TENTATIVE AGREEMENT
between

Alaska Airlines
and the
AIR LINE PILOTS
in the service of
ALASKA AIRLINES, INC.
as represented by the
AIR LINE PILOTS ASSOCIATION,
INTERNATIONAL
Alaska has earned a decades-long reputation for providing distinctive, quality service. In order to continue to outpace the competition in this rapidly changing industry, we must strive every day to provide a safe and reliable operation as well as a great experience to our passengers. We recognize that pilots are natural leaders within our operation, and having them enthusiastically engaged is critical to our future success.

ALPA and Alaska management recognize that an effective partnership, based on mutual respect and trust, will improve the long term profitability and competiveness of Alaska Airlines and is beneficial to the pilot group. In order to take full advantage of opportunities, labor and management must embrace collaboration as the means to build an innovative and effective team—a team fully focused on the future.

Alaska’s pilots should be well compensated and enjoy a high standard of living and job security. In order to make our career a continued success in this intensely competitive industry, we must be committed to constantly making our business stronger and more successful.

Job security and business development are both found in fostering such things as Code Share and Capacity Purchase arrangements which are designed to maintain and develop the mainline operation, enhance the Company’s overall market presence; opening opportunity to expand the network, all with the goal of enhancing customer convenience and service.

Our mission is to be universally recognized as a high performance company with a high performance culture. Leadership, employee relations, work rules and incentives should reflect this objective, and it will take the dedicated and unified efforts of leaders for both the Company and ALPA to make this goal a reality.

Neither party, through these principles, relinquishes any rights protected by the law or this Agreement.
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AIR LINE PILOTS ASSOCIATION,
INTERNATIONAL

THIS AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between ALASKA AIRLINES, INC. (hereinafter referred to as the "Company") and the AIR LINE PILOTS in the service of ALASKA AIRLINES, INC., as represented by the AIR LINE PILOTS ASSOCIATION INTERNATIONAL, (hereinafter referred to as the "Association").

Both administrative and substantive changes have been made in this Collective Bargaining Agreement. Administrative changes are not intended to substantively change the meaning or intent of the language in the Collective Bargaining Agreement. Substantive changes are intended to change both the meaning and intent of prior contract language. Where new substantive language has been added, it is indicated with underlining. Substantive changes that redact language from a prior Agreement or Agreements is indicated with hash marks that appear as / /.
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A. **Recognition**

The Air Line Pilots Association, International (“ALPA” or the “Association”) has furnished evidence that in conformity with the provisions of the Railway Labor Act, as amended (the “RLA”), it has been duly designated by the National Mediation Board in certification number R-3548 as the representative of the Air Line Pilots employed by Alaska Airlines, Inc. (the “Company”), and in their behalf to negotiate and conclude agreements with the Company covering rates of pay, rules and working conditions. This collective bargaining agreement, effective XXXX XX, 2013, and all letters of agreement and memoranda of understanding between the Company and Association, in effect as of the effective date hereof or as adopted after the effective date of this collective bargaining agreement, collectively constitute the “Agreement”. References to Section numbers and letters are to provisions of this collective bargaining agreement unless otherwise specified.

B. **Rights and Equities of Pilots**

1. **All Flying**: All flying as set forth in Section 2 [Flight Pay], now or hereafter conducted by, or which hereafter becomes available to the Company (including utilization of aircraft under the operational control of the Company) shall, if flown by the Company, continue to be performed by pilots on the Alaska Airlines Pilot System Seniority List. This paragraph [1.B.1.] places a mutual obligation on the Company and the Pilots.

2. **Operating Certificates**: Nothing contained in this Agreement shall limit or restrict the Company in any way from applying for new certificates, from abandoning certificates, or from fully and completely transferring certificates to others. In the event of the abandonment or the full and complete transfer of such certificates or portions thereof, this Agreement shall not thereafter apply to routes or services formerly covered by such abandoned certificates or by such certificates fully and effectively transferred, unless the Company retains an interest in the routes or services covered by such abandoned or transferred certificates as a result of an arrangement or agreement to which the Company is a party.

3. **Part 121 Operations**: The Company will not engage in any additional FAR Part 121 operations unless all flying is performed exclusively by pilots whose names appear on the
Alaska Airlines Pilot System Seniority List in accordance with the then effective Agreement with the Association. / /

4. / /

C. Successorship and Merger

1. Successors: A Successor is defined as a successor, assign, assignee, transferee, administrator, executor and/or trustee of the Company resulting from transfer (in a single transaction or in multi-step transaction) to another person or entity of Control of the Company or of ownership of a majority or greater of the assets of the Company. A Successorship Transaction is defined as a single-step or multi-step transaction that gives rise to a Successor.

2. Successor Obligation: The Company will require a Successor to comply with the following as an irrevocable condition of a Successorship Transaction, and a Successor will agree:
   a. The Successor will continue to operate the Company in accordance with the Agreement;
   b. The Successor (if a different legal entity from the Company) will cause the Company to continue to operate in accordance with the Agreement;
   c. The Successor, if it acquired assets of the Company in a Successorship Transaction, will continue to operate those assets in accordance with the Agreement using Pilots.

3. Air Carrier Successor: If a Successor or an Affiliate of the Successor is an air carrier that operates any aircraft other than Small Aircraft, the Company will require the Successor as an irrevocable condition of the Successorship Transaction to comply with and to cause the air carrier Affiliate to comply with the terms of Section 1.D, and the Successor will agree.

4. Merger: A Merger Transaction is defined as a single transaction or multi-step transaction by which the operations of the Company and another operating air carrier are merged (whether or not under one FAA operating certificate) in accordance with Section 1.D. A "Transaction" is defined as either a Successorship Transaction or a Merger Transaction.
Section 1
Scope & Recognition

5. **Notification and Information Sharing:** In the event of a proposed Successorship Transaction or Merger Transaction the Company will:
   a. Provide the Association with reasonable advance notice of the proposed Successorship Transaction or Merger Transaction;
   b. Meet to discuss the impact of the proposed Transaction upon the Pilots;
   c. Disclose the details of any material agreements related to such Transaction in a timely manner to allow the Association to prepare for those discussions, provided that no financial or other confidential business information needs to be disclosed unless suitable arrangements for confidentiality are established.

D. **Labor Protective Provisions (LPP)**

The following provisions apply in the case of a Successorship Transaction, as described in Section 1.C.1-3, or a Merger Transaction as described in Section 1.C.4:

1. **Seniority Lists:** The seniority lists of the Pilots and of pilots employed by the other air carrier in the Transaction shall be merged in accordance with Association Merger Policy ("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 Allegheny-Mohawk LPP’s shall apply. If both pre-Transaction pilot groups are represented by the Association, on or before the date of closing of the Successorship Transaction or Merger Transaction, the Alaska MEC shall make a request to the ALPA Executive Council under the Merger Policy then in existence that a "reasonable probability of a merger being consummated" has occurred so as to establish a Policy Initiation Date within the meaning of the Merger Policy. ALPA shall complete the seniority integration and present an integrated seniority list to the Company as expeditiously as is reasonable. If either pre-Transaction pilot group is not represented by the Association, the integrated seniority list shall be presented to the Company or the Successor, as applicable, no later than one (1) year from the date of closing of the Successorship Transaction or Merger Transaction. The Company or the Successor (according to which of them becomes the operating air carrier) shall accept the integrated seniority list, including any conditions and restrictions,
established through / / Merger Policy or LPP proceedings, as applicable, provided that implementation of such list and of such conditions and restrictions does not in and of itself entitle a pilot from either pre-Transaction carrier to displace another from the latter’s Position, nor result in retroactive monetary liability on the part of either pre-merger carrier.

2. **Collective Bargaining Agreements:** The respective pilot collective bargaining agreements shall be merged into one (1) agreement as the result of negotiations among the pilot groups and the / / Company and the other air carrier in the Transaction as applicable. If the parties have not reached a single pilot collective bargaining agreement under this paragraph, the parties shall negotiate until such time as they have either reached agreement on an amended collective bargaining agreement or, alternatively, are determined to have reached impasse by a mediator employed by the National Mediation Board. Should an impasse be declared, the parties will submit all issues open between them to a panel of three (3) neutral arbitrators selected from a list provided by the National Mediation Board. The interest arbitration hearing shall be completed within three (3) months of the date of submission to the panel of arbitrators, and the panel’s decision shall be issued no later than thirty (30) days after the close of the hearing.

3. **Fleet:** The aircraft (including all orders and options to purchase aircraft) and operations of each pre-Transaction airline shall remain separated until such time as both the pilot seniority lists are integrated and the pilot collective bargaining agreements are combined in accordance with paragraphs D.1 and D.2 of Section 1.

4. **Pre-Transaction Status:** Pending the merger of the pre-Transaction carriers and the pilot collective bargaining agreements and seniority lists, there shall be no decrease in the Company’s pre-Transaction annualized block hours flown by the Pilots or pre-Transaction annualized available seat miles or pre-Transaction number of aircraft flown by the Pilots. This paragraph will cease to apply one hundred twenty (120) days after the final unextended date provided for completion of an arbitrated seniority list under the Merger Policy if the Alaska MEC has requested an extension of such date or has agreed to
another party’s request for such extension and in either case one or more extensions totaling more than ninety (90) days has been granted.

E. **Association Transaction Expense Fund**
   In the event of a Successorship or Merger Transaction, the Company shall reimburse the Association an amount up to $1 million of legal expenses and union business expenses, in addition to the benefits provided for in Section 18.C.12 [Merger Committee], caused by the transaction and incurred by the Association up to the time of implementation of a single pilot collective bargaining agreement, final integration of the pilot seniority lists, or until the resolution of any subsequent dispute, whichever occurs last.

F. **Inter-Airline Agreements**
   The Company agrees to honor requests by the MEC Chairman to allow the Chairman or his designee reasonable opportunity to review any code share, capacity purchase, joint venture or other agreement that provides for the sharing of passengers or revenue between the Company and another air carrier subject to appropriate non-disclosure agreements (“Inter-Airline Agreements”).

G. **Remedies**
   Any and all disputes concerning alleged violation of Section 1 [Scope & Recognition] not resolved by conference shall be resolved by final and binding arbitration. The Company and the Association specifically agree to arbitrate any grievance filed by the Association or the Company alleging a violation of, or seeking a declaratory finding relating to Section 1 [Scope & Recognition] on an expedited basis directly before the System Board of Adjustment sitting with a neutral member, as the arbitration forum. The dispute shall be heard no later than thirty (30) days following the filing of the dispute with the System Board and decided no later than sixty (60) days after such filing, unless the parties agree otherwise in writing. The parties agree to abide by any arbitration award which is issued.
ACARS: means Aircraft Communications, Addressing and Reporting System and is a “Flight Data Recorder.”

Adequate Reserve Coverage (ARC): means the number of reserves at a base required to reasonably ensure scheduling reliability during normal operations. This factor will be based on historical data considering, among other things, weekdays, weekends, and holidays. The adequate reserve coverage factors for each month will be posted by Pilot Scheduling.

Affiliate: An Affiliate of entity A is a person or entity that (1) controls A, (2) is controlled by A, or (3) is controlled by a third person or entity that also controls A, where the term control means the same as in Section 2.

Assignment: means duty given to a pilot in accordance with the CBA.


Base: means a geographical point and equipment designated by the Company. “Base” also means a “Special Qualifications Base,” if such base otherwise meets the definition of a base, and is created by mutual consent of the parties.

Base Position: means a pilot’s bid or assigned equipment type and status at his base.

Base Position List (BPL): means a list of pilots in seniority sorted by base and status. Senior Qualified First Officers are listed within the First Officer status.

Bid Block: means a block of time with a planned sequence of trips and intervening days off for a pilot as posted by the Company on a monthly basis.

Bid Effective Date: means the date that successful bidders shall be considered as having transferred to their new positions on that date.

Bid Period: means a calendar month except for January, February and March, which are as follows:
1. January bid period is January 1 – 30
2. February bid period is January 31 – March 1
3. March bid period is March 2 – March 31
**Block of Time**: means a full month’s flying at a base requiring the equivalent of the flying of one pilot for one full month consisting of sixty-five or more Credited Hours (65:00), but not exceeding the monthly flight time credit limits as specified in Section 12.E.1 [Monthly Maximum]. Such block of time shall include scheduled, extra sections and non-scheduled flights as defined in “Flight Pay” in this Section.

**Block to Block**: means that period of time beginning when an aircraft first moves from the ramp blocks for the purpose of flight or repositioning and ending when the aircraft comes to a stop at the ramp blocks at the next intermediate stop, final destination or point of departure, as the case may be, and all aircraft engines are shut down or the crew is allowed to leave the aircraft. For the purpose of calculating pilot pay only, “Block to Block” or “Flight Time” shall be defined as follows:

1. **Block Out**: that period of time beginning with the earlier of:
   a. aircraft movement (measured when all upper deck doors are closed and the parking brake is released), or
   b. engine start sequence initiated (measured by oil pressure) for the purpose of flight or repositioning

2. **Block In**: ending when the aircraft comes to a stop at the ramp blocks at the next intermediate stop, final destination or point of departure, as the case may be, and the latest of:
   a. any upper deck door open, or
   b. all engines shut down (measured by oil pressure), or
   c. the crew is allowed to leave the aircraft.

**Calendar Day**: means a twenty-four hour (24:00) period commencing at 00:01 and ending at 24:00 hours local time.

**Captain**:

1. **Duties and Responsibilities**: means an employee of the Company who is designated by the Company to be in command of the aircraft, who has authority over all crew members while on flight duty and who 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 to serve as, and holds currently effective airman’s certificates authorizing him to serve as a Captain.
2. **Position**: Holder of a Captain vacancy award and a monthly bid block which reasonably assures he will fly a block of time of more than sixty-five hours (65:00) of flying and credited time per month or holder of a monthly reserve schedule which reasonably assures he will fly a reserve schedule of less than sixty-five hours (65:00) of flying and credited time per month, consisting of Open Flying Time as defined in Sections 25.D.10 [Open Flying after Bid Awards] and 25.R [Assignment of Open Flying Time].

**Carry-In Credit**: When a pilot has a pairing that transitions two bid periods, the pairing will be split at 24:00 local. If the pilot is on duty during the 24:00 local transition, the credit for that entire duty period is applied to the previous bid period. Trip/TAFB Rig will be applied at the end of the pairing to the subsequent bid period.

**Carry-In Conflict**: overlap or contractual “conflict” (trips that touch each other).

**Cockpit Video Recorder**: means any device, equipment or system which is installed in the cockpit for the purpose of recording pictures of the pilot, aircraft component or aircraft performance.

**Cockpit Voice Recorder**: means any device, equipment, or system which monitors and/or records a pilot's voice while he is on an aircraft.

**Company**: means Alaska Airlines, Inc.

**Continuity of the Company's General Schedule**: To “Preserve the continuity of the Company’s general schedule” means to prevent, for any flight or flights, an anticipated cancellation or arrival delay of more than 15 minutes using the terminology of delay found in 14CFR§234.2.

**Control**: Control of a corporation means ownership of or power to exercise fifty (50) percent or more of the common stock of the corporation or of securities with fifty (50) percent or more of the voting power of all securities entitled to vote generally in the election of the corporation’s board of directors or equivalent governing body, or the power to appoint or elect or prevent the appointment or election of a majority of the corporation’s board of directors or equivalent governing body. Control of an entity other
than a corporation means ownership or beneficial interest in fifty (50) percent or more of the value of the aggregate interests in such entity.

**Credited Hours**: means all those hours for which a pilot receives pay and credit against his flight time credit limitations.

**Deadhead**: means travel scheduled by the Company to position a pilot.

**De-Identified Data**: means all QAR data minus the date, flight number and time of day.

**De-Identified Information**: means information minus the day, flight number and time of day, or any other data or combination of information that could be associated with a specific pilot or crew.

**Depart(ed) His Base**: means a pilot leaving his base on the first segment of a pairing.

**Domestic Flying** (for Pay Purposes): means the Company’s operation between two (2) points within the forty-eight (48) contiguous United States, Alaska and Canada but excluding Hawaii.

**Domicile**: the Pilot’s domicile is the airport at which the pilot is based.

**e.g.**: is an abbreviation meaning, “for example.”

**Eligible Dependents**: means any of the following:

1. Spouse;
2. Unmarried dependent children (at least 50% financially supported by the employee) until January 1 of the year in which he or she reaches age nineteen (19) or, if a full-time student (for at least 5 months of the year of eligibility) until January 1 of the year in which he or she reaches age 24;
3. Dependents who are incapable of self-support because of a developmental disability or physical handicap, provided proof of his or her incapacity is furnished to the Company claims administrator;
4. Domestic partner in accordance with Company policy.

**Electronic Services**: means the methods of timely transfer of information between a pilot and the Company (e.g., for scheduling purposes) via various electronic media.
Emergency: means an Act of God such as a major accident, a death or serious illness of a pilot or his family.

ETOPS: Extended-range Twin-engine Operational Performance Standards.

Extended Training: Extended training (normally Initial, Upgrade or Transition) is a period of training greater than fifteen (15) days measured from the time a pilot is scheduled to begin training until he is released from training.

First Officer:
1. Duties and Responsibilities: means an employee who is second in command of the aircraft whose duty 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 holds currently effective airman's certificates authorizing him to serve as First Officer.

2. Position: Holder of a First Officer vacancy award and a monthly bid block which reasonably assures he will fly a block of time of more than sixty-five hours (65:00) of flying and credited time per month or holder of a monthly reserve schedule which reasonably assures he will fly a reserve schedule of less than sixty-five hours (65:00) of flying and credited time per month, consisting of Open Flying Time as defined in Sections 25.D.10 [Open Flying after Bid Awards] and 25.R [Assignment of Open Flying Time].

Flag Stop: Flag Stop means an unscheduled stop to pick up passengers or freight that could not have been anticipated by the company.

Flight Data Recorder: means any on-board device, equipment or system which transmits and/or records and/or collects information (ground/in-flight) whether installed to monitor pilots, aircraft component, or aircraft performance.

Flight Pay: means hourly, international and other credited pay on scheduled, extra sections, and the following non-scheduled flights: publicity, charters, contract, scenic, attempts, rerouted flights, instruction, check flying, ferries, engine, instrument, plane and
radio test flights, experimental and airway aid test or proving flights for which pilots receive pay in accordance with pay differentials outlined in this Agreement.

**Flight Time**: see “Block to Block.”

**Flight Time Credit**: see “Credited Hours.”

**Flying Pay Purposes**: see “Flight Pay.”

**FOQA**: Flight Operations Quality Assurance

1. **FOQA Monitoring Team**: means a committee of three Alaska Airlines pilots appointed by the Company, and three Alaska Airlines ALPA pilot representatives selected by the ALPA Master Executive Council (MEC).

2. **FOQA Monitoring Team Member, ALPA Designated**: means an Alaska MEC designated member of the FOQA Monitoring Team who is able to identify a pilot associated with collected QAR data.

3. **FOQA Program, The Alaska Airlines**: A program designed to enhance flight safety through controlled analysis of recorded flight data information that is described in the Alaska Airlines Flight Operations and Quality Assurance Program document dated 13 November 1997, as it may be amended by mutual agreement of the parties.

**Identified Data**: means all QAR data which includes date, flight number and time of day.

**i.e.**: is an abbreviation meaning, “that is.”

**Illegality**: A scheduling event which would violate FAR or CBA time limitations; (Day 7, 30 in 7, rest requirements, etc.).

**Information**: means any data transmitted, recorded, or collected by use of a flight data recorder, cockpit voice recorder, cockpit video recorder or any other 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 by any such equipment.
Section 2
Definitions

**International Flying** (for Pay Purposes): means all flying other than domestic.

**Known Flying**: see "Flight Pay."

**Local Domicile Time**: means the local time at the pilot’s domicile.

**MEC**: means the Alaska Airlines Master Executive Council of the Air Line Pilots Association, International.

**Miles and MPH**: means statute miles and miles per hour respectively.

**Military Duty**: means serving in the Armed Forces of the United States of America.

**Month**: means a calendar month, except with respect to “bid periods.”

**Must, Shall, Will**: the use of these terms is interchangeable and connotes an imperative.

**OOOI**: means Out, Off, On, In, for the purposes of an ACARS time transmission.

**Open Flying Block**: means a Bid Block as constructed from known open flying after the monthly bidding and first step and second step open flying trip trades and/or bids have been concluded.

**Open Flying Time**: means all flying that becomes available after the bids are closed, including but not limited to flying dropped as the result of training, leave of absence, sickness, etc., by bid block holders and unknown flying which develops after the bidding is closed for the month.

**Operational Exceedance Event**: means an event, as determined by QAR de-identified data, indicating that an aircraft was in a situation outside of the normal agreed upon flight operations envelope tolerances as defined in Appendix B of the Alaska Airlines FOQA Program.

**Operational Routine Events**: means an event in routine operation of statistical interest such as defined in Appendix B of the Alaska Airlines FOQA Program.
**Pay Only Event**: An event or portion of an event which does not count towards Flight Time Credit or Credited Hours.

**Pilot**: means a Captain, Reserve Captain, Senior Qualified First Officer, First Officer, and Reserve First Officer, as defined herein, on the Alaska Airlines Pilot System Seniority List within the craft or class represented by the Association (the “Pilots”).

*Note: Once the position of Senior Qualified First Officer is eliminated per MOU 09-03, the definition of Pilot will no longer include Senior Qualified First Officer.*

**Pilots’ Agreement**: shall be construed to mean the Agreement between Alaska Airlines, Inc., and the Air Line Pilots in the service of Alaska Airlines, Inc., as represented by the Air Line Pilots Association, International.

**Principal Residence**: means the Principal Residence as defined in Section 121 of the Internal Revenue Code.

**Pro-Rata Table**: used for calculating reserve days off when the pilot is available for less than a complete bid period and was precluded from bidding.

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<thead>
<tr>
<th>30-day Bid Period</th>
<th>Days Available</th>
<th>Days Off</th>
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</tr>
<tr>
<td>2-3</td>
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<tr>
<td>4-6</td>
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<tr>
<td>7-8</td>
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<tr>
<td>9-11</td>
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<td>17-18</td>
<td>7</td>
<td></td>
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<tr>
<td>19-21</td>
<td>8</td>
<td></td>
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<tr>
<td>22-23</td>
<td>9</td>
<td></td>
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<tr>
<td>24-26</td>
<td>10</td>
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<td>11</td>
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<td>29-30</td>
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<table>
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<th>31-day Bid Period</th>
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<th>Days Off</th>
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<tbody>
<tr>
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<td></td>
</tr>
<tr>
<td>2-3</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>4-6</td>
<td>2</td>
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<td>9-11</td>
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<tr>
<td>12-14</td>
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<td>15-16</td>
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<td>25-26</td>
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<td></td>
</tr>
<tr>
<td>30-31</td>
<td>12</td>
<td></td>
</tr>
</tbody>
</table>

**Quick Access Recorder (QAR)**: means a device which provides easy and rapid access and storage of information collected by the Flight Data Recorder.
QAR Data: means all data which has been collected by a Quick Access Recorder (QAR).

Reserve Pilot: means a Captain or First Officer who holds a reserve schedule.

Reserve Schedule: means a planned sequence of days off and days of duty for a reserve pilot as posted by the Company on a monthly basis.

Rig: means a method of calculation for pay and credit other than actual block hours.

R.O.N.: means Remain Over Night. This describes a period of crew rest between duty periods.

Scheduled Operations: means all flying specified in the Company's General Schedule and all other known flying done on a regular basis, such as Military Air Charter (MAC) or any scheduled charter contract.

Scheduled Time: means the time specified in the Company's General Schedule and the time of all other known flying done on a regular scheduled basis, such as Military Air Charter (MAC) or any scheduled charter contract, and shall be used for flying pay purposes. In the event the scheduled time does not meet a 50% reliability factor within any three consecutive month period, the Company shall meet with the scheduling committee to improve schedule reliability.

Severe Irregular Operations: an unforeseeable or unpredictable event, or an event not within the control of the Company, including, but not limited to, severe weather, natural disasters, ATC system disruptions or other system disruptions that result in significant loss of schedule synchronization.

Examples of past and potential events qualifying as Severe Irregular Operations within this definition are:

1. Los Angeles Center evacuated due to wild fires affecting air traffic at all Southern California airports;
2. The December, 2008 snowstorm;
3. An eruptive volcanic event in the Anchorage area. Such an event would qualify if it affected ANC area departure
and arrival traffic, creating the potential to strand aircraft and crews in ANC and effecting long-haul traffic from SEA and Southeast by ash and winds aloft.

4. A freezing rain event at PDX that could close the airport for multiple days. An event such as this can strand crews and aircraft, affect schedule maintenance, and severely disrupt passengers.

5. The effect on air operations by the terrorist attack on September 11, 2001.

**Small Aircraft**: means aircraft certificated for operation in the United States with a maximum gross takeoff weight of seventy-seven thousand (77,000) pounds or less and operated with seventy-six (76) or fewer passenger seats.

**Special Qualifications Base**: see “Base.”

**Status**: means the pilot's base position as a Captain, or First Officer.

**Supervisory Pilot**: means Chief Pilot, Base Chief Pilot, Fleet Captains, and any pilot listed on the Alaska Airlines Pilot seniority list, other than an Instructor Pilot or Technical Pilot, who holds a full-time Flight Operations management or supervisory position. Supervisory pilots will not be listed on a base position list.

**Time Away From Base (TAFB)**: means the time between reporting for duty and being released from duty for an individual pairing.

**Trip Hours**: means a period that includes one (1) or more on-duty periods commencing when a pilot is required to report for such duty and continues until he is released from duty for legal rest at his domicile.

**Vacancy/Vacancies**: means a requirement at a base for a pilot to perform duties aboard Company aircraft as a flight deck crew member.

**Voluntary Senior Available (VSA)**: means a bid block holder who has made himself available for assignment on a day(s) off.
A. **Hourly Pay**

1. Effective April 1, 2013 a pilot operating a B737 type equipment shall receive hourly flying pay as follows:

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Captain</th>
<th>First Officer</th>
</tr>
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<tbody>
<tr>
<td>0 to 1</td>
<td>$169.60</td>
<td>$52.95</td>
</tr>
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<td>1 to 2</td>
<td>$170.76</td>
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<td>2 to 3</td>
<td>$172.45</td>
<td>$98.73</td>
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<td>3 to 4</td>
<td>$174.14</td>
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<td>4 to 5</td>
<td>$175.78</td>
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<td>$177.55</td>
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<td>6 to 7</td>
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<td>7 to 8</td>
<td>$183.52</td>
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<td>8 to 9</td>
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<td>10 to 11</td>
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<tr>
<td>11 and Up</td>
<td>$200.00</td>
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2. Effective April 1, 2014 a pilot operating a B737 type equipment shall receive hourly flying pay as follows:

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<thead>
<tr>
<th>Years of Service</th>
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<th>First Officer</th>
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<td>0 to 1</td>
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<td>6 to 7</td>
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<td>$203.00</td>
<td>$136.42</td>
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3. Effective April 1, 2015 a pilot operating a B737 type equipment shall receive hourly flying pay as follows:

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<td>5 to 6</td>
<td>$182.92</td>
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</tr>
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<td>6 to 7</td>
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<td>7 to 8</td>
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<tr>
<td>8 to 9</td>
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</tr>
<tr>
<td>9 to 10</td>
<td>$198.74</td>
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</tr>
<tr>
<td>10 to 11</td>
<td>$201.75</td>
<td>$135.44</td>
</tr>
<tr>
<td>11 and Up</td>
<td>$206.05</td>
<td>$138.47</td>
</tr>
</tbody>
</table>

4. Effective April 1, 2016 a pilot operating a B737 type equipment shall receive hourly flying pay as follows:

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Captain</th>
<th>First Officer</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 to 1</td>
<td>$180.85</td>
<td>$56.46</td>
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<tr>
<td>11 and Up</td>
<td>$213.26</td>
<td>$143.32</td>
</tr>
</tbody>
</table>
5. Effective April 1, 2017 a pilot operating a B737 type equipment shall receive hourly flying pay as follows:

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Captain</th>
<th>First Officer</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 to 1</td>
<td>$183.56</td>
<td>$57.30</td>
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<tr>
<td>1 to 2</td>
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<td>$90.29</td>
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<td>3 to 4</td>
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<td>6 to 7</td>
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<td>$202.94</td>
<td>$136.26</td>
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<tr>
<td>9 to 10</td>
<td>$208.78</td>
<td>$140.44</td>
</tr>
<tr>
<td>10 to 11</td>
<td>$211.95</td>
<td>$142.29</td>
</tr>
<tr>
<td>11 and Up</td>
<td>$216.46</td>
<td>$145.47</td>
</tr>
</tbody>
</table>

B. **International Pay / ETOPS Flying Override Pay**
   The following override rates shall be paid for each hour flown in international or ETOPS flying. If the flying includes both international and ETOPS flying the override is applied once:
   1. **Captain** $ 5.00 per hour
   2. **First Officer** $ 4.00 per hour

C. **Computation of Flying Hours**
   1. **Actual vs. Scheduled**: In computing the hours of a pilot for flying pay purposes, the actual time from Block to Block, or Scheduled Time, whichever is greater, shall be used on all flight segments.

   2. **Trip Rig**: Flight time/duty time ratio and trip hour ratio will be paid at no less than scheduled value as shown on the monthly bid package.

   3. **Pay Assignments**: All pay assignments will be paid and credited based on the scheduled value of the trip that was pay assigned.
4. **Charters**: For charters off Alaska Airlines routes the Scheduled Time shall be the amount of time shown on the Master Operating Plan or actual, whichever is greater.

5. **Extra Sections**: For extra sections or charters over Alaska Airlines' routes the time shall be the same as published in the Company's General Schedule for the segments used or actual whichever is greater.

D. **Performance Base Pay (PBP)**
   Pilots will participate in the Alaska Air Group Performance Based Pay plan with a target payout of 5% of eligible earnings. The terms of the PBP plan will be made available to the pilots annually.

E. **International/Hawaii Base**
   In the event a base is opened either outside the Continental United States, or the State of Alaska, Section 3 [Compensation] shall automatically be opened for renegotiation under Section 24.H.1 and 24.H.2 [Opening a New Base] of this Agreement.
A. Monthly Guarantee
   1. A pilot’s pay will be in the type of equipment assigned for the bid period and, the rates stipulated in Section 3 [Compensation].
      a. **Bid Block Holder**: shall be guaranteed pay for seventy-five hours (75:00).
      b. **Reserve**: shall be guaranteed pay of no less than seventy-five hours (75:00) for a Long Call Reserve Pilot and seventy-nine hours (79:00) for a Short Call Reserve Pilot.
      c. **Training**: For pay guarantee with respect to training of more than fifteen (15) days see Section 11.D.5.b [Training of more than fifteen (15) days].
   2. **Prorate**: If a pilot's minimum monthly guarantee has been prorated, it shall be prorated on a daily basis. In no event shall a pilot receive less pay than his Credited Hours flown or prorated minimum monthly guarantee, whichever is greater.
   3. **Pay Only**: Pay for which Flight Time Credit is not given shall be paid in addition to monthly guarantees and monthly maximums.

B. Captain Guarantee
A pilot assigned by the Company to be available as a Captain for any part of a bid period shall receive a guarantee based on Captain’s rates of pay.

C. Show, No Go
When a pilot reports for duty at his base and does not block out or deadhead, he shall receive not less than one hour (1:00) pay and credit or one for two (1:2) duty rig, whichever is greater. This pay and credit up to the full amount lost shall be in addition to the pay and credit due under Section 25.U.4 [Pay and Credit: Cancellation/Illegality/Equipment Substitution] if the trip is canceled after the pilot reports to the airport and the pilot was not able to make up or was not paid for the full amount of the time lost.

D. Multiple Equipment Flying
When a pilot is assigned to more than one (1) type of equipment in a month, his guarantee shall be based on the highest paying equipment flown by him in such month except as provided in Section 11.D.1 [Change in Status and/or Equipment].
A. **Per Diem**
   1. **Rate:** All pilots when away from their base on Company duty shall receive per diem prorated to the minute, for reimbursement of meals and incidental expenses in the amount of two dollars and fifteen cents ($2.15) per hour.

   2. **Flight duty:** Allowance shall commence when a pilot reports for duty (which shall be one hour [1:00] prior to the earlier of scheduled or actual departure time) and shall continue until fifteen minutes (0:15) after the flight terminates or when the pilot is released from duty at his base for legal rest, whichever is later.

   3. **Non-flight duty (e.g. Extended Training, CQ):** Allowance shall commence with departure by the pilot from his base and continue until his return to his base.

B. **Lodging & Transportation**
   1. **R.O.N. Lodging:** The Company will provide each pilot while on Company business away from his domicile with single occupancy lodging (one room per pilot) rated not less than First Class as defined by the Hotel and Travel Index.
      a. **Location:** Lodging at or near the airport shall not be more than twenty minutes (0:20) driving time, on average, from the pilot's arriving and departing airports as determined by the ALPA Hotel Committee and Company representatives at the time of their site visit. By mutual agreement of the Alaska Airlines MEC and the Company, the twenty minutes (0:20) definition may be waived to provide alternative accommodations.
      b. **Room Placement and Food Discount:** The Company shall request the hotel to avoid first floor accommodations, rooms near elevators or ice machines and to provide food discounts in the hotel restaurant.
      c. **Final Selection:** An ALPA Hotel Committee representative will be given the opportunity to visit new hotels under final consideration by the Company. If the ALPA Hotel Committee disagrees with the Company’s final selection the MEC may request a written explanation by the VP of Flight Operations (or his designee) detailing the reason(s) for the selection by the Company.
2. **During Duty Period Lodging**
   a. **Stopovers:** For each scheduled stopover, including scheduled stopovers at a pilot’s domicile, in excess of four hours (4:00) block to block in a single duty period, pilots shall be provided suitable hotel accommodations consisting of one (1) room for each pilot at the normal crew hotel for that location. This provision is not applicable to stopovers created by pilot combined trips (Section 25.D.2.b) or through Pilot to Pilot trades (Section 25.H.3 [Pilot to Pilot]).
   
   b. **Additional Flying due to Irregularities:** Should a pilot be assigned additional flying to the originally scheduled pairing due to irregular operations [See Section 25.V – Reassignment Away from Base: BBH] that includes a scheduled stopover of greater than four hours (4:00) the pilot shall be provided suitable hotel accommodations consisting of one (1) room for each pilot. Hotel accommodations shall be consistent with paragraph 5.B, if available. With respect to “Severe Irregular Operations” see Section 2 and Section 25.Y (Severe Irregular Operations).

3. **Transportation:** Company shall provide dependable transportation from airport to layover point and return. When transportation is not provided within / / thirty-five minutes (:35) after Block-In or within ten minutes (0:10) of the scheduled departure time from the hotel, pilots shall be reimbursed for the actual expenses incurred for transportation to or from the airport.

C. **Crew Meals**
   Hot or cold meals, furnished by the Company, served aboard Company aircraft or on the ground shall be furnished to the flight deck crew and shall be furnished at no cost to the flight deck crew.

   1. **Missing Crew Meal:** If a crew meal is scheduled and no meal is boarded, the crewmember may:
      a. Select any “purchase-on-board” item at no expense to the crewmember before the passengers are served.
      b. If no "purchase-on-board’ items are available, the crew may purchase a meal at the airport and submit an expense report for reimbursement.
2. **Problem Resolution**: The Company and the / / ALPA Crew Meal Committee Chairman shall meet at least quarterly to resolve any problems concerning crew meals.

3. **Deadhead Flights**:
   a. **Main Cabin**: Meals made available for purchase or free to passengers in the main cabin will be offered to pilots deadheading in the main cabin free of charge.
   b. **First Class**: Meals offered in first class will also be offered free of charge to a pilot deadheading in first class, if one is available. If a first class meal is not available and the main cabin is being served a meal/snack the main cabin meal/snack will be provided.

D. **Onboard Internet**
   / / Alaska Airlines onboard Internet service will be provided to deadheading Pilots free of charge.

E. **Dry Cleaning**
   Pilots on Company duty away from their base for four (4) days or more shall be allowed reasonable expenses for laundry and dry cleaning. The expense must be incurred while away from their base.

F. **Pilot in Command Authority**
   A pilot in command, while on official Company business, will be reimbursed for justifiable expenses when unusual or emergency conditions require.

G. **Documentation**
   An expense report will be filled out when necessary, for expenses other than line flying and submitted within ninety (90) days and broken down by bid period.

H. **Submission & Reimbursement**
   Submitted expenses will be paid within thirty (30) days upon receipt.
SECTION 5
Expenses

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A. **Moves at Pilot Expense**
When a pilot is transferred from one base to another as a result of being a successful bidder, he will bear his own moving expenses.

1. **Passes:** The Company shall furnish him and his Eligible Dependents positive space transportation, without displacing a full revenue passenger.

2. **Moving of Goods:** The Company shall move such pilot's household goods on Company aircraft on a space available basis, if practical.

B. **Moves at Company Expense**
The Company will pay moving expenses as specified in paragraph 6.C as follows:

1. **Newly Established Base:** To successful bidders transferring to new bases. Bases for this purpose shall be considered new for a period of six (6) months after pilots are first based there unless otherwise mutually stipulated between the Company and the Association.

2. **Displacement out of Domicile:** To a pilot who is displaced and must relocate to a new domicile, if:
   a. the pilot must transfer to avoid downgrade, or
   b. there are no positions available in a pilot's status or a lower status in his current domicile.

3. **Closing of a Base:** When the Company closes a base.

4. **Recalled Pilot:** To a furloughed pilot who is recalled for more than ninety (90) days and assigned to a base other than the base to which he had prior claim.

5. **Discontinued Position:** To a successful bidder on a vacancy whose position is discontinued for any reason within twelve (12) months after the effective date of his awarded vacancy at that base.

C. **Allowance**
Reasonable expenses which a pilot will be allowed include:

1. **Passes:** On-line Positive space transportation, without displacing a revenue passenger, for him and his Eligible Dependents as defined in Section 2 [Definitions] to the location of their Principal Residence.
2. **Enroute Expenses**: Living expenses en route for him and his Eligible Dependents as defined in Section 2 [Definitions]. If household goods are shipped under the Company's control, such expenses shall continue for a period of forty-eight hours (48:00) after his household goods arrive. If household goods are shipped under the pilot's control expenses shall continue for a period of forty-eight hours (48:00) after the arrival of his household goods or ten (10) days after his arrival at his new base, whichever is earlier.

3. **Advance**: The Company shall, if requested, advance the pilot one thousand five hundred dollars ($1,500.00) toward the reasonable actual living expenses of him and his Eligible Dependents en route until after arrival at his new base. If the one thousand five hundred dollars ($1,500.00) advance exceeds the actual reasonable expenses for this period, the pilot shall reimburse the Company. If the actual reasonable expenses are greater than one thousand five hundred dollars ($1,500.00), the Company shall reimburse the pilot. Supporting receipts shall be submitted.

4. **Mileage**: Either the IRS mileage rate for moving purpose in effect as of the date of the move, per mile, per automobile up to two (2) automobiles based on the shortest AAA mileage between locations, or the full cost of water transportation.

5. **Protocol**: The Company shall issue a purchase order to cover packing, unpacking, insurance, storage (if mutually agreeable) and transport of the pilot's household effects by common carrier up to a maximum of fifteen thousand (15,000) pounds not to include packing materials. The Company will normally prescribe or control the shipment of household goods from the time they are packed at the point of departure to the time of delivery at the point of arrival. However, the pilot may request in writing that he control the movement of such household goods. The pilot may defer the shipment of his household goods up to twenty-four (24) months subsequent to the effective date of his transfer. However, if it is deferred, the date of moving must be mutually agreeable between the Company and the pilot.

6. **Mobile Homes**: A pilot residing in a mobile home may request to have his single wide mobile home moved in lieu of
all other expenses under this Section. The pilot shall still receive On-line Positive space transportation / / without displacing a full revenue passenger, for the pilot and his Eligible Dependents as defined in Section 2 [Definitions].

D. Moving Days / /

1. Moving Principal Residence: A pilot who is moving his Principal Residence shall be allowed ten (10) uninterruptible consecutive days free of Company duty.
   a. The pilot may elect to utilize these moving days immediately prior to beginning extended training, immediately after being released from training, or in conjunction with his bid effective date:
      (1) **Before or After Training:** A Pilot who elects to take his days immediately prior to beginning extended training, or immediately after being released from training will notify Flight Crew Administration of his choice no later than the posting of monthly bids as described in Section 25 paragraph C.6 (Posting of Monthly Bids) for the bid period in which the days will be used;
      (2) **In Conjunction with the Bid Effective Date:** A Pilot who elects to take his days in conjunction with the bid effective date will:
         (a) Notify Flight Crew Administration of his preferred dates no later than the posting of monthly bids as described in Section 25 paragraph C.6 (Posting of Monthly Bids) for the bid period in which the days will be used;
         (b) Be notified of the assigned dates no later than 17:00 on the Thursday following the posting of monthly bids for the bid period in which the days will be used;
         (c) In the event of a newly established base (see paragraph D.4 below), notify Flight Crew Administration of his willingness to accept a delay.
      (3) **Mutually Agreeable Dates:** If the pilot does not elect the training or bid effective date options, he may then coordinate with Flight Crew Administration for mutually agreeable dates.
         (a) The pilot will submit his request for these dates no later than the posting of monthly bids as
described in Section 25 paragraph C.6 (Posting of Monthly Bids) for the bid period in which the days will be used; and

(b) These mutually agreeable dates will be determined no later than 17:00 on the Thursday following the posting of monthly bids for the bid period in which the days will be used.

b. The pilot will forfeit his right to these ten (10) days if;
   (1) He does not move his Principal Residence within twenty-four (24) months of the bid effective date; or
   (2) He becomes eligible again for benefits under the provisions of this section.

*See also Section 9 Paragraph B (Commuter Passes)*

2. **Not Moving Principal Residence:** A pilot who is not moving his Principal Residence shall be allowed five (5) uninterrupted consecutive days free of Company duty for the purposes of making adjustments to the pilot’s base of assignment.
   a. The pilot may elect to utilize these moving days immediately prior to beginning extended training, immediately after being released from training, or in conjunction with his bid effective date.
      (1) **Before or After Training:** A Pilot who elects to take his days immediately prior to beginning extended training, or immediately after being released from training will notify Flight Crew Administration of his choice no later than the posting of monthly bids as described in Section 25 paragraph C.6 (Posting of Monthly Bids) for the bid period in which the days will be used;
      (2) **In Conjunction with the Bid Effective Date:** A Pilot who elects to take his days in conjunction with the bid effective date will;
         (a) Notify Flight Crew Administration of his preferred dates no later than the posting of monthly bids as described in Section 25 paragraph C.6 (Posting of Monthly Bids) for the bid period in which the days will be used;
         (b) Be notified of the assigned dates no later than 17:00 on the Thursday following the posting of
monthly bids for the bid period in which the days will be used;
(c) In the event of a newly established base (see paragraph D.4 below), notify Flight Crew Administration of his willingness to accept a delay.

(3) **Mutually Agreeable Dates:** If the pilot does not elect the training or bid effective date options, he may then coordinate with Flight Crew Administration for mutually agreeable dates.
(a) The pilot will submit his request for these dates no later than the posting of monthly bids as described in Section 25 paragraph C.6 (Posting of Monthly Bids) for the bid period in which the days will be used; and
(b) These mutually agreeable dates will be determined no later than 17:00 on the Thursday following the posting of monthly bids for the bid period in which the days will be used.

b. The pilot will forfeit his right to these five (5) days at the earlier of:
(1) Ninety (90) days after the bid effective date; or
(2) When he becomes eligible again for benefits under the provisions of this section.

3. A pilot who elects to coordinate his moving days with Flight Crew Administration per paragraphs D.1.a.(3) or D.2.a.(3) above, will be provided twenty-four hours (24:00) free from all Company duty to facilitate the transition between his old Domicile and his new Domicile.

*See also Section 24 Paragraph F (Effective Date)*

4. **Newly Established Base**
   a. In the event the Company establishes a new base, and the pilot elects to utilize his moving days in conjunction with the bid effective date, the Company may delay the pilot’s moving days,
   b. The delayed moving days shall first be offered in seniority order to the pilot(s), and that offer may be declined;
   c. Should the offer of delayed moving days result in an insufficient number of pilots to meet the needs of the
Moving Expenses

newly established base, moving days will be delayed in reverse seniority order;

d. Pilots who have had their moving days delayed shall receive;
   (1) Lodging as described in Section 5 paragraph B (Lodging & Transportation) of the CBA, incident to the bid effective date or advancement for each calendar day until the transition days are provided;
   (2) Unlimited positive space travel to and from his base of prior assignment and the new base;
   (3) Transportation to and from the airport at the new base;
   (4) R.O.N per diem in the amount of one thousand dollars ($1,000) per Bid Period.

e. The benefits identified above do not apply if the pilot’s Domicile does not change.

f. Flight Crew Administration will assign the pilot his moving days prior to the closing of monthly bids as described in Section 25 paragraph C.6 (Posting of Monthly Bids) for the bid period in which the days will be used.

5. Discontinued Training: The Company bears no responsibility for additional expenses or moving days back to the pilot’s previous position if a pilot elects to take moving days prior to extended training and subsequently does not complete such training (i.e. training failure).

