\(1\)\(b\)](#) of the Pilots Agreement commencing with the month of commencement of the voluntary layoff.
- I. Pension: A pilot who is approved for Voluntary Layoff shall not receive any benefit service or earnings credit under the Northwest Airlines Pension Plan for Pilot Employees during his period of Voluntary Layoff.
- J. Pass Travel Benefits: A pilot who is approved for Voluntary Layoff shall be entitled to use his date of employment by the Company for purposes of pass travel boarding priority, as presently provided in the Company's pass travel policy (which the Company specifically reserves the right to amend from time to time) in the following manner:
1. Pilots who are approved for Voluntary Layoff commencing with the January 2006 flying month will have their pass travel privileges extended through March 31, 2006.
 2. Pilots who are approved for Voluntary Layoff commencing in months following January 2006 will have their pass travel privileges extended for three months, starting with the commencement of their Voluntary Layoff.
- Continuation of pass travel privileges to pilots on Voluntary Layoff will be contingent on such pilots paying all pass travel service charges that the Company imposes for such privileges (subject to the outcome of any pending grievances regarding pass travel service changes).
- K. Paragraphs B. through J. are subject to any changes to the Pilots Agreement that the Company and ALPA may negotiate.
- L. This Letter of Agreement shall become effective on the date of signing, and shall run concurrent with the NWA/ALPA Collective Bargaining Agreement, including any status quo period under the Railway Labor Act.
- M. Nothing in this Letter of Agreement constitutes assumption of a pre-petition agreement and the Company expressly disclaims any such assumption. The Company expressly preserves its positions with respect to its asserted right to seek approval of the bankruptcy court to reject the Pilots Agreement.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 31st day of July, 2006.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ David Stevens
NWA MEC Chairman

/s/ Timothy J. Rainey
Sr. Vice President Flight Operations/SOC

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

LETTER 2006-22

(Transition Agreement)
LETTER OF AGREEMENT
between
NORTHWEST AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
NORTHWEST AIRLINES, INC.
as represented by
THE AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Northwest Airlines, Inc., (hereinafter referred to as the “Company”) and the Air Line Pilots in the service of Northwest Airlines, Inc., as represented by the Air Line Pilots Association, International (hereinafter referred to as “ALPA”).

Whereas, the Company and ALPA have agreed upon a new pilot collective bargaining agreement (hereinafter, “New Agreement”) which shall supersede the Northwest Airlines, Inc. pilots agreement dated November 22, 2004 (hereinafter the “Bridge Agreement”) and the 1113(c) Extension Letter of Agreement (hereinafter, “Interim Relief Agreement”), and

Whereas, both parties agree there are beneficial reasons for implementing the provisions of the New Agreement in an expeditious and orderly fashion,

Now, therefore, it is agreed as follows:

- A. The New Agreement shall be implemented as outlined in Paragraph C. below.
- B. Pending complete implementation of the various provisions of the New Agreement as set forth in the schedule in Paragraph C. below, the status quo shall remain in effect with respect to the comparable provisions of the Bridge and Interim Relief Agreements, together with all amendments, supplemental agreements, side letters, pension plans, and the like. Where a provision is implemented in part, such prior agreements shall remain in effect with respect to the matters not implemented.
- C. Implementation of Provisions of the New Agreement.
 - 1. Section 1 (Recognition and Job Security) in its entirety shall become effective on the date of signing and supersede Section 1 of the Bridge Agreement and any related provisions of the Interim Relief Agreement. With respect to certain measurement periods in Section 1 and for purposes of 2006, references to “calendar year” in Sections 1 B.7.c.(4), 1 B.5.a.(2), 1 B.5.d.(3) and 1 B.9 shall mean the full calendar year of 2006. The parties hereby agree to design a mutually agreeable monitoring process and data collection and presentation system for purposes of monitoring compliance with Section 1.