E. Monthly Guarantee
A pilot shall receive no less than his minimum monthly guarantee during the month in which he actually moves. There is otherwise no trip protection for trips dropped to accommodate moving days.

F. Automobile Travel
For the computation of travel time en route by automobile, four hundred (400) miles shall be considered a day's driving.

G. New Base Closure
In the event the Company opens a new domicile and, after bidding the vacancies, cancels a vacancy or vacancies within thirty (30) days prior to the effective date of the bid, or closes the base within six (6) months of the bid effective date, then, if pilot(s) have purchased a new home at the new domicile for the purpose of relocating to the new location, the Company shall purchase the
home at the pilot's cost including purchase price, closing costs, legal fees, transfer costs and loan penalties.

H. **New Hire Pilot**
A pilot newly hired by the Company shall be allowed five (5) uninterruptible consecutive days free of Company duty for purposes of making adjustments to the pilot’s base of assignment. These five (5) days will commence the first day after the pilot’s release by Training Records and prior to the pilots first assignment.
A. Accrual

1. **Number of Days**: Pilots shall earn vacation for each full calendar year of employment with the Company (including Jet America) as follows:

<table>
<thead>
<tr>
<th>Calendar Year(s) of Service</th>
<th>Vacation Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - 4</td>
<td>15</td>
</tr>
<tr>
<td>5 - 8</td>
<td>21</td>
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<td>9 - 12</td>
<td>24</td>
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<td>13 -19</td>
<td>30</td>
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<tr>
<td>20 - 24</td>
<td>35</td>
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<tr>
<td>25 - 30</td>
<td>40</td>
</tr>
<tr>
<td>&gt; 31</td>
<td>41</td>
</tr>
</tbody>
</table>

a. **New Hire Pilots**: Newly employed pilots will earn one day of vacation for each full month of employment with the Company during the remainder of the calendar year after the date of their initial employment.

b. **Minimum for Accrual**: For bid periods in which a pilot is receiving at least thirty-seven hours and thirty minutes (37:30) of compensation alone or in conjunction with other benefits, he shall accrue a full month’s earnings of vacation credits.

2. **Non-Cumulative**: Vacations shall not be cumulative and must be taken within the calendar year due, unless the vacation has been canceled and rescheduled according to paragraph 7.I, 7.J.2, or 7.L.

B. **Bidding and Awards**

1. **Bidding**: The Company will post vacations for bidding as follows:

<table>
<thead>
<tr>
<th>Vacation</th>
<th>Opens</th>
<th>Closes</th>
<th>Awards Posted</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Round</td>
<td>Sep 1</td>
<td>Sep 14</td>
<td>Sep 18</td>
</tr>
<tr>
<td>Second Round</td>
<td>Sep 19</td>
<td>Oct 2</td>
<td>Oct 6</td>
</tr>
<tr>
<td>Third Round</td>
<td>Oct 7</td>
<td>Oct 15</td>
<td>Oct 19</td>
</tr>
<tr>
<td>Fourth Round</td>
<td>Oct 20</td>
<td>Oct 28</td>
<td>Nov 1</td>
</tr>
</tbody>
</table>
a. **Positions Used**: Vacation for the following year shall be bid using the Base Position List in effect on January 1st of that year.

b. **Failure to Bid**: Pilots who fail to bid sufficient choices or days as provided above shall be assigned a vacation period after the applicable award round has been processed.

   (1) At the completion of each round, pilots who fail to bid will be assigned the minimum vacation period unless that assignment would result in a vacation balance of less than seven (7) days. In this case, the pilot will be assigned all of his remaining days.

   **Example**: A pilot who has eight (8) days of vacation remaining after the first round of vacation bidding, and who fails to bid in the second round, will be assigned an eight (8) day vacation period at the completion of the second round of vacation bidding.

   (2) **Exception**:
      
      (a) Pilots retiring in the vacation bid year may, upon written notification to Flight Crew Administration prior to bidding, elect to not bid all or part of their vacation for that year, so long as the provisions of paragraph 7.C are followed.

      (b) The deferred vacation will be paid on the February 20 check of the pilot’s retirement year or the last pay period prior to retirement if the pilot’s retirement is earlier than February 20.

c. **Start/End**: Vacations may start and end on any day of the bid period.

d. **Month to Month**: A pilot may choose a consecutive period that begins in one bid period and extends into the following bid period.

2. **New Hire Pilots**: Pilots hired after September 1st, and therefore were precluded from participating in vacation bidding, will choose their vacation from available Vacation Open Time beginning November 3rd.

3. **Allocation**: Vacation shall be granted on a calendar year basis.
a. **Allotment**: The Company shall establish sufficient vacation periods so that all pilots may utilize the vacation days they earned in the prior year.

b. **Monthly Distribution**:  
   (1) **Minimum per bid period**: Calculation = the number of vacation days, for that year, eligible to be taken for each individual BPL x 3% rounded down but not less than 20 days. This minimum may be utilized no more than three bid periods per year.
   
   Example: total Seattle B737 Captains = 11,000 vacation days; 11,000 x 3% = 330 vacation days per month.
   
   (2) **Other bid periods**: Vacations will be distributed evenly in all other bid periods. The Company may increase the allotment in a given bid period should staffing allow. The number of vacation days for each month will be evenly distributed throughout the month.

4. **Award**: Vacations shall be granted in seniority order from the Base Position List used for bidding. Awards will be posted via electronic services by 12:00 on the date indicated in paragraph B.1 above.

C. **Vacation Use**

1. **Minimum Length**: For purposes of vacation bidding a Pilot’s vacation period must be seven (7) days or more in length.

2. **Splits**: For purposes of vacation bidding Pilots may split their accrued vacation as follows:
   
   a. **Two Periods**: Pilots with fifteen (15) or more days of accrued vacation may split their vacation into two separate periods.
   
   b. **Three Periods**: Pilots with twenty-one (21) or more days of accrued vacation may split their vacation into three vacation periods.
   
   c. **Four Periods**: Pilots with twenty-eight (28) or more days of accrued vacation may split their vacation into four vacation periods.
3. **Restriction**: The Company shall not split a pilot's vacation against his wishes unless he failed to bid, he bid insufficient choices or, he bid an insufficient number of days in a given round.

4. **Bank Day Use**: Pilots with accrued banked vacation days may use those day(s) as follows:
   a. **Notice of use**: If the pilot notifies the Company of his preference prior to the date of the monthly bid posting for the month in which he wishes to use his banked vacation then the day(s) will be taken at the pilot's discretion.
   b. **After bid posting**: Banked vacation requests received after the monthly bid posting above or during a month, shall be at the Company's approval.
   c. **Sell Option**: with written notice to Flight Crew Administration a pilot may request to sell back to the Company any or all of their banked vacation days.

D. **Vacation Trading**
   1. **Vacation Open Time**: A list of the available Vacation Open Time will be posted on the appropriate electronic services and updated by 17:00 Seattle local time each Friday. Pilots will be permitted to trade their vacation periods with Vacation Open Time subject to the following rules:
      a. A pilot may only trade vacation periods with Vacation Open Time in his current base and seat;
      b. A pilot may trade any of his vacation days;
      c. A pilot must trade for an equal number of days in Vacation Open Time;
      d. Trades that conflict with a scheduled training event will not be approved;
      e. Trade requests must be submitted via email no later than the first (1st) of the month preceding the bid period in which the vacation period begins;
      f. Trade requests will be processed by the following Friday at 17:00 Seattle local time but no later than the next posting of monthly bid packages;
      g. Vacation trades will be approved on a first come first served basis;
      h. Vacation trading for the next calendar year will begin on November 3rd of the preceding year.
2. **Pilot-to-Pilot:** In addition to, but separate from, the trading of vacation detailed above, pilots may engage in pilot-to-pilot trading of vacation, subject to the following rules:
   a. Pilot-to-pilot trades must be in the same base and seat;
   b. Trades must be for an equal number of days.
   c. Trades that conflict with a scheduled training event will not be approved;
   d. Trade requests must be submitted via email no later than the first (1st) of the month preceding the bid period in which the vacation period begins.
   e. Trade requests will be processed by the following Friday at 17:00 Seattle local time but no later than the next posting of monthly bid packages.

E. **Pay and Credit**
   Vacation shall be paid at the pilot’s current hourly rate as follows:

1. **Daily Value:** Pilots shall receive three hours thirty-minutes (3:30) pay and Credit for each day of vacation up to the applicable monthly maximum, and then pay only. During an involuntary furlough, Pilots shall receive three hours thirty-minutes (3:30) pay and Credit for each day of vacation.

2. **Entire Bid Period:** A pilot who has a twenty-two (22) or more days of vacation in a single bid period shall not bid a monthly schedule. The Company may not assign the pilot activity during that bid period.

3. **Pay in lieu of Vacation:** The Company may offer pilots in a designated base, status and equipment pay in lieu of vacation on dates specified by the Company. Requests for pay in lieu of vacation shall be granted in seniority order at the applicable base, status and equipment. Such requests will be granted in seniority order prior to bidding for that period.

F. **Line Adjustment (BBH)**
   Any trip(s) conflicting with a bid block holder’s vacation will be dropped. If his vacation credit and scheduled credit for trip(s) not dropped for vacation are less than minimum monthly guarantee, he shall pick up time in order to reach or exceed minimum monthly
guarantee. If the pilot fails to do so, he will be assignable by the Company.

G. **Extra Flying**
   1. Any pilot (BBH or Reserve) may, on days covered by vacation, use their seniority to pick-up extra flying consistent with 25.H [Trip Trading], 25.P [VSA] or make himself available for training activity.
   2. **Furlough**: The provisions of this paragraph will be suspended while any pilot is on involuntary furlough.

H. **Extended Vacation**
In addition to a vacation period, pilots may extend such period(s) by receiving a non-paid voluntary vacation as follows:
   1. **Requesting**: Requests for extensions will be made in writing to the Flight Crew Administration Manager.
   2. **Availability**: The Company, based upon staffing, shall control the availability of extended vacation.
   3. **Requirement**: All extended vacation periods must be attached to a pilot’s vacation.
   4. **Benefits**: A pilot on extended vacation is entitled to all benefits afforded other active pilots.

I. **Cancellation**
The Company will provide sixty (60) days written notice when canceling a pilot’s vacation. Such notice shall not be required in case of an Emergency, as defined in Section 2 or as a result of paragraph 7.J.1.
   1. **Reschedule**: Vacations canceled by the Company shall be rescheduled within thirty (30) days from the date the pilot receives notification, receipt acknowledged advising the pilot of such cancellation. The vacation will be rescheduled based upon pilot preference in the twelve (12) month period following the original vacation.
      a. **Not Cancelable**: A rescheduled vacation is non-cancelable.
      b. **Financial Loss**: Any unavoidable financial loss for canceled reservations incurred by a pilot as the result of the cancellation of his vacation by the Company shall
immediately be fully reimbursed by the Company when supported by receipts.

c. **Failure to reschedule:** A pilot who fails to reschedule his vacation within the thirty (30) day requirement will be assigned a vacation period with at least sixty (60) days written notice.

2. **Sell Option:** In the event of the cancellation of a pilot’s vacation, the pilot may elect to sell his vacation back to the Company in lieu of rescheduling the vacation period(s).

J. **Training Conflict**
Should a conflict occur between a pilot’s vacation period and a required “extended training program” (i.e. Initial, Transition, Upgrade, Variant, Downgrade), the following shall apply:

1. **Delay:** In the event a pilot is awarded a position in accordance with his bid preference, such vacation period will be rescheduled within thirty (30) days from the date the pilot receives notification of this conflict. The vacation will be rescheduled based upon pilot preference from remaining available periods in the twelve (12) month period following the original vacation.

2. **Cancellation:** In the event the Company assigns training to a pilot because of a displacement or reduction, and as a result cancels a pilot’s vacation, paragraph 7.H applies.

3. **Sell Option:** In lieu of rescheduling the delayed or cancelled vacation period, the pilot may elect to sell the vacation period back to the Company, or sell just that portion in conflict with the training period back to the Company and use as vacation the portion not in conflict with training.

K. **Contactability**
No pilot shall be required to keep the Company advised of his whereabouts while on vacation.

L. **Base Position List Change**
When a pilot is awarded a vacation period and then changes his base position prior to using his vacation, the transferred pilot can be required by Flight Crew Administration to select a new vacation period. If the transferred pilot is required to select a new vacation period, in lieu of doing so, the pilot may elect to sell the vacation
period back to the Company. Alternatively, the pilot may sell a portion of this vacation period back to the Company and reschedule the remaining days in coordination with Flight Crew Administration.

M. **Separation from Employment**
A pilot who separates employment shall be paid for all vacation days earned and not yet received as of the last day of employment. In the event of death, such vacation days earned shall be paid to the deceased pilot’s estate.

1. **Probation**: Vacation compensation will not be paid to pilots terminated prior to completion of three hundred sixty-five (365) days of active service.

2. **Advance Notice Requirement**: Any pilot who intends to leave the Company’s employ will give the Company a minimum of thirty (30) days written notice in advance of such action. Failure to comply will result in loss of vacation pay. This requirement does not apply to Pilots on LTD who reach Normal Retirement Eligibility, or Pilots reaching mandatory retirement age.
A. **Seating Accommodations**

Pilots, when deadheading on any flight under order of the Company, shall be furnished positive space cabin transportation as follows:

1. **Deadhead Over Five Hours:**
   a. First class seating will be mandatory when any one (1) deadhead flight segment is scheduled to exceed five hours (5:00) block-to-block.
   b. First class seating will also be mandatory for all flight segments when a combination of consecutive deadhead segments is scheduled to exceed five hours (5:00) block to block and a flying segment immediately follows the deadhead segments within the same duty period.

2. **Deadhead Five Hours or Less:** Seating will be provided in the following order with respect to deadheads of five hours (5:00) or less, unless described in A.1 above.
   a. First Class, if available.
      (1) **First Class Availability:** First class seating shall be made available to deadheading pilots provided first class revenue passengers are not displaced.
      (2) **Priority:** Priority for first class seating among deadheading pilots shall be granted by rank (e.g., Captain, First Officer, etc.).
   b. If First Class is not available then a reclining exit row aisle or window seat (preference stated by pilot), if available.
   c. If neither a First Class nor exit row seat is available, then a reclining aisle or window seat, (preference stated by pilot), forward of the over wing exit row will be assigned.
   d. If a pilot does not have a flying segment following his deadhead segment in the same duty period, then seating will be based on availability if seating per paragraph 8. A.2.a-c above would cause displacement of passengers.

B. **Return to Base Provision – Flight Time Limitations**

When a pilot reaches any flight time limitation, he shall be provided positive space transportation to return him to his base as soon as possible, which may not be the first departing flight.

C. **Pay and Credit**

1. **Flight:** A pilot scheduled or assigned by the Company for a deadhead flight, shall receive 100% pay and 50% Flight Time Credit for such deadhead time. Such pay shall be at the
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Deadheading

applicable rates for pilots as stipulated in Section 3 [Compensation] and 4 [Pay Guarantee].

2. **Surface Transportation:** A pilot scheduled or assigned by the Company for deadheading via surface transportation, shall receive thirty-minutes (0:30) pay and credit for each hour or portion thereof, or one-half (1/2) the scheduled flight time between the two (2) points, whichever is greater. Such time shall be compensated for at applicable rates for pilots as stipulated in Section 3 [Compensation] and 4 [Pay Guarantee].

3. **Training:** See Section 11.D.7 [Deadhead to/from Training]

D. **Rest**

Rest for pilots deadheading is outlined in Section 12.D [Rest].

E. **Exceptions to Scheduled Deadhead**

Pilots are expected to deadhead as scheduled, however exceptions to scheduled deadhead are permitted as specified below:

1. **First Segment of a Trip:** Pilots who are scheduled to deadhead on the first segment(s) of their trip may deadhead space available (pleasure) on the flight of their choice and/or report for duty at the station where their first flight segment originates.

   a. **Pilot Responsibility:** Pilots who choose one (1) of these options are responsible for being in place with legal rest for their first flight segment and will be responsible for their own alternative travel arrangements, at no cost to the Company (e.g. hotel transfers, service fees).

   b. **Notification to Scheduling:** Pilots will advise scheduling of their choice upon check-in as originally scheduled.

   c. **Pay and Credit:** The pilot will receive pay and credit as if they deadheaded on the originally scheduled flight.

2. **Last Segment of a Trip:** Pilots deadheading to their base on the final segment of a trip may request to be released from duty with the Company in the city from which the deadhead originates.

   a. **Requirement and Approval:** The request will be approved by Pilot Scheduling if no other flying duty is assigned when the request is made.
b. **Pay, Credit and Rest:** The pilot will receive pay, credit and rest as if they deadheaded on the originally scheduled flight.

F. **Aircraft Type Limitations**
Flight deadhead shall only occur on multi-engine aircraft operated under instrument flight rules.
A. **Passes**

1. **Active Pilots:** Pilots and their eligible dependents shall be granted the same on-line, interline, and special pass travel programs (e.g. Employee Designated Guest, Employee Choice Travel, or any similar but differently labeled programs) as all other employees in accordance with Company policy (System Regulations).

2. **Retired Pilots:** To the extent permitted by the law and interline agreement(s), retired pilots and their eligible dependents shall be granted the same on-line and interline pass privileges as active pilots.
   a. In addition to the above, retired pilots will receive the greatest of:
      (1) Ten (10) guest passes annually; or
      (2) Fifty percent (50%) of active pilot guest passes; or
      (3) Retiree pass privileges given to any other work group
   b. Retired pilots may be excluded from other special pass privileges if those privileges are not offered to the retirees of the other work groups.
   c. A retired pilot's on-line boarding priority shall be based on his date of hire within his boarding category.

3. **Eligibility:**
   a. The following are eligible for pass travel privileges:
      (1) Spouse;
      (2) Unmarried dependent children (at least 50% financially supported by the employee) until January 1 of the year in which he or she reaches age nineteen (19) or, if a full-time student (for at least 5 months of the year of eligibility) until January 1 of the year in which he or she reaches age 24;
      (3) Dependents who are incapable of self-support because of a developmental disability or physical handicap, provided proof of his or her incapacity is furnished to the Company claims administrator;
      (4) Parent;
      (5) Domestic Partner in accordance with Company policy.
   b. **Survivor Pass Travel Privileges:** The eligible dependents of a pilot who dies while in the employ of the Company and the eligible dependents of a retiree, provided the retiree was eligible for passes, shall be granted on-line and interline (where available) pass
privileges until the surviving spouse remarries, or for a dependent(s) until the dependent(s) no longer meets eligibility requirements as per 9.A.3.a.(2) & (3) above.

B. **Commuter Passes**
   When a pilot changes domiciles, he may utilize commuter passes for the purpose of commuting to and from trips, unless he has taken ten (10) moving days pursuant to Section 6.D.1 [Moving Principal Residence].
   1. **Commuter Passes:** Shall be granted on an unlimited basis to the commuting pilot and shall be identical in all respects to Space Available pleasure travel, except that they shall have precedence in boarding over other Company employee commuter programs.
   2. **Forfeiture of Moving Expenses:** After two (2) years from the effective date of the bid, continuation of the commuter pass privilege will result in the forfeiture of moving expenses by the pilot as set forth in Section 6.C [Allowance].

C. **Maintenance of Pass Policy**
   The Company shall not, during the life of this Agreement, initiate any changes that would diminish the on-line pass policy.

D. **Jump Seat**
   The Captain, in accordance with the Flight Operations Manual, has the final authority to authorize use of the flight deck jump seat on a first come, first serve basis whenever the jump seat is unoccupied.
   1. Alaska Pilots will have jumpseat priority over all space available flight deck jumpseat request(s).
   2. When a first class seat(s) would otherwise be unoccupied by a revenue, non-revenue or deadheading passenger(s), the Captain may authorize its use by a jumpseat rider(s).
   3. The multiple cabin jump seat concept will be maintained as permitted by law.
   4. The Company shall have the sole responsibility of maintaining the list of carriers whose pilots are approved for jumpseat.
5. A Pilot may list for a space available seat in the cabin and request the jumpseat on the same flight subject to the following:
   a. When the Pilot’s name is reached on the non-revenue priority list, a cabin seat will be assigned if available;
   b. If no cabin seat is available, the jumpseat will be assigned according to the flight deck jumpseat priorities contained in the Flight Operations Manual.
A. General
1. A pilot transferred to non-flying or supervisory duty shall retain and continue to accrue seniority, provided that such pilot maintains at all times a valid air line pilot certificate or certificates. If such pilot shall permit his specified certificate or certificates to lapse, he shall retain the seniority already accrued to the time of such lapse and shall have a period of not to exceed one (1) year in which to regain such specified certificate or certificates. If he does so regain such specified certificate or certificates within one (1) year, his seniority shall recommence to accrue from the date his certificate or certificates are so regained.

2. A pilot who is in a non-flying or supervisory position shall be denoted as such on the Seniority List but shall not be listed on the Base Position List.

B. Seniority Protection
When a pilot is in a non-flying or supervisory duty or is transferred to one on account of sickness or injury, he shall retain his seniority during such period of sickness or injury, whether or not he is able to maintain his air line pilot certificate or certificates required for his status, until he is able to return to flying duty or found to be unfit for such duty for a continuous period of ten (10) years.

C. Flying the Line
1. Chief Pilot, Base Chief Pilots, and Fleet Captains: These pilots shall not bid for the month but may exercise their seniority in the monthly bid step process and/or utilize Open Flying Time pick up procedures to pick up time per Section 25.H [Trip Trading]. They are not eligible for the provisions of Section 25.R [Assignment of Open Flying Time] except, he may elect to fly or be assigned prior to a trip canceling.

2. Other Management and Supervisory Pilots: Other pilot(s) from the seniority list who hold full-time Flight Operations management or supervisory positions shall not bid for the month but may exercise their seniority in the monthly bid step process and/or utilize Open Flying Time pick-up procedures to pick up time per Section 25.H [Trip Trading].
   a. Restrictions: Such pilot who does not bid and is picking up time is limited to five (5) duty periods each month and is not eligible for those provisions of Section 25.R
[Assignment of Open Flying Time] except, he may elect to fly or be assigned prior to a trip canceling.

b. **MEC Notification**: The Company will provide a list of pilots qualifying for flying under this provision updated as that roster changes. / /

3. **Technical Pilots**
   Pilot(s) from the seniority list who are identified as a Technical Pilot who are not bidding for the month may exercise their seniority in the monthly bid step process and/or utilize Open Flying Time pick-up procedures to pick up time per Section 25.H [Trip Trading].
   a. **Restrictions**: Such pilot who does not bid and is picking up time is limited to five (5) duty periods each month and is not eligible for those provisions of Section 25.R [Assignment of Open Flying Time] except, he may elect to fly or be assigned prior to a trip canceling.
   b. **MEC Notification**: The Company will provide a list of pilots qualifying for flying under this provision updated as that roster changes. / /

D. **Physical Fitness**
   Any dispute arising hereunder concerning the physical fitness of such pilot shall be settled in accordance with Section 15 [Physical Standards].

E. **Returning to the Line**
   1. If a pilot engaged in non-flying or supervisory duty returns to flying duty, he shall be covered by the provisions of Section 24.J [Prior Claim].

   2. If a pilot engaged in non-flying or supervisory duty returns to flying duty, and has unused vacation that was accrued in the previous year, will coordinate with Flight Crew Administration to take that vacation at a mutually agreeable time.
A. General

1. Notification for Extended Training: The Company shall make every reasonable effort to provide all pilots with a minimum of ten (10) days' personal advance notice for all training, but in no case shall any pilot be required to report for any training with less than forty-eight hours (48:00) personal advance notice (e.g. telephone or other acknowledged contact). Such notice shall give the type and anticipated duration of the training involved.

2. Scheduling of Training (Continuing Qualification (CQ)): CQ training will be scheduled in the following manner:
   a. Posting: A list of those pilots requiring training along with the scheduled class date(s) will be posted as follows:
      (1) Training slots will be posted at each base on the appropriate electronic services no later than (14) days prior to the posting of the monthly bid package and the affected pilots will be notified electronically in a manner verifying receipt.
      (2) Training slots will be posted for a minimum of seven (7) calendar days.
      (3) The training bid package will include:
         (a) the type of training;
         (b) the base for which training will be conducted;
         (c) the available training slots which will include dates and times;
         (d) the names of the pilots eligible for that training.
   b. Bidding: The pilot will submit his choices for the known training slots.
      (1) Bids will close at 12:00 local domicile time on the closing date specified in the training bid package. The closing date will also be the bid award date.
      (2) The pilots eligible to bid training will be determined by the number of pilots in their “early”, “base”, and “grace” months and the number of training slots available.
      (3) The number of training slots available for bidding may vary based on a variety of factors. For example, due to curriculum training requirements pilot training selections may be limited for the months of December and January to accommodate annual training curriculum “switchover”.

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(4) Pilots may not bid training slots that conflict with their scheduled vacation period.

(5) Once training slots have been awarded, pilots may request to attend ground school in another base. Pilots electing to attend ground school in another base will be responsible for their travel (including travel days) and expenses associated with the elected out of base training.

c. **Awarding:** The Company will award the most senior pilot his choice and continue in seniority order until all bids have been processed. Awards will be posted at each base on the appropriate electronic services and the affected pilots will be notified electronically in a manner verifying receipt.

(1) Pilots who have not trained previously will train in their “grace” month. The pilot’s training slot will be awarded based on his seniority relative to the available slots. Those pilots entering their “grace” month that failed to bid sufficient choices or have not been awarded a training slot will be assigned training in reverse seniority order.

(2) If all posted slots are not filled in a given month the Company will assign training to those pilots in their “base” month in reverse seniority order. If slots still remain after all base month pilots are assigned the Company will assign training to those pilots in their “early” month in reverse seniority order.

(3) Due to unplanned circumstances beyond the control of the Company (training failures, leave, SIM failure, etc.) a pilot’s awarded training date(s) may be rescheduled.

d. **Assigning:**

(1) The Company may assign CQ training for instructor pilots, FCF pilots, and if necessary those pilots returning from leave.

(2) Those pilots entering their “grace” month who have not previously trained and have vacation in that month will be assigned a training slot.

3. **Training Package:** The Training Department shall provide each pilot scheduled for training with a complete training package, i.e., itinerary, hotel, tickets, training pay claim forms, etc.
4. **Order of Extended Training Assignment**: Initial, upgrade, transition, or variant training will be accomplished as much as possible in seniority order based on the needs of the Company. Pilots, in seniority order, may defer initial, upgrade or transition training, but shall not defer such training if it causes a more junior pilot to lose his scheduled vacation.
   a. **Subsequent Bids**: In the event the Company awards additional vacancies before pilots awarded vacancies on a prior vacancy award have entered training, the forecasted dates for entering training and expected assignment shall be re-arranged in seniority order to give priority to those pilots with the earliest bid effective date, provided there are sufficient pilots available to meet operational needs.
   b. **Pay**: Any pilot who defers training will be paid in accordance with paragraph 11.D.5.

5. **General Training**: All known training, except initial, upgrade, transition, and CQ training shall be posted at each base and co-terminal and distributed electronically to the affected pilot in a manner verifying receipt concurrent with the posting of the bid packages for the following month.

6. **Unscheduled Training**: Unscheduled training requirements of three (3) days or less per individual which are required of the Company by the FAA or for operationally necessary reasons may be scheduled, at the Company's option, without posting prior to bid closing for the first month of such training requirement. However, in any subsequent month(s) that training shall be subject to paragraph 11.A.2.a.

7. **Pilot Refresher**: A pilot who has not been qualified for a period of eighteen (18) months or more shall be given sufficient simulator and/or other training to refresh his basic pilot skills.

8. **Rest**: Minimum rest prior to, in between, or after a training event shall be ten hours (10:00).

9. **Ground School Hours**: Ground school (not including simulator or training device training) shall be scheduled between the hours of 08:00 and 22:30 hours local time, and shall not exceed six hours (6:00) of classroom study per day.
This six hours (6:00) shall be interrupted by a one-hour (1:00) meal break and regular breaks. Indoctrination and Continuing Qualification (CQ) ground school may not exceed eight hours (8:00) of classroom instruction. This eight hours (8:00) shall be interrupted by a one-hour (1:00) meal break and regular breaks. Required / / ground school shall be completed before beginning simulator training.

10. **Distance Learning:**
   a. Distance learning is all training delivered outside the traditional classroom, or flight simulator setting which does not require the physical presence of a ground instructor and:
      (1) requires a documented record of completion; or
      (2) requires an examination; or
      (3) is distributed for training rather than informational purposes.
   b. Distance Learning may be conducted for Continuing Qualification. This includes qualification training in new hardware, software, or procedures related to the aircraft a pilot is qualified to operate.
      (1) Distance Learning may be conducted for other types of training such as Indoctrination and Qualification under mutual agreement with the Alaska Airlines MEC.
      (2) Distance Learning process will be in conformance with applicable FAA regulations and Advisory Circulars.
   c. **Content:**
      (1) Distance Learning curriculum development, course content, implementation, hardware requirements and technical support will be in compliance with 11.B.4 [Consensus].
      (2) **Non “Base” Month Training:** Content that is not tied to a regulatory requirement for completion in a pilot’s “base”, “early” or “grace” month shall be provided to the line pilots for completion at any time during the calendar year, or as specified within the training requirement.
      (3) **“Base” Month Training:** Content that is required to be completed within the pilot’s “base”, “early” or “grace” month shall be provided no later than thirty (30) days prior to their scheduled CQ training and can be completed by the pilot at their time of choosing
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Training

within the thirty (30) day window. This training must be completed prior to the first day of scheduled ground school.

(4) **Credited Duration:** / / 
(a) Credited duration equates to the documented delivery tool run time, including narration, and the appropriate time to assimilate the content in manageable units.
(b) Credited duration for training that cannot be measured in terms of a delivery tool run time, will be determined by reading time and the appropriate time to assimilate the content in manageable units.
(c) *When training is required of the Company by the FAA or other federal agency for operationally necessary reasons that will not allow the timeline described in paragraph “A” above to be met, that timeline is waived.*
   (i) In this event, credited duration will be determined as soon as practical thereafter using the methods outlined in this Letter of Agreement; and
   (ii) All Pilots who complete this training will be compensated based on that credited duration.
(d) The following shall apply when a run time has been established, and all or part of that training is subsequently modified.
   (i) The Alaska MEC Training Committee Chairman (“Training Committee Chairman”) will be notified.
   (ii) If, in the judgment of either the Alaska Airlines Director of Training (“Director of Training”) or Training Committee Chairman, this modification appreciably changes the duration of the distance learning event, a new credited duration will be determined using the methods outlined in this letter.
(e) The following shall apply with respect to Company established run times, or run times established by third parties such as, but not exclusively, vendors (“third party run time”):
(i) When a run time is provided by the Company or a third party, it will be forwarded to MEC Chairman or his designee in a manner verifying receipt. Five (5) business days will be provided for the Association to reject that run time.

(ii) In the event of a rejection, credited duration will be calculated using the method described in paragraph B.4 below. The provisions of paragraph “A” of this Letter of Agreement shall apply.

(f) When no run time has been provided, or a run time has been rejected pursuant to paragraph B.3 above, credited duration will be established as follows:

(i) The Company and the Association will each select five (5) Alaska Airlines Pilots who will make up the test panel for each distance learning event;

(ii) Pilots involved in the development of the training will be prohibited from participating in the test panel;

(iii) When equipment is provided by the Company for distance learning purposes, each member of the test panel will complete the distance learning event using that equipment. This testing will be conducted in an environment designed to replicate the reality of distance learning (e.g., at home, at an R.O.N. hotel);

(iv) Each member of the test panel will record the total time required to complete the distance learning event, including time used to download content, login, read directions and time lost as a result of system failures or irregularities;

(v) When each member of the test panel has completed the distance learning event, the high and low times will be eliminated and the remaining times will be averaged. This average time will be considered the credited duration of the distance learning event;
(vi) Pilots selected to the test panel will be compensated at the rate of one hundred-fifty percent (150%) of the credited duration as a pay only event;
(vii) Pilots selected to the test panel may be required to complete the training a second time due to regulatory requirements. Those Pilots will be compensated in accordance with paragraph 11.A.10.d (Compensation) of the CBA for the second training event.

d. Compensation: The pilot will be compensated at fifty-eight percent (58%) of his hourly rate as set forth in Section 3 [Compensation] based on the credited duration of the distance learning event. This compensation will be for pay only in addition to the Pilot’s total pay value for the month. Pay for distance learning will be applied to the month in which the training was performed.

(1) Any computer hardware, software, service, or peripherals uniquely required for Alaska Airlines Distance Learning will be provided at no expense to the pilot. The level of support to be provided to the pilot will be determined by mutual agreement of the ALPA Training Committee and the Alaska Airlines Training Department.

(2) Distance Learning content will be developed in accordance with Alaska Airlines corporate hardware and software standards. All content will be accessible through viewers, license agreements, or other software at no additional cost to the pilot.

(3) For those pilots unable to provide for their own access, Alaska Airlines will provide adequate facilities and equipment at the pilot domiciles to complete distance learning.

(4) Hotel Internet access will be reimbursed to the pilot for those times that he is required to perform a distance learning module by the Company.

e. Materials: Pilots will be provided with the materials and instructions to complete distance learning at the time that they are notified of their training dates.

11. Schedule: During training periods, pilots will be scheduled as follows:

a. Initial, Upgrade, Transition, or Variant Training
(1) **Ground School**: shall be scheduled on the basis of five (5) days of training and two (2) consecutive days free of all Company duty in each seven (7) consecutive days.

(2) **Simulator, Aircraft and OE**: training shall be scheduled on the basis of five (5) days of training and two (2) days (consecutive or non-consecutive) free of all Company duty in each seven (7) consecutive days.

b. **Continuing Qualification (CQ) Training**: shall be scheduled on the basis of no more than five (5) days of training and a minimum of two (2) consecutive days free of all Company duty in each seven (7) consecutive days, except this need not be followed, if:

   (1) All CQ training, excluding travel days, does not exceed six (6) consecutive days, or

   (2) All CQ training, including travel days, does not exceed seven (7) consecutive days.

12. **Extended Training Travel**: A pilot away from his domicile for training in excess of two (2) weeks shall be afforded one (1) round trip, positive space, free pass to his domicile at the end of each two (2) weeks of training.

13. **Training Personnel**:
   a. All Company training shall be done by Alaska Airlines, Inc. personnel, except:
      (1) **The Company may use manufacturer's representatives / or personnel at an outside training facility (such as United Air Lines) after consultation with Alaska Airlines MEC;**
      (2) **The Company may use third party vendor instructors (e.g., Delta Global Services) as instructors for fixed base simulator and full flight simulator, and as Simulator Seat Substitutes subject to the following:**
         (a) **The Association and the Company will mutually agree on any third party training vendor;**
         (b) **Third party vendor instructors will not be used when any pilot is on furlough;**
         (c) **Simulator Seat Substitute opportunities will first be placed in Open Time for selection by Alaska Airlines Pilots, and will remain there until 12:00 local domicile time the day prior to the event.**
(3) Retired Alaska Airlines pilots may act as instructors for fixed base simulator and full flight simulator, and as Simulator Seat Substitutes subject to the following:

(a) Selection Process:
   (i) Representatives of the Company and Association will conduct a formal interview;
   (ii) A retired Alaska Airlines pilot will not be offered a position as an instructor unless both the Company and the Association agree.

(b) Retired Alaska Airlines Pilot Instructors will not be used when any pilot is on furlough;

(c) Simulator Seat Substitute opportunities will first be placed in Open Time for selection by Alaska Airlines Pilots, and will remain there until 12:00 local domicile time the day prior to the event.

b. If recurring difficulties with a particular Third Party Vendor Instructor or Retired Alaska Airlines Pilot Instructors are identified and provided to the Vice President of Flight Operations by the Association, the Director of Flight Training and the MEC Chairman (or their designees) will meet for the purpose of identifying the nature of the recurring difficulties and determination of the appropriate course of action.

14. Dual Qualification: A line pilot shall not be required to maintain dual qualification. A line pilot changing equipment will be handled in the following manner:

a. Equipment Transition: A pilot transitioning from one (1) type of equipment to another type of equipment within a month may start such month on his prior equipment and complete the month on his new equipment. Once a pilot has successfully transitioned to his new equipment and flown a line flight (not to include operating experience), he shall not be utilized on his former equipment for the remainder of the month. It is not the intent of this paragraph to be in conflict with the provisions of Sections 24.F.2 [Bid Advances], 24.F.4 [Bid Delays], or 24.F.5 [Out of Seniority Assignments], which shall govern if utilized.

(1) Commencement of Training: A pilot who has begun initial, transition or upgrade training shall not be used for line flying until all his training is completed or terminated.
(2) **Upon Completion of Operating Experience (OE):** a pilot who then operates his former equipment in such month may not operate equipment other than the former equipment for the remainder of that month.

b. **Return to Previous Equipment:** If a pilot has transitioned from one (1) piece of equipment to another and has completed his operating experience and is then used on his prior equipment, he shall, on request, submitted in writing at least seven (7) days in advance, be afforded a check airman for his initial line flight on his new equipment.

15. **Check Airman Request**
   a. **Alternate Request:** A pilot shall have the option of requesting an alternate instructor for flight or simulator training. When requested, such request shall be granted if an alternate instructor is reasonably available.
   b. **Training Failure:** In the event a pilot fails a check ride (Line Oriented Evaluation (LOE), line check, qualification, or CQ) in an aircraft or simulator he may request that subsequent check ride(s), due him under the provisions of this Agreement, be with a different Check Pilot and an Association representative chosen by the Alaska Airlines MEC.

16. **Training Report:** Any electronic or written report of training that could reflect upon a pilot’s proficiency or professional standing (positively or negatively) must be presented to him for review prior to such report being entered in his training record. In the event a pilot is in disagreement with the Company’s report he shall state his objection in writing on the Company report. All reports shall be prepared in duplicate and the pilot shall receive a copy at the time it is presented to him for review.

17. **ALPA Day During New Hire Pilot Indoctrination:** The Association shall be afforded one (1) entire day of ground school with the new hire pilot class during the initial pilot indoctrination or qualification curriculum.
B. **Curriculum**

1. **Guidelines:** There shall be a system-wide curriculum of study and training which shall be uniform, definitely outlined and made equally available to all pilots and shall be divided as to subject and each subject shall correspond to a definite period of time. Such curriculum shall include a skeletonized outline designated to be a guide for the formulation of all basic courses. In addition, such study and training program shall be commensurate with the type of training prescribed for pilots of other carriers and shall be consistent with the latest developments of the art.

2. **Records:** When requested in writing, a pilot shall be granted a copy of his official training record upon completion of training.

3. **Industry Practice:** All pilot training, whether for initial qualification or requalification shall be commensurate with the industry in respect to the minimum times allowable on similar powered aircraft.

4. **Consensus:** Consensus on the curriculum of study and training referred to in paragraphs 11.A.10, 11.B.1 and 11.B.3 shall be reached between the Director of Training and the Training Committee Chairman. / / 
   a. That consensus will be reached no later than thirty (30) days prior to the proposed launch date for any training conducted under Section 11 [Training] of the CBA.
   b. Joint training curriculum development meetings referred to in paragraph 18.C.14 (Training Committee) of the CBA will be of adequate number and duration, and be far enough in advance of the deadline in paragraph 11.B.4.a above to allow the Training Committee Chairman time to properly review all aspects of the training, including the adequacy of the delivery vehicle.
   c. Time off to perform this review will be in accordance with paragraph 18.C.14 (Training Committee) of the CBA.

5. **Training Materials:** Training materials and manuals will be provided to the pilot thirty (30) days prior to the training start date. If notice can only be provided less than thirty (30) days prior to the training start date, training materials will be provided upon notification.
C. **Simulator**

1. **Period Limitations**: Simulator training shall not exceed a maximum of four hours (4:00) in a calendar day. Training shall consist of a maximum of two hours (2:00) at the controls (pilot flying) and two hours (2:00) observer time (pilot not flying), with a minimum of one fifteen-minute (0:15) break between periods. Two hours (2:00) briefing and one hour (1:00) debriefing, may be scheduled. Simulator crew members not being trained may operate a simulator for a maximum of four hours (4:00) in a calendar day. Ground school may be combined with training on training devices including simulators, provided such training is directly related and does not exceed a total of eight hours (8:00) elapsed time.

2. **Hours of Use**
   a. **Limitations**: There shall be no simulator training sessions (single or multiple) scheduled to begin or end (to include brief and debrief) during the hours of 01:00 to 05:00 local time.
   b. **Shift of Period**: When a pilot is scheduled to begin a simulator session that requires him to report at 05:00 or be released at 01:00 he shall have any subsequent sessions scheduled during the same time period. The pilot's next session may be advanced to the next later or earlier time period with the original period being the base time period.

   **Example 1:**
   
   First day - brief 05:00, simulator 06:00-10:00
   Second day - same or brief 08:00, simulator 10:00-14:00
   Third day - same as first day or adjusted second day
   Fourth and any subsequent days to be the same as third day

   **Example 2:**
   
   First day - brief 19:00, simulator 20:00-24:00 debrief end 01:00
   Second day - brief 15:00, simulator 16:00-20:00 debrief end 21:00
   Third day - same as first day or adjusted second day
   Fourth day and any subsequent days to be the same as third day
c. **Company Simulators:** All training of Alaska Airlines pilots done in Company operated simulators shall be accomplished between the hours of 06:00 to 20:00 local time. The hours between 20:00 to 24:00 local time may be utilized provided the hours between 06:00 and 20:00 local time are not being used for training of non Alaska Airlines pilots. Briefing and debriefing sessions shall not begin prior to 05:00 nor terminate later than 01:00 local time. A pilot shall be afforded ten hours (10:00) free of duty from debriefing to briefing.

3. **Rest:** A pilot shall receive rest as provided in paragraph 11.A.8 before beginning a simulator training period and before returning to regular flying duty.

4. **Briefing:** A pilot shall be permitted to complete any briefing not to exceed the time limits set forth in paragraph 11.C.1, given in connection with a flight simulator before being required to undertake training or checking.

5. **Seat Substitute:** Pilots filling in as a seat substitutes will do so without jeopardy with the following rules:
   a. **Oral Exam:** an oral exam in not required.
   b. **Purpose:** the purpose of having the seat substitute fly a maneuver is to evaluate the pilot-not-flying (PNF) skills of the pilot receiving training.
   c. **Proficiency:** expected skill level will be that of a competent line pilot.
   d. **Training:** if required, seat substitute will be trained to proficiency in any deficient maneuver.

6. **Simulator Device:** Flight simulators being utilized for all training and check rides shall be of the same type as equipment operated by the Company.

7. **Contract Facility:** When simulator training is performed by a contractor, Alaska Airlines' procedures shall be utilized.

8. **Training Devices (other):** Training devices e.g., CSS, CPT, or similar devices, shall be scheduled in the same manner as a simulator.
D. **Training Pay**

1. **Change in Status and/or Equipment:** The rate of pay of a pilot in training shall be based upon his present equipment and status up to the effective date of his awarded vacancy, at which time his rate of pay shall be based upon his awarded equipment and status.

2. **Training fifteen (15) days or less (normally CQ, General Flight or Variant):** All pilots shall have all conflicting trips or reserve zones dropped and will receive pay and credit for training (ground school, flight, or simulator).
   a. For training days scheduled for six hours (6:00) or less, pilots will receive pay and credit of three hours – thirty minutes (3:30) and the training session shall not exceed six hours (6:00).
   b. For training days scheduled for greater than six hours (6:00), pilots will receive pay and credit of four hours – forty minutes (4:40) and the training session shall not exceed eight hours (8:00).
   c. For the hours set forth in 2.a & b immediately above, the pilot shall receive pay and credit for each day in training up to the monthly maximum. However, should a pilot exceed the monthly maximum, he shall receive pay only for any time in training which caused him to exceed the monthly maximum.

3. **Assignability Below Minimum Guarantee:** If a Bid Block Holders (BBH) credit upon bid award posting and initial conflict adjustment is below minimum guarantee, the BBH will have the option of whether to be assignable or not. A BBH will choose after initial bids are awarded but prior to his First Step bid. The Open Flying BBH will choose when submitting his OF line bid.
   a. **Pilot who is not assignable:** receives pay and credit for flying performed plus training/travel only. If the pilot adjusts his credit value above minimum guarantee at any time during the month, he will be protected to minimum monthly guarantee provided time lost was not the result of the pilot's action.
   b. **Pilot who elects to be assignable:** is protected to minimum guarantee. The BBH will only be assignable if his line value of flying and training/travel is below
minimum guarantee after Second Step has closed. The pilot must select to be assignable (pilot must “opt in”).

(1) **Assignment Limitation:** Assignments are limited to the difference between the number of duty periods dropped and the number of days in training and travel (e.g. six [6] duty periods of flying dropped for five [5] days of training, pilot would be assignable for one duty period).

(2) **Assignment Windows:**
   (a) **BBH:** Assignment can only occur after Second Step has closed and must be assigned before OF Block construction.
   (b) **Open Flying BBH:** Assignment can only occur after OF blocks are awarded and must be assigned before Open Flying Time for that bid period becomes available.

(3) **Assignment Options/Preferences:**
   (a) When a pilot is assignable under this provision, he will submit his preferences (protection of certain days off, no all nighters, etc.) as part of his Second Step Trade request.
   (b) Crew Planning will work to meet these requests and will attempt to assign trip(s) that follow these requests in seniority order to the extent possible.
   (e) If after being assigned a trip(s) the pilot decides that the assignment was unacceptable, he may inform Pilot Scheduling prior to 10:00 on the day prior to the bid period beginning. Pilot Scheduling will remove any or all trips assigned, at the pilot’s discretion. Should the pilot select this option, he will no longer be protected to minimum guarantee but shall receive the value of all flying, training and travel days.

4. **Annual line checks:** Pay and credit for the trip(s) flown, or the scheduled value of the trip missed, whichever is greater.

5. **Extended Training (normally Initial, Upgrade or Transition):**
   a. **Training of / / fifteen (15) days or less in a bid period:** A pilot who is scheduled to be in extended training, a portion of which is less than fifteen (15) days in
any one (1) bid period, shall bid a bid block or reserve schedule.

(1) The pilot’s conflicting trips or reserve duty periods will be dropped and he will receive two hours – fifty minutes (2:50) pay and credit for each day he is assigned to training or the aggregate value of the days on which he trains, which ever is greater, up to the monthly maximum. However, should a pilot exceed the monthly maximum, he shall receive pay only for any time in training which caused him to exceed the monthly maximum.

(2) If a Bid Block Holder’s (BBH) credit after training conflict adjustments is below minimum guarantee, He will be protected to the minimum guarantee and will not be assignable.

b. **Training of more than fifteen (15) days in a bid period:** A pilot who is scheduled to be in extended training for more than fifteen (15) days in any one (1) bid period shall not bid a bid block or reserve schedule. A pilot who is precluded from bidding shall be credited with two hours and fifty minutes (2:50) per day against his monthly, quarterly and annual flight time limitations and shall be paid as follows:

(1) **Training before the effective date of the bid or assignment:**
   - (a) **Block holder on present equipment** – eighty-five hours (85:00).
   - (b) **Reserve schedule holder** – eighty-five hours (85:00).

(2) **For training after the effective date of the bid award:**
   - (a) **Monthly Pay:** The pilot shall be paid eighty-five hours (85:00) on the new equipment, provided the delay in training was not the fault of the pilot.
   - (b) **Seniority Protection:** If two or more pilots receive a bid award for an upgrade in equipment and/or status which requires like training for both (or more) pilots, and the senior pilot is retained in his current equipment and/or status while a junior pilot is trained, the senior pilot(s) shall commence receiving pay and credit for the flying his (their) seniority would entitle him (them) on
the date the junior pilot flies the line. If the senior pilot is not trained because of his own option to forego earlier training (vacation, etc.) this paragraph will not apply.

6. **Cancellation of Training**: A pilot who has been precluded from bidding a bid block due to being scheduled for training in a subsequent month and has his training canceled shall be utilized as a reserve and shall be paid for that month as provided in paragraph 11.D.5.b.(1) or (2), based upon whether or not he could have held a bid block.

7. **Deadhead to/from Training**: When a pilot is required to deadhead to and from training he shall receive three hours - thirty minutes (3:30) pay and credit for each travel day up to the monthly maximum.
   a. If a pilot is scheduled for a training event and a travel event within a single duty period limit, he shall receive:
      (1) Five hours (5:00) pay and credit for a training day of six hours (6:00) or less.
      (2) Six hours – ten minutes (6:10) pay and credit for a training day greater than six hours (6:00) but less than or equal to the maximum of eight hours (8:00).
      (3) For the hours set forth in 7.a.(1) & (2) immediately above, the pilot shall receive pay and credit up to the monthly maximum.
   b. Should a pilot exceed the monthly maximum, he shall receive pay only for any time in training or travel which caused him to exceed the monthly maximum.

8. **Furlough**: When any pilot is on involuntary furlough, all training and travel covered under this paragraph D will be for pay and Credit.

E. **Pilot Training Board**
   1. **Purpose**: There shall be a "Pilot Training Board" (hereinafter referred to as the "Board") for the purpose of:
      a. Mutually agreeing to and/or making recommendations for changes in the curriculum of study for each training program.
      b. Determining the reasonableness of the time limits set forth in such program curriculum.
c. Reviewing individual pilot’s training as to time limits specified in the curriculum and recommending disposition of individual problems.

d. Reviewing and making recommendations to the Company on any other matters relating to the Training Program.

2. **Composition:** The Board shall consist of four (4) members, two (2) who shall be selected by the Company and two (2) selected by the Alaska MEC. The Company and Association members shall be Alaska Airlines' employees familiar with pilot training. Both the Company and the Association shall each select two (2) alternate members who may act for either of their two (2) primary members.

   a. **Changes to Board Members:** Each party shall notify the other, in writing, of the selection of members and alternates who shall serve until further written notice.

   b. **Witness(es):** In the event a Training Board is convened to review a pilot's training performance, either party may invite a person who is familiar with the equipment, pilot and/or training involved who may speak on training issues under consideration.

3. **Scope & Authority**

   a. **Quorum:** Three (3) members of the Board shall constitute a quorum for the transaction of business. At all Board meetings, members present shall be entitled to one (1) vote each. If at any such meetings two (2) Company members are not present, the Company member present may cast two (2) votes and if two (2) Association members are not present the Association member present may cast two (2) votes.

   b. **Expenses:** The compensation, travel and other reasonable living expenses, if any, of members of the Board selected by the Company which are incidental to the holding of such meetings and performing functions of the Board, shall be paid by the Company. The compensation, travel and other reasonable living expenses, if any, of members of the Board selected by the Association which are incidental to the holding of such meetings and performing functions of the Board, shall be paid by the Association.
4. **Voting**: All decisions and actions taken by the Board shall be by the affirmative vote or agreement of not less than three (3) members of the Board.

5. **Alternate Process**: No decisions of the Board shall limit a pilot's right to exercise his rights under Sections 19 [Investigation & Discipline], 20 [Grievances] and 21 [System Board of Adjustment]. Evidence of the Training Board's deliberations and recommendations shall not be admissible in any proceeding under Sections 19 [Investigation & Discipline], 20 [Grievances] and 21 [System Board of Adjustment]; provided, however, that evidence of procedural compliance with Section 11 [Training] shall be admissible.

6. **Meetings**: The Board shall meet whenever it deems necessary to resolve items brought to its attention or whenever the training review process fails to resolve training deficiencies for an individual pilot.

7. **Flight Operations Training Manual**: Will be available electronically.

8. **Notification of Failures**: Company to provide notification of all training failures within three (3) business days of their occurrence to the MEC Chairman or his designee.

F. **Maneuver Validation (MV), Line Orientated Evaluations (LOE), Variant Training, or Line Checks**

1. **Evaluation Procedures**:
   a. Commencing with the scheduled brief time, eight-hours (8:00) elapsed time shall be the maximum for any simulator evaluation.
   b. No maneuvers will be given during a Variant Training, MV, or LOE other than the maneuvers required by the FAA for Alaska Airlines.
   c. Each flight station will be manned by a qualified Alaska Airlines' pilot during any check, except with the concurrence of the pilot being checked, the other flight stations may be manned by qualified instructors.
   d. Simulator Variant Training, MV and LOEs shall be given as an extension of simulator training as nearly as possible.
2. **Unsuccessful Maneuver Validation (MV) or Line Orientated Evaluation (LOE):** A pilot who fails to demonstrate the required degree of proficiency on any MV or LOE shall be treated as follows:
   a. A Training Review will be conducted and the pilot will be advised of the area(s) of deficiency. In consultation with the Instructor, the Director, Flight Training, and the Fleet Captain, the pilot will be given appropriate additional training in the area in which he failed to demonstrate acceptable proficiency, followed by a recheck. Training shall not take place on the same day as the recheck without the pilot's concurrence.
   b. If the pilot fails the recheck in paragraph 11.F.2.a, the matter shall be referred to the Association members of the Training Board who shall meet with the pilot to review his options. The requirement for a Training Board may be waived by the pilot if the Company authorizes additional training, but in no case shall the provision of additional training eliminate the requirement for a Training Board in the event of a subsequent failure.
   c. If a pilot fails the checks provided above, the Training Board may recommend demotion of the pilot to the next lower status on the same equipment or refer the case to the Chief Pilot. After reviewing all relevant information, the Chief Pilot shall take such action as he determines appropriate including dismissal of the pilot. The pilot may appeal any action taken by utilizing the procedures set forth in Sections 19 [Investigation & Discipline] and 20 [Grievances].
   d. If, on any issue, a majority of the members of the Training Board fail to agree, the Chief Pilot shall break the tie.

3. **Unsuccessful Line Check:** A pilot who fails to demonstrate the required degree of proficiency on any line check shall be treated as follows:
   a. The pilot will be given appropriate additional training (aircraft or simulator) in the area in which he failed to demonstrate acceptable proficiency, followed by a recheck. Training shall not take place on the same day as the recheck without the pilot’s concurrence. If a pilot fails to demonstrate sufficient proficiency for qualification during a recheck in a simulator as provided above, the
final decision as to his qualification or proficiency shall be based on his performance in the aircraft.

b. If the pilot fails the recheck in paragraph 3.a above, he shall have his case reviewed by the Training Board. This requirement for a Training Board may be waived by the pilot if the Company authorizes additional training, but in no case shall the provision of additional training eliminate the requirement for a Training Board in the event of a subsequent failure.

c. If a pilot fails the recheck(s) provided above, the Training Board may recommend:
   (1) Schedule additional training, and/or
   (2) Schedule an additional check, or
   (3) Offer a pilot the opportunity to qualify as a First Officer on the equipment. He shall be assigned as a First Officer on such equipment for a minimum of one (1) month but not to exceed six (6) months. At the end of such time he shall continue Captain qualification commencing at a point in the program as determined by the Board. During the period of time the pilot is assigned as a First Officer, he shall be allowed to exercise his system seniority for monthly bidding; or
   (4) Refer the case to the Chief Pilot. After reviewing all relevant information and considering the desires of the affected pilot, the Chief Pilot shall take such action as he determines appropriate. If the decision of the Chief Pilot is to return the pilot to his previous status, the pilot will choose whether to return to his previous base and status or to remain on his current equipment in a lower status; he shall be precluded from bidding a vacancy that would require him to enter the same promotion or transition training program for a period of twelve (12) months from such decision. The decision to return the pilot to a lower status will not constitute a failed attempt under paragraph 11.G.

d. The pilot may appeal any action taken by utilizing the procedures set forth in Sections 19 [Investigation & Discipline], 20 [Grievances] and 21 [System Board of Adjustment].
G. **Unsuccessful Promotion or Transition Qualification:**

1. A pilot who has successfully bid to upgrade from one status to a higher status or to transition from one type of equipment to another shall be given a maximum of two attempts to successfully complete the training and qualify for such higher status and/or new equipment.

2. **First Attempt:**
   
a. The first attempt shall consist of the normal training for upgrade, or transition which would culminate in a check for sufficient proficiency.

   b. If, during such upgrade, or transition training or check, the pilot fails to demonstrate proficiency or satisfactory progress toward proficiency, the pilot will be advised of the area(s) of deficiency. In consultation with the Instructor, Fleet Captain and/or Chief Pilot, the pilot shall be given appropriate additional training. Subsequent deficiencies during the same training attempt may be handled in accordance with paragraph 11.G.2.c.

   c. If, after utilizing the process provided in paragraph b. above, the pilot is still not able to qualify, the matter shall be referred to the Association Training Board members. The Association Training Board members will meet with the pilot to review his options. If a resolution is not reached after consulting with the pilot and conferring with the Fleet Captain, then the entire Training Board will convene and may recommend the following options:

      (1) Schedule additional training, and/or
      (2) Schedule an additional check, or
      (3) Offer a pilot, training for transition or promotion to Captain, the opportunity to qualify as a First Officer on the equipment. He shall be assigned as a First Officer on such equipment for a minimum of one (1) month but not to exceed six (6) months. At the end of such time he shall continue the same attempt at Captain training commencing at a point in the program as determined by the Board. During the period of time the pilot is assigned as a First Officer, he shall be allowed to exercise his system seniority for monthly bidding; or
      (4) Discontinue the pilot's training and return him to his previous base and status, and he shall be precluded from bidding a vacancy that would require him to
enter the same promotion or transition training program for a period of twelve (12) months from such decision (i.e., at least twelve [12] months must elapse from the Training Board’s decision to discontinue training to the bid closing date for which he would be eligible).

(5) Recommend that training be discontinued, the pilot returned to his previous status, and that it not be counted as a first attempt. This option will only be considered if the failure is due to personal reasons, instructor conflicts, illness, etc. He shall be precluded from bidding as in paragraph 11.G.2.c.(4).

3. **Second Attempt:** If, at any time following the first attempt, the pilot makes another attempt to upgrade, or transition to the same status and/or base as in the first attempt, he shall be afforded the same opportunities for training and checks as in the first attempt. If he is unsuccessful in the second attempt to qualify, his case shall be referred to the Chief Pilot for disposition. Based upon the Chief Pilot’s evaluation of the pilot’s overall record of performance, training results and any other relevant factors, the pilot shall either be returned to his previous base and/or status without any further opportunity to upgrade or transition, or he shall be dismissed. In either event, the pilot may appeal such action by utilizing the procedures set forth in Sections 19 [Investigation & Discipline] and 20 [Grievances].

4. **Pilot Option:** Notwithstanding paragraph 11.G.3 [Second Attempt], following an unsuccessful promotion or transition qualification attempt, the pilot at his option shall either return to his previous base and status, or remain in the new Base in a lower status provided he can qualify. Remaining in the new base in a lower status would constitute a down bid in
accordance with Section 24.D.6 [Down Bid Freeze]. The vacancy created from the unsuccessful promotion or transition qualification attempt shall be awarded within thirty (30) days of the pilot discontinuing training.

H. **Check Airmen: Flight and Simulator**
   1. **Maneuver Validations, LOEs, and Line Checks:** will be given by a check airman appointed by the Company and who has a minimum of one (1) year of active line flying with the Company and who is currently on the Alaska Airlines Pilot System Seniority List.

   2. **New Equipment:** For new equipment being introduced into the service of Alaska Airlines it is understood that for the initial bidders, Captain type ratings and First Officer qualifications, manufacturers or mutually agreeable check airmen may be used. Such personnel shall be trained in and utilize Alaska Airlines basic procedures.

   3. **Scheduling:** See Section 25.O [Check Airmen Limitations]

I. **Management Flight Instructors Simulator (MFIS)**
Notwithstanding the provisions of paragraph 11.A.13 [Training Personnel], the Company may utilize employees not on the Alaska Airlines Pilots' System seniority list as Management Flight Instructors Simulator (MFIS) for pilot ground school and simulator instructing. Such instructors shall complete the necessary training for familiarization with Company procedures and policies by qualified Alaska Airlines' instructors prior to being utilized as an instructor. A MFIS who receives a pilot seniority number shall be treated as a pilot who is transferred to non-flying duty under Section 10 [Non-Flying or Supervisory Duty].
A. Minimum Trip Pay and Credit
A pilot shall receive pay and Flight Time Credit for trip(s) flown using the following calculations. If more than one calculation is applicable, the greater pay and Flight Time Credit shall apply. Minimum pay and credit due under these provisions shall not apply unless the flight that the pilot reports to fly actually departs the airport of origin. If the flight does not depart, the minimum pay and Flight Time Credit provided for in Section 4.C [Show, No Go] shall be applicable.

1. Duty Period Minimum:
   a. Single Duty Period Trips: A pilot shall receive, as a minimum five hours (5:00) pay and Flight Time Credit for a single on-duty period.
   b. Multi Duty Period Trips: For a trip(s) including more than one (1) on-duty period, a pilot shall receive not less than five hours (5:00) of pay and Flight Time Credit multiplied by the number of such on-duty periods (e.g., a trip consisting of two (2) on-duty periods will be paid and credited with a minimum of ten hours (10:00); a trip consisting of three (3) on-duty periods will be paid and credited with a minimum of fifteen hours (15:00); etc.)
   c. Simulator Seat Substitution: The minimum duty period credit provisions of this paragraph apply to simulator training support assignments (“seat substitute”).

2. Duty Rig:
   a. Minimum: A pilot who flies a trip or deadheads during an on-duty period shall receive a minimum of one-hour (1:00) pay and Flight Time Credit, prorated, for each two hours (2:00) of on-duty time [1 for 2].
   b. Back Side of the Clock: For an on-duty period between the hours of 22:00-06:00 local domicile time a pilot shall receive a minimum of one hour (1:00) pay and credit for each one hour and forty-five minutes (1:45) of on-duty time [1 for 1.75]. If a pilot is on-duty for six hours (6:00) or more during the period of 22:00-06:00, then the pilot’s entire on-duty period shall be considered under the one hour (1:00) pay and credit for each one hour and forty-five minutes (1:45) of on-duty time rule [1 for 1.75].

3. Trip/TAFB Rig: A pilot who flies a trip or deadheads during a Trip Hour period shall receive a minimum of one hour (1:00) pay and Flight Time Credit, prorated, for each three hours –
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thirty minutes (3:30) of elapsed Trip Hour time [1 for 3.5], including the time a pilot is delayed being returned to his base upon reaching his maximum monthly, three (3) consecutive months, or quarterly flight time limits, whichever is applicable.

4. **Exceptions:** If non-job related reasons result in additional time away from base, such additional time shall not be included in the computation of an on-duty or trip hour period. This paragraph shall not apply in those cases where a pilot returns on his scheduled flight or he is assigned to other flying.

**B. Duty Period Limitations**

1. **05:00 – 01:59 Local Domicile Time:** When a pilot is scheduled to be on duty between the hours of 05:00 to 01:59 local domicile time, he shall not be scheduled to be on duty in excess of twelve and one-half consecutive hours (12:30) and in no case shall he be required to remain on duty in excess of fourteen consecutive hours (14:00).

2. **Window of Circadian Low (WOCL) 02:00 – 04:59 Local Domicile Time:** When a pilot is scheduled to be on duty between the hours of 02:00 to 04:59 local domicile time (WOCL), he shall not be scheduled to be on duty in excess of ten consecutive hours (10:00) and in no case shall he be required to remain on duty in excess of eleven consecutive hours (11:00). If the ALPA Scheduling Committee and Pilot Crew Planning jointly recommend a specific pairing be built in excess of ten hours (10:00) duty, Pilot Crew Planning may build the pairing. Any such pairing shall not exceed twelve hours (12:00) of duty.

   **Intent:** For trips built in excess of ten hours (10:00) under paragraph 12.B.2, a pilot will not be required to remain on duty for greater than one hour (1:00) beyond the end of the originally scheduled duty period.

   **Example:** The maximum required duty period for a scheduled duty period of ten hours and fifteen minutes (10:15) is eleven hours and fifteen minutes (11:15).

3. **Trans-Oceanic:** When a pilot is scheduled within the above limitations on a trans-ocean flight, the duty requirement which
he need not exceed shall be increased to sixteen hours (16:00).

4. **Ground Times**: Ground times shall be practical, both as originally scheduled and, if applicable, as subsequently revised.

C. **Report and Release**

1. **Start**: An on-duty period commences when a pilot is required to report for duty or to deadhead for duty prior to a flight, or actually does report for such duty or to deadhead, whichever is later, and continues until broken by a legal rest period, as specified in paragraph 12.D. Minimum reporting times are as follows:
   a. **In Base**: one hour (1:00) prior to the scheduled departure time, or
   b. **R.O.N.**: forty-five minutes (00:45) prior to the scheduled departure time, or
   c. **Deadhead**: forty-five minutes (00:45) prior to the scheduled departure time.

2. **End**: An on-duty period concludes fifteen minutes (00:15) after the block-in time of the flight/deadhead preceding legal rest.
   a. **Debrief**: This fifteen minute (00:15) period is for the purpose of debriefing or completing and submitting required reports.
   b. **Extraordinary Circumstances**: In extraordinary circumstances (e.g., when a law enforcement debrief is required, or for pilots ending an on-duty period at Ketchikan) it shall be the Captain's responsibility to advise Pilot Scheduling of the actual release time.
   c. **Ketchikan**: In Ketchikan, the release time shall be the time the ferry boat reaches the City side dock. The Company agrees that taxi service, if available, is authorized from the City side dock to hotels if there is to be more than a fifteen minute (00:15) wait for bus transport from the Airport terminal to the ferry to the hotel.

D. **Rest**

An on-duty period shall continue until broken by an off-duty period free of all duty with the Company to be computed as follows:

1. **Minimum Rest Period**: Nine hours (9:00).
Section 12
Hours of Service

a. **Landings**: If a pilot makes four (4) or more landings in an on-duty period, he shall receive an additional one hour (1:00) of rest and shall also receive an additional thirty minutes (00:30) of rest for each landing made in excess of four (4) landings.

b. **Trans-Oceanic**: When a pilot is assigned to fly a trans-ocean flight, his on-duty period may not be broken by an off-duty period of less than fourteen hours (14:00) block-in to block-out.

2. **Reserve Pilots**: Shall receive the minimum rest period calculated above, but not less than:
   a. Short call reserves: twelve hours (12:00) rest (block to block) at their base.
   b. Long call reserves: eleven hours (11:00) prior to report unless reduced in accordance with Section 25.K.1.e [Reduced Reporting].
   c. For a reserve pilot who reports for non-flying duty (e.g., standby, simulator, ground school, etc.), the off-duty period shall commence with release time.

E. **Pay and Flight Time Credit**

1. **Monthly Maximum**: Eighty-five Credited Hours (85:00) shall constitute the monthly maximum, except as modified by paragraph 12.E.1.a or other provisions in this Agreement:
   a. **Flex Up Months**: Up to six (6) bid months a year may be designated as flex up months.
      (1) During such months, the monthly guarantee as defined in Section 4.A.1.a [Bid Block Holder] and the monthly maximum as defined in paragraph 12.E.1 may be increased by up to three hours (3:00) in thirty-minute (00:30) increments. These flex up months may be used at any base and/or position during any month. The Company will have a total of fifteen hours (15:00) to flex up in each base and/or position in any calendar year.
      (2) The over-fly provisions of paragraph 12.E.1 shall remain at five hours (5:00) above the monthly maximum [e.g., eighty-eight hours (88:00) designated monthly maximum then the maximum pilot over-fly is ninety-three hours (93:00)].
b. **Furlough Protection:**
   (1) No pilot shall be placed on furlough during the three (3) months subsequent to a designated flex up month.
   (2) The Company may not designate any month as a flex up month while pilots are on furlough unless it is to facilitate the training of pilots returning from furlough.
   (3) Prior to the designation of flex up month during a furlough, the Company will meet with the Association to demonstrate how the flex will facilitate the training of pilots returning from furlough.

2. **Company Assignment:**
   a. **Limitations:** The Company may not assign a pilot a trip which would schedule (project) him over the designated monthly maximum Credited Hours in any month, except as provided in Sections 14.F.4 [Sick Leave Make-Up], or to prevent the cancellation of a trip after Sections 25.U.3.a [Alternate Trip Make-Up] and 25.R.2 [Junior Available] have been utilized.
   b. **Flight Training Credit:** The Company may add credited training time (e.g. line check) into a pilot’s projection up to the designated monthly maximum plus five hours (5:00) of pay and credit without requiring the pilot to drop a trip(s).

3. **Departing Base Limitation:**
   a. **Bid Block Holder:**
      (1) When a bid block holder is scheduled to fly a trip shown on his bid block which would schedule him to exceed the monthly maximum, he shall fly such trip, provided he is not projected to exceed the monthly maximum plus five hours (5:00) of Flight Time Credit.
      (2) When a bid block holder is scheduled to fly a trip shown in his bid block which would cause him to exceed the monthly maximum plus five hours (5:00) of Flight Time Credit, due to “overs”, he may elect to fly or drop such trip.
      (3) In no case may a pilot depart his base once his month to date Flight Time Credit has reached the monthly maximum plus five (5:00) hours.
b. **Reserve Pilots**: In no event shall a reserve pilot depart his base if he has already accrued the monthly maximum or more Credited Hours. A reserve pilot may depart his base on a trip, which when added to his accrued Flight Time Credit for the month, will cause him to exceed his monthly maximum; however, he may complete that trip provided he does not exceed the designated monthly maximum plus five hours (5:00) of pay and Flight Time Credit (inclusive of training and/or vacation pay and credit).

   (1) As an exception to paragraph 12.E.3.b, at the beginning of a bid period in which a reserve pilot has vacation and/or training, he may make a one time election to remain assignable once he has accumulated the monthly maximum inclusive of training and/or vacation pay and credit.

   (2) In no case will a reserve pilot be scheduled to exceed the monthly maximum plus five hours (5:00) in Flight Time Credit.

4. **Alternate Trip Make-up Limitation**: If a pilot loses a trip from his block of time during a month he may pick up a trip from open flying even though his total projected time for the month exceeds the designated monthly maximum hours. However, he may not pick up such open trip if his projected time exceeds the designated monthly maximum plus five hours (5:00).

5. **Month to Month Transitions**:
   a. **Bid Block Holder**: Inbound time in a new month, as a result of flying performed on a bid block of the previous month, whether voluntary or involuntary, shall be treated as part of the projection of the pilot's bid block for purposes of this paragraph, unless the added inbound time causes the total projection to exceed the designated monthly maximum plus five hours (5:00), in which case the pilot shall have the opportunity in seniority order in first and second step open flying to bring his projection below the designated monthly maximum plus five hours (5:00) but not less than the monthly pay guarantee. If the pilot does not bring his projection to or below the designated monthly maximum plus five hours (5:00), a trip(s) will be dropped (without payment to the pilot) to
bring his projection to or below the designated monthly maximum of pay and Flight Time Credit.

b. **Reserve to Bid Block Holder:**

   (1) **Illegality:** If a reserve who will be a bid block holder in the following month has not previously resolved an illegality created by reserve day(s) in the current month and a trip in the following month as provided in Section 25.D.2 [Step Trade Rules], Crew Planning will resolve the illegality.

   (2) **Assignment Limitation:** A reserve pilot who will be a block holder in the following month will not be assigned duty that extends beyond the end of his last scheduled zone of scheduling availability (ZSA) in the current month. However the reserve pilot may be given such an assignment if the assignment otherwise could be covered only by Sections 25.R.1.g, 25.R.1.h or 25.R.2 [Junior Available].

   (3) **Pay Protection due to Conflict:** If, as a result of a reserve assignment in the current month, a pilot is unable to fly a trip, or portion thereof, on his bid block in the following month, the pilot will be paid for either trip(s) flown or trip(s), or portion thereof, missed, whichever is greater.

c. **Reserve:**

   (1) **While on a trip:** A pilot who changes from a reserve pilot to a bid block holder, or from a bid block holder to reserve pilot, from one month to the next will complete any reserve day or trip on his schedule in the previous month. The pilot will be considered to be in the new monthly bid status effective midnight (00:00) local time. Any duty period that transits one month to the next will be paid and credited in the month in which the pilot was scheduled to report for such duty period.

   (2) **While on a ZSA:** Reserve to reserve transitions with ZSA changes will be managed by Crew Scheduling to restore any hours lost from a duty-free or rest period on an hour-for-hour basis. However, ZSA changes comprised of reserve days off in one month to reserve days off in the subsequent month will not restore duty free hours lost, nor will this create an additional period of short call reserve contactability. A reserve pilot may communicate to crew scheduling his
preferences as to the manner in which lost hours are restored. Crew scheduling will make its best efforts to accommodate such preferences.

d. **Domicile Change:**
   (1) **Bid Block Holder:** A Bid Block Holder who is changing Domiciles, and whose trip transits two Bid Periods, will complete any trip on his schedule in the earlier Bid Period.

   (2) **Reserve Pilot:** A Reserve Pilot who is changing Domiciles will not be assigned duty that extends beyond the end of his last scheduled zone of scheduling availability (ZSA) in the current Bid Period, and will complete that duty in the Domicile in which it was assigned.

   (3) **Positive Space Travel:** The Company will provide positive space transportation on Alaska Airlines or Horizon Airlines from the Pilot’s former domicile to the Pilot’s new domicile at the completion of his last assignment.

   *See also Section 6 Paragraph D (Moving Days)*
A. Notification to MEC
The Company will notify the Alaska Airlines MEC in writing when any leaves of absence are granted in excess of three (3) months.

B. Personal Leave
A pilot may make a written request to the Chief Pilot for a leave of absence for a period of time up to five (5) years. Any such request is subject to the written approval of the Chief Pilot. When such leave is granted, the pilot shall retain and shall continue to accrue seniority provided that during such period the pilot maintains the pilot's certificates required for his status. For a pilot on a leave of absence who would otherwise be furloughed, see Section 23 [Furlough and Recall].

C. Emergency Leave
1. Family Member(s): In the event of death, serious illness or injury of a member of a pilot's Immediate Family, a pilot may be granted up to seven (7) calendar days free of duty. These days shall be charged against a pilot's sick leave. A personal drop at the pilot's discretion in lieu of sick leave may be requested. An extension may be granted with the approval of the Chief Pilot or a Base Chief Pilot.

2. Immediate Family: For purposes of paragraph 13.C, immediate family is the employee’s spouse, qualified registered domestic partner, father, mother, sister, brother, child, mother-in-law, father-in-law, domestic partner’s parents, the employee’s grandparents and grandchildren.

3. Other Situations: Sick leave may be utilized for serious situations with the approval of the Chief Pilot.

D. Returning from Leave
1. Prior Claim: A pilot returning from an authorized leave shall be permitted to return to his former position.

2. Elimination of Prior Equipment or Status: A pilot returning from leave whose prior claim position no longer exists shall be permitted to exercise his seniority in accordance with Section 24.J [Prior Claim], and using the procedures afforded in Section 24.E.4 [Pilot Preferences] to determine his status in the Company, provided such pilot is in possession of valid certificates.
Section 13
Leave of Absence

E. **Class of Medical Certificate Limitation**
   A pilot who held the status of Captain that returns to service, but is only able to hold a Second Class medical certificate, shall have his prior claim adjusted to the next lower status of his previous position.

F. **Military Service**
   Any pilot who is now or hereafter becomes a member of a reserve component of the Armed Forces of the United States and who shall be called to active service by the United States Government, or volunteers for such military service, shall automatically be granted a leave up to the maximum duration provided by applicable law. Pilots on such leaves of absence shall retain seniority and continue to accrue longevity. Return to flight duty after such leaves will be subject to a reasonable qualifying period not to exceed six (6) months.
   1. **Training Required:**
      a. If the pilot is unqualified in his position and requires training to become qualified, his first day on payroll will be the day he presents himself to the Company. Upon notification of release from military service, the pilot will promptly notify the Company of his expected return date. The pilot must provide the Company with a copy of his notification of release from military service in accordance with applicable laws.
      b. Absent this notification, the pilot’s first day on payroll will be the day he enters training, or no longer than fourteen (14) days after he has made himself available to the Company, whichever is earlier.
   2. Paragraph 13.F is not to be in conflict with applicable laws.

G. **Maternity**
   A pilot, upon discovery that she is pregnant, shall promptly notify the Company in writing.
   1. **Continuation of Flying:** A pilot may continue to remain actively employed subject to the Company's receipt of a letter from the Pilot's medical doctor stating that she is physically fit to perform her duties without any risk resulting from her pregnancy.
2. **Illness**: A pilot may utilize sick leave benefits set forth in Section 14 [Sickness and Injury] for maternity related illness.

3. **Disability**: When the pilot is no longer able to remain actively employed, she may use all vacation credit and sick leave accrued, pro rated with Company approval, until all is exhausted or she returns to work. If the pilot is medically unable to return to work after using all sick leave and vacation benefits, she may then use the Company's Short Term Disability (STD) Income Plan for the remaining period of disability up to a maximum of twenty-six (26) weeks.

4. **Term of Leave**: A pilot shall, upon request, be granted a maternity leave of absence for the term of the pregnancy and for a period of up to six (6) months immediately following delivery. A pilot who fails to return to work within six (6) months after delivery will be deemed to have voluntarily resigned unless such pilot has furnished the Company with a request for a further extension of the leave based on her physical incapacity, with a medical doctor's certificate verifying such incapacity. In such case Section 22.G [Medical Disability] shall apply.

5. **Leave Extension**: In addition to the leave in paragraph G.4, a pilot may extend her maternity leave for up to one (1) year. The pilot must notify the Company in writing, no later than sixty (60) days prior to the end of the original leave. The time off during the leave extension will be unpaid. The pilot will retain seniority provided that during such period the pilot maintains the pilot's certificates and CQ training required for her status.

6. **Return to Service**: A pilot who fully complies with these provisions shall retain and continue to accrue seniority during the leave of absence and shall be permitted to resume her status and seniority rights upon presentation of a doctor's certificate verifying that she is physically fit to perform her duties.
A. **Banks**

1. **Primary:** Unless otherwise indicated all sick leave accrued shall be credited to the pilot’s primary sick leave bank.

2. **Secondary:** Sick leave accrued as part of rapid re-accrual under paragraph 14.B.3 and/or restoration following a Workers’ Compensation claim [Section 16] shall be placed in the secondary sick leave bank. Sick leave credit will be drawn from the secondary sick leave bank only when the primary sick leave bank has been exhausted. For use of secondary sick leave bank credit at retirement, See: Section 28.G [Unused Sick Leave at Retirement (or Death)].

B. **Accrual**

1. **Accrual Rate:** A pilot will be credited with five hours - thirty minutes (5:30) of sick leave credit to his primary sick leave bank for each month he receives compensation from Alaska Airlines for six (6) or more hours of work performed, excluding months during which he receives compensation only for non-work related activities such as profit sharing and reimbursement of expenses.
   a. **Military Pilots:** As an exception to the above, pilots on Military Leave will receive a sick leave accrual to their primary sick leave bank for each month they perform work for Alaska Airlines without regard to the six (6) hour threshold.
   b. **Sick Leave/Other Benefits Only:** Pilots will also receive a sick leave accrual to their primary sick leave bank for each month a pilot receives at least thirty two hours - thirty minutes (32:30) of sick leave compensation alone or in conjunction with other benefits.

2. **Accrual Cap:** A pilot may accrue a combined maximum of one thousand (1000) hours in his primary and secondary banks. If a pilot reaches a combined total of one thousand (1000) hours, the pilot will continue to accrue the monthly accrual in his primary bank; however his secondary bank will be reduced accordingly so as not to exceed the one thousand (1000) hour cap combined.

   *Example:* A pilot has 800 hours in his primary bank and 200 hours in his secondary bank in June 2007, in July 2007 the pilot will accrue 5:30 in his primary bank and 5:30 will be
deducted from his secondary bank for a total of 805:30 in his primary bank and 194:30 in his secondary bank. In August of 2007 the pilot will have 5:30 added to his primary bank and 5:30 deducted from his secondary bank for a total of 811 hours in his primary bank and 189 hours in his secondary bank.

3. **Rapid Re-accrual**: A pilot who was unable to report for duty as a result of sickness or injury (including a return from Long Term Disability or Disability Retirement) for sixty (60) or more consecutive calendar days, including vacation, will, upon return to active service, begin rapid re-accrual.
   a. **Rate**: The rapid re-accrual rate will be eleven hours (11:00) per month, of which five hours - thirty minutes (5:30) will be credited to the pilot’s primary sick leave bank, and five hours - thirty minutes (5:30) will be credited to his secondary sick leave bank.
   b. **Duration**: Rapid re-accrual will continue until the pilot re-accrues the sick leave credit used for the qualifying sickness or injury.

   *Example*: A pilot is on extended sick leave for 60 or more days and uses 200 sick leave credit hours. Upon his return to active service, the pilot will rapidly accrue 200 hours of sick leave credit at the rate of eleven hours (11:00) per month. One hundred (100) hours will be credited towards his “primary” sick leave bank and one hundred (100) hours towards his “secondary” sick leave bank.

4. **New Hires**: New hire pilots will be advanced sixty-six hours (66:00) of sick leave as of their date of hire and will accrue no additional sick leave during their first twelve (12) months of employment. Thereafter, normal accrual will begin.

C. **Use of Sick Leave**
   1. **Bid Block Holder**: Each bid block holder who loses flying time during any month or portion thereof because of sickness or injury, shall be paid and credited during such month the total scheduled flying time for each trip on which he was scheduled but unable to fly. Time paid as sick leave will be deducted from the pilot's total accumulated sick leave credit.
2. **Reserve Holder:** Each reserve pilot who is on sick leave shall have his sick leave credit charged with two hours - fifty minutes (2:50) for each day scheduled to be available for duty and shall be paid his guarantee. If a reserve's Credited Hours are more than or equal to his monthly guarantee, then he shall not be charged sick leave for that month.

3. **Extended Sickness/Injury:**
   a. **Entire Bid Period:** A pilot who anticipates being unavailable for an entire bid period:
      (1) May at his option, and assuming sufficient accrued sick leave credit, receive sick leave pay up to the applicable monthly maximum:
      (2) Shall not bid; and
      (3) Will notify the Flight Crew Administration Manager of his planned absence and the amount of sick leave he would like to use no later than the closing of monthly bids.
   b. **Return to Active Service:** A pilot returning to active service prior to the end of the bid period, will return in a reserve status with the appropriate amount of normal reserve days off, prorated for the days remaining [Section 2 – Pro-Rata Table]. A returning pilot’s guarantee will be pro-rated and should he be credited with time above this adjusted guarantee, that difference will be offset to his sick leave accrual.

   *For example:* A pilot returns with an adjusted guarantee of 37:30. He then flies 42:00 of credit. The pilot will reduce his sick leave usage from 37:30 to 33:00 for the days of the month out sick (Credit Time of 42:00 – Adjusted Guarantee of 37:30 = Offset of 4:30).

4. **Reduced Use of Sick Leave**
   a. A pilot on extended sick leave may utilize his sick leave on a pro rata basis to bridge to his return to work or to another benefit.
   b. A pilot receiving benefits under any State, Federal, or contractual program may supplement the benefit received with sick leave at no fewer than twenty hours (20:00) per month (less with Company approval), nor in an amount that would cause total compensation for the bid period to exceed the monthly maximum.
5. **Other Uses of**: See Section 13 [Leave of Absence]

D. **Notification**
   1. **Sickness/Injury**: Any Pilot, who is unable to report for a scheduled assignment due to sickness/injury, shall promptly notify Pilot Scheduling and he should also inform them, to the best of his knowledge, the anticipated length of time of his non-availability for duty. This includes reserve pilots who have not been assigned a flight.
   
   2. **Extended Sickness/Injury**: Any pilot who is aware that he will be unable to report for a period of seven (7) days or more, shall promptly notify Flight Crew Administration. The pilot will give the reason for his inability to report for duty and, to the best of his knowledge, the approximate date of his return to active service.
   
   3. **Sickness/Injury while away from base**: Any pilot who is unable to complete a scheduled assignment due to sickness/injury while away from base, shall promptly notify Pilot Scheduling. The following shall apply:
      a. **Pay**: The pilot will be paid for the portion of trip flown and charged sick leave for the portion not flown.
      b. **Return to Base**: The pilot will be deadheaded back to his base at the earliest opportunity when he is physically able.

E. **Proof of Sickness/Injury**
   The Company may require proof of sickness or physical injury by certificate from the pilot's physician stating the sickness or injury. The costs of securing this certificate shall be borne by the Company.

F. **Call in Well**: A Bid Block Holder who notifies Pilot Scheduling that he is unable to report for a trip due to sickness or injury and subsequently is able to perform some portion of his original pairing may elect to rejoin that pairing subject to the following rules:
   1. The Bid Block Holder may only rejoin his trip when the trip transits his Base;
   
   2. The Bid Block Holder may only rejoin his trip if it has been assigned to a Reserve Pilot and does not result in the reassignment of that Reserve Pilot prior to departure per
Section 25.M [Changing a Reserve Assignment Prior to Departure]:

3. The Bid Block Holder will be paid for the portion of the trip flown and charged sick leave for the portion not flown.

G. **Sick Leave Make-up**

1. **Methods:** A pilot who uses sick leave and/or loses pay during a month because of trip(s) missed due to sickness/injury shall be afforded the opportunity to make up lost sick leave and/or pay by selecting time from available open flying. A pilot may also make himself available for Open Flying Time assignment as per Section 25.R.1.b [Order of Assignment].

2. **Limitations:** A Pilot electing to utilize sick leave make-up on days for which he has called in sick are eligible to select from open time beginning the next Calendar Day following the first day of the pairing for which he called in sick.

   **Example:**
   a. *The pilot calls in sick on Monday for a three (3) day pairing beginning on Monday. Beginning at 00:01 local domicile time on Tuesday that Pilot could select a pairing covering any of the remaining days of the original pairing.*

   b. *The pilot calls in sick on Sunday for a three (3) day pairing beginning on Monday. Beginning at 00:01 local domicile time on Tuesday that Pilot could select a pairing covering any of the remaining days of the original pairing.*

3. **Timeframe:** If a pilot misses trip(s) due to sickness/injury and is unable to make up the trip(s) under paragraph 14.F.1 [Methods] in the same bid period he was sick/injured, the pilot shall have the next two (2) bid periods to make up the trip(s).

4. **Restoration:** A pilot who makes up time shall have his sick leave restored to his primary sick leave bank on an hour for hour basis. The pilot shall receive pay and credit for any time flown as sick leave make-up in excess of sick leave restored.
Example:

a. The pilot calls in sick for a 3 day 15 hour trip, he selects a 2 day 10 hour trip from Open Flying Time. The pilot’s primary sick leave bank is restored 10 hours.

b. The pilot calls in sick for a 2 day 10 hour trip, he selects a 3 day 15 hour trip from Open Flying Time. The pilot’s primary sick leave bank is restored 10 hours and the pilot receives 5 hours of pay and credit.

c. The pilot calls in sick for a 4 day 20 hour trip, he selects a 2 day 10 hour trip from Open Flying Time. The pilot’s primary sick leave bank is restored 10 hours. The pilot may pick up an additional trip(s) to restore the remaining 10 hours. The pilot will receive pay and credit for time flown in excess on the make-up trip(s).

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H. Annual Physical Examination
Annually, a pilot may use sick leave, up to one trip for bid Block holders or one contiguous reserve block for reserve pilots, for the purpose of submitting to a thorough clinical physical examination. A pilot taking such sick leave shall be paid in accordance with the provisions of this Section.

I. Accounting
The Company shall furnish each active pilot an accounting of his sick leave accrual as of the end of each quarter.
A. **Standards**

1. **FAA:** The physical standards required of a pilot shall be the standards established and administered by the Federal Aviation Administration, including its waiver, statement of demonstrated ability, and special issuance policies.

2. **Change in Standards:** In the event of change by the Federal Government in the method of medical certification or standards, the Association may, notwithstanding the provisions of Section 31 [Duration], give thirty (30) days written notice pursuant to Section 6 of the Railway Labor Act, as amended, for the purpose of negotiating with respect to the provisions of this Section [15].

B. **Company Medical Program**

The objective and purpose of any Company Medical Program shall be to aid and assist the pilots in maintaining their physical health and prolong their flying careers and may include a thorough clinical physical examination annually for all pilots. The pilot or his duly designated personal physician shall be furnished a copy of all medical reports affecting such pilot, if requested, and all such reports shall be confidential.

C. **Company Requested Examination**

Should the Company require a pilot to be examined, in addition to the prescribed FAA physical examinations, said examination shall be considered a Company physical examination and shall be at Company expense. The Company shall indicate to the pilot, in writing, the reason(s) for the physical examination. The pilot or his duly designated personal physician will be furnished a copy of all medical reports affecting such pilot, if requested, and all such reports shall be confidential.

D. **Failure of Company Examination**

Any pilot who fails his Company physical may, at his option, have a review of his case in the following manner:

1. **Second Opinion:** He may employ a qualified medical examiner of his own choosing and at his own expense for the purpose of conducting a physical examination for the same purpose as the physical examination made by the medical examiner employed by the Company.
2. **Findings:** A copy of the findings of the medical examiner chosen by the pilot 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, except as provided in paragraph 15.D.4.b.

3. **Dispute:** In the event that the findings of the medical examiner chosen by the pilot disagrees with the findings of the medical examiner employed by the Company, the Company will, at the written request of the pilot, ask that the two (2) medical examiners agree upon and appoint a third, qualified and neutral medical examiner, preferably a specialist, for the purpose of making a further physical examination of the pilot.

4. **Medical Board:** Such three (3) doctors, one (1) representing the Company, one (1) representing the pilot affected, one (1) the neutral doctor appointed by the Company doctor and the pilot's doctor shall constitute a board of three (3), the majority of which shall decide the case.
   
   a. **Physically Fit:** In the event a pilot is determined physically fit by the Board, he shall be returned to service and paid for such time lost in an amount which he would have ordinarily earned, had he been continued in service during such period, or;
   
   b. **Not Physically Fit:** In the event the Board determines that the pilot is not physically capable of performing his normal duties, he shall be permitted to liquidate any accrued sick leave in accordance with Section 14 [Sick Leave] and thereafter shall be subject to the provisions of Section 13 [Leave of Absence]. He shall be permitted to resume his flight status any time within ten (10) years from the date of the Board's original decision, provided that both the Company doctor and the pilot's doctor or the Board determines he meets the prescribed physical standards.
   
   c. **Compensation:** During the period the pilot is being held out of service, he shall receive his minimum monthly guarantee. Such guarantee shall be offset by any remuneration due under either paragraphs 15.D.4.a or b., but in no case shall it continue beyond ninety (90) calendar days from the opinion of the Board.
5. **Expense of Neutral**: The expense of employing a neutral medical examiner shall be borne one-half (1/2) by the pilot and one-half (1/2) by the Company. Copies of such medical examiner's report shall be furnished to the Company and to the pilot.