2. Section 2 (Definitions) in its entirety shall become effective on the first day of the flying month following the date of signing and supersede Section 2 of the Bridge Agreement and any related provisions of the Interim Relief Agreement, except that Sections 2 F. and II. (definition of Augmented Crew and Hours Flown) shall become effective for trips commencing on or after the first day of the second flying month following the date of signing.

In order to assist with compliance with the terms of the Note to [Section 2 F.](#), the parties have agreed to expeditiously develop an appropriate monitoring system.

3. Section 3 (Compensation) in its entirety shall become effective on the first day of the flying month following the date of signing and shall supersede Section 3 of the Bridge Agreement and any related provisions of the Interim Relief Agreement, except that [Section 3 H.](#) shall become effective for trips commencing on or after the first day of the first flying month following the date of signing.
4. Section 4 (Minimum Pay Guarantee) in its entirety shall become effective and shall supersede Section 4 of the Bridge Agreement and any related provisions of the Interim Relief Agreement for trips commencing on or after the first day of the flying month following the date of signing, except that [Section 4 B.1.a.](#) (duty period credit), B.1.b. (average duty period) and B.2. (trip hour credit) shall become effective for trips commencing on or after the first day of the second flying month following the date of signing.
5. Section 5 (Traveling Expenses) in its entirety shall become effective on the date of signing and supersede Section 5 of the Bridge Agreement and any related provisions of the Interim Relief Agreement.
6. Section 6 (Moving and/or Transfer Expenses). No change.
7. Section 7 (Vacation) in its entirety shall become effective on the first day of the flying month of January 2007 and shall supersede Section 7 of the Bridge Agreement and any related provisions of the Interim Relief Agreement, except that
 - a. [Section 7 A.](#) shall be effective on the first day of the calendar month following the date of signing.
 - b. [Section 7 B.](#), for the purpose of annual vacation bidding for 2007, and monthly vacation bidding for January 2007, shall be effective on the date of signing.
 - c. Any monthly or annual vacation for 2006 (including any arrears vacation) which is unused by the end of 2006 shall, at the pilot's option, be paid out at the rate of 3:30 per day, or rolled over to the pilot's annual vacation account for future bidding. The timeline and process described in [Section 7 F.7.](#) shall apply to this provision.

- d. In order to provide for a transition from the existing vacation credit value to the new vacation credit value for vacation to be used in 2007, the following conversions will be conducted:
 - (i) Identify accrued hours from January 1, 2006 through the calendar month which includes the date of signing and multiply accrual hour balance by a factor 168/210 (2:48 to 3:30) to determine adjusted accrual balance.
 - (ii) Add new accrual rate hours, pursuant to subparagraph 7.b. above for the period from the first day of the calendar month following the date of signing through December 31, 2006 to the adjusted accrual balance determined in 7.d.(i) to calculate 2006 final accrual balance.
 - (iii) Divide final accrual balance by 2:48 to determine the number of vacation days in the 2006 final accrual balance to be bid pursuant to [Section 7 B](#).
8. Section 8 (Deadhead) in its entirety shall become effective for trips commencing on or after the first day of the second flying month following the date of signing and shall supersede Section 8 of the Bridge Agreement and any related provisions of the Interim Relief Agreement.
9. Section 9 (Miscellaneous Flying) in its entirety shall become effective for trips commencing on or after the first day of the flying month following the date of signing and shall supersede Section 9 of the Bridge Agreement and any related provisions of the Interim Relief Agreement.
10. Section 10 (Transfer To Instructor Pilot, Special Project Pilot or Supervisory Pilot Duty). No change.
11. Section 11 (Training) in its entirety shall become effective on the first day of the flying month following the date of signing and shall supersede Section 11 of the Bridge Agreement and any related provisions of the Interim Relief Agreement.
12. Section 12 (Hours of Service) in its entirety shall become effective on the first day of the flying month following the date of signing and shall supersede Section 12 of the Bridge Agreement and any related provisions of the Interim Relief Agreement except as follows:
 - a. [Section 12 B.1.b](#). (relating to variable monthly maximums for regular pilots), shall be effective on the first day of the second flying month following the date of signing.
 - b. [Section 12 C.3.a](#). (Special LAX-Japan Augment Rule) shall be effective for trips commencing on the first day of the second flying month following the date of signing.