6. **Privileged Communication**: The information gained through the examinations and/or treatments referred to above shall be treated as "privileged communication" and no part of such examinations, treatments or records shall be disseminated to any individual, agency or any other entity without the expressed written consent of the affected pilot and in no case prior to the completion of the above five (5) steps.

E. **Withheld from Service**

If, in the opinion of the Company, a pilot's health, or physical condition, is impaired to such extent as to affect the performance of his normal duties, the Company may hold such pilot out of service and within a reasonable time state in writing to him the nature and extent of the Company's concern and direct the pilot to submit to an examination per paragraph 15.C and compensated as outlined in paragraph 15.D.4.c.
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A. **Benefits**

The cost of medical care for occupational sickness and injury or death benefit shall be paid in accordance with the appropriate state Workers’ Compensation regulations, or the Longshoreman’s and Harbor Workers Act, whichever is applicable. If more than one (1) regulation is found to be applicable, the most beneficial to the covered if living, or his dependents, if he becomes deceased, will be applied.

B. **Pay**

1. In the event that a pilot is injured or becomes ill and receives Workers’ Compensation benefits, the Pilot may supplement the benefit received with sick leave at no fewer than twenty hours (20:00) per month (less with Company approval), nor in an amount that would cause total compensation for the bid period to exceed the monthly maximum.

2. The duration of the Company compensation shall equal the pilot's sick leave balance and be expended on the same basis as sick leave. Company compensation shall end upon depletion of his sick leave bank or the end of his Workers’ Compensation.

3. Upon return to active service the pilot shall have his charged sick leave placed in his secondary sick leave bank. The restored sick leave may not be used by the pilot for the same or continuing occupational injury or illness (as determined by a physician) that triggered the original Workers’ Compensation claim.
A. **Eligibility**
A pilot who in the course of his duties for the Company, is interned or held prisoner of war or as a hostage as a result of aerial piracy or is engaged in war zone operations or who is being held as a hostage, becomes missing and whose whereabouts are unknown, this section applies.

B. **Compensation**
1. **Rate:** A pilot will be paid at the applicable monthly maximum and any war zone bonus until found alive and returned to base or death is established, or until there is sufficient presumption of death.

2. **Conditions:**
   a. **First twelve months:** A pilot who, while engaged in the course of his duties for the Company, is interned or held prisoner of war or as a hostage as a result of aerial piracy; shall be allowed compensation at the monthly maximum of flight pay in the equipment flown and any war zone bonus, for the period during which he is interned or held prisoner of war or as a hostage as a result of aerial piracy provided, however, that in the absence of knowledge on the part of the Company as to whether a pilot is alive or dead, compensation in such amounts will be allowed for a period of twelve (12) months after such pilot was last known to the Company to have been interned or held prisoner of war or as a hostage as a result of aerial piracy.
   
   b. **After twelve months:** When, after such twelve (12) month period, it has still not been established whether such pilots are alive or dead, said pilots shall be allowed compensation as specified in paragraph 17.B.1 from and after such twelve (12) month period until death is established or until there is sufficient presumption of death.

C. **Retroactivity**
In the event the pilot is later found to be alive, he shall receive retroactively the difference in pay between the total compensation (including death benefit) paid by the Company and the monthly amounts which would have been paid under paragraph 17.B.1 and such monthly pay shall then be resumed for the duration of internment or imprisonment or having been held as a hostage.
D. **Internment other than Aerial Piracy**
   Pilots who are on official company business engaged in war zone operations or who are being held as a hostage, become missing and whose whereabouts become unknown, shall be allowed compensation specified in paragraph 17.B.1 above for a period of twelve (12) months after disappearance or until such date as death is established, whichever first occurs. If, upon the expiration of the twelve (12) months period, any such pilot is still missing and his whereabouts are unknown, or if prior to that time his death is established, the Company shall pay the death benefit provided for in Section 27.L [CRAF Mission /War Zone / Combat Zone Death Benefits].

E. **Disbursement**
   The monthly compensation allowable will be disbursed by the Company in accordance with written directions from such pilots.

F. **Seniority & Longevity**
   Pilots will maintain and continue to accrue seniority and longevity for pay purposes during periods in which they are interned, held prisoner of war, missing or held as a hostage as a result of an act of aerial piracy.
A. **Notification to the Company**
   All known requests for time off for pilots to conduct union business will be provided to the Company prior to the bidding process if possible and shall only be requested by the MEC Chairman or his designee.

B. **MEC Officers**
   The MEC Chairman, MEC Vice-Chairman, and MEC Secretary/Treasurer will not be on monthly bidding status during the term of their office.
   1. **Notice of Election**: Once elected the Association will notify the Company in writing those of the pilots holding such position(s) and the length or term of these position(s).
   2. **Monthly Pay**: Such pilots will be paid / / ninety hours (90:00) plus any pay applicable to Section 11.A.9 [Distance Learning] or Section 26.U [Non-Flight Related Training/Meetings].
   3. **Line Flying**: These officers may exercise their seniority in the monthly bid step process and/or utilize Open Flying Time pick-up procedures to pick up time.
      a. **Currency Requirement**: The MEC officers will remain current in their aircraft and position during their time in office.
      b. **Minimum Requirement**: Each month they must pick up or have a training credit with a cumulative total of / / fifty-two and one-half Credited Hours (52:30). / /
      c. **Open Flying Restrictions**: These officers are not eligible for the provisions of Section 25.R.2 [Junior Available] or 25.P [VSA] but may make themselves available to be offered Open Flying Time as outlined in Section 25.R.1 [Order of Assignment].
      d. **Displacements**: Displacement for currency will not count towards this cumulative total.
   4. **Cost/Billing**: Such time away from Alaska Airlines is at no cost to the Association provided the applicable cumulative credit total is met.
      a. **Bank Option**: For those months that the credit total is exceeded (not including training credit), ALPA will bank that time in excess of that month’s cumulative requirement. The Association may carry a maximum of fifteen hours (15:00) in this MEC bank to utilize in those
months if the total Credited Hours flown by the MEC is less than the monthly cumulative requirement for that month.

b. **Rate for Billing:** If the cumulative total is not flown (plus MEC bank, if any), the Association will reimburse Alaska Airlines the difference in credit hours at the 9-10 year Captain rate of pay.

5. **Vacation:**
   a. An MEC officer may elect not to bid for vacation while in office.
   b. An MEC officer may elect, no later than December 1st, to have his vacation paid out of the year that vacation would have been used.
   c. An MEC officer who leaves office will coordinate with Flight Crew Administration to take any remaining vacation at a mutually agreeable time.

C. **Guaranteed Drops**

Association representatives will be allowed time away from Alaska Airlines to conduct Association business as follows:

1. **Monthly Bank:** The Association will be granted three-hundred (300) duty periods per Calendar Year to conduct union business associated with Alaska Airlines subject to the following:
   a. Up to twenty-five (25) duty periods may be utilized during the July, August, and December Bid Periods and the Bid Period that contains the ALPA Bi-Annual Board of Directors (BOD) Meeting:
   b. Up to thirty-five (35) duty periods may be utilized during all other Bid Periods.
   c. Except with Company approval, the Association will provide the Company sixty (60) days notice of their intent to utilize more than twenty-five (25) duty periods in a Bid Period.
   d. These duty periods are in addition to the other guaranteed drops provided for in this Section.
   e. **Duty Period Use:** The monthly allotment of duty periods will be used on a duty period for duty period basis (for trips and for reserve ZSA’s). For example, if the Association requests a pilot to be off and he drops a four (4) duty period trip, the Association will use four (4) duty
periods from the monthly bank. A three (3) duty period trip will use three (3) duty periods from the monthly bank.

f. **Increase in Bank:** The number of guaranteed monthly bank drops could increase by a maximum of four (4) duty periods when the pilot seniority list reaches 1,900 pilots and could increase by a maximum of another four (4) duty periods when the seniority list reaches 2,300 pilots.

g. **Criteria for Increase:** The criteria for establishing the number of duty periods to increase will be based upon the average number of pending reserve coverage duty periods requested by the Association on a historical basis for each seniority block period (1,500-1,900 and then again 1,901-2,300). All requests must be documented to indicate the reason for the requested drops and multiple requests for a specific day will be counted as one request.

h. **Base and Status Limitation:** Except for MEC Meetings, monthly bank drops are limited so that no more than three (3) pilots in each status and equipment being released in the Seattle base(s), two (2) pilots in the ANC, LAX and PDX base(s), and one (1) pilot in any smaller-sized base being dropped at the same time. As bases change in size, the Company and the Association may meet to discuss modifying these limitations.

i. **Cost:** These drops will be at no cost to the Association.

2. **MEC Meetings:** For the purpose of quarterly MEC Meetings, the Association may utilize eighteen (18) additional duty periods in that Bid Period. These drops will be at no cost to the Association.

3. **Executive Vice-President:** A pilot elected to an ALPA Executive Vice-President position shall also maintain longevity for pay and benefit purposes. These positions are considered part-time and the Company will allow such pilot to continue monthly bid status.

   a. **Pay and Credit:** Such pilot will receive the pay and credit for those trip(s) or reserve day(s) missed from Alaska Airlines.

   b. **Billing Procedure:** The Company will bill the local ALPA office and ALPA will reimburse Alaska Airlines the actual cost of the above absences, including the actual cost of retirement and fringe benefits, for any pilot holding this position.
4. **Negotiating Committee**: Up to six (6) members of the Negotiating Committee will be allowed duty away from Alaska Airlines for the purpose of preparation and participation in negotiations with Alaska Airlines (example: negotiations, arbitrations and implementation).

   a. **Railway Labor Act, Section 6:**

      (1) **Monthly Pay**: When Negotiating Committee members are on full-time Association business directly related to negotiations with the Company, the following shall apply:

         (a) In months when the Negotiating Committee member could have been a Bid Block holder in his base, he will receive the monthly maximum plus five hours (5:00) of Credit.

         (b) In months when the Negotiating Committee member would have been a Reserve Schedule holder in his base, he will receive the monthly maximum Credit hours.

      (2) **Cost/Billing**: For the purpose of preparation, release from duty away from Alaska Airlines may commence no more than 60-days prior to Section 6 openers. The Association will reimburse Alaska Airlines at 50% of the cost of the Negotiating Committee members’ actual hourly rates (fringe benefit costs will be carried by the Company).

      (3) **Open Time Pick-up**: Negotiating representative(s) will be allowed to exercise their seniority in the monthly bid step process Section 25.D.2 [Step Trades Rules] and/or utilize Open Flying Time pick-up procedures to maintain currency per Sections 25.H [Trip Trading].

      (4) **Assignment of Open Time**: During this period they are not eligible for those provisions of Section 25.R [Assignment of Open Flying Time].

   b. **Quarterly Meetings**: The Negotiating Committee and the Company will meet quarterly.

      (1) The Negotiating Committee members will be allowed the number of days required to attend the joint Negotiating Committee quarterly meetings (e.g. 1 day for a one day meeting, 2 days for a two day meeting).
(2) **Cost/Billing:** This time off will be reimbursed to Alaska Airlines by the Association at 50% of the cost of the Negotiating Committee members’ actual hourly rates (fringe benefit costs will be carried by the Company). Time off dropped in excess of the joint Negotiating Committee quarterly meeting will be reimbursed by the Association at 100% of the cost of the Negotiating Committee members’ actual hourly rate (fringe benefit costs will be carried by the Company).

c. **Other Negotiating Committee Business:**

(1) **Full-Time Association Business:**

(a) **Monthly Pay:**

(i) In months when the Negotiating Committee member could have been a Bid Block holder in his base, he will receive the monthly maximum plus five hours (5:00) of Credit.

(ii) In months when the Negotiating Committee member would have been a Reserve Schedule holder in his base, he will receive the monthly maximum Credit hours.

(b) **Open Time Pick-up:** Negotiating representative(s) will be allowed to exercise their seniority in the monthly bid step process Section 25.D.2 [Step Trades Rules] and/or utilize Open Flying Time pick-up procedures to maintain currency per Sections 25.H [Trip Trading].

(c) **Assignment of Open Time:** During this period they are not eligible for those provisions of Section 25.R [Assignment of Open Flying Time].

(d) **Cost and Billing:** When one or more members of the negotiating committee are on full-time Association business a protocol agreement will be developed to determine allocation of costs.

(2) **Negotiating Committee Chairman-Other Than Full-Time Association Business:**

(a) **Bid Block Holder:**

(i) The ALPA Negotiating Committee Chairman will utilize the step trading process to keep the value of his monthly Bid Block between forty hours (40:00) of Credit and the designated monthly maximum.
(ii) The ALPA Negotiating Committee Chairman will be granted those drop requests without respect to the limitations contained in the paragraphs 25.D.2.e-I of the CBA or Adequate Reserve Coverage.

(iii) Additional drops below the forty-hour (40:00) minimum will be at the mutual discretion of the MEC Chairman or his designee and the Vice President of Flight Operations or his designee.

(iv) The ALPA Negotiating Committee Chairman shall receive the monthly maximum plus five hours (5:00).

(b) Reserve Schedule Holder:

(i) The ALPA Negotiating Committee Chairman will be permitted to drop up to ten (10) reserve days of his choosing.

(ii) The ALPA Negotiating Committee Chairman will notify the manager of Crew Planning of the days he wishes to drop.

(iii) Additional drops beyond the ten (10) reserve day maximum will be at the discretion of the MEC Chairman and the Vice President of Flight Operations.

(iv) The ALPA Negotiating Committee Chairman shall receive the monthly maximum.

(3) Negotiating Committee Member-Other Than Full-Time Association Business:

Time off to conduct business referred to the Negotiating Committee by the Company or other standing Committee (in the ordinary course of its business with the Company and with the concurrence of the MEC Chairman or his designee) or by the MEC (upon notification by the MEC Chairman to the VP of Flight Operations of the need for the Negotiating Committee to meet) in situations other than those described in the preceding paragraphs of this Section, shall be granted.

(a) Time off to conduct business referred to the Negotiating Committee by the Company or other standing Committee (in the ordinary course of its business with the Company and with the concurrence of the MEC Chairman or his
designee) will be reimbursed by the Association to Alaska Airlines at 50% of the cost of the Negotiating Committee members’ actual hourly rates (fringe benefit costs will be carried by the Company).

(b) Time of to conduct business referred to the Negotiating Committee by the MEC (upon notification by the MEC Chairman to the VP of Flight Operations of the need for the Negotiating Committee to meet) will be reimbursed by the Association to Alaska Airlines at 100% of the cost of the Negotiating Committee members’ actual hourly rates (fringe benefit costs will be carried by the Company).

(c) This time off will be scheduled in a manner so as to minimize, to the extent possible, impact on the Company’s operations.

5. **Retirement Board:** Two (2) Board members will be allowed the number of days required to attend joint Retirement Board business meetings (e.g. 1 day for a one day meeting, 2 days for a two day meeting).
   a. **Cost/Billing:** This time off will be reimbursed to Alaska Airlines by the Association at 50% of the actual hourly rate. Time off dropped in excess of the joint Retirement Board meeting will be reimbursed by the Association at 100% of the actual hourly rate (fringe benefit costs will be carried by the Company).
   b. **Bank Use Option:** The Association may elect to use its monthly bank of duty periods to cover this requirement in lieu of the 50% billing.

6. **Safety Committee:** Two (2) Safety Committee members will be allowed the number of days required by the Company to attend Company safety meetings (e.g. 1 day for a one day meeting, 2 days for a two day meeting).
   a. **Cost/Billing:** The time off dropped in excess of the number of days of the Company safety meetings will be reimbursed to Alaska Airlines by the Association at 100% of the actual hourly rate (fringe benefit costs will be carried by the Company).
b. **Bank Use Option**: The Association may elect to use its monthly bank of duty periods to cover this requirement in lieu of the 100% billing.

7. **System Board Member**: A Board member off in accordance with Section 21 [System Board of Adjustment].
   a. **Cost/Billing**: This time off will be reimbursed by the Association to Alaska Airlines at 100% of the actual hourly wages (fringe benefit costs will be carried by the Company).
   b. **Bank Use Option**: The Association may elect to use its monthly bank of duty periods to cover this requirement.

8. **System Board Chairman**: The System Board Chairman shall be released for purposes of presentation of matters in Expedited Arbitration in accordance with Section 21 [System Board of Adjustment]. (e.g. 1 day for a one day hearing, 2 days for a two day hearing, etc.)
   a. **Cost/Billing**: This time off will be reimbursed by the Association to Alaska Airlines at 100% of the actual hourly wages (fringe benefit costs will be carried by the Company).
   b. **Bank Use Option**: The Association may elect to use its monthly bank of duty periods to cover this requirement.

9. **Grievance Committee/Contract Compliance Team Chairman**: The Grievance Committee Chairman and Contract Compliance Team Chairman will each be allowed to drop one (1) trip that is in conflict to attend joint settlement meetings described in section 20.B [Settlement Meetings].
   a. **Cost/Billing**: This time off will be reimbursed by the Association to Alaska Airlines at 100% of the actual hourly wages (fringe benefit costs will be carried by the Company).
   b. **Bank Use Option**: The Association may elect to use its monthly bank of duty periods to cover this requirement.

10. **ALPA Bi-Annual Board of Director (BOD) Meeting**: The Company will allow those pilots designated by the Association time off to attend ALPA’s bi-annual BOD meeting.
    a. **Additional Duty Periods**: The Association may utilize twelve (12) additional duty periods during the month of the BOD meeting to be used in coordination with MEC
Meetings drops. These drops will be at no cost to the Association.

b. Advanced Notification: The Association will notify the Company in writing one (1) month prior to the posting of the first round vacation bids advising the calendar month of the bi-annual BOD meeting for the following year and those position(s) that are expected to be in attendance at this meeting.

(1) Vacation Allotment: The Company may reduce the vacation allocations lower than those requirements in Section 7.B.2 [Allocation] for the month of the bi-annual BOD meeting to ensure adequate staffing for the operation and allow those position(s) off to attend this meeting.

(2) Distribution: By allocating these vacation periods into other months of the year, may mean that vacations will not be evenly distributed as specified in Section 7.B.2 [Allocation].

c. Names of Attendees: Ninety (90) days prior the bi-annual BOD meeting the Association will advise the Company in writing the names of those pilots it is requesting to attend this meeting.

11. Merger Committee: In the event of an officially announced merger or fragmentation involving the pilots at Alaska Airlines, the Company shall release the three (3) official pilot representatives for the purpose of preparation and participation in any seniority integration proceedings (example: negotiations, arbitrations and implementation).

a. Protocol: Prior to being released the Association and the Company will agree upon a protocol agreement outlining the length of time required to complete this task, full-time and part-time expectations, and back to work expectations.

b. Monthly Pay: 

(1) In months when the Merger Committee member could have been a Bid Block holder in his base, he will receive the monthly maximum plus five hours (5:00) of Credit.

(2) In months when the Merger Committee member would have been a Reserve Schedule holder in his base, he will receive the monthly maximum Credit hours.
c. **Currency Requirement:** The merger committee will remain current in their aircraft and status during this time.
   
   (1) **Open Time Pick-up:** Merger representative(s) will be allowed to exercise their seniority in the monthly bid step process in Section 25.D.2 [Step Trade Rules] and/or utilize Open Flying Time pick-up procedures to maintain currency per Section 25.H [Trip Trades].
   
   (2) **Restriction:** During this period they are not eligible for those provisions of Section 25.R [Assignment of Open Flying Time].
   
   d. **Cost/Billing:** This time off will be at no cost to the Association.

12. **Accident Investigation Committee:** In the event of an Alaska Airlines aircraft accident/incident investigation (as defined by the NTSB), MEC accident investigator(s) allowed to participate shall be dropped for Association business when needed to conduct NTSB Party Activity or an investigation by any government agency involving an Alaska Airlines pilot(s). This provision is limited to one (1) pilot per group meeting.

   a. **Currency Flying:** The Accident Investigation Committee will make every effort to remain current in their aircraft and position during this time.
   
   b. **Open Time Pick-Up:** Accident Investigation Committee representative(s) will be allowed to exercise their seniority in the monthly bid step process in Section 25.D.2 [Step Trade Rules] and/or utilize Open Flying Time pick-up procedures to maintain currency per Section 25.H [Trip Trades].
   
   c. **Volunteer Pick-up:** For those events that fall outside of NTSB Party Activity or investigation but are directly related to an Alaska Airlines aircraft accident/incident, another pilot may volunteer to cover a MEC accident investigator(s) trip(s) in order to attend such event. The Association has the burden of soliciting for volunteers and the pilot picking up the trip will not be under the monthly maximum limits within the contract (nor will the Company be under those applicable over maximum obligations).
   
   d. **Cost/Billing:** This time off will be at no cost to the Association.

13. **Scheduling Committee:** One (1) member of the scheduling committee will be allowed up to two (2) days off each month.
for the purpose of assisting the Company in the construction of pairings and lines.

a. **Cost/Billing:** This time will be reimbursed to the Company by the Association at 50% of the actual hourly rate. Time off dropped in excess of the two (2) days will be reimbursed by the Association at 100% of the actual hourly rate (fringe benefit costs will be carried by the Company).

b. **Bank Use Option:** The Association may elect to use its monthly bank of duty periods to cover this time in lieu of billing by the Company.

14. **Hotel Committee:** When requested by the Company, one (1) member of the hotel committee will be allowed off the number of days required by the Company to attend a hotel site inspection (e.g., 1 day for a one day visit, 2 days for a two day visit).

a. **Cost/Billing:** This time off will be reimbursed to Alaska Airlines by the Association at 50% of the actual hourly rate. Time dropped in excess of the number of days requested by the Company will be reimbursed by Association at 100% of the actual hourly rate (fringe benefit costs to be carried by the Company).

b. **Bank Use Option:** The Association may elect to use its monthly bank of duty periods to cover this time in lieu of billing by the Company.

15. **Training Committee:** When a joint training curriculum development meeting is scheduled, one (1) member of the training committee will be allowed time off to attend for the duration of the meeting (e.g., 1 day for a one day meeting, 2 days for a two day meeting).

a. **Cost/Billing:** This time will be reimbursed to the Company by the Association at 50% of the actual hourly rate. Time off dropped in excess of number of days requested by the Company will be reimbursed by the Association at 100% of the actual hourly rate (fringe benefit costs will be carried by the Company).

b. **Bank Use Option:** The Association may elect to use its monthly bank of duty periods to cover this time in lieu of billing by the Company.
D. **Pending Reserve Coverage**

Once the Association has depleted its allotment of monthly bank days the Association may request further time off from Alaska Airlines to conduct Association business. These requests are subject to adequate reserve coverage.

1. **Priority:** Once received by the Company, such requests will be processed prior to pilot trades with Open Flying Time or reserve day trades.

2. **Cost/Billing:** These requests for time off will be reimbursed by the Association to Alaska Airlines at 100% of the cost at the rate of pay of the pilot that was dropped for such absence (fringe benefit costs will be carried by the Company).

E. **ALPA National Officer**

A pilot elected to a National Office or appointed to an official capacity with the Air Line Pilots Association, shall be granted a leave for the period of time that the office is held. The pilot shall retain and continue to accrue seniority for pay purposes and longevity for pay and benefit purposes during this leave.

1. **Notification:** Once elected or appointed to a National Office, the Association will notify in writing to the Company those pilot(s) holding such position(s) and the length of term of this position(s).

2. **Process:** The Company will remove this pilot from bidding status until such term has been fulfilled.
   a. Such pilot will be paid in accordance with ALPA’s National Officer compensation policy.
   b. The Company will bill the local ALPA office and ALPA will reimburse Alaska Airlines the actual cost of such absence, including the actual cost of retirement and fringe benefits.
   c. All National Officers may maintain currency. Such pilot may exercise his seniority in the monthly bid and step process, and/or utilize Open Flying Time pick up procedures to pick up time. Any flying performed will offset the billing amount to the Association within this section (time flown in which another pilot is displaced will not offset the billing to the Association).
   d. Such pilot is not eligible for the provisions of Section 25.R [Assignment of Open Flying Time].
e. All National Officers will remain entitled to all benefits and privileges afforded to active pilots whether through the CBA or Alaska System Regulations.

F. **Billing by the Company**
   1. **Process**: The Company will bill the Association on a quarterly basis. Payments will be made to Alaska Airlines within thirty (30) days upon receipt of the reimbursement bill.

   2. **Annual Retirement/Fringe Costing**: The Company shall provide the Alaska MEC and the ALPA Finance department the actual percentage cost of the retirement and fringe benefits associated with the basic agreement, on or about each December 1st, for the following year.

   3. **Reserve Day(s)**: When a reserve day is dropped for a billable event, the Association will reimburse the Company at the rate of three hours-thirty minutes (3:30) per day.

G. **Process of Monthly Flying when not bidding a block**
   Pilots may use the step trade process or Open Flying Time to pick up time, irrespective of their base.
A. **Investigatory Interview**
   1. The Company reserves the right to engage in a disciplinary interview of a pilot upon notification of the time, place, and a general statement of the basis for the interview. As much notice as is practicable under the circumstances will be given. To the extent possible, the interview will be conducted at a time and at a location most convenient to the pilot.
   
   2. The Company reserves the right to withhold a pilot from service pending the completion of the investigatory interview and any subsequent interview or interviews of the pilot or witnesses. The pilot will be pay protected for time lost while withheld from service.
   
   3. The Company may conduct such investigation it deems appropriate and necessary under the circumstances. No limitation is imposed on the duration of the investigation. The Company has no obligation to inform the pilot as to the scope of the investigation or identity of the witnesses interviewed until a Letter of Intent issues.

B. **Notification of Intent to Discipline and Hearing Request**
   1. **Letter of Intent**: Following the Investigation described above, the Company may issue a Letter of Intent to issue discipline. / / A pilot may not be disciplined or dismissed without a Letter of Intent having first issued. The Letter of Intent must be transmitted to the pilot in a manner verifying receipt. / / The precise charge or charges against him must be set forth in the letter.
   
   2. **Request for Initial Hearing**: After receipt of / / the Letter of Intent, a pilot may then make written request to the Chief Pilot for an initial hearing thereon. Such request shall be made within ten (10) business days (defined as the twenty-four hour period of all days other than Saturday, Sunday and posted Alaska Management holidays) of the date on which receipt can be verified. / / Discipline or dismissal shall not / / be effectuated until such initial hearing (if requested) has been convened and a decision subsequently reached. / /
   
   3. **Status Pending Initial Hearing**: Subsequent to a pilot's / / receipt of the Letter of Intent, the Company may hold such pilot out of service up to the effective date of the initial hearing
decision. However, such pilot shall continue to receive pay he would have earned until the effective date of the initial hearing decision / /, except as provided in Section 19.C.5.

C. Initial Hearing

1. Timeframe: An initial hearing shall be held by the Chief Pilot or his designee within twenty (20) business days (as defined above) after the Company receives the written / / request from the pilot for an initial hearing / / per Section 19.B.2.
   a. Notification: The pilot shall be notified by the Company in / / a manner verifying receipt of the time and place of the hearing.
   b. Vacation Exceptions: The Company shall endeavor not to schedule the / / initial hearing during a pilot's vacation period. The timeframe for the initial hearing will be based off of the first day the pilot is scheduled to return to duty, however:
      (1) Company Request: Should the Company require an initial hearing during a pilot's vacation period (scheduled vacation and associated days off), any vacation days lost and any unavoidable financial loss for canceled reservations incurred by a pilot as the result of the cancellation of his vacation by the Company shall immediately be fully reimbursed by the Company when supported by receipts.
      (2) Pilot Request: Should the pilot request to hold the initial hearing during his vacation period, he then forgoes any reinstatement of lost days or financial loss.

2. Discipline Related Materials: At least two days prior to the initial hearing, the Company shall furnish the pilot and his Association representative(s) with a copy of all discipline/discharge related materials. For purposes of this paragraph, “discipline related materials“ are all materials, of any nature, relied upon by the Company in forming the Letter of Intent.

3. Presentation:
   a. The pilot shall have the right to be represented by an ALPA staff representative, including ALPA staff counsel, an
employee of the Company or by his Association representative(s).

b. The Company will cooperate with the pilot to secure the presence of witnesses. / / Witnesses who are employees of the Company shall be furnished on-line round-trip transportation by the Company for the initial hearing, and shall be released from service, subject to operational requirements, for a sufficient time to permit them to appear. / / Witnesses who are not employees of the Company, who may be called by either party, shall be furnished space available on-line round-trip transportation, subject to the provisions of Government regulations.

4. **Recording and Transcript:**
   a. Upon request, the affected pilot shall have the right to any record of the initial hearing made by or on behalf of the Company / /.
   Personal notes made by a Company representative are not a “record” within the meaning of this paragraph.

   b. If the parties mutually agree to the use of a stenographer to record all or part of any proceeding under this Section, the cost shall be shared equally. If a party elects unilaterally to employ a stenographer, the other party may obtain a copy of the record created upon reimbursing one half of the total associated cost.

5. **Decision:** Not later than ten (10) business days (as defined above) after the close of such initial hearing, the Company shall render its decision in writing respecting any such discipline or dismissal, and shall furnish the pilot, the Association and his representative(s) a copy thereof in a manner verifying receipt. / / Such discipline or dismissal may be made retroactive to the day the pilot was first held out of service.

D. **Appeal**
   A pilot shall have the right to appeal the Company’s decision following the initial hearing to the Board as provided in Section 21 [System Board of Adjustment]. Such appeal must be postmarked or delivered within thirty (30) days of the postmark date of the Company’s decision. All appeals shall conform with Section 21.E [Petitions to Board].
E. **Exoneration**

If a pilot is exonerated from disciplinary action in any manner, he shall be reinstated without loss of seniority, shall be made whole for lost earnings, all contractual benefits and privileges granted employees, and any record of such discipline shall be null and void.

F. **Disciplinary Warnings and ROD’s:**

1. **Record of Discussion:** A Record of Discussion ("ROD") made by the Chief Pilot or his designee reflecting a conversation with a pilot is not discipline. When an ROD will be created following a discussion, the pilot will be so informed. ROD’s may be introduced in the disciplinary process, including before a System Board, to establish communication with the pilot of the substance of the ROD, but not as a step in progressive discipline.

2. **Discipline:**

   (1) **Nature:** A verbal warning reduced to writing, a written warning, a letter of suspension and a letter of termination are the recognized forms of discipline.

   (2) **Notice:** When a verbal warning reduced to writing or a written warning has been issued, the pilot will be afforded the opportunity to read, acknowledge and provide a written response or rebuttal.

   (3) **Limitations:** Assuming no further discipline, no later than twenty-four (24) months from the date a verbal warning reduced to writing or a written warning issues, the warning becomes null and void and thereafter shall not be used in assessing or justifying further discipline nor for evaluating performance.

G. **Default and Extensions**

1. **Default:** All time limits within this Section shall be complied with by the Company and the pilot. If the Company does not comply with the time limits, the pilot shall have his grievance sustained. In the event the pilot fails to comply with the time limits, the Company's action shall be sustained.

   / /
2. **Extensions**: Any time limits in this Section may be extended in writing by mutual agreement of the parties.

H. **Probation**: Nothing in this Agreement shall extend the right of investigation and hearing to a pilot during his period of probation.
A. **Pre-Grievance Process**
   1. **Pre-Grievances:** Asserted breach of one or more provisions of this Collective Bargaining Agreement will be submitted to the Association electronically. The submission will lodged and issued a pre-grievance tracking number.

   2. **Timeliness:** Except for alleged violations of a continuing nature, pre-grievances must be submitted to or asserted by the Association within ninety (90) days after the grievant reasonably would have knowledge of the alleged violation. The ninety (90) day limitation does not apply to claims arising from bookkeeping errors.

   3. **Pre-Grievance Meetings:** Unless mutually agreed by the parties, they shall meet monthly to discuss and attempt to resolve all pre-grievances not yet presented for consideration or resolved.

   4. **Discipline:** Matters arising from the process detailed in Section 19 [Investigation & Discipline] of this Agreement are not subject to the Pre-Grievance and Grievance process detailed in this Section.

B. **Grievance Process**
   1. Any dispute not submitted and resolved under the Pre-Grievance process for which the Association continues to seek redress will be assigned an ALA prefixed tracking number and presented as a formal grievance.

   2. Grievances will be presented to the Chief Pilot (with a copy to Labor Relations) in a manner verifying receipt.

   3. Within ten (10) business days (as defined in paragraph 19.B.2) after receipt of the grievance, the Company shall render its decision in writing and shall furnish the pilot and his Association representative(s) a copy thereof in a manner verifying receipt.

   4. The Company’s denial of the grievance may be appealed to a System Board as provided in Section 21 [System Board of Adjustment]. Such appeal must be postmarked or delivered
within forty-five (45) days from the postmark date of the Company’s decision as outlined in Section 20.B.3 unless a longer time is mutually agreed. All appeals shall conform with Section 21.E [Petitions to Board].

C. Resolution
   1. Settlement Meeting: No grievance shall be appealed to the System Board of Adjustment until such time as the grievance has been presented for consideration at a settlement meeting and that meeting has not produced a resolution. By mutual agreement, the grievance settlement meeting will be facilitated by the National Mediation Board Office of Alternative Dispute Resolution.

   2. Participants: The settlement meeting will be attended by the Chief Pilot (or his designee), Labor Relations and/or other Company representatives and by the ALA MEC Grievance Committee Chairman or his designee.

   3. Agreements Providing Monetary Payment: Settlement agreements providing for monetary payment to a grievant or grievants will be paid not later than sixty (60) calendar days from the date they are entered unless otherwise agreed. On the sixty-first (61st) calendar day following the agreement, an additional ten percent (10%) of the unpaid amount or ten dollars (whichever is greater) shall be added to the award, unless there is a good faith dispute regarding the specific amount owed. If the settlement agreement, as adjusted, is not paid by the seventy-second (72nd) calendar day, the matter will proceed to a System Board which will convert the settlement agreement into an award and will then exercise jurisdiction to determine whether the monetary award, as adjusted, is sufficient to remedy the violation asserted in the grievance.

   4. Agreements Regarding Non-Monetary Issues: Settlement agreements requiring action of a non-monetary nature (e.g. grant of sick leave accrual) shall indicate their effective date. If the agreement has not been implemented by the effective date, the Association may within thirty (30) days, provide notice to the Company of its intent to proceed to a System Board on the failure to implement the agreed
settlement. The jurisdiction of the System Board will solely be to convert the settlement agreement into an award.

D. General

1. Default: If the Company does not comply with the time limits except under Section 20.C, the pilot shall have his grievance sustained. In the event the pilot fails to comply with the time limits, the Company's action shall be sustained.

2. Stenographer: If the parties mutually agree to the use of a stenographer to record all or part of any proceeding under this Section, the cost shall be shared equally. If a party elects unilaterally to employ a stenographer, the other party may obtain a copy of the record created upon reimbursing one half of the total associated cost.

3. Expenses: The expenses and necessary transportation requirements of witnesses and representatives called shall be assumed in accordance with the following stipulations:
   a. Company employees: Those who are employees of the Company shall be furnished on-line round-trip transportation by the Company for the hearing, and shall be released from service, subject to operational requirements, for a sufficient time to permit them to appear.
   b. Other witnesses: Those who are not employees of the Company, who may be called by either party, shall be furnished space available on-line round-trip transportation, subject to the provisions of Government regulations.

4. Extensions: Any time limits in this Section may be extended in writing by mutual agreement of the parties.
A. **Establishment of Board**
   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 any amendments or additions thereto and which are properly submitted to it, which Board shall be known as "Alaska Airlines, Inc. Pilots' System Board of Adjustment" hereinafter referred to as the "Board".

B. **Composition**
   The Board shall consist of three (3) members, one (1) appointed by the Association, one (1) appointed by the Company, and one neutral selected in accordance with Section 21.I. Such appointees shall be known as "Adjustment Board Members".

C. **Term of Board Members**
   The members shall serve until their successors have been duly appointed. Vacancies shall be filled in the same manner as is provided herein for the selection and appointment.

D. **Jurisdiction**
   The Board shall have jurisdiction over disputes concerning the meaning of the Agreement, but shall not have jurisdiction to amend the Agreement.

E. **Petitions to Board**
   All disputes properly referred to the Board for consideration shall be submitted to show: question or questions at issue; statement of facts; position of employee and/or Association; specific relief requested; and position of Company.

F. **Selection of Cases for Hearing**
   The System Board will meet to hear issues, if appealed, which fail to resolve in the Settlement Meeting process described in Section 20 [Grievances] and which are not selected for Expedited Arbitration pursuant to Section 21.M. The parties will cooperate in scheduling such cases for System Board arbitration at the earliest opportunity.

G. **Presentation**
   Employees covered by the Pilots' Agreement may be represented at Board hearings by such person or persons as they may choose and
designate. Evidence may be presented either orally or in writing, or both. The Company may also be represented by such person or persons as it may choose and designate.

1. **Witnesses:** On request of individual members of the Board, the Board may, by a majority vote, or shall at the request of either the Association representatives or by the Company representatives thereon, summon any witnesses who are employed by the parties to the dispute, or by either party, or by the Board itself, or by either group of representatives constituting the Board.

2. **Summoning of Witnesses:** Witnesses summoned shall be released from service, subject to operational requirements, for a sufficient time to permit them to appear.

3. **Stenographer:** A stenographer will record all proceedings before the Board, except while in Executive Session.

**H. Authority**
Decisions of the Board shall be final and binding.

**I. Selection and Designation of Neutral**
A neutral referee shall be appointed by mutual agreement of the Company and the Association and if it is found impossible to agree upon such referee, either the Company or the Association may request the National Mediation Board to provide a panel of seven (7) proposed neutrals. The Company and the Association shall alternately strike names until one remains who shall be the neutral member. The Neutral Member of the System Board of Adjustment will preside at the hearings and will be designated as Chairman.

**J. Record Keeping**
Each party shall maintain a complete record of all matters submitted to the Board for its consideration and of all findings and decisions made by it.

**K. Release from Duty**
Board members who are employees of the Company shall be released from service for the performance of their duties as Board members.
L. **Neutrality**
   It is understood and agreed that 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 Board member.

M. **Expeditied Arbitration**
   By mutual agreement, grievances presented pursuant to Section 20 [Grievances] of this Agreement may be presented for Expedited Arbitration in accordance with LOA 09-06 [Expedited Arbitration Rules]. Once annually, the parties will select, by mutual agreement, a grievance that has not been resolved for presentation to Expedited Arbitration.

N. **Expenses**
   1. **Board Members**: Each of the parties will assume the compensation and other expenses of their Board members.

   2. **Neutral**: The expenses and reasonable compensation of the Neutral Member will be borne equally by the Association and the Company.

   3. **Witnesses**: Each of the parties will assume the compensation and other expenses of the witnesses called or summoned by it.

   4. **Travel**: The expenses and necessary transportation requirements of witnesses and representatives shall be assumed in accordance with the following stipulations:
      a. **Company Employees**: Those who are employees of the Company shall be furnished on-line round-trip transportation by the Company for the hearing.
      b. **Other Witnesses/Representatives**: Those who are not employees of the Company, who may be called by either party, shall be furnished space available on-line round-trip transportation, subject to the provisions of Government regulations.

   5. **General**: Any other incidental expenses associated with Board proceedings will be borne equally by the Association and the Company.
O. **Additional Rights Preserved**

Nothing herein shall be construed to limit, restrict, or abridge the rights or privileges accorded either to the employees or to 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.
A. **Accrual**

   Seniority shall begin to accrue from date of employment as a pilot (1st day for which pay is received) with the Company and shall continue to accrue during such period of service, except as otherwise provided in this Agreement.

B. **Seniority List**

   The Company shall post an updated Pilot System Seniority List by February 5th and August 5th which shall include the names of all active and inactive pilots entitled to seniority.

C. **Protest**

   1. **Time Limit**: Each pilot shall be permitted a period of thirty (30) days after the semi-annual posting of the seniority list to protest in writing to the Company any omission or incorrect posting affecting his seniority, provided that such protest shall not include seniority questions on which prior determinations have been made; and with the further exception that when a pilot is on vacation, leave of absence, military leave, or sick leave, he shall protest any alleged omission or incorrect posting within thirty (30) days after returning to duty.

   2. **While on Probation**: A pilot who is still in his probationary period at the time of the official publishing of the seniority list, shall have the right to protest the seniority list, subject to the limitations stipulated in paragraph 22.C.1 for thirty (30) days after completion of such probationary period, however, any award shall be limited to an adjustment of relative position on the seniority list only.

   3. **Single Opportunity**: In the event a pilot does not file a protest in writing with the Company within the time limits provided in paragraphs 22.C.1 & 2, he shall not thereafter be entitled to file such protest.

D. **Seniority Date**

   1. **Length of Service**: Seniority as a pilot shall be based upon the length of service as a pilot with the Company or with other companies whose operations have been taken over by the Company prior to the signing of this Agreement.

   2. **Use of Age**: When two (2) or more pilots are employed on the same date, the relative seniority of such pilots shall be
determined by chronological age, the oldest pilot shall be placed on the seniority list first.

3. **Relative Position:** For the purpose of this Agreement, when two (2) or more pilots have the same date of employment and their seniority has been established, such pilots shall retain their relative seniority.

4. **Establishment:** Any pilot having once established a seniority date with Alaska Airlines shall not lose that date except as provided in this Agreement.

E. **Promotions and Reductions**
System seniority 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 re-employment after release due to reduction in force and their choice of vacancies.

F. **Probation**
A pilot shall be on probation commencing the date of employment as a pilot for a period not to exceed 365 days of service.

G. **Medical Disability**
When a pilot is on a leave because of sickness or injury, he shall retain and continue to accrue his seniority and longevity for pay and vacation accrual purposes (upon return to work) irrespective of whether he is able to maintain his pilot's certificates necessary for his status. This shall continue until he is able to return to duty or is found to be unfit for such duty. In no case shall this leave exceed ten (10) continuous years from the date of disability retirement or LTD benefits commencing or the first of the month following the pilot's last day on the payroll. Any dispute arising hereunder concerning the physical fitness of the pilots concerned shall be settled in accordance with Section 15 [Physical Standards].

H. **Resignation**
Any pilot who resigns from the service of the Company or is dismissed for just cause shall forfeit all seniority accrued to the date of such resignation or dismissal
A. **Furlough Mitigation**

Upon the Company receiving information that a furlough is forecast, ALPA will be promptly notified and the following will happen:

1. **Existing Programs:** Furlough mitigation programs already adopted by the parties will be triggered. The programs to be offered are:
   a. **Voluntary Furlough:** The Company will offer voluntary furloughs of varying durations. With respect to such voluntary furloughs:
      (1) Voluntary furloughs will be awarded in seniority order.
      (2) Pilots on voluntary furlough will not be eligible for severance pay, but the Company will not contest any unemployment insurance claim on the basis of voluntary severance.
      (3) Pilots on voluntary furlough will retain and accrue seniority and longevity.
      (4) Pilots on voluntary furlough will receive no fewer than the travel and medical benefits provided to employees participating in other mitigation programs utilized or pilots involuntarily furloughed, with respect to the same furlough.
      (5) A pilot on voluntary furlough will remain on furlough for the awarded duration of the voluntary furlough.
   b. **Reduced Bid Block Program:** A Reduced Bid Block Program patterned after LOA 09-01 with durations longer than one month at a time.
   c. **Reduced Reserve Schedule Program:** A Reduced Reserve Schedule Program patterned after LOA 09-02 with durations longer than one month at a time.

*All references to LOA’s in this Section that are not currently in effect can be found online*

2. **Additional Mitigation Programs:**

   During the thirty (30) day period measured from the notification to the Association of the anticipated need for a furlough, the parties shall:
   a. Discuss the adoption of additional furlough mitigation programs such as those previously adopted in LOA 08-01
Section 23
Furlough & Recall

[Extended Leave of Absence] and LOA 08-02 [Early Out Program]; and

b. Meet with the purpose of reducing the number of hours in the bid blocks to mitigate the furlough. During those discussions, the parties will endeavor to develop a program with the following components:

(1) The Company retains the ability, per Section 25.C.5 [Bid Packages], to construct bid blocks of time between seventy-five hours (75:00) and eighty-five (85:00) hours. When Bid Blocks of Time are constructed in blocks of time between seventy-five (75:00) and eighty-five (85:00) hours, the guarantee of Section 4.A.1.a [Bid Block Holder] shall apply.

(2) With mutual consent between the Company and ALPA, bid blocks of time may be constructed at less than seventy-five hours (75:00) but not less than sixty-five hours (65:00). In this event the bid block holder shall be guaranteed pay for the adjusted bid block minimum. In the event bid blocks of time are constructed between sixty-five hours (65:00) and seventy-five hours (75:00), proportional adjustments will be made in Open Flying blocks per Section 25.C.5.d [Open Time] and Reserve Guarantees per Section 4.A.1.b [Reserve].

c. In the event the thirty (30) day period provided above is exhausted and the voluntary programs, discussions and block reduction identified above is determined by the Company to be insufficient to prevent the furlough in total, then the Company may furlough as it deems operationally necessary in accordance with the process outlined below in this Section and with bid blocks constructed at the levels set forth above.

3. **Coordination:** Prior to any furlough, the Company and Association will meet to coordinate pilot contact information.

4. **Details of:** When a furlough is scheduled the Company shall post a notice at all pilot bases advising of the effective date of the furlough, anticipated length of the furlough, and the number of pilots to be furloughed. As soon as possible after the posting of the notice, the Company shall notify each of the affected pilots, by certified mail, return receipt requested, at his home address, of the actual date of his furlough.
5. **Prior Training**: If a pilot is to be furloughed and another pilot is to replace him, the pilot to be furloughed shall not be placed on furlough prior to the completion of all training which is required to qualify a replacement except as set forth in Section 25.A.6 [Not Qualified]. No pilot shall be furloughed out of seniority order.

6. **Short Term Relocation**: When a pilot has been reduced in status or equipment type and occupies a vacancy which the parties do not believe he will hold for sufficient time prior to his furlough to justify the relocation of his household effects, the pilot may, with the concurrence in writing of the Chief Pilot, waive his moving expenses and any cost of living differential and be paid expenses as set forth in Sections 5.A [Per Diem] and B [Lodging and Transportation] for a period of up to sixty (60) days.

7. **Insurance**: At the time of a pilot's furlough he shall be advised of his option to retain his group insurance and the expense of the coverage as provided in Section 27.E [Furlough Coverage]. A form shall be provided along with his furlough letter for his acceptance or rejection of coverage.

8. **While on Leave of Absence**: If a pilot is on leave of absence and would otherwise have been furloughed during any period of leave he shall not accrue seniority or longevity during that period that he would have been furloughed, provided that a pilot returning to active service shall retain the same relative seniority position that he held on the date he commenced his leave of absence.

**B. Advance Notice**
All pilots shall receive thirty (30) days notice prior to being placed on furlough.

**C. Delay**
1. **First Time**: Once a pilot has been given a notice of furlough the effective date may be delayed once only as follows:
   a. **with a minimum of seven (7) days notice**: the furlough may be delayed at least fifteen (15) days from the original date of furlough.
   b. **with fewer than seven (7) days notice**: the furlough may be delayed no less than thirty (30) days from the original date of furlough.
2. **Subsequent Times**: After delaying a pilot's furlough as set forth in paragraph 23.C.1, if the Company desires to further delay a pilot's furlough, it must cancel the furlough and the restrictions of paragraph 23.K shall apply. Thereafter, the provisions of paragraph 23.C.1 shall again apply.

3. **Exceptions**: In the event of an Act of God the restrictions of paragraphs 23.C.1 & 2 shall not apply.

4. **Duplicate Copy**: The MEC Chairman shall receive a copy of all communications between the Company and the Pilot concerning the delay of a pilot's furlough as provided in paragraph 23.C.1.

D. **Vacation Pay**
When a pilot is furloughed he shall receive his accrued vacation pay and expense monies on the effective date of his furlough.

E. **Furlough Pay**
1. **Length of Service Requirement**: A Pilot / / shall receive furlough pay, subject to the limitations and conditions set forth herein, unless the following conditions exist:
   a. **Other Employment**: He is offered any other employment with the Company equivalent in compensation per month to furlough pay, as set forth in paragraph 23.E.2.
   b. **Act of God**: The furlough is caused by an Act of God, labor dispute, or other circumstances over which the Company does not have control.

2. **Pay Days**: Furlough Pay shall be paid on regular pilot paydays and shall continue until such credit is exhausted, except that Furlough Pay will cease on the date the pilot recall is effective.

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3. **Pay Rate**: The monthly amount of furlough pay shall be the minimum monthly guarantee for the most junior status and equipment type in the system, utilizing the pilot’s length of service.

F. **Passes**
   1. **While on Furlough**: On-line space available pass privileges shall continue as per Section 9.A.3 [Eligibility] for the first twelve months of his furlough period.
   2. **Recalled to a Different Base**: A pilot and his family shall be furnished positive space transportation without displacing a full revenue passenger, from the base at which he had prior claim to his new domicile.

G. **Right of Recall**
   1. **Term**: Any pilot furloughed from active service with the Company as a result of a reduction in force who is not reinstated to active service for a period, which shall be determined by his total length of service plus four (4) years, but which shall not be less than five (5) years nor more than ten (10) years, shall forfeit all seniority. A pilot reinstated within the prescribed limits shall retain his seniority date.

   2. **Pay and Vacation Step**: / / 
      a. For the purposes of pay, furloughed pilots will accrue years of service as if they had not been furloughed.
      b. For the purposes of vacation, furloughed pilots will accrue calendar years of service as if they had not been furloughed.

H. **Pilot Responsibilities**
   1. **Address Changes**: A pilot who has been furloughed shall apprise the Company and the Association of any changes to their current mailing address, email (if applicable) and phone number via Certified Mail, Return receipt requested.

   2. **Employment Contracts During Furlough**: should a pilot be offered employment for a period to exceed one-year that may include a penalty for early termination, the pilot may seek
advance approval from the Chief Pilot. If granted, he will be allowed to fulfill that contract without penalty.

I. **Response to Recall**

Once the Company offers a recall by certified mail, return receipt requested, to the address provided by the pilot, the pilot will have fifteen (15) calendar days to notify the Company via certified mail of their intent to accept the recall, or bypass recall per the provisions of this paragraph. / / If the pilot accepts the recall, he may be required to report for duty within twenty-one (21) calendar days after receipt of the Company’s offer.

1. **Military Leave:**
   a. An involuntarily furloughed pilot who is offered a recall to active service while on military leave will be permitted to “bypass” recall to complete the duration of his military leave.
   b. The pilot will be permitted to return to active service under paragraph 24.J (Prior Claim) of the CBA upon completion of his military leave, whether a vacancy exists or not.
   c. If the scheduled completion of the pilot’s military leave is a date after the bid effective date of the bid that resulted in recalls, an additional recall will be triggered and offered in seniority order to the next involuntarily furloughed pilot.
   d. At the scheduled completion of the pilot’s military leave, the pilot may elect to bypass recall per Section 24.I.4 below.

2. **Approved Employment Contracts:** An involuntarily furloughed pilot who is offered a recall to active service while on an approved employment contract, as permitted by paragraph 23.H.2 (Employment Contracts During Furlough) of the CBA, will be permitted to bypass recall and to complete the term of the employment contract.
   a. If the scheduled completion of the pilot’s employment contract is after the bid effective date of the bid that resulted in recalls, an additional recall will be triggered, and offered in seniority order to the next involuntarily furloughed pilot.
   b. Return at the Scheduled Completion of the Approved Employment Contract:
      (1) The pilot will be permitted to return to active service under paragraph 24.J (Prior Claim) of the CBA upon
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satisfaction of his employment contract, whether a vacancy exists or not.

(2) The pilot will be allowed a minimum of five (5) consecutive calendar days free from company duty in order to facilitate the pilot’s transition from his employment contract back to Alaska Airlines.

(3) Periods longer than five (5) consecutive calendar days will be granted when necessary. The length of these periods will be at the discretion of the Chief Pilot.

c. At the scheduled completion of the pilot’s employment contract, the pilot may elect to bypass recall per Section 24.I.4 below.

d. The pilot is subject to the limitation on the right of recall term outlined in Section 23.G.1.

3. Employment Contracts Not Approved or Not Presented For Approval:

With respect to an involuntarily furloughed pilot who has not sought, or has not obtained, approval from the Chief Pilot of an employment contract with another employer, including another Air Carrier, and is subsequently recalled from furlough:

a. The pilot may elect to bypass recall for up to one (1) year measured from the date of recall, to complete an employment contract and the following will apply:

(1) The pilot will be permitted to return to active service under paragraph 24.J (Prior Claim) of the CBA upon satisfaction of his employment contract, whether a vacancy exists or not.

(2) The pilot will be allowed a minimum of five (5) consecutive calendar days free from company duty in order to facilitate the pilot’s transition from his employment contract back to Alaska Airlines.

(3) Periods longer than five (5) consecutive calendar days will be granted when necessary. The length of these periods will be at the discretion of the Chief Pilot.

(4) If the scheduled completion of the pilot’s employment contract is after the bid effective date of the bid that resulted in recalls, an additional recall will be triggered and offered in seniority order to the next involuntarily furloughed pilot.

b. The pilot may elect to bypass recall for over one (1) year to complete an employment contract that has previously
been presented to the Chief Pilot for approval and the following will apply:

1. The pilot electing to forego recall for a period longer than one year will be reinstated as vacancy for reinstatement allows.

2. The election to forego recall under this paragraph will not trigger an additional recall. However, a recall will be offered in seniority order to the next involuntarily furloughed pilot.

c. At the scheduled completion of the pilot’s employment contract, the pilot may elect to bypass recall per Section 24.I.4 below.

d. The pilot is subject to the limitation on the right of recall term outlined in Section 23.G.1.

4. Bypass Without an Employment Contract: When recall is offered pursuant to Section 23 [Furlough & Recall] an involuntarily furloughed pilot who is not on military leave or does not have an employment contract may bypass recall as follows:

a. The pilot must notify the company via certified mail, return receipt requested, of their intent to bypass recall;

b. Once the pilot has elected to bypass recall that pilot will remain on bypass status and will not be offered recall again until the earlier of:
   (1) the pilot’s notification to the company via certified mail, return receipt requested, of their intent to accept the next available recall; or
   (2) all pilots involuntarily furloughed have been offered recall.

c. In the event that all involuntarily furloughed pilots have been offered recall and vacancies remain, pilots that elected to bypass recall per this paragraph will be removed from bypass status and offered recall again in reverse seniority order. Those pilots who do not accept that recall will forfeit their right to any future recall.

d. A pilot who elects to bypass recall and then subsequently notifies the company of their intent to accept the next available recall is prohibited from bypassing recall again during that furlough;

e. A pilot on bypass status wishing to be considered for recall in a particular position bid must notify the company via
certified mail, return receipt requested, prior to the posted closing date of that bid;

f. When a pilot notifies the company of their intent to bypass recall or notifies the company of their intent to accept the next available recall, the company will acknowledge receipt of that notification via certified mail, return receipt requested;

5. The pilot is subject to the limitation on the right of recall term outlined in Section 23.G.1.

J. Process of Recall

1. Return to Service: The Company will offer return to active service to all pilots furloughed, provided that such pilots have complied with the provisions of paragraphs 23.H & 23.I before additional pilots are employed, provided that such pilot will, at the time of reporting for return to active service be in possession of the valid airman's certificates that he held when furloughed.

2. Preference Bid: A recalled pilot shall complete a system-wide preference bid upon his return to active service.
   a. If the pilot is not qualified for his awarded position, he will be placed into training.
   b. If the pilot could have held the base to which he had prior claim before being furloughed, but preferred and was awarded a different base, the provisions of Section 6.B.4 [Recalled Pilot] shall not apply.

3. Pay
   a. A recalled pilot shall be considered reinstated for pay purposes on his recall date or when he reports for active service, whichever is earlier.
   b. A recalled pilot shall be paid in accordance with the appropriate sections of this Agreement for the status and equipment he was awarded in the system-wide preference bid in paragraph 23.J.2.

4. Lodging and Per Diem: Pilots recalled from furlough shall be afforded lodging and per-diem during the training period required to requalify them.
K. **Minimum Recall**

Any pilot recalled from furlough shall be guaranteed a minimum of sixty (60) days employment or sixty (60) days pay and credit in lieu thereof. If such pilot has been furloughed in excess of thirty (30) days he shall be guaranteed a minimum of ninety (90) days employment or ninety (90) days pay and credit in lieu thereof.
A. **Types of Positions/Status**  
Captain and First Officer

B. **Vacancy Types**  
A posted vacancy is a permanent position.

C. **Determination of Vacancies**  
1. **Minimum Base Requirements**: Each base will be staffed with Captains and First Officers sufficient to operate the flying to be conducted by that base.

2. **Reserve Staffing**: The minimum number of reserve crew positions for each equipment type system-wide shall be ten percent (10%).

3. **Staffing Projections**: When calculating the staffing needs of individual bases, the Company shall use the projected hours to be flown divided by the monthly maximum minus two hours (2:00). Further, the Company will adjust these numbers to ensure the base remains staffed sufficiently to account for vacations, sick leave, leave of absences, training (to include instructors), etc. The result determines the need to adjust the number of positions in each status.

D. **Rules**  
1. **Minimum Effective Date**: In the event that the pilot who is awarded a vacancy will change domiciles, the effective date of an awarded vacancy shall be at least twenty-one (21) days after the bid award posting date.

2. **Qualification**: If a pilot awarded a position does not have the required equipment ratings, he shall be afforded the regular Company checkout on such equipment to obtain such rating.

3. **Vacancy Award within Two (2) Years of Retirement**: The Company shall not be required to award a vacancy requiring initial checkout as a Captain to a pilot who reaches an age by the bid effective date that is within two (2) years of mandatory F.A.A. retirement. A pilot to whom the Company declines to award a vacancy under this provision shall be paid at the higher rate unless the Company has declined to award an upgrade vacancy to a pilot who has continuously declined
or been otherwise restricted from bidding an upgrade in status in the past.

4. **Cancellation of Vacancies**: In the event that a vacancy is cancelled after it has been awarded, the pilot(s) affected may displace any junior pilot who was awarded a vacancy on the same or on a subsequent vacancy award.

5. **Equipment Freeze**: A pilot shall be precluded from bidding from one type of equipment to another for a period of two (2) years from the initial bid award posting date.
   a. **Exceptions**: A pilot is no longer frozen if he can hold:
      (1) an upgrade in status, or
      (2) a higher paying type of equipment, or
      (3) a new aircraft type: aircraft types are considered new for the first six (6) months of service.

      *Examples of new aircraft types are the B777 or B787*

   b. **Freeze Date**: A pilot’s freeze becomes active once he begins the ground school portion of his training for his presently awarded vacancy.

   c. **Subsequent Bid(s)**: A pilot shall be allowed to bid and be awarded a subsequent posted vacancy prior to the time of his freeze date. If a pilot is awarded a vacancy on the subsequent bid, he shall forfeit the previously awarded vacancy.

   d. A pilot will not incur an equipment freeze if the pilot is reduced/displaced.

      *Example – a pilot is considered reduced/displaced whenever his seniority would no longer allow him to maintain his present position.*

6. **Down Bid Freeze**: A pilot who exercises his seniority to voluntarily bid down in status or equipment at any base shall forfeit his bidding rights to vacancies commencing at the bid award date and continuing for twelve (12) months, or until released by the Company, whichever occurs first.

   *Example: Bid award date is August 15, 2014; the pilot shall not be eligible to input a bid until August 16, 2015.*
Exception: This restriction shall no longer apply if the pilot is subsequently affected by a reduction or base closure.

7. Freeze Notice to Pilot and MEC: Concurrent with the posting of the bid award (or shortly thereafter) the Company shall provide the individual pilot notification of a freeze that includes the dates associated with the freeze. Additionally the Company shall provide a summary of all active freezes to the MEC.

8. Hardship: Pilots who have been granted a hardship exception will continue to comply with the rules and restrictions / / set forth in paragraph G below.

9. Retirement: Upon reaching the mandatory FAA retirement age, the pilot must terminate employment as a pilot as of the first of the month succeeding his birthday.

10. Notification: Any affected pilot will be notified in writing (or in a manner verifying receipt if done electronically) of orders involving their base assignment, promotion, demotion, or leave of absence.

E. Bidding System Vacancies and Reductions
1. Bid Posting: All vacancy or reduction bids will be posted for a minimum of fourteen (14) days.

2. Base Position Lists: A current Base Position List shall be posted concurrently with all Bid Postings unless the bid is for an individual pilot reduction due to his change in status (e.g., retirement, illness)

3. Bid Format: The position bid announcing a vacancy or a reduction shall be posted using a uniform numbering system for easy reference to each bid based on the effective date (e.g. a bid effective on May 1, 2014 would be Bid 2014-05). Each bid shall contain sufficient information to enable a pilot to bid without further clarification and contain at least the following information:
   a. Base: The base (e.g. SEA B737, ANC B737) at which the vacancy or reduction exists and the reason for the bid.
b. **Number of Positions**: The number of positions that are vacant or that will be reduced and the status of those positions.

c. **Effective Date**: The effective date of the bid.

d. **Bid Closing**: The date of the bid closing.

e. **Number of Positions**: The total number of positions for each status at each base for the bid effective date.

f. **Estimated Number of Bid Blocks**: The number of estimated bid blocks in each base for the bid effective date.

4. **Pilot Preferences**: Pilots must indicate their base position preferences via a Base Position Bid.

a. **Equipment Bid**: The submitted bid will denote a pilot’s preference to be used during the awarding of posted vacancies and/or reductions. It should represent his preferences for both vacancies and displacements resulting from reductions.

b. **Qualifying a Bid**: A pilot may qualify his bid by indicating the lowest base position number acceptable to him (only a number entered in the space provided will be accepted).

c. **Input Window**: Position Bidding is available from fourteen (14) days after the posting of the most recent bid award until the closing of the subsequent bid. Only bids received prior to bid closing will be valid.

d. **Confirmation**: All appropriately submitted position bids will include a confirmation number that will serve as the pilot’s verification that his bid was accepted.

e. **Purging**: All position bids on file will be purged fourteen (14) days after the posting of the bid award.

5. **Award Process**:

a. **Step 1** - The Company will award the most senior active pilot his choice and continue in seniority order until all vacancies are filled.

   **Exceptions**:

   (1) **Non-Flying or Supervisory Pilots and MEC Officers**: A vacancy may be awarded to a pilot who is holding a full time non-flying or supervisory position provided his system seniority will allow such award. This award will be handled as a “paper bid” and carried as an “extra.”
(2) **Pilots on Leave:** A pilot on short-term medical leave can participate in a vacancy bid, provided that a doctor’s note has been provided to the Company forecasting the pilot’s ability to return to service on or before the bid effective date. Pilots on active military leave with an expected return to service on or before the bid effective date can participate in a vacancy bid. Upon return to work, the military pilot must provide copies of his military release orders in accordance with applicable laws.

(a) **No Training Required:** Upon return to service a pilot not requiring training shall be considered in his new position in accordance with paragraph 24.F.1 upon his return.

(b) **Training Required:** Upon return to service, a returning pilot will be trained in accordance with Section 11.A.4 [Order of Extended Training]. If the returning pilot has missed the training date under Section 11.A.4, he will be trained within the next available training class. Section 11.D.5.b(2)(b) [Seniority Protection] shall not apply. Until he enters training he may be required to work in his prior position.

(c) **Delay in Return to Work:** If a pilot does not return from leave as expected, and has been awarded a new position which requires training, on his return the Company may elect to work him in his prior position, regardless of the effective date, until such time the Company is able to train him for his new position. The Company will schedule his training in the next available class.

(d) **Pay:** Once the returning pilot begins training, he will be paid in accordance with Section 11.D.1 [Change in Status and/or Equipment].

b. **Step 2** - In the event a reduction(s) is posted concurrently with a vacancy or vacancies, then the posted vacancy or vacancies will be filled first. There is no requirement to fill any proffered vacancy if a reduction was posted in that same base and status, or when a pilot is in excess in his current base as a result of a senior pilot’s displacement to that base, unless the proffered vacancies exceed the number of reductions posted.
c. **Step 3** - Any reduction in a base and status that remain after all vacancies are filled will be processed as displacements. These reductions shall be in reverse order of seniority in each status. Pilots who are affected by a reduction will be awarded new positions based on their equipment bid, if the pilot has bid sufficient preferences. Otherwise, the pilot will be handled as outlined in paragraph 24.E.6. When a pilot is displaced he will be afforded the option to displace according to his system seniority.

d. **Step 4** - Once all vacancies are filled and displacements processed, the Company will identify the number of pilots to be hired, recalled or furloughed, if any.

6. **Displaced/Reduced with Insufficient Number of Preferences**: If a pilot has no preference bid on file or insufficient preferences, he shall be bypassed and remain in his current status and base. If he is reduced, he shall displace the most junior pilot in the following order:

a. **First** – at the same domicile on like equipment to maintain his status (e.g. ANC B737 Captain to ANC B737-200 Captain).

b. **Second** – at another domicile to maintain his status and to remain on his current equipment (e.g. from SEA B737 Captain to ANC B737 Captain),

c. **Third** – in the next lower status on his current equipment in his base (e.g. from SEA B737 Captain to SEA B737 F/O),

d. **Fourth** – at any base to remain on his current equipment in the next lower status (e.g. from LAX B737 Captain to SEA B737 F/O),

e. **Fifth** – in the next lower status in his domicile (e.g. from SEA MD Captain to SEA B737 F/O), or

f. **Last** – system-wide (e.g. from SEA MD F/O to ANC B737 F/O).

g. Downgrade training as a result of a displacement or reduction shall be in reverse seniority order.

7. **Award Posting**: The Company will post the awarded bid within fifteen (15) days after bid closing.
F. Effective Date

1. **No Training Required**: Successful bidders not requiring training shall be considered as having transferred to their new positions on the effective date.

2. **Bid Advances**: In the event flying requirements produce a need for an additional pilot(s) and the Company has awarded a bid for a vacancy in that status, the effective date of that bid vacancy may be advanced by not more than two (2) months.
   a. **Seniority Order**: Such advancements will be offered in seniority order among qualified pilots.
   b. **Monthly Bidding**: For purposes of monthly bidding, the pilot(s) so advanced will bid in seniority order.
   c. **Pay**: The pilot so advanced will receive pay for the hours flown in the advanced status, the minimum guarantee in the advanced status or the scheduled hours he would have flown in his prior position, whichever is greatest.

3. **Displacement Advance**
   a. A “displacement advance” occurs when one or more pilots are advanced involuntarily prior to the bid effective date as a product of a “reduction bid” as described in Section 24.E of the CBA. Alaska may displacement advance a pilot(s) subject to the following:
      (1) The displacement advancement may be for no more than two Bid Periods prior to the bid effective date;
      (2) In the event that the pilot(s) who is displacement advanced will change domiciles, the effective date of the displacement advancement shall be at least twenty-one (21) days after the bid award posting date;
      (3) The displacement advancement shall first be offered in seniority order to the pilot(s) subject to advancement, and that offer may be declined;
      (4) Should the offer of displacement advancement result in an insufficient number of pilots to meet the need of the advancement, advancement will be made in reverse seniority order;
      (5) For the purposes of monthly bidding, the pilot(s) so advanced will bid in seniority order;
      (6) For the Bid Periods for which the pilot(s) is advanced, Alaska will:
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(a) Pay protect to 85 hours per Bid Period (exclusive of all pay only events);
(b) Provide lodging as described in paragraph 5.B (Lodging & Transportation) of the CBA, incident to the advancement for each calendar day until the originally published bid effective date;
(c) Provide unlimited positive space travel to and from his base of prior assignment (“old base”) and the base to which the pilot(s) is advanced (“new base”);
(d) Provide transportation to and from the airport at the base to which the pilot(s) was advanced;
(e) Provide R.O.N. per diem in the amount of one thousand dollars ($1,000) per Bid Period of advancement prior to the bid effective date. The pilot will submit an expense report for each Bid Period in that amount.

b. Should a pilot be downgraded as part of a displacement advance, that pilot, in addition to being paid at captain rates until the effective date of the bid, will be entitled to the provisions of paragraph 24.F.3.a, above.

c. For the purposes of moving days described in Section 6.D.1 (Moving Days) of the CBA, the bid effective date will be the originally published bid effective date.

4. Requests to Delay Training: If a pilot is granted a delay in training at the pilot’s request, no pay protection is applicable.

5. Bid Delays: In the event additional flying requirements are postponed due to factors beyond the Company's control (e.g., late delivery of aircraft, inability to begin new service), the effective date of a bid for vacancies related only to such postponed flying may be delayed for up to three (3) months. A pilot whose bid effective date has been delayed will not fly in the new status prior to the new bid effective date.

Example: If a bid contains vacancies to cover flying of three new planes, and the delivery of one of the planes is delayed, only the bid vacancies related to the one late delivery will be delayed.

6. Out of Seniority Assignments: In the event staffing requirements result in a pilot, who has been awarded a
position in a new status, being assigned out of seniority order ("misassigned") beyond the bid effective date, to his pre-award status prior to beginning training for the new status, he shall receive pay for the hours flown in his pre-award status or pay for the scheduled hours in the new status he would have flown, whichever is greater.

a. **Reverse Seniority Order:** The misassignment shall be in the order of the most junior bidder(s).

b. **Limit:** Such misassignment shall not exceed two (2) months, and during such misassignment, the pilot will be permitted to bid for monthly bidding according to his seniority.

G. **Hardship Exception**

1. A pilot may request the following temporary exceptions from the provisions of the CBA based upon substantial personal hardship:
   a. A request to delay training for a newly awarded base position beyond the period of two (2) months provided in paragraph 24.F.6, if applicable; and
   b. A request for temporary assignment on the same or similar equipment to a base other than the base at which the pilot presently holds a permanent or temporary vacancy pursuant to this section (e.g., SEA B737-400/700 First Officer to ANC B737-400/700 First Officer).
   c. A temporary assignment to another base as described in paragraph G.1.b above shall be in the pilot’s current status (Captain or First Officer).

2. **Request:** A pilot may submit a written request for a hardship exception to his Base Chief Pilot.
   a. The request shall identify the type of exception requested and estimated length of exception.
   b. The pilot will explain the substantial personal hardship upon which this request is based.
   c. Such request must be submitted thirty (30) days in advance of the requested effective date.
   d. The Base Chief Pilot shall forward copies of the request to the Association’s Master Executive Council Chairman and the Company’s Vice President of Flight Operations.

3. **Review:** The Vice President of Flight Operations and the MEC Chairman shall review the request for exception within fifteen
(15) working days following the Base Chief Pilot’s receipt of the request.

4. **Decision:** Exceptions will be granted with the consent of both the Vice President of Flight Operations and the MEC Chairman. A decision granting a request shall state all conditions upon which the request is granted including the length of the exception and temporary assignment. Decisions shall be non-precedential.

5. **Rules:** The following rules will apply when an exception has been granted.
   a. Exceptions granted shall be temporary and for a duration reasonably necessary for the pilot to deal with his personal hardship.
   b. An exception as described in paragraph G.1.b above shall not extend beyond the date on which the pilot could permanently hold the position to which he has been temporarily assigned based upon his seniority.
   c. A pilot who is granted an exception shall be deemed the most junior pilot in the status (Captain or First Officer), base and equipment which he temporarily holds or is assigned pursuant to the exception for purposes of bidding monthly schedules as provided in Section 25.A.1 [Bidding] and related sections of the CBA.
   d. Pilots temporarily holding positions pursuant to an exception shall be carried as “extras” in such positions. No pilot positions in the equipment/status/base to which a pilot is temporarily assigned shall be reduced as a direct result of the granting of such exceptions.
   e. The Company is not required to post or fill a temporary or permanent vacancy as a result of a hardship exception as outlined in this section.

H. **Company Paid Moves**
   When a pilot is displaced and must relocate to a base in a different domicile, it will be at Company expense when:
   1. **Avoid Downgrade:** the pilot must transfer to avoid downgrade, or
   2. **Cannot Remain in Base:** there are no positions available in a pilot’s status or a lower status in his current domicile.
I. Opening a New Base
   1. Posting Requirements: The Company shall give at least sixty (60) days notice prior to the opening of a new base.

   2. Cost of Living Allowance (COLA): When the Company intends to open a new base outside the contiguous 48 States and Alaska the parties shall meet under the provisions of Section 6, Title II of the Railway Labor Act, as amended, for the purpose of negotiating a cost-of-living differential for such new base.
      a. Negotiating Window: Such meetings shall commence a minimum of thirty (30) days prior to the date on which such base is to be opened.
      b. Arbitration: Failure to agree within thirty (30) days shall result in the matter being settled by a neutral referee as set forth in Section 21 [System Board of Adjustment].
      c. Interim Rate: If the provisions of paragraph 24.I.2.b are utilized, an interim cost-of-living differential in an amount equal to the average of the Company's and Association's final positions (prior to submitting the matter to a neutral referee) shall be paid monthly to all pilots based at such new or reactivated base until a final and binding rate shall have been determined. However, the interim rate shall not exceed six hundred dollars ($600) per month.
      d. Retroactive: When such rate is determined by the neutral referee, all pilots shall receive retroactive adjustment to make their cost-of-living payments equal to an amount that would have been paid had such settled amount been paid from the opening date of such base.

   3. Special Qualifications Base:
      With respect to the establishment of a Special Qualifications Base (see definition of Base in Section 2), such base requires the mutual consent of the parties with respect to its creation and operation.

J. Closing of a Base
   The Company shall provide at least ninety (90) days advance notice by posting its intent to close a base.

K. Prior Claim
   A pilot shall have prior claim to return to his previous position if he is absent because of illness, leave of absence, supervisory duty, or
the application of a special side Letter of Agreement. If the pilot’s prior claim position has been eliminated or would have been reduced in any event, the pilot may exercise his seniority as afforded in paragraph 24.E.4 to be added as an extra in any base or position that his seniority allows.
A. General

1. Bidding:
   a. **Input of Monthly Bid:** Monthly bids, including Step Bids and Open Flying Blocks and Reserve Lines, will be submitted via electronic services.
   b. **Standing Bids:** Except for the period of time from bid close to bid award, each pilot shall be able to utilize the electronic bidding program to initiate, modify, and/or remove a monthly standing bid. This standing bid shall remain in effect until modified or removed by the pilot.

2. **Company Schedule Review:** The Company shall furnish to the MEC Chairman or his designee the proposed pilot schedule for the upcoming monthly bid by the Monday prior to the posting of monthly bids. If the MEC Chairman feels that the proposed pilot schedule imposes conditions not consistent with proper operation, and he is unable to resolve the issue with the Flight Operations Department by the Thursday prior to the posting of monthly bids, he shall have the right to meet with the immediate supervisor of the VP of Flight Operations (or his designee) prior to the posting of the bids, to point out the problems and recommend changes to effect a proper operation.

3. **Contactability on Days-off:** No pilot shall be required to keep the Company advised of his whereabouts while on his scheduled days off.

4. **Crew Utilization Report:** A single crew utilization report shall be furnished to the MEC Chairman and Scheduling Committee by the twenty-fifth (25th) of each month. This report shall include the following:
   a. A breakdown of deadhead time, actual flight time, credited flight time and total pay time for each pilot covering the preceding month;
   b. the number of pilots affected by junior available and volunteer senior availability;
   c. the number of premium trips designated under paragraph 25.Q;
   d. the flight time pay and credit of check airmen;
   e. the number of Long Call (LC) to Short Call (SC) conversions;
   f. the number of reserve pilots flown into days off;
g. all reassignments under paragraphs 25.V, 25.X and 25.Y;
h. all flying performed under Section 10.C [Flying the Line].

5. **Delays:** Pilot scheduling may require that a pilot remain with his delayed flight until a cancellation occurs.

6. **Not Qualified:** A pilot who has not been released from training, or whose landing currency has expired or is not in receipt of a valid medical certificate as of the closing date of either paragraph 25.C.10 or paragraph 25.F, shall not participate in that round of bidding, except as outlined below:
   a. **Landing Currency:** A pilot who must complete the FAA 90-day landing currency will be permitted to bid if he presents himself to Flight Operations prior to a bid closing date, and is otherwise available and qualified to fly except for landing currency. He shall be scheduled to satisfy landing currency prior to the end of the month. If he is not current and available to fly by month end due to his action or inaction, he shall forfeit his bid block and be assigned a reserve schedule with flying to commence when landing currency is achieved.
   b. **Medical Certification:** A pilot shall submit a current FAA Medical Certificate to Flight Training Records not later than 12:00 Pacific Time on the twenty-fifth (25th) day of the month in which his certificate expires. Pilots who fail to submit a current Medical Certificate will vacate their bid block of time for the subsequent month. The vacated bid block of time will be proffered to reserves in that base, status and equipment type. If no reserve accepts the proffer, the bid block of time may be assigned in reverse order of seniority in base, status and equipment type. Pilots who present a current Medical Certificate after 12:00 Pacific Time on the twenty-fifth (25th) day of the month shall be assigned a reserve schedule.

7. **Scheduling Committee Members:** The MEC Chairman shall furnish the Chief Pilot's Office the name(s) of the Scheduling Committee member(s).

8. **Simulator Seat-Substitute:** Multiple days of simulator training support ("seat substitute") may be combined in a single assignment. A pilot shall not perform more than one simulator training support period within a single duty period.
9. **Tech/Flag Stop:** A “tech stop” or a “flag stop” may be added to a scheduled flight. Pilot Scheduling may request a pilot to report earlier to allow for the added stop(s). The flight may not be scheduled to end more than five hours (5:00) after the end of the originally scheduled trip.

10. **Training of More than Fifteen (15) Days:** A pilot who is assigned to be in training more than fifteen (15) days in any one (1) bid period but is required to be on flight duty for a portion of the month shall be assigned a reserve schedule for the balance of the month. Scheduled days off shall be prorated for the remaining days of the month, one of which shall be the calendar day following the completion of training [See Section 2 – Pro-Rata Table]. Pay and Flight Time Credit shall be as provided in Section 11.D.5.b [Training Pay, More than Fifteen (15) Days] and shall be utilized to determine monthly limitations.

**B. Bid Block Holder Rules**

1. **Guarantee or Above:** A pilot awarded a bid block shall not be required to stand by on reserve status when that block is equal to or greater than seventy-five credit hours (75:00).

2. **Below Guarantee:** A bid block holder who has a projected monthly credit of less than his minimum monthly guarantee, who does not voluntarily pick up open flying to bring him up to his minimum monthly guarantee, may be assigned such flying by the Company sufficient to bring him up to his minimum monthly guarantee. Such pilot shall not be required to standby as a reserve pilot. (For training months see Section 11.D.5.a [Training fifteen (15) days or less]; for Pilot-to-Pilot trading see paragraph 25.H.3).

3. **Inadvertent Duplicate Assignment:**
   a. If two pilots of the same status are inadvertently assigned the same pairing, the more senior pilot will choose which pilot will fly the pairing. If a bid block holder does not fly the pairing, he will be pay assigned.
   b. A Bid Block holder who has been pay assigned as a result of a duplicate assignment may, at his option, for the day(s) he was scheduled to fly, pick up a trip(s) from Open Flying Time or sign up for open flying as provided in paragraph 25.R.1.d. Pilots choosing this option will
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receive pay and credit for the pay assigned trip and pay only for the trip(s) picked-up and flown. In the event the trip picked up is broken or split, the pilot will receive pay only for the scheduled or actual value of the segments flown whichever is greater.

Example: The pilot is pay assigned a three (3) day trip worth 18:00 credit hours and subsequently picks up a two (2) day trip worth 12:00 hours. The pilot will receive 30:00 hours of pay and 18:00 hours of credit (18:00 credit hours for the duplicate assignment and 12:00 hours of pay for the picked up trip).

Should the trip picked up be broken or split into a one (1) day 6:00 hour trip, the pilot will be paid 24:00 hours of pay and 18:00 hours credit (18:00 credit hours for the duplicate assignment and 6:00 hours of pay for the broken trip).

4. Trip Displacement:
   a. A bid block holder who is displaced from a trip or a portion of a trip will be pay protected for the scheduled value of the trip, or portion of the trip, from which he has been displaced. A pilot is not considered to be displaced until one hour and forty-five minutes (1:45) prior to the scheduled departure time of the original trip or portion thereof.
   b. A Bid Block holder who has been displaced may, at his option, for the day(s) he was scheduled to fly, pick up a trip(s) from Open Flying Time or sign up for open flying as provided in paragraph 25.R.1.d. Pilots choosing this option will receive pay and credit for the trip(s) or portions of the trip(s) he was displaced from, and pay only for the trip(s) picked-up and flown. In the event the picked up trip is broken or split, the pilot will receive pay only for the scheduled or actual value of the segments flown, whichever is greater.

Example: The pilot is displaced from a three (3) day trip worth 18:00 credit hours and subsequently picks up a two (2) day trip worth 12:00 hours. The pilot will receive 30:00 hours of pay and 18:00 hours of credit (18:00 credit
hours for the displaced trip and 12:00 hours of pay for the picked up trip).

Should the trip picked up be broken or split into a one (1) day 6:00 hour trip, the pilot will be paid 24:00 hours of pay and 18:00 hours credit (18:00 credit hours for the displaced trip and 6:00 hours of pay for the broken trip).

C. Monthly Bid Blocks
1. Known Flying: All known flying (as defined in Section 2 [Flight Pay] of the Agreement), except flying withdrawn for Operating Experience (OE) as set forth below, shall be incorporated into the bid blocks of time (as defined in Section 2 [Block of Time]).

2. Days-Off (BBH): All pilots who hold a bid block of time shall be scheduled for a minimum of four (4) forty-eight consecutive hour (48:00) periods (midnight to midnight) at their base station free of all duty with the Company each month. Pilots who hold a bid block of time may voluntarily encroach on their scheduled days off for the purpose of picking up open flying.

3. Operating Experience Time: The Company may withdraw time prior to pairing construction to build OE pairings. Time withdrawn for OE shall not exceed thirty hours (30:00) per pilot requiring OE, per bid period. A list of the OE pairings for the month will be provided to the Scheduling Management Group.

4. Pairing Construction: When constructing pilot schedules and trip sequences, the requirements of Sections 12.B [Duty Period Limitations] and 12.D [Rest] shall be used to determine the minimum off-duty period for each on-duty period in a trip sequence.

5. Bid Packages:
   a. Displayed: Bid blocks shall be displayed on monthly bid sheets in the order of greater to lesser days off.
   b. Range: Bid blocks of time will be arranged to give the maximum number of pilots a bid block of time that will be constructed between seventy-five (75:00) and eighty-five hours (85:00), or as set forth in Section 12.E.1.a [Flex Up Months] subject to Section 12.E.1. [Pay and Flight Time]
Credit] or as agreed to by the parties per Section 23.A.2.b.(2). The bid block range will be designated on the monthly bid packages.

c. **Arrangement:** Bid blocks shall be arranged in such a manner as to reasonably maximize, for the pilot group as a whole, pilot productivity, consecutive days off, number of days off and trip pairings that depart during common periods of the day, recognizing that such blocks may not be satisfactory to all pilots and that bid block arrangements must meet the needs of the General Schedule of the Company.

d. **Open Time:** Open flying known at the time of bidding shall be shown in a separate column on the bid sheet and shall consist of all flying, excluding check flying, identified in the definition of Flight Pay in Section 2 [Definitions] not placed in bid blocks. At the time of monthly bidding such open time will not exceed sixty-five Credited Hours (65:00) at any base in any equipment type for the month.

6. **Posting of Monthly Bids:** Crew planning will post bid blocks of time on the Friday preceding the first Tuesday of the month. Bid blocks of time will be posted on the appropriate electronic services. Bids will close at 12:00 local domicile time on the following Friday. The closing date will also be the bid award date. Bid awards will be posted by 22:00 local domicile time on the closing date.

7. **Change to Bid Package:** Every effort will be made not to change the published bids once they have been posted; however, if it becomes necessary, the ALPA scheduling committee shall be consulted when determining how the changes are to be made.

8. **Pilot Bidding:** Pilots shall bid a sufficient number of preferences to assure a proper award according to seniority. If a pilot fails to indicate a sufficient number of preferences or fails to bid, he will be afforded an opportunity to bid Open Flying and Reserve Lines after the award of Second Step Bids (See paragraph 25.F).

9. **Error in Bid Block:** An error(s) detected in the composition of bid blocks that result in a short block shall be corrected by allowing the pilot to select a trip(s) from known open flying.
An error(s) detected in the composition of blocks that exceed the designed monthly maximum will be resolved between the pilot and crew planning with notification to the scheduling committee.

10. **Bid Award:**
   a. **Posting:** Bid awards shall be posted electronically.
   b. **Process:** The Company will award, in seniority order by base and status, all known flying in bid lines.
   c. **Reserve Staffing:** reserve pilot staffing requirements are based upon the posted bid blocks, not including subsequent open flying blocks.

11. **Open Flying after Bid Awards:** All flying that becomes available after the bids are closed, including but not limited to, flying dropped as the result of vacation, training, leave of absence, sickness by bid block holders, and unknown flying which develops after the bidding is closed for the month, shall immediately be posted on the appropriate electronic services as available open flying. This open flying shall remain visible and accessible until picked-up or assigned. Should there be a Company system outage, the Company shall post the open flying at each base and co-terminal. If, after monthly bidding is closed additional flying becomes available, it shall be posted as open flying and the reserve pilots may be utilized to cover this flying up to their monthly maximum.

   *Intent: Due to the operational uncertainty of some charter flying, such flights are not considered to be “available” flying until the departure dates and times have been confirmed.*

D. **Line Adjustment**

1. **Carry-In Conflicts and Illegalities:** When a pilot is awarded a Bid Block in a subsequent month which results in a carry-in conflict or illegality because of the trips or days of service that he held in the prior month, such time shall be removed from his block prior to posting second step trading Open Flying Time unless resolved by the pilot in first step trading.

2. **Step Trade Rules:** After the monthly bid blocks have been awarded, bid block holders or those pilots using vacation for an entire bid period (See Section 7.F [Extra Flying]), shall have
two (2) opportunities (First Step Bid and Second Step Bid of Open Flying) in seniority order at their base to pick up, drop or exchange their trip(s) with any trip(s) shown in Open Flying Time. Such trips shall be awarded by the following method:

a. A pilot may submit unlimited choices in each step.

b. Pilots may combine whole trips, as awarded or through step trading, that do not create a CBA or FAR illegality. The combined trips will be considered a new pairing and will be subject to this Agreement as though they were originally constructed pairings. However, trips combined in first step may not be traded or dropped during second step.

c. A pilot may change a trip(s) in his bid block in the range of the bid block holder guarantee to the designated monthly maximum plus five hours (5:00).

d. For sick leave make-up, a pilot may pick up or trade to the monthly maximum plus ten hours (10:00). A pilot shall note the trip and date lost and day(s) previously made up on the trade form when making up sick leave.

e. Exchanges and drops of trip(s) will be approved until the flying on a given date is at seventy-five percent (75%) (or greater with Company concurrence) of the estimated number of Open Flying Blocks at the time of the initial bid awards.

f. When the flying on a given date is at least seventy-five percent (75%) of the estimated number of open flying blocks, that day shall be closed for further drops and step trades. However, trades for trip(s) on a day for day basis will be approved.

g. If further trades or pick ups lower the flying on a given date to at least seventy-five percent (75%) of the estimated number of open flying blocks, then that day will be reopened in the next step until the flying again reaches at least seventy-five percent (75%) of the estimated open flying blocks.

h. Once open flying blocks are awarded, closed day(s) will be reopened for open flying trades if adequate reserve coverage exists.

i. After determining the in-bound time from the prior month, the first three (3) days of the month may be closed for drops and exchanges prior to reaching the seventy-five percent (75%) factor.
3. **First Step Bid (Open Flying Time):** Open Flying Time will be posted by 22:00 / / on the / / day / / bid awards are posted and will close at 09:30, / / fifty-nine and one-half hours (59:30) later. Bids will be awarded in seniority order. Monthly Bid Blocks will be updated with First Step Bid results, and posted on the appropriate electronic services concurrent to posting the Second Step Bids.

4. **Second Step Bid (Open Flying Time):** Open Flying Time will be posted by 10:00 on the fourth day following bid awards and will close at 09:30, forty-seven and one-half hours (47:30) later. Monthly bid blocks will be updated with the Second Step Bid results, and posted on the appropriate electronic services prior to 10:00 on the day following Second Step Bid closing. If a pilot is below seventy-five Credited Hours (75:00) and he was unable to bring his time up to seventy-five Credited Hours (75:00) in the step process the pilot can indicate on his second step form (in comments) day(s) and flying preference(s).

E. **Reserve Lines**

1. **Types of Reserve Days:** Reserve days shall be depicted in the bid package as either Long Call “LC” days or Short Call “SC” days.

2. **Short Call Lines:** Reserve pilots will be scheduled in ZSAs (Zones of Scheduling Availability). A ZSA will be fifteen hours (15:00) in duration with nine hours (9:00) of rest in each twenty-four hour period. ZSAs will be established by the Company, after consultation with the ALPA Scheduling Committee, and denoted in the bid package.

3. **Long Call Lines:** Long Call Lines will be from midnight-to-midnight (calendar day) and will be denoted as such in the bid package. The Company will build a minimum of twenty percent (20%) of reserve lines as denoted in the bid package – but not fewer than two (2) – as Long Call Reserve Lines in each status, in each base. In the event that reserve lines need to be double assigned, and sufficient long call bids exist, twenty percent of the double assigned reserve lines will be long call.

*Intent: Long Call Lines will not be assigned to Pilots who do not bid a Long Call Line.*
4. **Days Off**: A reserve pilot shall receive a minimum of two (2) forty-eight (48:00), one (1) seventy-two (72:00), and one (1) one-hundred twenty (120:00) consecutive hour period(s) at his base free of all duty with the Company each bid period.

   a. **Short Call Reserve**:
      
      (1) **Begin Days Off**: Four hours (4:00) after the end of the ZSA.

      *Example for “Zone 1”: a reserve whose ZSA is 04:00-18:59 will begin his day off at 22:59.*

      (2) **End Days Off**: Five hours (5:00) before the beginning of the ZSA.

      *Example for “Zone 1”: a reserve whose ZSA is 04:00-18:59 will end his day off at 23:00.*

   (3) **Automatic Release**: A reserve pilot, having no assignment, will automatically be released five hours (5:00) prior to the end of his ZSA if:

      (a) Going into vacation days
      (b) Going into a seventy-two hour (72:00) or one-hundred twenty hour (120:00) duty free period.
      (c) Already been flown into one of his forty-eight hour (48:00) periods.