- c. **Section 12 E.** (Instructor Pilot and Special Project Pilot Limitations) shall be effective on the first day of the second flying month following the date of signing.
 - d. Sections 12 G. (Positive Time Bank) and H. (Negative Time Bank) shall be effective on the first day of the second flying month following the date of signing.
 - e. **Section 12 I.** (Flexible Monthly Limitation) shall be effective on the first day of the flying month following the date of signing for reserve positions and the first day of the second flying month following the date of signing for regular positions.
- 13. Section 13 (Leave of Absence) in its entirety shall become effective on the first day of the flying month following the date of signing and shall supersede Section 13 of the Bridge Agreement and any related provisions of the Interim Relief Agreement.
 - 14. Section 14 (Sick Leave) in its entirety shall become effective on the first day of the flying month following the date of signing and shall supersede Section 14 of the Bridge Agreement and any related provisions of the Interim Relief Agreement.
 - 15. Section 15 (Medical Examinations) in its entirety shall become effective on the first day of the flying month following the date of signing and shall supersede Section 15 of the Bridge Agreement and any related provisions of the Interim Relief Agreement.
 - 16. Section 16 (Workers' Compensation Benefits). No change.
 - 17. Section 17 (Missing, Internment, Prisoner or Hostage Benefits). No change.
 - 18. Section 18 (Jury Duty) in its entirety shall become effective on the first day of the second flying month following the date of signing and shall supersede Section 18 of the Bridge Agreement and any related provisions of the Interim Relief Agreement, except that Section 18 shall be effective on the first day of the first flying month following the date of signing for purposes of monthly schedule bidding.
 - 19. Section 19 (Discipline and Discharge). No change.
 - 20. Section 20 (Grievances). No change.
 - 21. Section 21 (System Board Of Adjustment). No change.
 - 22. Section 22 (Seniority) in its entirety shall become effective on the first day of the flying month following the date of signing and shall supersede Section 22 of the Bridge Agreement and any related provisions of the Interim Relief Agreement,

except that with respect to Paragraph D.3., it is understood and agreed that the 7 year period referenced therein shall run from the LTD Date regardless of whether the LTD Date occurred in the period February 1, 2006 to the first day of the flying month following the date of signing.

23. Section 23 (Reduction In Force, Layoff And Recall). No change.
24. Section 24 (Staffing and Filling of Positions) in its entirety shall become effective on the first day of the flying month following the date of signing and shall supersede Section 24 of the Bridge Agreement and any related provisions of the Interim Relief Agreement except that (i) Exception 3 to [Section 24 E.3.a.](#) and Exception 3 to [Section 24 E.4.a.](#) shall be effective only with respect to position awards made with an award closing date after the first day of the flying month following the date of signing, and (ii) [Section 24 J.1.c.\(3\)\(g\)](#) shall be effective for regular pilots on the first day of the second flying month following the date of signing. Note: It is understood and agreed that, prior to the date of signing of the New Agreement, the Company may, in addition to the APA process provided for in the Bridge Agreement and the Interim Relief Agreement, conduct a separate contingent APA process pursuant to the terms of the New Agreement. In the event the date of signing of the New Agreement is during the calendar day period of the 1st through the 20th of the calendar month, then the Company may use the results of the contingent APA process conducted pursuant to the New Agreement for purposes of the month for which APA awards are being made.
25. Section 25 (Scheduling) in its entirety shall become effective on the first day of the flying month following the date of signing and shall supersede Section 25 of the Bridge Agreement and any related provisions of the Interim Relief Agreement, except that Paragraphs C.1., C.1.e. and C.8.k. shall be effective on the first day of the second flying month following the date of signing, provided that these Paragraphs shall be effective the first day of the flying month following the date of signing for purposes of bidding reserve schedules.
26. Section 26 (General). No change.
27. Section 27 (Insurance Benefits) in its entirety shall become effective on the first day of the flying month following the date of signing and shall supersede Section 27 of the Bridge Agreement and any related provisions of the Interim Relief Agreement. A pilot's 2006 covered expenses, coinsurance amounts and co-pays will count toward the new plan's medical, prescription drug and dental deductibles and out-of-pocket expenses.
28. Section 28 (Union Security And Check-Off). No change.
29. Section 29 (Effect Of Prior Agreements, Amendment, Duration) in its entirety, including the Letters of Agreement referenced in [Section 29 A.](#), shall become effective on the first day of the flying month following the date of signing and shall supersede Section 29 and the replaced Letters of Agreement of the Bridge