5. **Long Call Reserve**:

   (1) **Begin Days Off**: Midnight of his last Reserve Day with phone contactability ending at 13:00 if no assignment has been given, if:

      (a) Going into vacation days
      (b) Going into a seventy-two hour (72:00) or one-hundred twenty hour (120:00) duty free period.
      (c) Already been flown into one of his forty-eight hour (48) periods.

   (2) **End Days Off**: 00:01 of his first Reserve Day.

F. **Open Flying Blocks/Reserve Line Bidding and Awards**

Subsequent to the awarding of monthly bid blocks and the first and second step bids, any remaining open flying will, if sufficient, be formed into an open flying block(s) and, together with reserve lines, be posted by 17:00 on the seventh (7th) day following bid
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awards and will close at 11:30, / / sixty-six and one-half hours (66:30) later.

1. **Eligible Bidders:** Once constructed, open flying blocks and reserve lines will be bid in seniority order by those pilots who were not awarded a monthly bid block.

2. **Preferences:** A pilot shall advise Crew Planning of his open flying block or reserve line preferences within the bidding window. If a pilot fails to so advise Crew Planning he shall be assigned an open flying block (if available) or Short Call reserve line in reverse order of his seniority in his equipment type and status.

**G. Vacated Block of Time**

If during the course of the month a pilot is removed from, or is unable to continue on his bid block of time for the remainder of the month, his block of time shall be proffered to reserves in base, status and equipment type if the block has more than sixty-five hours (65:00) of scheduled credit remaining. Known open flying will be utilized to fill the block to the designated monthly maximum Credited Hours of flying for the pilot. If no reserve accepts the proffer said block may be assigned to a reserve pilot in reverse order of seniority in base, status and equipment type.

**H. Trip Trading**

No pilot may arbitrarily drop any trip from his bid block of time for his own convenience without approval of Pilot Scheduling or the Chief Pilot's Office.

*Intent: a Pilot-to-Pilot trade is not an “arbitrary drop of a trip”.*

1. **Credit Limitation:** A pilot may not pick up or trade open flying trip(s) which would schedule (project) him over the monthly maximum plus five (5) Credited Hours in any month, except for Section 14.F [Sick Leave Make-Up] and/or paragraph 25.U. Refer to Section 7.D [Pay and Credit], Section 11.D [Training Pay] and paragraph 25.H.3.k, for the transition of credit time to pay-only when the designated monthly maximum has been reached.

2. **Process:** After step bids have been completed, a pilot may pickup, drop or trade any trip with open flying with the approval of Pilot Scheduling. Pilot Scheduling shall approve...
trading or dropping of a trip(s) with open flying when there is adequate reserve coverage.

a. **Window Opens**: Trip trading will begin at 21:00 Seattle local time on the tenth (10th) day following monthly bid block awards for the subsequent bid period.

b. **First Come/First Served**: This Open Flying Time trading shall be on a first come/first served basis.

c. **Request**: A bid block holder may, with adequate reserve coverage, pickup, drop, or trade for Open Flying Time trips provided that Pilot Scheduling is notified via electronic services by 12:00 local domicile time on the day prior to the departure of the first trip involved.

   (1) **Combining Trips**: When participating in trip trading, pilots may combine trips as posted in Open Flying Time. The combined trips will be considered a new pairing and will be subject to this agreement as though they were originally constructed pairings.

   (2) **Simulator Seat Substitution**: When a seat substitution event is assigned to a reserve pilot, the pilot will receive pay and Flight Time Credit. Simulator seat substitution events may be put into Open Flying Time and picked up by bid block holders as a Pay Only Event. Seat substitution events are not eligible for Open Flying Time trades, but may be traded via Pilot to Pilot.

   (3) **Same Day Trades**: A bid block holder may, combine, pickup, or trade for “same day” Open Flying Time trips after contacting and obtaining approval from Pilot Scheduling.

   *Intent: With respect to same day trades, and because the Open Flying Time trading window is closed for that day, pilots must contact Pilot Scheduling if they desire to request a same day trip trade, trip pickup, or combine a trip. Absent an illegality or a conflict on that pilot’s line and assuming adequate reserve coverage, Pilot Scheduling will approve such request if it has not been assigned to a reserve pilot.*

d. **Submission Method**: All pickup(s), drop(s), or trades shall be processed through the Company approved electronic trade form.


e. **Response:** Pilot Scheduling shall notify the pilot(s) of approval or disapproval of their trade request by electronically noting the approval or disapproval on the form and posting the results via the electronic services.

f. **Verification:** It shall be the responsibility of the pilot(s) to determine whether or not the pickup, drop, or trade(s) has been approved.

3. **Pilot-to-Pilot:** When the trip trading window opens per Section 25.H.2.a, pilots may trade or give away a trip(s), or portion thereof, subject only to the following:

a. Pilots must be in the same status, equipment and qualified for the trip(s), or portion thereof, being traded or given away (e.g., an Anchorage pilot may trade a trip, or portion thereof, to a Seattle pilot but only a trip, or portion thereof, for which the Seattle pilot is qualified).

b. **Trades and Giveaway Notification:**

   *Intent:* Pilot-to-Pilot trades are the responsibility of the pilots. Pilot Scheduling will not be responsible for resolving conflicts or coordinating trades. Pilot Scheduling may not disapprove Pilot-to-Pilot trades on the basis that adequate time was not available to verify legality or no conflict exists.

(1) **Domestic:** Pilot Scheduling is notified no less than one hour (1:00) prior to departure, verifies legality and verifies that it creates no vacation or training conflict.

   *Intent:* Domestic Trade/Giveaway for Pilot-to-Pilot. The 1 hour (1:00) limitation is not a hard and fast rule. If the pilot calls Pilot Scheduling less than 1 hour (1:00) prior to departure and Pilot Scheduling has the capacity to handle the request, then the request will be processed and approved if legal.

(2) **International:** Pilot Scheduling is notified no less than four hours (4:00) prior to departure, verifies legality and verifies that it creates no vacation or training conflict.
c. Once the Pilot-to-Pilot trade or giveaway is approved, it is considered to be an assigned flight(s) for the accepting pilot.

d. Only one pilot at a time is responsible for the trip.

e. **Check-in:**
   (1) **In Domicile:** Normal check-in procedures apply.
   (2) **Out of Domicile:**
      (a) Pilots will contact Pilot Scheduling when they arrive in the departure city, but no less than one hour (1:00) prior to scheduled departure.
      (b) If both pilots are on duty the day of the traded activity, the acquiring pilot must contact Pilot Scheduling upon arrival in the departure city. Until the acquiring pilot has contacted Pilot Scheduling upon arrival in the departure city, the relinquishing pilot will remain prepared to continue the pairing to maintain schedule continuity.
      (c) Upon the relinquishing pilot’s arrival in the departure city of the traded trip, all responsibilities with respect to the traded trip pass from the relinquishing pilot to the accepting pilot. The trip cannot be “relinquished” if the pilot assuming the trip is not legal to fly the trip.

f. Deadhead segments may not be created as a result of Pilot-to-Pilot trades. The Company will not incur any additional deadhead, hotel and per diem costs in excess of what was originally scheduled.

g. Pilots trading or giving away under this provision may reduce their Bid Block down to zero hours (0:00) or exceed the monthly max plus five hours (5:00). It will be the pilot’s responsibility to maintain currency.

h. Should a pilot adjust his line below the bid block holder guarantee, he is not subject to the provision of Section 4.A.1.a [Bid Block Holder] and shall be paid the value of his line as adjusted.

i. A Pilot who trades or gives away trips that result in his month end Credited Hours being below any benefit accrual level will still receive that benefit accrual and continue to receive medical benefits.

j. Bid Block Holders who are completing their FAA consolidation requirements are prohibited from dropping below the minimum monthly guarantee.
k. Pilots may trade an entire trip(s) or portions of a trip(s).
   //
   (1) **Acquired Trip:** The acquired portion of a split trip is not subject to Section 12.A [Minimum Trip Pay and Credit]. A Pilot acquiring a portion of another Pilot’s trip will be paid the greater of the scheduled or actual value, on an hour for hour basis, for the segments of the split trip.
   (2) **Original Trip:** A pilot who gives away a portion of his trip to another Pilot will retain any Rig under Section 12.A [Minimum Trip Pay and Credit] from the original trip. No additional Rig will be created per Section 12.A [Minimum Trip Pay and Credit] for the remaining portion of the trip.

l. Pilot-to-Pilot trades and giveaways will be for pay and credit up to the applicable monthly maximum, and then pay only.

m. Trips split as a result of Pilot-to-Pilot trades may be traded with Open Flying Time subject to the following: //
   (1) The hard time value of the split trip being traded with Open Flying Time exceeds all Rig calculations contained in Section 12.A [Minimum Trip Pay and Credit];
   (2) The split trip being traded with Open Flying Time begins and ends in the same Base;
   (3) Trades with Open Flying Time will be subject to the provisions of paragraphs 25.H.1 and 25.H.2.

4. **Vacation:** Bid Block Holders may pick up, drop, or trade trips during a bid period where they have vacation //. This also is afforded to any pilot who has a vacation of twenty-two (22) days or more in a single bid period.

5. **System(s) Failure:** A "system failure" occurs when the Company’s electronic trading system is not generally available for access for a significant period due to a failure of the system itself or when an access route to the system (e.g. telephone service, power) is not available on a broad geographic scale. Failure of a personal computer or failure due to the error of a user will not be considered a system failure. The Company shall determine when a system failure exists. In the case of a system failure, the Company will designate a secondary
electronic system if possible. If not possible, paper or facsimile trades will be accepted for the duration of the system failure.

6. **Liability**: The Company will not be liable for any costs for pilot connection to and/or use of electronic systems from computers not provided by the Company.

I. **Reserve Trading**
   1. A reserve pilot may at his option, and with the approval of Pilot Scheduling, trade days off within his reserve schedule in order to create a greater or lesser number of consecutive days off. A pilot may not trade days so as to create a period of more than six (6) consecutive reserve days. Such trades are subject to adequate reserve coverage and will not create more inviolate periods than originally awarded (See paragraph 25.N.1).

   2. A Short Call reserve pilot may at his option, with the approval of Pilot Scheduling, change his scheduled ZSA for another ZSA for the entire bid period or a block(s) of reserve duty periods.

J. **Contacting a Reserve**

   Short call reserve pilots, on their duty days, are subject to contact during their entire ZSA, unless otherwise provided for by the FARs and/or the provisions of this agreement as provided in paragraphs 25.J.2, 25.J.3, or 25.J.4. A long call reserve shall be contactable twenty-four (24) hours a day on their scheduled reserve days, unless otherwise provided for by the FARs and/or the provisions of this agreement or paragraph 25.J.4.

   **Intent**: A “LC” (but not a “SC”) reserve may inform Pilot Scheduling they will be out of contact during a specified time period. For Assignment purposes during this unavailability period, rest will begin at the time crew scheduling places the Assignment on the pilot’s line. This does not relieve the LC reserve of his assignment responsibilities (e.g. The LC reserve is responsible for acknowledging with Pilot Crew Scheduling any assignment made during this “out of contact” period.)

   1. **Alternate Number**: When a reserve pilot will not be available at his listed phone contact, he shall advise the appropriate scheduling office where he may be contacted at any time during his absence.
2. **Contactability after Assignment:** If the short call reserve pilot is in a ZSA at the time of assignment, he will continue to be subject to contact for the remainder of his current ZSA unless otherwise directed by Pilot Scheduling. After completing his ZSA, the short call reserve pilot is not subject to contact until the scheduled report time for the assignment, unless Pilot Scheduling directs the short call reserve pilot to be subject to contact at the beginning of his next scheduled ZSA.

3. **Assignment Outside ZSA:** If the short call reserve pilot is not in a ZSA at the time of the assignment, he is not subject to contact until the scheduled report time for the assignment, unless Pilot Scheduling directs the short call reserve pilot to be subject to contact at the beginning of his next scheduled ZSA.

4. **Reserve Contacted During Rest or on a Day Off:** By optionally answering or responding to Pilot Scheduling during rest or a day off, a pilot may, but is not required to, accept an assignment which reports earlier than a flight he could have been assigned had he waited until his ZSA or period of phone contactability to answer or respond.

5. **“LC” Contact Upon completion of a Trip:** A long call reserve shall be contactable upon completion of a trip. A “LC” reserve may inform Pilot Scheduling they will be out of contact during a specified time period. For assignment purposes during this unavailability period, rest will begin at the time crew scheduling places the assignment on the pilot’s line.

   *Intent: the intent of this language is to permit a LC reserve pilot to commute following the completion of a trip without limiting Pilot Scheduling the ability to assign a trip as necessary.*

K. **Assignment of Reserve Flying**

   Pilots holding a reserve schedule will be assigned flying from known Open Flying Time between 12:00 and 18:00 the day prior. Scheduling will attempt to provide as much notification as possible for all reserve assignments.

   1. **Long Call Selection:** Long call reserve pilots may pickup trips from Open Flying Time beginning at 08:00 the day prior to departure and ending at 12:00 that same day.
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a. Long call pickups shall be on a first come/first serve basis.
b. Pickup requests must match the number of days the pilot is available (e.g., a reserve with four (4) or more days availability may pick up a trip of four (4) or more days, a reserve with three (3) days availability may pick up a three (3) day trip, etc.). Pilot Scheduling will approve the pick up upon verification that these criteria are met.
c. Pilots who pick up trips and have not been contacted by Pilot Scheduling prior to 14:00 the day the trip was picked up will not be required to be contactable until scheduled report time.
d. No later than 13:00 the day prior to departure, a long call reserve pilot may submit, via electronic services, Assignment preferences for the following day. Pilots may preference trips that do not match the number of days available. Preferences may be for a specific assignment(s), any assignment, or no assignment. Multiple requests may be submitted, but only the last submitted request will be considered. Pilot preference will be granted subject to Pilot Scheduling approval.
e. Reduced Reporting: A long call reserve pilot may select a trip from Open Flying Time that reports in not less than nine hours (9:00) by contacting Pilot Scheduling directly.

2. **Short Call Preferencing:** No later than 13:00 the day prior to departure, a short call reserve pilot may submit, via electronic services, assignment preferences for the following day. Preferences may be for a specific assignment(s), any assignment, or no assignment. Multiple requests may be submitted, but only the last submitted request will be considered.
   a. Specific trip preferences should match the number of days the pilot is available (e.g., a reserve with four (4) or more days availability should preference a trip of four (4) or more days, a reserve with three (3) days availability should preference three (3) day trip(s)).
   b. Pilots may preference other trips that do not match the number of days available.

3. **Changing a ZSA:** The Company may, with pilot concurrence, change a short call reserve pilot’s ZSA if he selects a trip out of his ZSA. This notification will occur no later than a reserve’s return from a trip, prior to crew rest, and the reserve will
remain in the new ZSA for the remainder of the month or until changed again at the end of a trip selected out of the current ZSA.

4. **Reserve Assignment:**
   a. **Method of Assignment Day Prior:** Reserve preferences are subject to Pilot Scheduling approval and will be assigned in seniority order. Should preferencing result in remaining open trips, the remaining open trips will be arranged by the trip length and zone, and matched with the pilots legal to fly them. Such arrangement is considered the “category”. Those remaining open trips shall be assigned by category to the low time reserve.
   b. **Method of Assignment Day Of:** Open trips will be arranged by the trip length and zone, and matched with the pilots legal to fly them. Such arrangement is considered the “category”. Those remaining open trips shall be assigned by category to the low time reserve.
   c. **With twelve hours (12:00) or more of notice,** a short call reserve pilot may be scheduled irrespective of ZSA. During his first duty period, a reserve pilot whose originally scheduled ZSA begins prior to 10:00 may not, without his concurrence, be assigned outside of his ZSA into the Window of Circadian Low (WOCL), as defined in Section 2 [Definitions].

   *Intent: The intent is for Pilot Scheduling to assign trips based on ZSA before assigning a pilot outside of his ZSA. However, in order to preserve the integrity of the zone on the day of operation, Crew Scheduling is not required to deplete all reserves within a zone before changing a pilot ZSA.*

d. **First Duty Period Limitation:** A short call reserve pilot scheduled with less than twelve hours (12:00) notice will have his first duty period of the assignment scheduled within his ZSA, or extended ZSA. If a reserve is given additional flying during the first duty period of his original assignment, that additional flying must be scheduled for release within his ZSA or, if applicable, ZSA extension.

e. **ZSA Extension and Rest:** Pilot Scheduling must specifically advise the reserve pilot at the time of trip notification that the reserve pilot’s ZSA is being extended.
and, if applicable, that the reserve pilot is being placed into rest. A ZSA may be extended by a maximum of:

(1) four hours (4:00) when given a notice to report between eight hours (8:00) and twelve hours (12:00) prior to report;
(2) one hour (1:00) when given four hours (4:00) or more notice prior to report.

L. Reserve Reporting Requirements

1. Short Call: Short call reserve pilots will be available to report with a two hour (2:00) notice.

2. Long Call: Long Call reserve pilots will be available to report with an eleven hour (11:00) notice.
   a. Reduced Report: With pilot concurrence, the report time may be reduced to nine hours (9:00).
   b. Convert to Short Call: Long Call reserve pilots must be given eleven hours (11:00) notice to convert from Long Call to Short Call status. A Long Call reserve pilot will be assigned a fifteen hour (15:00) window of availability. The window of availability will be fifteen hours or less, assigned by Pilot Scheduling, and is not required to be within a ZSA as denoted in the bid package.
      (1) Convert Pay: The reserve pilot will receive two hours (2:00) pay for the first conversion and one hour (1:00) pay for each successive conversion. A reserve pilot who is converted and subsequently calls in sick for the converted day will not be considered to have been converted. The convert pay will be paid in addition to his total pay value for the month.
      (2) Scope of Conversion: Only one (1) day may be converted per occurrence using the following criteria in order:
         (a) Pilot(s) with the most days available on reserve;
         (b) Pilot(s) with the lowest month to date credit;
         (c) If more than one pilot is eligible for conversion the most junior pilot having the fewest number of conversions will be converted.
         (d) Pilot Scheduling may elect to bypass a pilot who has selected a trip in accordance with paragraph 25.K.1.
      (3) Convert Limitation: Any converts in excess of four (4) will be with the pilot’s consent.
M. Changing a Reserve Assignment Prior to Departure
   The Company may reassign a reserve pilot to a different trip prior to departure on his originally assigned trip in order to preserve the continuity of the Company’s general schedule.
   1. When a pilot is reassigned prior to the departure he will be paid two hours (2:00) of pay, no credit, in addition to his total pay value for the month.
   2. A revision of a trip in any way other than those listed below constitutes a reassignment.
      a. Changing a deadhead leg to a flying leg, flying leg to a deadhead leg.
      b. Changing the pairing number.
      c. Changing the flight number within a pairing.
      d. Changing the departure time of the first flight.
      e. Changing the order of flights within a pairing.
      f. Removing flights from a pairing.
   3. A reassignment occurs if:
      a. there is a trip revision by any combination of paragraphs 25.M.2.a, d, or e; or
      b. a change under paragraph 25.M.2.d of greater than three hours (3:00); or
      c. a trip is revised in any way other than those listed in paragraph 25.M.2.
   4. Report of Use: The Company shall submit to the MEC Chairman on or before the 25th day of each month a report of all reassignments in the preceding month. Such report shall identify each reserve pilot reassigned, the trip to which such pilot originally was assigned, and the trip to which such pilot was reassigned.

N. Reserve Assignment into Day(s) Off
   1. Scheduled Encroachment: A reserve pilot may only be scheduled into one (1) of his two (2) originally awarded forty-eight (48:00) consecutive hour periods free of all duty. In no case will a reserve pilot be scheduled for duty into or during his seventy-two (72:00) or his one-hundred twenty (120:00) consecutive hour periods free of all duty.
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Intent: The intent is that a reserve pilot may only be scheduled into a day off as a last resort to avoid the cancelation of a trip. This includes but is not limited to the use of other reserves, Alternative Trip Makeup, Sick Leave Makeup, Cancelation Makeup, Illegality Makeup, VSA, and Junior Available.

a. **Compensation:** A pilot scheduled into one (1) of his two (2) forty-eight hour (48:00) duty free periods will be compensated an additional 150% of normal compensation rate for the duty period(s) that encroaches into the day(s) off. The premium will be paid in addition to his total pay value for the month.

   Example: A reserve pilot has an accumulated monthly credit of seventy-five hours (75:00) and is subsequently assigned a two (2) day trip worth five hours (5:00) per day, with one (1) of the days encroaching into a day off. The reserve pilot will be credited with ten hours (10:00) of pay and credit and for the trip and paid an additional premium of seven hours and thirty minutes (7:30) over what is flown for the month for a monthly pay amount of ninety-two hours and thirty minutes (92:30).

   \[
   \begin{align*}
   \text{Accrued monthly credit:} & \quad 75:00 \\
   \text{Value of trip:} & \quad 10:00 \\
   \text{Premium Pay:} & \quad 7:30 \\
   \text{Total:} & \quad 92:30
   \end{align*}
   \]

   (1) In lieu of pay, the pilot may elect to have the day(s) off restored in such a manner as to return to him, during that same bid period, a complete forty-eight (48:00) consecutive hour duty free period.

   (2) If the pilot elects to have the day off restored and the days cannot be restored in the same bid period due to insufficient days remaining, they will be restored in the following bid period on a day for day basis (full pay and credit for trip(s) lost if appropriate).

b. **Status for Remainder of Day-off:** A reserve pilot scheduled for duty during or into a scheduled period free of all duty shall not be required to be on reserve for the remainder of that period.
2. **Unscheduled Encroachment**: A reserve pilot whose duty extends into a scheduled day free of all duty due to irregular operations shall be treated as follows:
   a. **Less than one hour (1:00)**: A reserve pilot who completes a duty period that encroaches into a day off by less than one hour (1:00) shall continue with his normal scheduled day off.
   b. **One hour (1:00) or Greater**: A reserve pilot who completes a duty period beyond the one hour (1:00) into his day off, shall receive an additional day free of all duty and shall not be required to be on reserve for the remainder of that day.

3. **Restoration of Day(s)-Off**: If, because of irregular operations (e.g., a reserve pilot being away from his base at the beginning of his scheduled days off due to non-scheduled delays, weather, mechanical), or training, or a pilot flies into or during any of his days off, his time will be returned on a day for day basis, in such a manner as to return to him during that same bid period, a complete forty-eight (48:00), seventy-two (72:00) and one-hundred twenty (120:00) consecutive hour period free of all duty.
   a. **Pilot Preference**: When it is necessary to return to a reserve pilot a duty-free period, the Company will make its best efforts to accommodate the reserve pilot’s preferences as to the date(s) on which such duty-free period is returned, subject to adequate reserve coverage.
   b. **Subsequent Bid Period**: If because of irregular operations only, a pilot loses a day off that cannot be restored in the same month, it will be restored the following month on a day for day basis (full pay and credit for trip(s) lost if appropriate).

O. **Check Airman Limitations**
   1. **Monthly Bidding**: Check airmen who are projected to perform twenty Credited Hours (20:00) or more of flight and/or simulator checking or instructing prior to the closing of bids for the following month shall not bid a bid block for that month. For the purposes of this Paragraph, Credited Hours of checking and/or instruction shall mean: actual time in a simulator, actual time in an aircraft, not including flight time accrued during a scheduled flight included in the check airmen’s bid block. Should one or more check airmen holding
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a bid block exceed twenty hours (20:00) of instructing and/or checking in a bid period, the most senior reserve pilot(s) in status shall receive ten hours (10:00) of pay in addition to the total pay value for the month.

2. Reserve: A pilot instructing and/or checking in a given month shall not be required to standby for reserve and shall not be considered as a part of the reserve complement.

3. Open Flying Pick-Up: A check airman may pick up Open Flying Time at his option on a last out basis. See paragraph 25.R for availability of assignment.

4. Monthly Maximum: At no time shall a check airman's Flight Time Credit in any month exceed his maximum allowable time limits as provided under Section 12.E.1. [Monthly Maximum].

P. Volunteer Senior Available (VSA): A pilot who holds a bid block of time may make himself available to Pilot Scheduling on his scheduled day(s) off for VSA Open Flying Time assignment under the provisions of paragraph 25.R.1.

1. Trip Conflicts: The Company may not assign a pilot a VSA trip that conflicts with any trip(s) in his block of time or on a day on which the pilot is scheduled or pay protected for any other activity.

2. Pay for VSA Assignments: All VSA flying will be paid at the rate of one hundred-fifty percent (150%). Credit will be applied up to the monthly maximum. All hours in excess of the monthly maximum will be pay only (Credit for VSA flying up to the monthly maximum will be applied during the payroll process following the end of the month.).

3. VSA requests: VSA requests must be submitted via electronic services by 12:00 the day prior to the VSA assignment day requested.

a. VSA request Specifications: A pilot’s VSA request shall include the date(s) the pilot is available and may include any specific and quantifiable trip limitations (e.g. no duty between 01:00-05:00, turns only, increased notification requirement, no simulator support). A separate request
must be submitted for each day on which the pilot wishes to originate a VSA trip.

b. **Withdrawal/Modification of VSA request**: A VSA request may be withdrawn or modified prior to 12:00 the day before.

4. **VSA Assignment by Seniority**: If more than one pilot is eligible for a specific VSA assignment, the assignment will be given to the most senior pilot having the fewest prior VSA assignments in the current month.

5. **Contactability**: A pilot who has submitted a VSA request shall be available for assignment between 18:00 and 20:00, or shall contact Pilot Scheduling during these hours, on the day prior to the day(s) on which he is requesting VSA trip assignment. If on duty with the Company during these hours the pilot will contact Pilot Scheduling at the end of that duty period. If notified, the pilot shall be responsible for any VSA assignment that complies with his VSA request.

6. **Furlough**: The provisions of this paragraph will be suspended while any pilot is on involuntary furlough.

Q. **Posted Premium Trip**: The Company may designate trip(s) within Open Flying Time that are premium trips

1. Premium trips can be traded for or picked-up on a first come, first served basis.

*Intent: Trip trade requests submitted for premium trips which touch the same day(s) will be approved at the discretion of Pilot Scheduling.*

2. Premium flying will be paid at the rate of one hundred-fifty percent (150%). Flight Time Credit will be applied up to the monthly maximum. All hours in excess of the monthly maximum will be pay only.

3. A Long Call reserve pilot is eligible to pick up a premium trip. The premium will be paid in addition to his total pay value for the month.
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Intent: Posted premium trips that are not picked up by LC reserves lose their premium status prior to those trips being assigned to reserve pilots.

R. Assignment of Open Flying Time
1. Order of Assignment: Open Flying Time trips will be offered or assigned at a pilot’s base in the following sequence:
   a. Assigned to a pilot who holds a block of time who has placed himself on reserve under paragraph 25.U.3.a.
   b. Offered in seniority order to pilots who hold bid blocks of time who have requested to be offered Open Flying Time trips in order to make up lost sick leave and/or pay. The provisions of Section 14.F [Sick Leave Make-Up] apply to trips flown pursuant to this paragraph.
   c. Offered in seniority order to pilots who hold bid blocks of time below the designated monthly maximum hours who have requested to be offered Open Flying Time trips in order to bring their blocks of time up to the monthly maximum. Such trips shall not project the pilot over the designated monthly maximum plus five hours (5:00).
   d. Offered in seniority order to pilots who hold Bid Blocks of time and have requested to be offered Open Flying Time trips under the provision of paragraph 25.B.3.b, paragraph 25.B.4.b, or paragraph 25.W.4.
   e. Alternative to paragraphs R.1.f & g below, the Company may assign flying to a VSA pilot in that base.
   f. Assigned to a reserve pilot at the base.
   g. Assigned to a reserve pilot from any base.

   Intent: The intent is to assign reserve pilots in base prior to assigning out-of-base reserves. Except that an out-of-base reserve should be assigned prior to assigning a reserve pilot into days off unless the out-of-base pilot will be flown into days off. However, in order to preserve zone integrity within a base, Crew Scheduling is not required to deplete all reserves within that zone and base before assigning a trip to an out-of-base reserve pilot.

   h. Assigned to a VSA pilot from any base not covered by R.1.d.
   i. Assigned to a Check Airman who has made himself available on a “last out basis” per paragraph 25.O.3.
2. **Junior Available (JA):** If a flight remains open and would otherwise be canceled following all assignments and offers of Open Flying Time trips under paragraph 25.R.1.a through 25.R.1.i, the most junior available currently qualified bid block of time holder at the base may be offered such flight.
   a. **Pay and Credit, No Conflict:** A pilot who accepts the junior available trip will be paid at the rate of one hundred-fifty percent (150%). Credit will be applied up to the monthly maximum. All hours in excess of the monthly maximum will be pay only.
   b. **Pay and Credit, Conflict:** A pilot who accepts a junior available trip that conflicts with a subsequent trip will be paid the value of the trip flown at the rate of one hundred-fifty percent (150%), or the scheduled value of trip(s) missed, whichever is greater. Credit will be applied up to the monthly maximum. All hours in excess of the monthly maximum will be pay only.

S. **Reserve - Inadvertent Duplicate Assignment**
   1. **Occurrence:** If, in the case of an inadvertent duplicate assignment, a reserve pilot does not fly a previously assigned trip as a result of the senior pilot’s election to fly the trip, the reserve pilot shall lose that trip and not have “bumping” rights. He will return to the reserve list and be subject to further flight assignment for that day.
   2. **Required Rest prior to Contactability:** Once a short call reserve pilot has reported for duty and Pilot Scheduling releases the pilot, the pilot will return to the reserve list after a legal break per Section 12.D.2 [Reserve Pilots].
   3. **Duty Limitation:** In no case will a reserve pilot be required to remain on duty in excess of the time specified in Section 12.B. [Duty Period Limitations].
   4. **Reserve Away from Base:** In no case will a reserve pilot be required to sit reserve or standby duty away from his base.

T. **Reserve - Cancellation / Illegality / Equipment Substitution**
   1. **Occurrence:** When a reserve pilot is assigned a trip that is later cancelled, equipment substituted, or determined to be illegal, he shall lose that trip and not have "bumping" rights.
He will return to the reserve list and still be subject to further flight assignment for that day.

2. Required Rest prior to Contactability: Once a pilot has reported for duty and Pilot Scheduling releases the reserve pilot, the reserve pilot will return to the reserve list after a legal break per Section 12.D.2 [Reserve Pilots].

3. Duty Limitation: In no case will a reserve pilot be required to remain on duty in excess of the time specified in Section 12.B. [Duty Period Limitations].

4. Reserve Away from Base: In no case will a reserve pilot be required to sit reserve or standby duty away from his base.

U. Bid Block Holder (BBH) - Cancellation / Illegality / Equipment Substitution

1. General:
   a. Exception to Make-up: If at the time a trip is lost the pilot was projected over the designated monthly maximum plus five Credited Hours (5:00) for the month including the time lost, the trip make-up provisions in paragraph 25.U.2 do not apply. The trip lost will be considered the trip that would have been dropped to bring the pilot’s projection under the designated monthly maximum plus five Credited Hours (5:00). The pilot may attempt to pick up open flying under normal rules.
   b. Day for Day: Trip makeup assignments are made on a day-for-day basis. A pilot will not be required to fly a makeup trip(s) with more duty periods of work than were lost.

2. Away from Base - Trip Makeup Requirements: If a bid block holder is away from his base and loses a portion of a trip due to cancellation, equipment substitution, or illegality not the result of the pilot’s actions, he will be paid according to paragraph 25.U.4 and may be reassigned to alternate flights or portions thereof as provided in paragraph 25.V.

3. In Base - Trip Makeup Requirements: The following provisions apply when a bid block holder loses a trip or portion of a trip at his base due to cancellation, equipment
substitution, or illegality not the result of the pilot’s actions at any time during the month:

a. **Alternative Trip Makeup:** As an alternative to the provisions of paragraph 25.U.3.b – e, a pilot may pick up a trip(s) from Open Flying Time or may place himself on short call reserve (Selecting a ZSA) on a selected date(s) of his choosing.

   (1) **Restriction:** A pilot may not elect an alternate trip make-up if he is to fly or deadhead to re-connect with his original pairing on the same day, unless the re-connecting flight has an earlier report time than his originally scheduled trip or if the reconnecting flight originates with a deadhead with a scheduled departure time more than thirty minutes (00:30) before the originally scheduled flight departure. Such reserve duty and trips will be on a day-for-day basis.

   (2) **Notification to Scheduling:** A pilot choosing this option must notify Pilot Scheduling at the time of notification of a lost trip.

   (3) **Option:** A pilot may choose not to makeup a lost trip(s) under this section, if the pilot is not projected below the monthly guarantee.

b. **Entire Single Duty Period Trip Lost:** A pilot may be assigned a makeup trip at the time of notification. If no trip is assigned at notification he shall be contactable for a makeup assignment from the original trip’s scheduled report time until four hours (4:00) following the original trip’s scheduled departure time.

   (1) **Assignment Restriction:** The makeup trip must be scheduled to end no later than five hours (5:00) after the end of the originally scheduled trip.

   (2) **Waiving of Time Restriction for Contactability:** The contactability times / / may be changed if the pilot and Pilot Scheduling agree.

   (3) **Report/Release:** Once a pilot has reported for duty and is then released by Pilot Scheduling, he will not be required to return to the airport for trip make-up under this section.

c. **Portions of a Single Duty Period Lost:** If a pilot loses a portion of a single duty period, he may only be scheduled to fly or deadhead by a non-stop or direct route to reconnect with the remainder of his original trip.
d. **Entire Multi-Duty Period Trip Lost:**

(1) **On the day the lost trip occurs:** A pilot may be assigned a makeup trip at the time of notification. If no trip is assigned at notification he shall be contactable for a makeup assignment from the original trip’s scheduled report time until four hours (4:00) following the original trip’s scheduled departure time.

(a) **Assignment Restriction:** The makeup trip must be scheduled to end no later than five hours (5:00) after the end of the originally scheduled trip.

(b) **Waiving of Time Restriction for Contactability:** The contactability times may be changed if the pilot and Pilot Scheduling agree.

(c) **Report/Release:** With regard to the first day of a trip, once a pilot has reported for duty and is then released by Pilot Scheduling, he will not be required to return to the airport for trip make-up under this section.

(2) **Remaining days of the originally scheduled trip:**

(a) **Contactability:** the pilot will contact Pilot Scheduling or be available for contact by Pilot Scheduling from 17:00-20:00 hours of the prior evening for assignment to a trip on the following day and 06:00-08:00 on the day of assignment, unless the pilot has already been assigned a trip for that period.

(b) **Assignment Restriction:** Trips assigned per this provision shall be scheduled to end no later than five hours (5:00) after the end of the originally scheduled trip.

e. **Portions of a Multi-Duty Period Trip Lost:**

(1) **On any day the pilot loses a portion of a multi-day trip:**

(a) **Flies/DH:** If the pilot flies or deadheads on any portion of his original trip on that day, he may only be assigned to fly or deadhead by a nonstop or direct route to reconnect with his original trip on the same
(b) **Does Not Fly/DH**: If the pilot does not fly or deadhead on any portion of his original trip on the day, he will be scheduled to fly or deadhead by a nonstop or direct route to reconnect with the remainder of his original trip if practical. If it is not practical to reconnect the pilot with his original trip, he may be assigned a makeup trip at the time of notification, or if no trip is assigned at notification:

(i) **Contactability**: If no trip is assigned at notification, he shall be contactable for a makeup assignment from the original trip’s scheduled report time until four hours following the original trip’s scheduled departure time.

(ii) **Assignment Restriction**: The makeup trip must be scheduled to end no later than five hours (5:00) after the end of the originally scheduled trip.

(iii) **Waiving of Time Restriction for Contactability**: The contactability times may be changed if the pilot and Pilot Scheduling agree.

(c) **Report/Release**: With regard to the first day of a trip, once a pilot has reported for duty and is then released by Pilot Scheduling, he will not be required to return to the airport for trip make-up under this section.

(2) **Remaining Day(s)**: For the remaining day(s) of the originally scheduled trip:

(a) **Contactability**: the pilot will contact Pilot Scheduling or be available for contact by Pilot Scheduling from 17:00-20:00 hours of the prior evening for assignment to a trip on the following day and 06:00-08:00 on the day of assignment, unless the pilot has already been assigned a trip for that period.

(b) **Assignment Restriction**: Trips assigned per this provision shall be scheduled to end no later than five hours (5:00) after the end of the originally scheduled trip / /.
4. **Waiver of Assignment Restriction:** A Bid Block Holder may be asked to waive the “assignment restriction” referenced in paragraph U.3 above. If waived, the pilot shall receive one hundred percent (100%) Flight Time Credit and one hundred-fifty percent (150%) pay up to the monthly maximum for the trip flown or the original trip, whichever is greater. Beyond the monthly maximum, compensation will be at a rate of one hundred-fifty percent (150%) and be pay only.

5. **Pay and Credit:**
   a. **Existing Trip:** A pilot who loses a trip or portion thereof will receive pay and credit for the trip lost or the replacement trip(s), whichever is greater, on a day-for-day and an hour-for-hour basis.
   b. **Subsequent Trip:** If the Company assigns a replacement trip that conflicts with a pilot’s subsequent trip, the pilot will be pay assigned for the missed portion of the subsequent trip.

V. **Reassignment Away From Base – Bid Block Holder**

A pilot may be reassigned while away from his base to alternate flights or portions thereof in order to preserve the continuity of the Company’s General Schedule.

1. **Transiting Base:** If a bid block holder transits his base after being reassigned, he may only be assigned to rejoin the original trip as follows:
   a. Fly or deadhead by a nonstop or direct route to reconnect with the original trip during the same duty period, or
   b. R.O.N. at base and on the following day(s):
      (1) Fly or Deadhead by nonstop or direct route to reconnect with the original trip, or
      (2) Reconnect with the original trip as it transits his base.

2. **Return to Base Time Limitation:** In all cases, a bid block holder’s reassignment may not be scheduled to end more than five hours (5:00) after the end of the originally scheduled trip. If due to weather, mechanical, or non-scheduled delays he is unable to return to his base within the aforementioned five hours (5:00), he will be rescheduled to return at the first available legal opportunity.

   **Intent:** The priority is to utilize the first available legal online opportunity to return the pilot to his base. If the first available
online opportunity is not within six hours (6:00) from when the pilot first becomes legal, Pilot Scheduling will use other means to return the pilot to his base as soon as possible.

3. A Bid Block Holder may be asked to waive the provisions of paragraph V.1 [Transiting Base] and/or paragraph V.2 [Return to Base Limitation] above. If waived, the pilot shall receive one hundred percent (100%) Flight Time Credit and one hundred-fifty percent (150%) pay up to the monthly maximum for the trip flown or the original trip, whichever is greater. Beyond the monthly maximum, compensation will be at a rate of one hundred-fifty percent (150%) and be pay only.

4. **Pay & Credit:** A bid block holder shall receive pay and credit for the / / trip(s) missed or trip(s) flown, whichever is greater, on a day-for-day and an hour-for-hour basis.

W. **Misconnect**

A “misconnect” occurs when a pilot is substituted for purposes of maintaining schedule continuity.

1. A misconnected reserve pilot is handled in the same manner as all irregular operations are handled for reserves in as much as once a reserve has departed on a trip a reserve may be rescheduled or reassigned as required by the Company and no trip protection is given.

2. A Bid Block Holder who misconnects away from his base and is subsequently reassigned will be handled in accordance with paragraph 25.V.

3. A Bid Block Holder who misconnects at his base will be handled in accordance with paragraphs 25.V.1, 3 and 4 only. Paragraph 25.V.2 will not apply to Bid Block Holders out of position at his base.

4. A Bid Block holder who misconnects at his base and is unable to rejoin his trip may, at his option, pick up a trip(s) from Open Flying Time for the day(s) he was scheduled to fly or sign up for open flying as provided in paragraph 25.R.1.d. Pilots choosing this option will receive pay and credit in accordance with paragraph 25.U.4.b for trip(s) missed and pay only for the trip(s) picked-up.
X. **Reassignment In Base – Bid Block Holder**

1. A bid block holder, who has not departed his base, and whose first segment of his original pairing is still operating, may be offered, but is not required to accept, assignment to an alternate pairing in order to preserve the continuity of the Company’s General Schedule.
   a. If the pilot accepts the alternate pairing, the pilot shall receive one hundred percent (100%) Flight Time Credit and one hundred-fifty percent (150%) pay up to the monthly maximum for the trip flown or the original trip, whichever is greater. Beyond the monthly maximum, compensation will be at a rate of one hundred-fifty percent (150%) and be pay only.
   b. If the pilot does not accept the alternate pairing, he shall continue on his original pairing.

2. A pilot transiting his base, may be offered, but is not required to accept, an assignment to alternate flights in order to preserve the continuity of the Company’s General Schedule.
   a. If the pilot transiting his base accepts this alternate flight assignment, the pilot shall receive one hundred percent (100%) Flight Time Credit and one hundred-fifty percent (150%) pay up to the monthly maximum for the trip flown or the original trip, whichever is greater. Beyond the monthly maximum, compensation will be at a rate of one hundred-fifty percent (150%) and be pay only.
   b. If the pilot transiting his base does not accept the alternate assignment, he shall continue on his original pairing.

Y. **Severe Irregular Operations**

When there has been a determination by Alaska System Operations Control (“SOC”) that there is a present or anticipated situation or event that has lead to or could lead to a Severe Irregular Operation (“SIO”), as that term is defined in Section 2 [Definitions], a Flight Operations representative from the Company will contact the MEC Chairman (or his designee) and procedures contained in the SIO LOA 09-05 shall be invoked.

1. When an SIO event is determined to exist by representatives designated by the Company and ALPA, the following provisions will apply in an effort to restore the Company operations to pre SIO conditions:
a. A bid block holder transiting his base under paragraph 25.V.1 or paragraph 25.W.3 may be reassigned to alternate flights or portions thereof.
b. Paragraph 25.X is modified to provide that a bid block holder who has not yet departed his base may be assigned an alternate trip or portions thereof.
c. In all cases, a bid block holder’s reassignment under 25.Y.1.a & b above may not be scheduled to end more than five hours (5:00) after the end of the originally scheduled trip unless the pilot and Pilot Scheduling agree otherwise.
d. A bid block holder who was not scheduled into WOCL cannot be reassigned, as per 25.Y.1.a & b above, into WOCL without his concurrence.

2. Bid block holders reassigned under paragraph 25.Y.1.a & b above shall receive one hundred percent (100%) Flight Time Credit and one hundred-fifty percent (150%) pay up to the monthly maximum for the trip flown or the original trip, whichever is greater. Beyond the monthly maximum, compensation will be at one hundred-fifty percent (150%) and will be pay only.

3. Bid block holders assigned a trip while the SIO is in effect will remain under the SIO rules respecting pay and scheduling until the trip to which he is assigned is complete. The reassigned trip is considered to be the pilot’s new trip. Should the SIO end before the reassigned trip is completed, the provisions of the CBA shall govern the remainder of that trip even if the trip transits his base.

4. All other provisions of the CBA shall remain in full force and effect during SIO.

Z. **Reassignment Notification:**
   1. **Bid Block Holder:** When a Bid Block Holder’s awarded or assigned pairing is modified by Pilot Scheduling under any provision of this agreement, Pilot Scheduling will:
      a. Notify the Pilot of the provision of the contract under which the pairing is being modified;
      b. Annotate on the new pairing in a manner visible to the pilot:
         (1) The time of the modification;
(2) The provision of the contract under which the pairing is being modified.

2. **Reserve Schedule Holder:** When a Reserve Schedule Holder’s assigned pairing is modified under paragraphs 25.M or 25.N, Pilot Scheduling will:
   a. Notify the Pilot of the provision of the contract under which the pairing is being modified;
   b. Annotate on the new pairing in a manner visible to the pilot:
      (1) The time of the modification;
      (2) The provision of the contract under which the pairing is being modified.
A. **Company Equipment**  
   No pilot shall be required to pay for the use of any Company equipment required in personnel training.

B. **Crew Lounges**  
   1. **Locations:** The Company will provide adequate crew lounges at Anchorage, Juneau, Los Angeles, Portland, San Francisco and Seattle.
   2. **Growth:** For any future expansion of route segments where stopovers or layovers are encountered by the pilots, the Company will discuss the provisions for crew lounges at these stations prior to the use of the facilities.

C. **Damage to Aircraft or Equipment**  
   A pilot shall not be required to pay for damage to airplanes or equipment when such damage occurs during the pilot's service to the Company.

D. **Discrimination**  
   Neither the Company nor the Association will discriminate in any way against any employee based on that employee's inclusion in any classification protected from discriminatory treatment by Company Policy and State or Federal law.

E. **Electronic Services**  
   The Company will continue to support the use and development of various electronic services. The Company will not be responsible for the performance of those electronic services for which the Company has no control. The Company and the MEC Chairman or his designee shall meet as necessary to review and discuss the electronic services available.

F. **Ferry Flight with an Engine Inoperative**  
   The Company shall not require pilots to fly engine inoperative ferries.

G. **Flying other than for Alaska Airlines**  
   This Agreement contemplates that pilots shall devote their entire professional flying services to the Company, except that nothing in this Agreement shall be construed to prevent any pilot from affiliating with the military services of the United States. A pilot shall not engage in aviation activity in direct competition with those
of the Company. This provision shall not apply to any pilot who is on furlough status [see Section 23 – Furlough & Recall] or leave of absence [see Section 13 – Leave of Absence].

H. Jury Duty
1. **Notification to Company:** Pilots involuntarily called and serving on jury duty or subpoenaed to appear as a witness or deponent in any proceeding arising out of or connected with their employment shall promptly notify the Company upon receipt of the jury duty summons. Failure to promptly notify the Company may result in the loss of pay compensation for trips missed or reserve days. The pilot shall promptly notify the Company of his release from any obligation.

2. **Compensation:** A pilot who properly notifies the Company shall be compensated, as long as the pilot provides supporting paperwork designating those days they served or were available for jury duty or a witness etc (copy of any service paperwork received from the court).
   a. **Bid Block Holders:** for trips missed from their scheduled block of time.
   b. **Reserve Pilots:** will receive no less than the minimum monthly guarantee.

3. **Request for Delay:** A pilot may ask the Company to write a letter to the jury duty supervisor (or equivalent position in the specific court) to request a delay of the jury duty. The pilot’s request for delay will be made by the Company only if there is a staffing limitation in that pilot’s base and status. When there is a conflict between a jury duty summons and the pilot’s Extended Training, the Company, after discussion with the pilot, may request to delay the pilot’s jury duty. It will be the pilot’s responsibility to contact the court to determine if the request for delay has been approved.

I. **Legal Indemnity**
1. **Indemnity and Counsel:** The Company shall hold harmless, indemnify and provide legal counsel for a member of the flight deck crew named as a defendant or subpoenaed as witness by a claimant in legal proceedings arising out of the flight deck crew member’s performance of his duties, except for those proceedings initiated by the Company directly against the flight deck crew member.
2. **Insurance**: The Company shall provide Comprehensive Airline Legal Liability insurance with respect to the foregoing undertaking which will afford legal defense and indemnification of no less than five million ($5,000,000) dollars against any judgment or award directed against the flight crew member or his estate arising out of the performance of his duty as a flight crew member.

### J. Masculine Pronoun

Any masculine pronoun used in this Agreement shall be deemed and understood to designate any employee, whether male or female.

### K. New Aircraft Negotiations

When an Aircraft Type not covered by this Agreement is placed into regular air line operation by the Company, negotiations, irrespective of any provisions of Section 31 [Duration] of this Agreement, shall be initiated by either the Company or the Association under the provisions of the Railway Labor Act, as amended, for the purpose of negotiating rates of pay, rules and working conditions for pilots on such equipment.

1. **Retroactive Pay**: Such wage rates will be retroactive as of the date that such equipment was placed in service or the date of request for negotiation, whichever is later.

2. **Negotiations**: Conferences shall begin within thirty (30) days after request has been made for such conferences unless otherwise mutually agreed upon between the Company and the Association.

3. **Interim Operations**: Pilots agree to fly such aircraft while conferences are being conducted in accordance with above provisions.

### L. Parking & Transportation (in Domicile)

1. The Company shall provide each pilot free, paved and lighted parking facilities at a pilot domicile of his choosing.

2. When required, the Company will furnish clean, free transportation between the designated parking facility and the terminal.
M. **Payroll**

1. **Payday**: Pilots will be paid by 10:00 a.m. no later than the 5th and 20th of each month.

2. **Errors**: Any clerical errors in paychecks brought to the Company's or the pilot's attention shall be reconciled on the following paycheck by the Company or the pilot, as the case may be, regardless of the amount.

N. **Personnel File**

A pilot may request access to files regarding his employment in his domicile. Such file(s), or copies thereof, will be made available in his Chief Pilot or Base Chief Pilot's office during normal business hours, provided the pilot has notified his Chief Pilot at least forty-eight hours (48:00) in advance of the date he wished to review his file.

O. **Record of Payments**

The Company agrees that its record of payments on such items as Loss of License, Group Insurance premiums, funding of Pilot Retirement Plans, and ALPA dues, will be provided on request to the Association for the purpose of reviewing these benefits and their status.

P. **Staff Travel**

The Company shall provide free transportation (service charge not waived) over its routes, on a space available basis, for the Association’s Senior Labor Relations Counsel for the purpose of conducting business with Alaska Airlines, subject to appropriate governmental approval.

Q. **Taxation of Benefits**

If there is a change in governmental regulations affecting fringe benefits and taxation thereof, conferences may be initiated to consider reallocation of the monetary equivalent of the benefits affected.

R. **Unable to Report for Duty**

It will be the responsibility of a pilot who is unable to report for duty to notify the Company as far in advance as possible of this fact, giving the reason for this inability to report for duty.
S. **Uniform Changes**
   The Company and the Association will mutually agree on any change in the style, color and material of the pilots’ uniform prior to any change being instituted. No change in the basic uniform will take place without one (1) year’s prior notice to all pilots.

T. **Incident Notification**
   1. When traumatic incidents occur to pilots while they are at work including but not limited to aircraft accidents, NTSB aircraft incidents, hijacking, bomb threats, and aircraft evacuations, the Chief Pilot (or his designee) will notify the ALPA CIRP Chairman. The Chief Pilot (or his designee), in consultation with the CIRP Chairman, will determine if the pilot(s) involved in the traumatic incident require time away from work, if any, and for how long of a period.

   2. When the Company engages in an accident drill they will notify the ALPA CASC or his designee.

U. **Non-Flight Related Training/Meetings**
   This refers to training/meetings other than those covered under Section 11 [Training], Section 19 [Investigation & Discipline], and Section 20 [Grievances]. For non-flight related training/meetings, the following shall apply:

   1. For non-flight related training delivered outside the traditional classroom:
      a. A Pilot will be compensated at fifty-eight percent (58%) of his hourly rate as set forth in Section 3 [Compensation] based on the credited duration of the training event.
      b. This compensation shall be for pay only in addition to the Pilot’s total pay value for the month.
      c. The duration will be determined with input from the Association.
      d. In no case will a pilot receive less than thirty minutes (0:30) of pay at his hourly rate.

   2. For non-flight related training/meetings which require a pilot to be present at a designated location:
      a. A Pilot will be compensated at fifty-eight percent (58%) of his hourly rate as set forth in Section 3 [Compensation] based on the scheduled duration of the training event.
      b. This compensation shall be for pay only in addition to the Pilot’s total pay value for the month.
c. // In no case will a pilot receive less than four hours (4:00) of pay at his hourly rate, nor will he be required to stay beyond the scheduled duration.

d. Non-flight related training/meetings shall be posted at each Base and co-terminal and distributed electronically to the affected pilot in a manner verifying receipt concurrent with the posting of the bid packages for the following month, and shall be included in the bid blocks and reserve schedules.

e. The scheduling of non-flight related training/meetings shall not affect the reserve pilot entitlement to twelve (12) periods free of all duty in accordance with Section 25.E.4 [Reserve Lines/Days Off] of CBA 2009.

f. If a pilot drops a trip or trips due to a conflict with non-flight related training/meetings, and the result of this dropped trip or trips is the Bid Block Holder being scheduled at below the minimum guarantee for the bid period, the provisions of Section 11.D.3 [Assignability Below Minimum Guarantee] shall apply.

g. When a pilot is required to Deadhead to and from non-flight related training/meetings, he shall receive three hours - thirty minutes (3:30) of pay and Credit for each travel day, up to the monthly maximum, and pay only thereafter.

h. If a pilot is scheduled for a non-flight related training/meetings and a travel event within a single duty period limit, he shall receive an additional one hour – thirty minutes (1:30) of pay and Credit in addition to the value of the training day up to the monthly maximum, and pay only thereafter.
A. **Health Care Coverage**  
The Company shall provide each pilot and his eligible dependents with health care coverage that includes medical, dental, vision and prescription drug benefits:

1. **Plan Names and Options:**  
The following plans (as a minimum) will be offered:
   a. Preferred Provider Organization ("Regular PPO" plan)
   b. A High Deductible PPO plan that meets all statutory requirements such that a participating pilot may establish through payroll deduction a Health Savings Account for himself (and family if applicable).
   c. Health Maintenance Organization (HMO), where applicable. See the individual HMO plan for specific terms of coverage that are not addressed herein.

2. **Eligibility:** *This paragraph is meant to be a global description of who may be eligible. The options for each participant are described in each paragraph.*  
All active full time and retired pilots, their spouse, surviving spouse, and children up to age twenty-six (26); and dependent children age twenty-six (26) or older who are incapable of self-support because of a developmental disability or physical handicap (provided proof of his or her incapacity is furnished to the Company or claims administrator within thirty-one (31) days of the date that the dependent’s coverage would normally terminate.) Should applicable law establish a different dependency age, this Section shall be deemed amended to incorporate such other age, so long as that age is not less than nineteen (19) for unmarried dependents, or twenty-five (25) if a full-time student.
   a. **Spousal Requirement:** A pilot's spouse who has coverage through his/her own employer and who waives such coverage will not be eligible for Alaska Airlines coverage.
   b. **Coordination of Benefits:** When both spouses are employees of Alaska Airlines, and both have elected coverage from Alaska Airlines, benefits will be coordinated for both spouses.
   c. **New Dependents:** Dependents must be enrolled in the plan within thirty-one (31) days after they first become eligible, or wait until the next annual Open Enrollment to be enrolled.
3. **Enrollment**: Each year, during Open Enrollment, pilots/participants will be allowed to select or change their enrollment in the Regular PPO, High Deductible PPO, or HMO plans for coverage in the subsequent calendar year.

4. **Withdrawal of PPO Doctor (Regular and High Deductible)**: If at any time during the year a participant’s PPO doctor withdraws from PPO participation, the participant will be permitted a change to an HMO (if available), provided the request to change is made within thirty (30) days of the PPO doctor’s withdrawal from participation.

5. **Effective Date of Coverage**: Health care coverage is effective the first day of the month following the first full month of employment. Coverage for any eligible pilot who does not have other group medical coverage available to him will become effective on his date of hire provided he submits evidence satisfactory to the Company that he has no other group medical coverage available. For this purpose, a pilot who may continue his group medical coverage with his former employer under COBRA, or who may continue government or military coverage, but declines to do so, shall be considered to have other group medical coverage available.

6. **Termination of Coverage**: Last day of the month in which termination of employment takes place, subject to COBRA continuation rules. Coverage is subject to the disability provisions as outlined in the Employee Benefits Handbook for Pilots.

7. **Health Care Coverage Cards**: Within ninety (90) days after an open enrollment during which a pilot changes health care plans, the Company will deliver new insurance coverage cards to those pilots (active and retired) and their covered dependents. To the extent available from the insurance carrier or administrator, coverage cards will be made available on-line.

8. **Cost Sharing**:
   a. Pilots who choose to enroll in the Regular PPO will contribute an amount equal to twenty percent (20%) of the applicable group rates (full funding cost of the Regular PPO Plan).
b. Pilots who choose to enroll in the High Deductible PPO will contribute an amount equal to / / twenty percent (20%) of the applicable group rates (full funding cost of the High Deductible PPO Plan) / /; provided, however, that the dollar amount of the contribution will not exceed the dollar amount of the contribution of a pilot enrolled in the Regular PPO for the same coverage tier. / /

c. When a pilot selects an HMO option, the Company will contribute the same amount towards the funding of the HMO as it contributes to the same tier (i.e. employee, employee & spouse, employee & children or employee & family) of coverage for the Regular PPO Plan, provided that the minimum employee cost for the HMO will not be less than the employee cost of the Regular PPO.

d. **Deductibles:** All benefits listed are subject to the annual deductible unless otherwise stated.

e. **Flexible Spending Accounts (“FSA”):** A Healthcare Spending Account and a Dependent Day Care account will be offered. The maximum contribution for the Healthcare Spending Account shall be set no lower than five thousand dollars ($5,000) unless an applicable statute requires a lower limit ($2,500 at date of signing). A limited Healthcare Spending Account will be offered to those pilots who elect to participate in the High Deductible PPO plan.

9. **Out-of-Area Coverage (Regular PPO or High Deductible PPO):** A participant of the Regular PPO or High Deductible PPO plan who receives care in a geographic area where there is no network provider will receive full plan benefits (e.g., 80% of allowable charges) for covered expenses incurred from a non-network provider. A geographic area where there is a network is defined as follows: at least one (1) participating Hospital within thirty (30) road miles from the non-network Hospital where the member received care and at least two (2) participating physicians within twenty-five (25) road miles as measured by the American Automobile Association (AAA) from the office of the non-network physician where the member received care.

10. **Comprehensive Maximum (Regular PPO or High Deductible PPO):** The comprehensive lifetime maximum shall
be $5,000,000 per individual / / unless an applicable statute requires a higher maximum or no maximum (at date of signing there is no lifetime maximum).

B. **Medical Plan Coverage (Regular PPO)**

1. **Deductibles:** All benefits listed are subject to the annual deductible unless otherwise stated.
   a. **Covered Expenses:**
      (1) **In Network:** $250 per individual, $500 per family.
      (2) **Out of Network:** $350 per individual, $700 per family.
   b. **Emergency Room:** Seventy-five dollars ($75) emergency room deductible (waived if emergency is due to accident or requires hospital admission).

2. **Co-Insurance:** Plan pays 80% of covered, medically necessary, allowable expenses of preferred providers and 60% of covered medically necessary allowable expenses for other providers for the treatment of an illness or injury. If the co-insurance paid by the pilot for medical and prescription drug coverage under the Regular PPO plan exceeds two thousand dollars ($2,000) per person or four thousand dollars ($4,000) per family unit for in-network expenses within a calendar year, the Plan shall pay 100% of the excess of covered expenses for the duration of the calendar year. For out-of-network expenses the co-insurance amount the pilot must pay before the plan pays 100% for non-preferred providers for medical coverage is three thousand dollars ($3,000) per person or six thousand dollars ($6,000) per family unit within the calendar year.

3. **Second Opinions:** Second surgical opinion expense paid at 100% when such second surgical opinion is recommended and is given by a network provider. Second surgical opinions are not subject to the deductible.

4. **Chiropractic:** Company-paid expenses for spinal manipulation shall be limited to eighty percent (80%) of the cost not to exceed five hundred dollars ($500) per person per calendar year.

5. **Prescription Drug Coverage:** Prescription drugs covered under the Regular PPO will be covered under one of the three tiers described below. Coverage will be provided at network
pharmacies and mail order with no deductible under the Regular PPO with the following copays/coinsurance:

<table>
<thead>
<tr>
<th></th>
<th>Retail 30-day Supply</th>
<th>Mail Order 90-day Supply</th>
</tr>
</thead>
<tbody>
<tr>
<td>Generic</td>
<td>Lesser of Drug Cost or $5</td>
<td>Lesser of Drug Cost or $10</td>
</tr>
<tr>
<td>Brand (preferred)</td>
<td>Lesser of Drug Cost or $25</td>
<td>Lesser of Drug Cost or $50</td>
</tr>
<tr>
<td>Brand (non-preferred)</td>
<td>50% ($30 min/$60 max)</td>
<td>50% ($60 min/$120 max)</td>
</tr>
</tbody>
</table>

6. **Hearing Aid**: Company-paid expenses limited to six hundred dollars ($600) per person, every twenty-four (24) months.

7. **Substance Abuse**:
   a. **Coverage**: For inpatient and outpatient treatment the Plan pays 80% of allowable charges when preferred providers are used at an approved treatment center, and 60% of allowable charges for other providers.
   b. **Pilot Substance Abuse Treatment Expense (Pilots seeking FAA medical re-certification under the ALPA HIMS Program)**: Plan pays 80% of allowable charges when preferred providers are used at an approved treatment program to include all psychiatric and psychological testing and attending reports that are required for re-certification, and 60% of allowable charges for other providers.

8. **Mental Health**: For inpatient and outpatient treatment the Plan pays 80% of allowable charges when preferred providers are used, and 60% of allowable charges for other providers.

C. **Dental Plan**

The Company shall provide a Group Dental Plan to pilots and their dependents enrolled in one of the available Health Care Coverage plans. It shall incorporate, but not be limited to the following coverage.

1. **Deductible**: Twenty-five dollars ($25.00) per individual pilot and fifty dollars ($50.00) per pilot's family, per calendar year.
Deductibles waived for preventive and diagnostic care (deductibles apply unless otherwise noted).

2. **Co-insurance**: Plan pays 80% of usual and customary charges, including prosthetics and periodontal procedures.

3. **Maximum**: Plan pays up to one thousand seven hundred fifty dollars ($1,750) per individual per year.

4. **Diagnostic and preventive services**:
   a. **Coverage Level**: Plan pays 80% of usual and customary charges (i.e. prophylaxis, scaling, x-ray, fluoride treatment).
   b. **Exams**: Annual exams limited to not less than one (1) per calendar year and prophylaxis to not less than two (2) per calendar year.

5. **Sealants**: Plan pays 80% of reasonable and customary charges according to plan provisions.

6. **X-rays**:
   a. **Bitewings**: one (1) set every two (2) calendar years
   b. **Full mouth**: one (1) set every five (5) years.

7. **Orthodontia**: Maximum of two-thousand dollars ($2,000) lifetime per individual with one hundred ($100) lifetime deductible and 80% of reasonable and customary charges paid by the Plan.

D. **Vision Care**
   The Company will provide a group vision plan to pilots and their dependents who are enrolled in one of the available medical plans in the following manner.
   1. **Exams**: one examination per twelve (12) month period,
      a. **Network**: 100% Company paid after a twenty dollar ($20) copay.
      b. **Non-Network**: No copay. Maximum reimbursement of forty-five dollars ($45.00).

   2. **Lenses**:
      a. **Network**: One (1) pair of lenses (standard plastic or glass, single vision, lined bifocal or lined trifocal) in a
twelve (12) month period, 100% Company paid after a twenty dollar ($20) copay.
b. Non-Network: One (1) pair of lenses in a twelve (12) month period subject to the following reimbursement per pair:

<table>
<thead>
<tr>
<th>Type</th>
<th>Allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single vision</td>
<td>$ 25.00</td>
</tr>
<tr>
<td>Bifocal vision</td>
<td>$ 45.00</td>
</tr>
<tr>
<td>Trifocal vision</td>
<td>$ 61.00</td>
</tr>
<tr>
<td>Lenticular vision</td>
<td>$ 77.00</td>
</tr>
</tbody>
</table>

3. **Contact Lenses** (in lieu of glasses):
   a. Network: Maximum reimbursement of seventy-five ($75) for any quantity in a twelve (12) month period.
b. Non-Network: Maximum reimbursement of forty-five ($45) for any quantity in a twelve (12) month period.

4. **Contact Lenses (medically necessary):**
   a. Network: Covered in full after VSP approval, once in a twelve (12) month period.
b. Non-Network: Maximum reimbursement of one hundred one dollars ($101.00), once in a twelve (12) month period.

5. **Frames:**
   a. Network: Maximum reimbursement of one hundred fifty dollars ($150) in a twenty-four (24) month period.
b. Non-Network: Maximum reimbursement of ninety dollars ($90) in a twenty-four (24) month period.

E. **Furlough Coverage**
   1. Company Provided: The Company shall continue in force, the full current insurance coverages to all furloughed pilots and their dependents for the first three (3) months of any furlough. The costs for the first three (3) months shall not exceed that which an active pilot pays for similar coverage.

   2. Pilot Option: Thereafter, a pilot may, on a one-time basis, elect to continue their Health Care and Life Insurance Coverage (not including Short Term Disability), by paying 100% of the Company’s regular group rates (full funding cost) until he is recalled or accepts alternate employment.
a. **Pre-Payment**: Pilot shall prepay the premiums and shall maintain the same level of coverage as during their last period of employment.

b. **Recall**: If a pilot returns to the service of the Company prior to the expiration of the prepaid coverage, the unused premiums will be returned to the pilot.

**F. Short Term Disability**

1. **Basic**: The Company will provide each pilot with a Short Term Disability Plan.
   a. **Benefit Level**: to provide a benefit equal to 40% of the pilot’s pre-disability weekly pay up to a maximum benefit of $1,000 a week. For purposes of this plan, pre-disability pay will be the pilot’s minimum monthly guarantee rate prior to becoming disabled.
   b. **Premiums**: Company shall pay the premiums or self fund the benefit.
   c. **Terms**: Other terms and conditions of the Short Term Disability Plan shall be as described in the Employee Benefits Handbook for Pilots.

2. **Optional**: The Company shall offer pilots an Optional Short Term Disability Plan.
   a. **Benefit Level**: The optional short term disability plan will provide benefits equal to 20% of the pilot’s pre-disability weekly pay, up to a maximum benefit of $500 a week. Benefits paid from the Optional Short Term Disability Plan are in addition to the benefits provided under the Basic Short Term Disability Plan.
   b. **Premiums**: The cost of the optional short-term disability coverage will be paid by the pilot (currently / / twenty six dollars ($26.00) per month, subject to change as determined by the plan’s actuary).
   c. **Terms**: Pilots are eligible to enroll in this optional coverage upon date of hire (effective the first of the month following thirty [30] days of service) or Open Enrollment, subject to evidence of insurability. Except where differences are noted herein, all other terms and conditions of the Optional Short Term Disability Plan shall be the same as the Basic Short Term Disability Plan.
G. **Long Term Disability (LTD) Plan**

The Company will establish a Long Term Disability Plan (LTD Plan) effective as of 1/1/2010, in accordance with the terms specified herein. Terms of the LTD Plan not specified herein will be equivalent to similar terms applicable to disability retirement benefits under the Defined Benefit Plan (see Section 28.A.1 [Plan Documents]) to the maximum extent possible. All benefits under the LTD Plan will be paid from the VEBA Trust established under paragraph 27.H below, but will be paid by the Company to the extent the assets of the VEBA are insufficient. The Alaska Pilots’ Long Term Disability Plan shall be as agreed upon and stipulated in Plan Documents and are incorporated herein by reference. The Association must be provided at least thirty (30) days advance notice of any proposed amendment to allow the parties sufficient time for discussion.

1. **Coverage and Effective Date:** A pilot whose date of disability precedes 1/1/2010 and who is receiving or will receive a disability retirement benefit from the Defined Benefit Plan as of 1/1/2010 will not be eligible to participate in the LTD Plan until the date he returns to active service. All other pilots (including pilots who have not completed five Years of Service before 1/1/2010) will receive LTD benefits from the LTD Plan and not the Defined Benefit Plan, effective upon the later of 1/1/2010 or the first day of the month following thirty (30) days of service whether or not the date of disability is before, on, or after 1/1/2010.

2. **Definition of Disability:** The following definition of Disability will apply under the LTD Plan effective for Pilots with a date of disability on or after 1/1/2010. A pilot will be considered Disabled and eligible for benefits under the LTD Plan if he is ineligible to exercise the privileges of the class of Airman Medical Certificate, First or Second Class, that he held immediately prior to such inability as the result of an injury or medical condition (including natural deterioration but excluding injuries or illness resulting from any of the following: addiction to narcotics, a criminal enterprise, a self-inflicted injury, war or service in the armed forces of any country), and is under the care of a qualified health care professional. See also paragraph 27.G.10.b.

3. **Application for Benefits:** In order to be eligible for benefits under the LTD Plan, a Pilot must submit evidence of Disability
which is satisfactory to a Third Party Administrator (TPA). The date of disability and application for benefits must occur while the applicant is actively employed as a pilot for the Company, or while the pilot is on sick leave, short-term disability, or unpaid medical leave from the Company. Once benefits have been approved, the TPA may from time to time require proof of continued Disability, but such proof may not be required more frequently than once every six (6) months.

4. **Third Party Administrator:** The Pilots Retirement Board will select, with majority approval, an independent TPA to determine initial and ongoing eligibility for benefits (including reoccurrence of prior disability) under this Plan. The Pilots Retirement Board will periodically review the performance of the TPA to ensure it is meeting appropriate performance standards, not less often than once every three years or earlier if requested by one or more Retirement Board members.

   a. **Decision and Appeal:** Any decision of the TPA may be appealed to the Pilots Retirement Board which will render a decision on the appeal within 60 days of receipt of the appeal, unless the Retirement Board needs an additional 30 days to consider the appeal and according to the terms of the LTD Plan and the Retirement Board Letter of Agreement.

   b. **Payment of Benefits:** If eligibility for receipt of long-term disability benefits is determined, whether by the TPA without appeal or following an appeal, the benefit will be paid from the first day of eligibility (i.e., the first day following the exhaustion of the six (6) month waiting period). If the TPA determines a pilot is eligible for Long Term Disability Benefits and the Company appeals that decision, the benefit will be paid pending the appeal.

   c. **Costs of Administration:** The costs of administering the LTD Plan, including the cost of the TPA and other consultants hired by the VEBA Trustees, will be paid by the Plan; provided, however, that the Company will pay the full cost of Company personnel and overhead.

   d. **Retention of Rights:** The rights and requirements of pilots who are receiving or will receive Disability Retirement Benefits from the Defined Benefit Plan for Pilots shall be retained under the terms of the Defined Benefit Plan and the Retirement Board Letter of Agreement.
5. **Waiting Period:**
   a. LTD Plan benefit payments will begin after a waiting period of six (6) months measured from the date of disability. Pilots will be permitted to exhaust Sick Leave and Vacation during the waiting period.
   b. In the event of a reoccurrence of the same condition which resulted in the long term disability within ninety (90) days of returning to active service with the Company, the pilot will not have to satisfy a new benefit waiting period. Benefit payments will resume as soon as administratively possible and benefits will be paid retroactive to the date of the reoccurrence of the disability.

6. **Benefit:** While on LTD pilots will receive the following:
   a. The LTD Plan will provide a monthly benefit in the amount of fifty percent (50%) of the monthly average of a pilot's last twelve (12) months Compensation immediately preceding the commencement of sick leave benefits, vacation pay, and/or other disability payments.
   b. **Health Care Benefits:** Pilots receiving disability benefits from the LTD Plan (and their eligible dependents) may elect to continue their Company-sponsored health care plan coverage(s) by paying the same contributions as active pilots for ten (10) consecutive years measured from the date of disability. Thereafter, Pilots receiving disability benefits from the LTD Plan may elect to continue their Company-sponsored health care plan coverage(s) for the pilot (and their eligible dependents, consistent with paragraph 27.J.1.c) by paying the same contributions as retired Pilots.
   c. **Travel:** Pilots receiving disability benefits from the LTD plan and their eligible dependents will have the same on-line travel privileges as retired pilots, see also Section 9.A.2 [Retired Pilots].
   d. **Company PISP Contributions While Receiving Disability Benefits:**
      (1) **Pilots Hired Before 1/1/2010:** For Pilots hired before 1/1/2010 who elect the retirement plan choice option in Section 28.B.2.b. [Rebalance Formula] or Section 28.B.2.c. [Voluntary Soft Freeze], the Company PISP contribution will continue to be made while the pilot is receiving disability benefits from the
LTD Plan in accordance with the percentage of Compensation applicable to the Pilot’s election under Section 28.B.2.b. or 28.B.2.c. The PISP contribution will be determined by considering as Compensation under the PISP the amount of the pilot’s disability benefits paid from the LTD Plan.

(2) **Pilots Hired on or After 1/1/2010:** Company PISP contributions for Pilots hired on or after 1/1/2010 under Section 28.D.2.b(2) [Pilots Hired on or After 1/1/2010] will continue to be made while a pilot is receiving disability benefits from the LTD Plan. The PISP contributions will be determined by considering as Compensation under the PISP the amount of the Pilot’s disability benefits paid from the LTD Plan to the extent permitted under Code Section 415.

(3) **IRS Limits:** All contributions will be made to the PISP to the maximum extent permitted under Section 415(c) of the Code, based on the Pilot’s “compensation” for purposes of Section 415(c)(3). Disability benefits paid from the LTD Plan will count as “compensation” under Section 415(c)(3) to the extent permitted by law. Any contribution that cannot be paid to the PISP due to the limits of 415 or 401(a)(17) will be paid directly to the pilot as provided in Section 28.F.2 and will be considered taxable income to the pilot in the year in which it is received.

(4) **Plan Credited Service Accruals During Periods of Disability:**
   
   (a) **Credited Service Accruals:** All Pilots who elect the Retirement Choice Option in Section 28.B.2.a. [Status Quo] or Section 28.B.2.b. [Rebalance Formula] will accrue Credited Service under the Defined Benefit Plan, during periods of disability, to reflect their Retirement Choice Option.

   (b) **Retirement after Normal Retirement Eligibility:** Pilots who elect the Retirement Choice Option in Section 28.B.2.a. [Status Quo] or Section 28.B.2.b. [Rebalance Formula], and who retire from the Pilots LTD Plan after the attainment of Normal Retirement Eligibility or who return to active service from the LTD Plan...
and retire after the attainment of Normal Retirement Eligibility, will accrue Credited Service in the Defined Benefit Plan, until the earlier of the mandatory retirement age or retirement, as provided by their selected Retirement Choice Option.

7. **Offsets:** Benefits payable under the LTD Plan will be offset by other income received from the Company except vacation pay, grievance settlements/awards, profit sharing, imputed income or income paid under Section 28.F.2 [Contributions in Excess of Qualified Plan Limits].

8. **No Duplication of Benefits:** The disability benefits under the LTD Plan are intended to completely replace and modify any disability benefits under the Defined Benefit Plan. There shall be no duplication of payment between the LTD Plan and the Defined Benefit Plan. Any pilot who received disability benefits from the LTD Plan for a time period for which he also receives benefits from the Defined Benefit Plan will be legally responsible to repay the benefit received from the LTD Plan.

9. **Duration:** Monthly LTD Plan benefits will continue: until the pilot reaches age sixty-five (65), (as long as the pilot remains disabled and is under the care of a qualified health care professional), or until he returns to active service with the Company, or (if applicable) he elects retirement under the terms of the Defined Benefit Plan, whichever is earlier.

   a. A Pilot hired before 1/1/2010 who participated in the Defined Benefit Plan and who is receiving disability benefits from the LTD Plan when he reaches Normal Retirement Eligibility (as defined in Section 28.C.7.a [Normal Retirement]) will be presented with the following two options:

      (1) the pilot may elect to continue to receive LTD Plan benefits (while still disabled and under the care of a qualified health care professional) and continue to accrue Credited Service pursuant to his Retirement Choice Option election under the Defined Benefit Plan, until the earliest of return to active service, or election of retirement under the terms of the Defined Benefit Plan, or age sixty-five (65);
alternatively, the pilot may elect to forego LTD Plan disability payments after Normal Retirement Eligibility and elect Normal Retirement under the Defined Benefit Plan (from which he cannot return to active employment). Upon election of Normal Retirement the pilot will be entitled to elect the Partial Lump Sum Option under the Defined Benefit Plan and a lump sum pay out from the Unused Sick Leave at Retirement.

b. A pilot who continues in active service after Normal Retirement Eligibility and becomes disabled after reaching Normal Retirement Eligibility will be provided with the options described in 9.a above at the time he becomes eligible to begin receiving disability benefits.

10. Returning from LTD:
   a. **Sick Leave and Vacation Balance:** Pilots who have a sick leave or vacation balance when they leave active service and begin receiving LTD Plan benefits will have their sick leave or vacation balance preserved and available to use when they return to active service from their LTD leave.
   b. **Returning with a Second Class Medical Certificate:** Pilots who are able to return to active service with a second class medical and who are not able to hold a first class medical will be:
      (1) pay protected to their prior claim (Section 24.J [Prior Claim]).
      (2) The pilot will continue to receive pay protection until he can hold a first class medical and successfully return to his prior claim or otherwise successfully bids another captain position.
      (3) LTD Plan benefits will not be payable to a pilot who qualifies for a second-class medical certificate but does not return to work pursuant to that certificate.

11. Retiring from LTD: Except as provided in paragraph 27.G.9 above, disabled pilots who elect to retire under the Defined Benefit Plan are not entitled to elect the Partial Lump Sum Option under the Defined Benefit Plan or a lump sum pay out from the Unused Sick Leave at Retirement, unless the pilot returns to active service as a pilot for the Company for a
minimum of three hundred and sixty-five (365) consecutive calendar days.

H. **VEBA Trust**
   1. The Company will establish a prefunded VEBA Trust for the sole purpose of funding and paying benefits under the Pilots Long Term Disability Plan. Prefunding will be accomplished by an initial Company contribution of five hundred thousand dollars ($500,000) to the Trust not later than one hundred and eighty (180) days after DOS.

   2. The Company will prepare and execute a VEBA Trust document establishing the VEBA Trust. The VEBA Trust document will be provided to the Association for review and comment.

   3. **VEBA/LTD Plan Document:** A mutually agreed upon VEBA/LTD plan document will be developed by the Association and the Company.

   4. **VEBA Board, VEBA Board Members and Their Functions:**
      A VEBA Board will be created. The Company and the Association will each select two (2) VEBA Board members.
      a. The VEBA Board Members will oversee the funding of the VEBA Trust. The Company will fund the VEBA Trust in an amount sufficient to fully fund the present value of the approved disability benefits payable for the next twelve (12) months, plus all expenses payable by the LTD Plan.
      b. The VEBA Board Members will be responsible for the investment of the VEBA funds in such manner as is appropriate for the funding and liquidity needs of the LTD Plan.
      c. The VEBA Board Members will hire consultants, including actuarial consultants, as deemed necessary by the majority of the Board Members.

I. **Plan Documentation**
   All relevant changes and benefit provisions required by Section 27 will be incorporated in the applicable Plan document. The Association will have a minimum of thirty (30) days to review and provide comments to the Company prior to the finalization of any such plan documents, amendments, and third party agreements.
J. **Retiree & Survivor Health Care**

1. **Retiree:** Any pilot who retires may, on a one-time basis, elect to continue participation for himself and/or eligible dependents in the Company's health care plan by self-paying fifty-percent (50%) of the regular applicable group rates (full funding cost) for the coverage selected until they are eligible for Medicare. To participate, an employee must elect medical coverage and may additionally elect dental and/or vision coverage.
   a. **Eligibility:** to be eligible for retiree health care when a pilot separates from service with the Company a pilot must:
      (1) have attained age forty-five (45), and
      (2) completed sixty (60) months in which he is paid for at least one hour (1:00) of remuneration per month as the result of his employment (includes periods during which Long Term Disability benefits are received), and
      (3) Be covered under a Company sponsored health plan.
   b. **Dependent Changes:** A retired pilot may add additional eligible dependents to his existing coverage, provided that they are added within thirty-one (31) days after the date the dependent first becomes eligible.
   c. **Continuation of Dependent Coverage:** The spouse and/or eligible dependents may continue to purchase the Company’s medical and optionally, dental and/or vision plans at the above rates until the earlier of:
      (1) sixty-five (65) months from the date the pilot reaches Medicare eligibility age, or
      (2) the date the eligible spouse reaches Medicare eligibility age.
      (3) The date the eligible spouse becomes covered by another medical plan without pre-existing limits (if spouse’s other coverage contains pre-existing limits, Alaska’s plan may be continued (and will pay as secondary) until the pre-existing limits are removed).

2. **Survivor:**
   a. Widows/widowers of pilots who die during active service with the Company or widows/widowers of retired or disabled pilots may, on a one-time basis, elect to continue to participate in the Company's medical and optionally, dental and/or vision plans by self-paying fifty-percent (50%) of the regular group rates (full funding cost) for the
coverage selected until they are eligible for Medicare or remarry. They may also cover their children up to age twenty six (26) / /, or longer if disabled (same eligibility for disabled children as in paragraph 27.A.2). Should applicable law establish a different dependency age, this Section shall be deemed amended to incorporate such other age, so long as that age is not less than nineteen (19) for unmarried dependents, or twenty-five (25) if a full-time student.

b. Eligible covered domestic partners of pilots who die during active service with the Company or eligible covered domestic partners of retired or disabled pilots may, on a one-time basis, elect to continue to participate in the Company's medical and optionally, dental and/or vision plans in accordance with Company policy. Eligible covered domestic partner’s children may also opt to continue coverage in accordance with Company policy. Eligible covered domestic partners and their children are defined in the Alaska Airlines Employee Benefits Handbook for Pilots.

K. Life and AD & D Insurance
The Company shall provide a Basic Life Insurance Benefit and a Basic Accidental Death and Dismemberment (AD & D) Benefit for pilots in accordance with the following schedule:

1. Benefit Levels & Coverage:
   a. Life Insurance: $150,000.
   b. AD & D: $150,000. The Accidental Death and Dismemberment (AD & D) Benefit shall be on a twenty-four (24) hour basis including coverage while acting as a crewmember.

2. Premiums: The premium shall be fully paid by the Company.

3. Optional Life and AD&D: A pilot may purchase optional life and AD&D coverage as offered by the Company’s insurance carrier.

L. CRAF Mission/War Zone/Combat Zone Death Benefits
In the event of the death of any pilot from injury or disease while flying a CRAF mission or while assigned to a war zone or combat zone operation, the Company shall pay (or cause to be paid) in addition to the benefits prescribed in paragraph 27.K, two hundred
fifty thousand dollars ($250,000) to the pilot’s beneficiaries, in the order and manner named in the last Beneficiary Designation form completed by the pilot and on file in the Employee Benefits Department.

M. **Summary Plan Description (SPD)**
The Association will be provided a copy of any proposed amendments to the SPD (contained in the Alaska Airlines Employee Benefits Handbook for Pilots) to allow for review and comment. The Association is not bound by the provisions in the SPD since the SPD is not a negotiated document.

N. **Health and Welfare Plan Documents, Reports, Data and Agreements**
The Company will provide the Association, promptly after preparation or receipt, copies of all actuarial reports, financial data, annual reports and summary annual reports for the Health and Welfare Plan (i.e. medical, dental, vision, prescription drug). Upon request, the Company will provide within twenty (20) Business Days after the request, other reports, participant data, agreements with trustees or other third party administrators and providers, including but not limited to medical, dental, vision, prescription drug plan coverage matrices (detailing coverage inclusions and exclusions and data), demographic data, claim information data for each health care option and by demographic elements, large claim reports, claim lag information, information used to establish pilot contributions by health care option and coverage tier, information used to establish trend of health care expenses, offsets and subrogation reports, contribution and funding reports, cash flow reports, accounting expense projections and other information pertinent to the Health and Welfare Plan.
A. **General**

1. **Plan Documents**: The Alaska Airlines, Inc. Fixed Income Retirement Plan for Pilots (the “Defined Benefit Plan”), the Alaska Airlines, Inc. Pilots Investment and Savings Plan (the “PISP”), the Alaska Airlines, Inc. Excess Disability Retirement Benefits Plan for Pilots, shall be as agreed upon and stipulated in Plan Documents and are incorporated herein by reference. The Association must be provided at least thirty (30) days advance notice of any proposed amendment to allow the parties sufficient time for discussion.

2. **Change in Law or Regulation**: If there is a change in law or regulation causing a reduction in Defined Benefit Plan benefits or contributions to the PISP due to a reduction in the limits contained in Internal Revenue Code (“IRC”) Sections 415(b) and/or 415(c) and/or 401(a)(17), the Company shall establish a procedure through qualified or non-qualified means to continue providing the benefit or contribution at the level in effect prior to the change in law or regulation.

3. **Notification of Funding Waiver Request**: The Company agrees that no request to the Internal Revenue Service for a funding waiver under IRC Section 412 for a Retirement Plan may be made without notification to the Retirement Board and the Association at least sixty (60) days in advance of such request.

4. **Plan Termination Expense**: In the event of the bankruptcy, insolvency, dissolution or liquidation of the Company, any expense associated with the termination of the Plan may be paid from the Trust Fund, but only after satisfaction of all benefit liabilities.

5. **Definition of Retirement Plan**: As used herein, the terms “Retirement Benefits”, “Retirement Plan” and “Plan” encompass all of the retirement benefits provided by, and all the retirement benefit plans referenced in paragraph 28.A.1. and the related trusts, together with the Nonqualified Excess Plan.

6. **Plan Documentation**: All relevant changes and benefit provisions required by this Agreement (or prior collective bargaining agreements) will be incorporated into the applicable
plan document(s). The Association will have a minimum of thirty (30) days to review and provide comments to the Company prior to the finalization of any such plan documents, amendments, and third party agreements.

B. Retirement Choice Options
   1. No later than December 1, 2009 pilots hired before 1/1/2010, except those identified in paragraph 28.B.4, chose one of the following retirement options on a one-time irrevocable basis.

   2. Retirement benefits for pilots who made no election automatically defaulted to paragraph 28.B.2.a.
      a. **Option 1 Status Quo Formula**: 1.9% multiplied by Credited Service multiplied by Final Average Compensation as described in paragraph 28.C.6 plus defined contribution level as described in paragraph 28.D.2.a.(1).
      b. **Option 2 Rebalance Formula**: 1.0% multiplied by Credited Service multiplied by Final Average Compensation as described in paragraph 28.C.6, multiplier modification applied prospectively, effective 1/1/2010 [(sum of Credited Service as of 1/1/2010 multiplied by 1.9% and Credited Service on and after 1/1/2010 multiplied by 1.0%) multiplied by Final Average Compensation], plus increased defined contribution level as described in paragraph 28.D.2.a.(2).
      c. **Option 3 Voluntary Soft Freeze**: As of the effective date 1/1/2010, pilots hired before 1/1/2010 may voluntarily soft freeze their Defined Benefit Plan accrual and concurrently receive a Company PISP contribution of 13.5%. For purposes of computing a pilot’s Defined Benefit Plan benefit, pilots who elect this Option shall not receive additional Credited Service after 12/31/09 “Freeze Date” but their Final Average Compensation will be calculated pursuant to the provisions of paragraph 28.C.6.
         (1) **Age and Service After Freeze Date**: A pilot’s benefits under the Defined Benefit Plan will be paid based upon his actual age when benefits commence (not his age on the Freeze Date).
         (2) Age and years of service will continue to count for purposes of:
            (a) reaching early retirement age of forty-five (45);
            (b) reaching normal retirement age of sixty (60);
(c) reaching thirty (30) years of Credited Service for purposes of normal retirement.

d.  **Retirement After Normal Retirement Date:**
Section 5.4(a) [Retirement After Normal Retirement Date] of the Defined Benefit Plan will continue to apply to a pilot beyond / / attaining Normal Retirement Eligibility, regardless of which Retirement Choice Option he chooses under paragraph 28.B.2.

3.  Except as provided in paragraph 28.B.4, the effective date for options described in paragraphs 28.B.2.b and 28.B.2.c / / was 1/1/2010.

4.  **Pilots on Furlough, Military Leave or Disability:**
a.  A pilot hired before 1/1/2010 who / / was on furlough or military leave as of December 31, 2009, and who returns to active service under the provisions of Section 23.G.1 (Right of Recall; Term) or returns to active service with rights to pension benefits under USERRA will be entitled to make a retirement choice election as described in paragraph 28.B.2. The Company will provide the information described in paragraph 28.B.5.b. within 90 days after the pilot’s return to active service, and the pilot will make the election no later than 180 days after return to active service. The election will become effective the first day of the month following his election. A pilot who makes no election will default to Option 1 Status Quo (paragraph 28.B.2.a).

b.  A pilot hired before 1/1/2010 who / / was disabled under the Defined Benefit Plan / / as of December 31, 2009, will not be eligible to make a retirement choice election and will be covered by Option 1 Status Quo (paragraph 28.B.2.a). Upon return to active service, he or she will continue to be covered by Option 1 Status Quo (paragraph 28.B.2.a).

5.  **Information Required for Retirement Choice:**
a.  No later than 8/1/2009, for review and comment, the Company / / provided the Association with the following:
(1) a draft ERISA Section 204(h) notice, and
(2) a draft Defined Benefit Plan statement format and the assumptions which will be used to develop the statement.
b. Except as provided in paragraph 28.B.4, the Company provided, concurrently and postmarked no later than 9/15/2009, each pilot hired before 1/1/2010 with the following:
   (1) ERISA Section 204(h) notices, as applicable, and
   (2) a statement of his Defined Benefit Plan benefits to assist him in selecting his retirement choice option. For each Retirement Choice Option, this statement will identify the pilot’s accrued benefits and projected benefits payable at Normal Retirement in the form of a 50% joint and survivor annuity based on Credited Service and Final Average Compensation as well as anticipated defined contribution benefits payable at Normal Retirement in the form of a 50% joint and survivor annuity.