Agreement and any related provisions of the Interim Relief Agreement, except that:

- a. With respect to the measurement of scheduled block hours in 2006 provided for in Paragraph J. of Letter 2004-02A, the total scheduled block hours of Company freighter flying from the first day of the flying month following the date of signing through December 30, 2006 shall be used.
 - b. With respect to Paragraph F. of Letter 2006-01, the date of June 1, 2006 for the ALPA Bank credit is hereby changed to the 15th day of the second calendar month following the date of signing.
 - c. Letter 2006-05 shall become effective on the first day of the flying month following the date of signing.
 - d. With respect to Paragraph A. of Letter 2006-06, the effective month of the PERP program is hereby changed to the first day of the flying month following the date of signing. Note: It is understood and agreed that, in the event the contingent APA process is used as provided for in Paragraph C.24. above, the PERP program shall also be effective for the month of the APA awards. This provision does not preclude the Company from granting PERP requests pursuant to the PERP program for earlier months.
 - e. It is understood and agreed that the time period specified for the negotiation and dispute resolution process identified in Letter of Agreement 2006-07 shall commence on August 28, 2006.
30. Section 30 (Scheduling Rules) shall become effective on the first day of the flying month following the date of signing and shall supersede Section 30 of the Bridge Agreement and any related provisions of the Interim Relief Agreement, except that Paragraphs E.1.a., E.1.b., E.2.a., E.2.b. and E.3.c. as they relate to recovery days created pursuant to Note 2 following [Section 9 A.1.](#) shall become effective for trips commencing on or after the first day of the flying month following the date of signing.

D. Resolution of Disputes

Any dispute concerning the interpretation or application of this Transition Agreement will be subject to resolution in accordance with the expedited procedures of [Section 1 F.](#) of the New Agreement. It is understood that either the Association or the Company may invoke this dispute resolution procedure.

E. Effective Date and Duration

This Transition Agreement will become effective on the date of signing, provided that the New Agreement documents have been signed and become effective pursuant to the terms of Paragraph D.1. of Restructuring Letter 1. This Transition Agreement shall remain in full force and effect concurrently with the New Agreement between the parties.

F. The parties hereto agree that, in the event the date of signing of this Transition Agreement occurs in the first five (5) calendar days of the flying month, the “First Flying Month” shall be the first day of the flying month in which this Agreement is signed, and the “Second Flying Month” shall become the flying month immediately following the month in which the date of signing occurred.

IN WITNESS WHEREOF, the undersigned parties have signed this Letter of Agreement this 31st day of July, 2006.

For AIR LINE PILOTS ASSOCIATION

For NORTHWEST AIRLINES, INC.

/s/ Duane E. Woerth
President

/s/ Julie Hagen Showers
Vice President Labor Relations

/s/ David Stevens
NWA MEC Chairman

/s/ David R. Driscoll
Senior Labor Counsel – Flight

/s/ William H. Dollaway
Chairman Negotiating Committee
(Northwest)

/s/ Danny R. Walters
Director Flight Administration

/s/ John L. Haase
Member Negotiating Committee
(Northwest)

/s/ Ronald L. Barnett
Member Negotiating Committee
(Northwest)

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