C. Terms of the “Defined Benefit Plan”
   For Plan specifics, reference the Plan document.
   2. Benefit Formula: The Benefit Formula shall be calculated in the following manner: Multiplier times Credited Service times Final Average Compensation (FAC).
   3. Credited Service: Credited years and months of service commence on the first date of employment with Alaska Airlines, Inc. as a pilot. Pilots who previously worked at Jet America will accrue Credited Service effective on October 1, 1987.
   4. 100% Vesting: All participants in the Defined Benefit Plan, who elect to soft freeze their benefits under paragraph 28.B.2.c, will be one hundred percent (100%) vested on the Freeze Date for all purposes under the Defined Benefit Plan.
   5. Multiplier: For Credited Service prior to the effective date 1/1/2010, the multiplier for the Benefit Formula shall be 1.9%. The multiplier for the selected Benefit Formula for Credited Service on or after the effective date 1/1/2010 shall be 1.9%, 1.0% or 0.0% as provided by the options listed in paragraphs 28.B.2.a, 28.B.2.b or 28.B.2.c above.
6. **Final Average Compensation (FAC):**
   a. FAC shall be determined as follows:
      (1) For pilots who select Retirement Choice Options 28.B.2.a [Status Quo] or 28.B.2.b [Rebalance], FAC shall be the highest average monthly Compensation received in any sixty (60) consecutive months during the last one hundred twenty (120) consecutive months before the participant’s termination of employment with the Company and all Affiliated Companies (as defined in the Fixed Plan Document), retirement or date of Disability under the VEBA LTD Plan (unless in the case of Disability under the VEBA LTD Plan, the participant returns to work).
      (2) For pilots who select Retirement Choice Option 28.B.2.c [Voluntary Soft Freeze], the greater of:
         (a) the Participant's highest average monthly Compensation received in any sixty (60) consecutive months during the last one hundred and twenty (120) consecutive months before the Participant’s termination of employment with the Company and all Affiliated Companies, retirement or date of Disability under the VEBA LTD Plan (unless in the case of Disability under the VEBA LTD Plan, the Participant returns to work); or
         (b) the Participant’s highest average monthly Compensation received in any sixty (60) consecutive months during the last one hundred and twenty (120) consecutive months before January 1, 2010.
   b. For purposes of determining FAC, months during which a Participant does not have earnings or has less than seventy-five (75) compensated hours per month, for whatever reason, are disregarded without disrupting the consecutivity of adjoining months.

7. **Plan Provisions:** The “Defined Benefit Plan” shall contain the following provisions:
   a. **Normal Retirement:** The first day of the calendar month coincident with or next following the plan member’s sixtieth (60th) birthday or the date he has thirty (30) years of Credited Service, whichever is earlier.
b. **Early Retirement**: The early retirement age of a plan member shall be no sooner than his forty-fifth (45th) birthday.

c. **Late Retirement Date**: As set forth in Section 4.3 [Late Retirement Date] of the Alaska Airlines, Inc. Fixed Income Retirement Plan For Pilots.

d. **Late Retirement Benefit**: As set forth in Section 5.4 [Late Retirement Benefit] of the Alaska Airlines, Inc. Fixed Income Retirement Plan For Pilots.

e. **Disability Retirement**: [Paragraph 28.C.7.e applies to those pilots who receive disability benefits under the Defined Benefit Plan as opposed to the Long Term Disability Plan.] A member who has completed five (5) years of service shall be eligible for Disability Retirement Benefits if he sustains a Disability while an Active Participant and if he submits evidence of such Disability which is satisfactory to the Retirement Board.

(1) **Benefit Level Minimum**: A member who attains his Disability Retirement Date shall be entitled to a monthly benefit computed in the same manner as a Normal Retirement Benefit, reduced at the rate of 3% for each year that the Disability Retirement Date precedes age forty-five (45). In no event shall the monthly Disability Benefit payable to any Participant be less than 50% of the average of his final twelve (12) months’ Compensation immediately preceding the commencement of sick leave benefits, vacation pay, and/or other disability payments.

(2) **Evidence of Disability**: The pilot must submit evidence of Disability which is satisfactory to the Retirement Board. The Retirement Board may require proof of continued Disability. Such proof may be required from time to time but not more frequently than once every six (6) months.

(3) **Commencement of Benefit**: Disability Retirement Benefits shall commence on the first day of the month coincident with or next following the later of six (6) months following:

(a) the date of Disability;
(b) the expiration of vacation pay;
(c) the expiration of vacation pay, and if elected by the member, the expiration of sick leave.
(4) **Duration of Benefit:** Benefits are payable until the earliest of: the pilot is no longer disabled; retires; or reaches age sixty-five (65), at which time he shall receive his retirement benefit.

(5) **Normal Retirement Eligibility and Above:** A pilot receiving disability benefits at or after Normal Retirement Eligibility may elect to retire at or after Normal Retirement Eligibility and will receive a retirement benefit as follows:

(a) **Retirement at Normal Retirement Eligibility:** If the pilot retires at Normal Retirement Eligibility, his Credited Service for his Normal Retirement Benefit shall be computed to his Normal Retirement Eligibility, as if he had not incurred a Disability. In no case shall his Normal Retirement Benefit at Normal Retirement Eligibility exceed the Disability Retirement Benefit in accordance with Section 5.5(d)(iii) of the Defined Benefit Plan. As an exception, if at the time of his Disability Retirement Date, his accrued years and months of Credited Service applicable to his Normal Retirement Benefit provide a Normal Retirement Benefit in excess of the Disability Retirement Benefit, the pilot shall receive a Normal Retirement Benefit at Normal Retirement Eligibility based upon all his years and months of Credited Service accrued at the time of his Disability Retirement Date.

(b) **Retirement after Normal Retirement Eligibility:** If the pilot retires after Normal Retirement Eligibility, his Credited Service for his Late Retirement Benefit shall be computed to his Late Retirement Date, as if he had not incurred a Disability. In no case shall his Late Retirement Benefit after Normal Retirement Eligibility exceed the Disability Retirement Benefit in accordance with Section 5.5(d)(iii) of the Defined Benefit Plan. As an exception, if at the time of his Disability Retirement Date, his accrued years and months of Credited Service applicable to his Late Retirement Benefit provide a retirement benefit in excess of the Disability Retirement Benefit, the pilot shall
receive a Late Retirement Benefit at his Late Retirement Date based upon all his years and months of Credited Service accrued at the time of his Disability Retirement Date.

(6) Election Upon Reaching Normal Retirement Eligibility: Upon reaching Normal Retirement eligibility a pilot receiving Disability Retirement Benefits will be provided the same options outlined in Section 27.G.9 [Duration] except this pilot will continue to receive Disability Retirement Benefits should he not elect to receive Normal Retirement Benefits / .

f. Death Benefit Account (DBA): In the event of the plan member’s death prior to retirement, the beneficiary of a member who has waived the Qualified Pre-Retirement Survivor Annuity (QPSA) will receive the entire amount of the DBA account balance.

(1) The Death Benefit Account for pilots who elect Retirement Choice options 28.B.2.a or 28.B.2.b will continue to accrue benefits as provided by the Defined Benefit Plan.

(2) The Death Benefit Account for pilots who elect a soft freeze as provided by paragraph 28.B.2.c will be frozen as of 12/31/2009 and will continue to be credited annually with interest only.

g. Partial Lump Sum Distribution: The Defined Benefit Plan will provide an optional partial lump sum distribution to pilots who elect an Early Retirement Date, Normal Retirement Date, or Late Retirement Date as defined in the Defined Benefit Plan, / / or if applicable, satisfy the requirements of Section 27.G.9.a.(2), or Section 27.G.11 [Retiring from LTD], or paragraph 28.C.7.e.6 equal to fifty percent (50%) of their accrued benefit.

D. “Defined Contribution Plan”
   For Plan specifics, reference the Plan document.

   2. Contribution Levels:
      a. Pilots Hired Before 1/1/2010:
         (1) The Company contribution to the PISP shall be three percent (3%) for those pilots who elect a 1.9%
Defined Benefit Plan multiplier as described in paragraph 28.B.2.a.

(2) The Company contribution to the PISP shall be as follows for those pilots who elect a 1.0% Defined Benefit Plan multiplier as described in paragraph 28.B.2.b. The contribution will be based on the nearest full years of Credited Service with Alaska Airlines Inc. as of 12/31/09 and as defined in Article 4.1 [Credited Service] of the Defined Benefit Plan rounded to the nearest whole number.

a. Rounding example: 4 years and 6 months or more is equal to 5 full years, 4 years and less than 6 months is equal to 4 full years.

<table>
<thead>
<tr>
<th>Years of Credited Service</th>
<th>Company Contribution Percentage</th>
</tr>
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<tbody>
<tr>
<td>Less than 5</td>
<td>8%</td>
</tr>
<tr>
<td>5 but less than 10</td>
<td>9%</td>
</tr>
<tr>
<td>10 but less than 15</td>
<td>10%</td>
</tr>
<tr>
<td>15 or more</td>
<td>11%</td>
</tr>
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</table>

(3) The Company contributions to the PISP shall be 13.5% for those pilots who elect a soft freeze of their Defined Benefit Plan accruals as described in paragraph 28.B.2.c.

b. Pilots Hired on or After 1/1/2010:
   (1) Pilots hired on or after 1/1/2010 will not be eligible to participate in the Defined Benefit Plan.
   (2) The Company contribution to the PISP for pilots hired on or after 1/1/2010 shall be thirteen and one-half percent (13.5%) of Compensation as defined in the PISP document, as amended.
   (3) Company contributions will commence for Compensation received on or after the first day of the month coincident with, or the next month following, one month of employment.

3. Effective Date of Increased Contribution: For those electing Option 2 Rebalance (paragraph 28.B.2.b) or Option 3 Voluntary Soft Freeze (paragraph 28.B.2.c) above, the
increased PISP contribution rate will be reflected on regular paychecks beginning 1/5/2010.

4. **Deposit of Company Contributions:** Company contributions to the PISP on behalf of each pilot shall be made by the Company for the fifth (5th) day of the month paycheck by the twentieth (20th) of that month and for the twentieth (20th) of the month paycheck by the fifth (5th) of the following month.  
   For example, the Company will contribute 3% of the pilot’s March 5th pay no later than March twentieth (20th).

5. **Final Contributions:** The final contribution to the PISP on behalf of each pilot retiree shall be made by the Company no later than the last day of the month when his last wages are paid.
   
   For example, if the pilot’s last wages are paid on May 20th, the Company will make his final contribution to the PISP no later than May 31st (should May 31st fall on a Saturday, Sunday, or holiday the contribution would be made the business day preceding the 31st).

E. **Retirement Benefits Review**
   Within ninety (90) days of a pilot's sixtieth (60th) birthday, and upon written request by the pilot to the Employee Benefits Department, a Company representative shall meet with the pilot to review his Company retirement and benefit programs.

F. **Retirement Plan Changes**
   1. **Order of Abatement:** In the event of IRC Section 415(c) excess contributions, the contributions will be reduced in the following order:
      a. The pilot’s after-tax contributions to the Defined Contribution Plan;
      b. The pilot's Roth 401(k) contributions to the Defined Contribution Plan;
      c. The pilot’s pre-tax contributions to the Defined Contribution Plan;
      d. The Company contributions to the Defined Contribution Plan.
Note: Catch-up contributions to the Defined Contribution Plan, for those eligible, will not be considered for purposes of the abatement rules discussed herein.

2. **Contributions in Excess of Qualified Plan Limits:**
The Company will provide eligible pilots with Employer contributions that cannot be made to the qualified Defined Contribution Plan due to the limitations of IRC Sections 401(a)(17) and 415(c), consistent with the requirements of IRC Section 409A and any other applicable laws or regulations. These contributions will be paid to pilots in their regular paycheck and will be taxable income to the pilot in the year in which the contribution is received. Amounts paid to a pilot in accordance with paragraph 28.F.2 will not be counted as Compensation in a manner that would decrease or increase the pilot’s benefits under any retirement or benefit plan covered by the Agreement.

a. For participants with Compensation in excess of the limit under IRC Section 401(a)(17), the Company will pay to the pilot the amount that would have been contributed to the qualified Defined Contribution Plan but for the limit. Payment to the eligible pilot will be made at the same time as contributions would have been made to the Defined Contribution Plan but for the IRC Section 401(a)(17) limits.

b. For participants whose contributions for the Plan Year to the Defined Contribution Plan are limited under IRC Section 415(c), the Company will pay the pilot the amount that would have been contributed to the qualified Defined Contribution Plan but for the limit. Payment to the pilot will be made as soon as administratively practicable after the end of the Plan Year, but no later than April 1. These payments will be taxable income to the pilot in the year in which the contribution is received.

G. **Unused Sick Leave at Retirement (or Death)**

1. At retirement the pilot will be paid a lump sum for his unused sick leave in his primary sick leave bank at twenty-five percent (25%) of the pilot’s hourly rate of pay at retirement.

2. If the pilot dies prior to retirement, the lump sum for which paragraph G.1 above provides will be paid to the beneficiary(s)
of the pilot’s Basic Life Insurance Benefit (Section 27.K [Life and AD & D Insurance]).

3. Secondary sick leave bank hours accrued through Section 14.B.3 [Rapid Re-accrual] or restored through Section 16.B [Workers’ Compensation; Pay] will not be included as part of a pilot’s unused sick leave hours for the purposes of paragraph 28.G.
A. **Agency Shop**

1. **Condition of Employment**: A pilot who fails to voluntarily acquire or maintain membership in the Association shall be required as a condition of continued employment, beginning sixty (60) days after the effective date of this Agreement or sixty (60) days after the completion of his probationary period, whichever is later, to pay to the Association each month a service charge as a contribution for the administration of this Agreement and the representation of such employee. In addition to the membership dues and/or service charge, pilots may be required to pay MEC and/or Association assessments.

2. **Delinquent Payments**: If a pilot becomes delinquent in the payment of his service charge, and/or membership dues, and/or assessments, the Association shall notify such employee and the Chief Pilot by mail, return receipt requested, that he is delinquent in the payment of such service charge, and/or membership dues, and/or assessments as specified herein and is subject to discharge as an employee of the Company. Such letter shall also notify the employee to remit the required payment within a period of fifteen (15) days or be discharged.
   a. **Failure to Remit Payment**: If, upon the expiration of the fifteen (15) day period, the pilot still remains delinquent, the Association shall notify the Chief Pilot and the employee via certified mail, return receipt requested, that the employee has failed to remit payment within the grace period allowed and is therefore to be discharged. The Chief Pilot shall thereupon take proper steps to discharge such employee from the service of the Company.
   b. **Grievance Procedure**: A grievance by an employee who is to be discharged as the result of an interpretation or application of Section 29.A.1 [Condition of Employment] shall be subject to the following procedure:
      (1) **Request for Review**: An employee who believes that the provisions of this Section have not been properly interpreted or applied as it pertains to him, may submit his request for review in writing within five (5) business days, from the date of his notification by the Chief Pilot as provided in paragraph 29.A.2.a. The request must be submitted to the Chief Pilot.
(2) **Decision**: Not later than five (5) business days following the receipt of the grievance, the Chief Pilot, or his designee, shall review the grievance and render his decision in writing to the employee and the Association via certified mail, return receipt requested. Said decision shall be final and binding on all interested parties unless appealed as hereinafter provided.

(3) **Appeal**: If the decision is not satisfactory to either the employee or the Association, then either may appeal the grievance within ten (10) business days thereafter. In the event the Company and the Association fail to agree upon a neutral referee, either the employer or the Association may request the National Mediation Board to name such neutral. The decision of the neutral shall be final and binding on all parties to the dispute. The fees and charges of such neutral referee shall be borne equally by the Company and the Association.

(4) **Status During Appeal**: During the period a grievance is being handled under the provisions of paragraph 29.A.2.b and until final award by the Chief Pilot, his designee or the neutral, the employee shall not be discharged from the Company nor lose any seniority rights because of noncompliance with the terms and provisions of paragraph 29.A.

c. **Discharge for Cause**: An employee discharged by the Company under the provisions of this Section shall be deemed to have been discharged for cause within the meaning of the terms and provisions of this Agreement.

d. **Indemnification**: The Association agrees to indemnify and hold the Company harmless for any claims of any employees discharged by the Company pursuant to a written order by an authorized Association representative under the terms of paragraph 29.A.

B. **Bulletin Boards**
The Company shall provide a suitable, conveniently located, glass covered bulletin board at each domicile for the posting of matters of Association business. Such posted material shall bear the signature or initials of the Local Council Chairman or his designee designated in writing and shall not contain anything of a defamatory or political nature.
C. **Check-off Programs**

A pilot may elect payroll deductions for the purposes described below by completing the applicable check-off form(s) authorizing such deductions. Deductions shall begin on the first payday occurring more than five (5) days following the Company’s receipt of such check-off form(s) and shall be remitted to the designated recipient within thirty (30) days thereafter.

1. **Dues and Assessments:**
   a. **Dues:** Membership dues uniformly levied, in accordance with the Constitution and Bylaws of the Association and service charges as prescribed by the Railway Labor Act, as amended.
   b. **Assessments:** MEC and Association assessments that the Company has agreed to deduct.

2. **Alaska Airlines Pilots Charitable Fund:** Voluntary contributions to the Alaska Airlines Pilots Charitable Fund. The amount of such monthly check-off deductions and the transmittal of such voluntary contributions shall be as specified in such forms and in conformance with any applicable state or federal statute.

3. **Insurance:** Insurance premiums as specified by the Association. The amount of such monthly deductions shall be as specified in such forms and in conformance with the provisions of the applicable insurance master contracts.

4. **PAC:** Voluntary contributions to Air Line Pilots Association Political Action Committee (ALPA-PAC). The amount of such monthly check-off deductions and the transmittal of such voluntary contributions shall be as specified in such forms and in conformance with any applicable state or federal statute.

D. **CBA & Retirement Plan Distribution**

The Company will provide each pilot with a printed, loose leaf, convenient sized booklet which shall include this Agreement, Letters of Agreement, or addenda within thirty (30) days of the signing of this Agreement.

1. **Letters of Agreement:** Any Letters of Agreement or other amendments entered into during the term of this Agreement shall also be distributed to each pilot within thirty (30) days of signing, including updates to the appropriate contract section, table of contents and index.
2. **Retirement Plan Documents**: All Pilot Retirement Plan documents will be made available electronically for use and provided in hard copy, following the standard contractual printing format, to each pilot upon request.

E. **Earnings Reporting**
The Company will within thirty (30) days after the close of each calendar year forward electronically to the MEC Chairman a complete list of all pilots employed during the year. The list shall include each pilot's payroll number and each pilot's total gross earnings for that year. Such list shall show the pilot’s status if on furlough, the date such pilot was placed on furlough and subsequent recall date, if applicable.
With respect to the changes reflected below to Section 30, these changes are administrative only. These changes, taken with the incorporation of some Letters of Agreement attached to Contract ‘97, were not intended by either party to change the substance or intent of the sideletters which were incorporated herein.

A. General
   1. Recording Devices:
      a. **Advance Notice**: The Company shall notify the Association in writing not less than ninety (90) days prior to the installation of any device, equipment, or system which is capable of monitoring and/or transmitting pilot performance data on an aircraft.
      b. **Approval**: The operation of any pilot performance monitoring device, equipment, or system shall require the written consent and agreement of ALPA unless such device, equipment, or system must be installed as a requirement of aircraft certification or Federal Aviation Administration regulations.

   2. **Release of Data**: Except as required by operation of law or as provided in paragraph 30.A.4.e, information obtained from a flight data recorder or a cockpit voice recorder or a cockpit video recorder shall not be disclosed or released by the Company or ALPA to a third party without the express prior written consent of the Alaska MEC Chairman and the Alaska Airlines Vice President of Flight Operations.

   3. **Conditions of Release**: The Company will provide the Alaska MEC a prior written consent, in the form of a confidentiality agreement, that it will not release information covered by this Section [30] as a prerequisite to any release.

   4. **Data Usage**: The Company may only use information recorded or transmitted during flight operations, in conjunction with an:
      a. ACARS transmission [see paragraph 30.B]; or an
      b. NTSB Accident or Incident investigation; or the,
      c. Flight Operations Quality Assurance (FOQA) Program; or,
      d. Maintenance and Engineering analysis and/or investigation; or
Section 30
Flight Data Recording Devices

e. Other Data Usage:
   (1) **Manufacturer/Vendor**: The Company may release de-identified information to a manufacturer, vendor or servicer in the normal course of business, provided the third party provide to the Alaska MEC prior written consent, in the form of a confidentiality agreement, that it will not release information covered by this Section [30] as a prerequisite to any release.
   (2) **Association**: The Company shall release information obtained from a flight data recorder or a cockpit voice recorder or cockpit video recorder to the Association, when requested by the Alaska MEC Chairman or his authorized representative.
   (3) **Private Entity**: Notwithstanding any other provision in this Section [30], the Company may release de-identified information to private, non-governmental entities in order to facilitate or evaluate equipment purchases or performance or for the purposes of evaluating safety/performance/economic aspects of the Company’s operating and/or maintenance procedures/systems.

5. **De-identification of Data**: Any information generated from a flight data recorder, cockpit voice recorder, or cockpit video recorder retrieved for engineering analysis or investigation will be de-identified or destroyed as soon as practicable unless prohibited by statute, operation of law, mutual agreement of the parties, or it is part of a current NTSB safety investigation.

6. **Data Use for Monitoring**: Except as provided in this Section [30], information obtained from a flight data recorder or cockpit voice recorder or cockpit video recorder shall not be used as a basis, in whole or in part:
   a. **Performance**: to monitor the judgment or performance of an individual pilot or crew.
   b. **Justification for Training**: to justify or require a pilot’s submission to a non-recurrent proficiency check or line check, or an accelerated recurrent proficiency check or line check. Any other additional training will be scheduled with the concurrence of the individual pilot(s) involved.

7. **Data Use for Discipline and/or Dismissal**: Information obtained from a flight data recorder, cockpit voice recorder or
cockpit video recorder or ACARS shall not be used as a basis, in whole or in part, for discipline or discharge action against a pilot.

a. **Introduction as evidence:** The Company shall not offer or introduce information obtained from a flight data recorder or cockpit voice recorder or cockpit video recorder or ACARS in any grievance proceeding or System Board of Adjustment proceeding unless the grievant or the Association first offers or introduces such information.

b. **Corroboration of evidence:** The Company shall not use information obtained from a flight data recorder or cockpit voice recorder or cockpit video recorder to substantiate or corroborate information obtained from another source. Nor shall the Company or any employee use information obtained from a flight data recorder or cockpit voice recorder or cockpit video recorder or ACARS to investigate, discipline or discharge a pilot.

B. **ACARS**

1. **Data Transmission:** The following data may be monitored and/or transmitted through ACARS:
   
   a. **OOOI Times:** Times required for DOT on-time disclosure reports to include flight number, gate departure time, wheels-off time, wheels-on time, and gate arrival time.

   b. **Pilot Flight Pay Times:** Times required to determine pilot pay in accordance with Sections 2 [Flight Time or Block to Block] and 3.C [Computation of Flying Hours].

   c. **Free Text Messaging and Pilot Request Messages:** Transmissions which are either initiated by the flight crew, or from the ground. All ground-initiated transmissions will not be considered received until acknowledged by the flight crew.

   d. **Exceptions:** Data not covered by the above categories will not be monitored and/or transmitted without the Association's consent *unless* the data has been de-identified.

2. **Printers:** The Company agrees to install ACARS printers on all aircraft that are, or can be configured to be, printer compatible.
C. Flight Operations Quality Assurance (FOQA)

1. **Program:** The operation of the Alaska Airlines FOQA Program shall be by mutual agreement between the Company and the ALPA MEC. Any changes to the Alaska Airlines FOQA Program shall require the unanimous agreement of the FOQA Monitoring Team members prior to implementation.

2. **Authority:** It is understood the FOQA Monitoring Team has no authority to institute changes which would conflict with any other provision of this Section [30].

3. **Oversight:** The FOQA Monitoring Team shall oversee the day to day operations of the Alaska Airlines FOQA Program and establish necessary policies and procedures to ensure compliance with the provisions of this agreement.

4. **Confidentiality:** The design of the Alaska Airlines FOQA Program shall ensure the confidentiality and ultimate anonymity of individual crew members consistent with the Alaska Airlines FOQA Program.

5. **Scope:**
   a. **Sufficient Data:** Sufficient de-identified data shall be maintained to fulfill the requirements of the agreed upon Alaska Airlines FOQA Program. All de-identified data and analyses of such data shall be made available to the parties.
   b. **Additional Areas:** Any additional areas of evaluation which the parties may desire to include in the Alaska Airlines FOQA Program must be mutually agreed upon by the Company, the FOQA Monitoring Team, and the Alaska MEC prior to implementation.
   c. **Studies:** Any special studies or evaluations require unanimous agreement of the members of the FOQA Monitoring Team.

6. **Exceedance:**
   a. **Limits:** The establishment of the limits which define a Level I, II, or III exceedance shall be mutually agreed upon by the members of the FOQA Monitoring Team.
   b. **Review:** There shall be continual evaluation of exceedance values by the parties.
7. **Data Use**: De-Identified data developed by the Alaska Airlines FOQA Program may be used for:
   a. **Proficiency**: Enhance the overall proficiency of flight crews, the pilot training program, the ATC system, aircraft and airport design.
   b. **Standardization**: Compare with established procedures and standards to identify needed improvements, and to develop exceedance information.
   c. **Corrective Training**: Perform trend analyses of exceedance to evaluate corrective training programs and measure performance over time.
   d. **Safety**: Enhance safety through a formal awareness and feedback program in the following areas:
      (1) Flight procedures
      (2) Flight training procedures
      (3) Crew performance in all phrases of flight
      (4) Air Traffic Control procedures
      (5) Aircraft and airport design and maintenance
      (6) Meteorological conditions
   e. **Governmental**: Appropriate governmental agencies may be given access to de-identified data on Company property with unanimous approval of the FOQA Monitoring Team.
   f. **Restriction**: Data developed by the Alaska Airlines FOQA Program may not be used as a basis, in whole or in part, for discipline or discharge action against a pilot. Additionally, such data 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 line check, or an accelerated recurrent proficiency check or line check.

8. **Data Retention**:
   a. **Identifying components**: (e.g., date, flight number, time of day) shall be encrypted at the time the QAR is analyzed to allow the FOQA Gatekeeper sole access to identifying data. The full Alaska Airlines FOQA Monitoring Team will only have access to de-identified data.
   b. **Confidentiality**: Any employees/agents who have contact with any identified data used in Alaska Airlines FOQA Program shall be prohibited from divulging any identifying data to any individual or organization other than the ALPA Designated FOQA Monitoring Team Member. In the event an employee/agent divulges any
identifying data to any individual other than the ALPA Designated FOQA Monitoring Team Member, such employee/agent shall immediately be removed from any participation in the Alaska Airlines FOQA Program.

9. **Contacting Crew Members**: Only the FOQA Gatekeeper shall be able to identify the individual crew members associated with any specific data and will be the sole contact with any flight crew member to investigate a specific event.

10. **Data Driven Training Process**:
   a. **Crew Interview**: In the event a Level III exceedance cannot be explained after evaluating weather, ATC procedures or by any other means available to the entire FOQA Monitoring Team, the FOQA Gatekeeper will arrange to interview the flight crew member(s) involved. If the flight crew member(s) interviewed requests any training, the FOQA Gatekeeper will be empowered to arrange for training and to provide any other resources necessary for the resolution of the event. The FOQA Gatekeeper will present the results of the flight crew member(s) interview at the next scheduled FOQA Monitoring Team meeting.
   b. **Required Training**: If, by unanimous agreement of the FOQA Monitoring Team believes that, training or additional training is required to resolve the Level III exceedance, then the FOQA Gatekeeper shall re-contact the flight crew member(s) involved and schedule the necessary training.
   c. **Choice of Instructor**: If training is required or requested, the crewmember(s) will select an individual from the Alaska Airlines training department to conduct the training. The individual selected from the Alaska Airlines training department will then be the only one authorized to conduct training with the flight crew member concerning this event, and will report only to the FOQA Gatekeeper. After training has been completed, the FOQA Gatekeeper shall report to the FOQA Monitoring Team that training has been administered.
   d. **Documentation**: Any notes, memoranda, information, or other documents used by the FOQA Gatekeeper or the Alaska Airlines training department while in contact with any flight crew member concerning a specific FOQA Level III exceedance shall be considered “identified information”
for purposes of this agreement and shall be de-identified prior to any contact with any other members of the FOQA Monitoring Team immediately following the completion of training.

11. **FAA Assurances**: If the FAA does not continue to provide specific pilot protective guarantees to the satisfaction of both the Company and the Association then either party may terminate this agreement effective immediately.

12. **Suspension/Termination of Program**: Any violation of a requirement of Alaska Airlines FOQA Program, or the terms herein, shall constitute cause for the suspension or termination of the Alaska Airlines FOQA Program at the written request of either party. Either party may, with thirty (30) days’ notice, suspend the Alaska Airlines FOQA Program.

13. **Flight Pay Loss**: Upon prior approval of the Director, Flight Safety, the Company shall compensate all pilot representatives involved in the FOQA program for flight pay loss that is occasioned by their participation in FOQA.

D. **Videotaping**
   1. **Use**: Videotaping shall be for training purposes only and restricted solely to Integrated Crew Experience (ICE) reinforcement training simulator training rides.

   2. **Audience**: Video tapes shall be viewed by no other than the participants and their instructors immediately after the training ride(s).

   3. **Erasing of**: Video tapes shall be erased immediately following their viewing.

   4. **Restrictions**: Video tapes shall not be used in conjunction with check rides or any disciplinary proceedings.
A. **Dates**
Except as otherwise specifically provided, this Agreement shall become effective upon date of ratification (date to be inserted), and shall remain in full force and effect through March 31, 2018 and shall renew itself without change through each succeeding March 31 unless written notice of intended change is served by either party on October 1, 2017 and in any event on or before March 1, 2018 in accordance with Section 6, Title I, of the Railway Labor Act, as amended, or any successive March 1st.

B. **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”), (1) 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 (2) the parties hereto agree that (a) upon the occurrence of any such Invalidity Condition, either party may serve a Section 6 notice on the other party with respect to the 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.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this _XX_ day of _XXX_, 20XX.

FOR
Alaska Airlines, Inc.
s/Shane Tackett  
Vice President, Labor Relations

Air Line Pilots Association, Intl.
s/Captain Donald L. Moak  
President

s/Captain Gary L. Beck  
Vice President, Flight Operations

s/Captain Chris Notaro  
Chairman,
Alaska Master Executive Council

Witness:

s/Elizabeth Ryan  
Bennie Johnson  
Herman Wacker

s/Sean Hansen  
Robert Driscoll  
Mark Frank
PAGE

INTENTIONALLY

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These Letters of Agreement (LOA) have been adopted over time and are renewed here, or are newly adopted to this CBA. LOA have the full force and effect of contract language. They are entered to provide detail that is too cumbersome for inclusion in the body of the CBA. All agreements between the parties are included in either the body of the CBA, these LOA, or in Memorandum of Understanding (MOU) which are contained elsewhere in this agreement.

These are the LOA which are effective with this Agreement:

61-01 National Defense Flying, dated April 4, 1961
93-04 Drug and Alcohol Testing, dated April 30, 1993
03-08 Commuter Pilot Program, dated December 12, 2003
05-02 Retirement Board, dated May 1, 2005
06-01 Health Benefits Review Board, dated March 14, 2006
09-05 Severe Irregular Operations, dated May 19, 2009
09-06 Expedited Arbitration Rules, dated May 19, 2009
11-01 Bidding for General & Non-Flt Tng/Meetings, dated April 1, 2011
11-02 Fair Treatment of Experienced Pilots Act, dated April 1, 2011
11-03 Scheduling Management Group, dated April 1, 2011
11-05 LAX Co-Terminal, dated June 28, 2011
13-01 Alaska Air Group Letter of Agreement, dated Date of Ratification
13-02 Job Protection Letter of Agreement, dated Date of Ratification
13-03 Boeing Aircraft Letter of Agreement, dated Date of Ratification
13-04 Excess Disability Retirement Benefits, dated Date of Ratification

The following LOAs have been removed because the concepts have been incorporated into the body of the CBA or have been replaced by another LOA or MOU:

93-02 Freighter Operation Flexibility
94-01 VEBA/Disability Retirement
00-01 Hardship
09-03 Alaska Air Group Letter of Agreement
10-04 Vacation Trading
10-05 Bypass to Recall for Involuntary Furloughed Pilots
11-04 Displacement Advance

The following LOAs have been eliminated:

95-01 Russia Operations
03-04 Dutch Harbor Qualification
05-01 Currency during Military Conflict
08-01  Extended Leave of Absence
09-01  Reduced Bid Block Program
09-02  Reduced Reserve Schedule Program
AGREEMENT
between
ALASKA AIRLINES, INC.
and
THE AIR LINE PILOTS
in the Service of
ALASKA AIRLINES, INC.
as Represented by the
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

National Defense Flying during Labor Dispute

The Air Line Pilots Association, International and Alaska Airlines, Inc. hereby agree:

1. That even though the pilots withdraw from commercial airline service because of unresolved labor disputes, including disputes arising out of the contract termination dates, they will nevertheless continue to fly any flights deemed essential to the National Defense, provided, however, that such flights shall be solely military in nature and their cargo composed entirely of military commodities or personnel.

2. That this is consistent with the long-standing policy and performance of the pilots and of the Air Line Pilots Association, International.

3. That to assure the movement of a particular flight under such circumstances, the Air Line Pilots Association, International, will require certification by an appropriate company operating official designated by the company for such purposes that such flight is in accordance with the specifications set forth in Paragraph 1. above.

4. That the Pilots who fly such military traffic will not lose any benefits accruing to other Pilots which they would otherwise have received upon the settlement of an unresolved labor dispute.

5. That this understanding is incorporated into and made a part of the Collective Bargaining Agreement between the Parties hereto, provided that, notwithstanding any other provisions of the Collective Bargaining Agreement, this Letter of Agreement will not
be altered or terminated without at least two years prior written notice.

Signed this 4th day of April, 1961.

FOR
ALASKA AIRLINES, INC.
s/Chester L. Miller
Assistant Vice President
Operations

s/Edward L. Sherman
Director
Personnel and Industrial Relations

FOR
AIR LINE PILOTS ASSOCIATION, INTL.
s/Clarence Sayen
President

s/David S. Thompson
s/Arthur L. Garland
AGREEMENT
between
ALASKA AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
ALASKA 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 ALASKA AIRLINES, INC. (the "Company") and the AIR LINE PILOTS in the service of ALASKA AIRLINES, INC., as represented by the AIR LINE PILOTS ASSOCIATION, INTERNATIONAL (the "Association").

Drug & Alcohol Testing

WITNESSETH:

It is hereby mutually agreed and understood by and between the parties to this Letter of Agreement that:

1. Alaska will, effective September 1, 1991, begin paying flight crew members the sum of $15.00 dollars each time they are randomly tested under the federally mandated drug testing regulations.

2. Alaska will ensure that each crew member will have crew rest, as provided for in the current Collective Bargaining Agreement, between the end of the testing and the pilot's next flight. If the drug testing encompasses more than one and one half hours (1:30), it will be the pilot's responsibility to notify crew scheduling if there is a problem with adequate crew rest.

3. If the testing procedure at an RON station causes a pilot to miss the normal transportation to the hotel, the following procedures will be followed in order:
   a. The pilot will first contact the hotel for a ride, if such hotel doesn't provide continuous service to the airport.
b. If transportation cannot be arranged through the hotel, the pilot may utilize a cab to the hotel. The pilot will pay the cab fare and be reimbursed through the normal expense report procedures.

4. If during the course of this Agreement, the Government implements alcohol testing, the same procedures outlined in this Letter of Agreement will apply.

This Letter of Agreement shall become effective on September 1, 1991, and shall remain in full force and effect concurrently with the basic Agreement.

IN WITNESS WHEREOF, the parties have duly executed this Letter of Agreement this 30th day of April, 1993.

FOR
ALASKA AIRLINES, INC.

s/ Timothy R. Metcalf
Vice President
Human Resources

s/Thomas E. Cufley
Vice President
Flight Operations

Witness:
s/Gail L. Neufeld
s/Vivian J. Gibbs

FOR
AIR LINE PILOTS ASSOCIATION, INTL.

s/J. Randolph Babbitt
President

s/Jackson A. Stockton, Jr.
Chairman
Alaska Master Executive Council

Witness:
s/J. Greg Calmes
s/Ted M. Thompson
s/J.A. Doman
s/Thomas L. Thurber
AGREEMENT
  between
  ALASKA AIRLINES, INC.
  and
  THE AIR LINE PILOTS
  in the service of
  ALASKA 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 ALASKA AIRLINES, INC. (the “Company”) and the AIR LINE PILOTS in the service of ALASKA AIRLINES, INC., as represented by the AIR LINE PILOTS ASSOCIATION, INTERNATIONAL (the “Association”).

Commuter Pilot Program

WHEREAS, the Company and the Association acknowledge that it is the responsibility of each employee to report for work on time as scheduled, however it is recognized that there are occasionally circumstances that are beyond the control of the employee which prevent a timely reporting for work. The Company and the Association, therefore, wish to establish procedures applicable to pilots who commute by scheduled air transport to report for a scheduled flight (bid block holders) or to be available for reserve duty and assignments (reserve pilots), and

WHEREAS, for this program to be effective, pilots must be proactive in their commuting efforts: Checking flight availability, tracking weather systems and planning ahead will ensure that this program has maximum impact. Last minute decisions and lack of prior planning negate this program’s intent. This program is designed to prevent a pilot from being shown as a no show for his/her trip with the consequent disciplinary implications;

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

A. Commuter Program
   1. Commuter pilots must register with Pilot Administration as a commuter, designating their city of residence and the commuter airport(s) for the purpose of the commute. Only
flights originating from the commuter airport including any necessary intermediate stops or an airport within a reasonable proximity will be considered for the purpose of this LOA.

2. This LOA applies only to pilots who are denied boarding due to weather, cancellation, catastrophic conditions or flights that are delayed to the extent that the commuter pilot cannot timely arrive at his base.

3. A bid block holder who commutes to report for the first scheduled flight of a trip or a reserve pilot who commutes to be available for reserve duty or proffered assignments (hereinafter referred to as a "commuter pilot") shall plan for and timely report for a minimum of two (2) scheduled itineraries from his commuter or connection airport. There must be a reasonable expectation (including seat availability) that he will be able to arrive on time at his base.

4. If a commuter pilot is denied boarding on his first flight option, the following shall apply:
   a. When the pilot becomes aware of his inability to depart on his first flight option, and wishes to initiate the provisions of this LOA, he will contact Pilot Scheduling as soon as possible notifying them of the flight and condition that is causing the anticipated delay in his commute. If the commuter pilot is denied boarding on his second flight option, he shall again notify base Pilot Scheduling who may, based upon reserve availability, offer a personal drop without pay to the pilot or the pilot will continue with the options noted below.
   b. The commuter pilot will be responsible to use any other reasonable means for a timely arrival at his base (e.g., off-line travel, driving, etc.) and shall keep Pilot Scheduling informed as to his expected arrival time.
   c. If the commuter pilot’s anticipated late arrival at his base would cause a delay in a departing flight, Pilot Scheduling will determine whether to delay the departure of his scheduled flight or call a reserve pilot to cover the flight.
   d. A commuter pilot who has initiated the provisions of this LOA shall contact Pilot Scheduling upon arrival at his base.
B. **Bid Block Holder**

If a bid block holder commuter pilot is unable to operate a flight assignment due to commuting problems as described above, the pilot will be placed on "Commuter on Call" (CC) status beginning when he notifies Pilot Scheduling that he has arrived at his base and begin a CC period of no less than seven hours and thirty minutes (7:30) and no greater than twelve hours and thirty minutes (12:30), or he may be offered a personal drop without pay for that day and will have the opportunity for CC duty and appropriate pay for any days remaining in his original pairing.

1. A "Commuter on Call" period, not to exceed fifteen hours (15:00), will be one for one per duty period of the trip he missed. The last CC status period concurrent with the last calendar of the originally scheduled trip will conclude no later than 23:59 local time.

2. A pilot on CC status shall be available to report with two hours (2:00) notice.

3. The pilot who has been placed on CC status will be assigned within the group of pilots standing reserve under Section 25.R.1.a [Assignment of Open Flying Time] for any pairing that would allow him to arrive back at base no later than the same calendar day when his original pairing would have ended. At the pilot’s discretion, if there is a pairing of longer duration that is available, the pilot may fly that pairing to allow him to recover trip hours lost.

4. A pilot may not be assigned duty under this Paragraph that conflicts with any previously scheduled duty.

5. Such pilot shall be paid and credited the value of any pairing(s) flown or three hours-forty eight minutes (3:48) for each CC status period for which he is available for assignment, whichever is greater.

C. **Reserve Pilot**

The following procedures apply to a reserve pilot who has complied with Paragraph A. above.

1. **With 7 hours 30 minutes or more available in his original ZSA**, he shall be available for the remainder of his original ZSA.
2. **With less than 7 hours 30 minutes remaining in his original ZSA,** he may choose to do one of the following:
   a. Select a make-up ZSA from an existing day-off, or
   b. By mutual agreement with Pilot Scheduling, select a new ZSA for that calendar day. Pilot Scheduling and the pilot also may agree to change the ZSA for some or all of the pilot’s remaining reserve duty days in the bid period, or
   c. Remain available for the balance of the original ZSA, however the day will be treated as a personal drop for pay purposes unless a new assignment is given for that duty period.

D. A commuter pilot who misses a scheduled flight or is unavailable for flight assignment and who has complied with the applicable provisions of this LOA shall not be assigned a “no show” or “unable to contact” and shall not be subject to discipline based on his late arrival, except as provided in Paragraph E.

E. Nothing contained in this Letter of Agreement shall be construed to limit the Company’s right to discipline a pilot who has not complied with this LOA, subject to the provisions of Section 19 [Investigation & Discipline] and related sections of the basic agreement.

This Letter of Agreement shall be effective on January 1, 2004, and shall continue in full force and effect and run concurrent with the basic agreement between the parties.

IN WITNESS WHEREOF, the parties have signed this Agreement on December 12, 2003.

FOR ALASKA AIRLINES, INC. FOR AIR LINE PILOTS ASSOCIATION, INTL.

s/Cathryn V. Dammel s/Duane E. Woerth
Staff V.P. Labor & Employment President
Law and Deputy General
Counsel

s/Keith P. Finan s/Gary B. Hansen
Vice President Chairman
Flight Operations Alaska Master Executive Council
AGREEMENT  
between  
ALASKA AIRLINES, INC.  
and  
THE AIR LINE PILOTS  
in the service of  
ALASKA AIRLINES, INC.  
as represented by  
THE AIR LINE PILOTS ASSOCIATION  
INTERNATIONAL  

THIS LETTER OF AGREEMENT is made and entered into a accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between ALASKA AIRLINES, INC. (the “Company”) and the AIR LINE PILOTS in the service of ALASKA AIRLINES, INC., as represented by the AIR LINE PILOTS ASSOCIATION, INTERNATIONAL (the “Association”).

Retirement Board

WITNESSETH:

The Company and the Association entered into this agreement regarding the establishment of a Retirement Board on the 19th day of January, 1987, and renewed this letter on the 1st day of May, 2005, and are renewing this agreement as amended here.

WHEREAS, the Company and the Association wish to include the existing Retirement Board Letter of Agreement in the Collective Bargaining Agreement (the “Agreement”) by and between Alaska Airlines, Inc. and the Air Line Pilots Association, International,

NOW THEREFORE, it is mutually understood by and between the parties to this Letter of Agreement that:

SECTION 1 – ESTABLISHMENT OF RETIREMENT BOARD

1.1 There is hereby established a Retirement Board (hereinafter referred to as the “Board”) for the purpose of hearing and determining all disputes which may arise out of the application, interpretation or administration of the Retirement Plans and Disability Plans, as these terms are defined in the Agreement, (hereinafter referred to for purposes of this LOA as the
“Plans”) or with respect to the Trustee or Trustees or Insuring Companies utilized in connection therewith, or concerning participation in or benefits under the Plans, and reviewing the actuarial soundness and adequacy of funding such Plans with respect to the pilots and beneficiaries covered thereby.

1.2 The Board shall consist of four (4) members, two (2) of whom shall be selected by the Company and two (2) of whom shall be selected by the Association. The Company shall establish its own rules for the selection of the members of the Board to be selected by it. The Company shall also select one (1) alternate member who may act for either of the two (2) members of the Board appointed by the Company in the event of the absence or inability to act of one (1) of such member, and the Association shall likewise select two (2) alternate members who may act for either of the two (2) members of the Board appointed by the Association in the event of the absence or inability to act of one (1) of such member. Either the Company or the Association at any time may remove a member appointed by it and may select a member to fill any vacancy among the members selected by it. Both the Company and the Association shall, in writing, notify each other respectively concerning such selections, which shall continue until further written notice. The Company and the Association shall have the right to have individuals, who may or may not be Company employees, in attendance at Board Meetings.

1.3 Three (3) members of the Board shall constitute a quorum for the transaction of business. At all Board meetings, the Company members present shall be entitled to one (1) vote each and Association members present shall be entitled to one (1) vote each. If at any such meeting two (2) Company members are not present, the Company member present may cast two (2) votes and if two (2) Association members are not present, the Association member present may cast two (2) votes.

1.4 The Board shall have the authority to appoint sub-committees from among the members of the Board to handle any problem within the jurisdiction of the Board. Such sub-committee shall report exclusively to the Board.
1.5 The compensation, travel and other reasonable living expenses, if any, of members of the Board selected by the Company which are incidental to the holding of such meetings and performing functions of the Board, shall be paid by the Company. The compensation, travel and other reasonable living expenses, if any, of members of the Board selected by the Association which are incidental to the holding of such meetings and perform functions of the Board, shall be paid by the Association.

1.6 All decisions and actions taken by the Board shall be by the affirmative vote or agreement of not less than three (3) members. Such affirmative vote or agreement shall be in writing if given other than during a meeting of the Board. All decisions of the Board shall be final and binding upon the Company, the Association and any other person having an interest in under or derived from the Plans, subject to the provisions of Section 2.4 hereof.

1.7(a) If the Retirement Board shall fail to agree on any matter or dispute coming before it, the Board shall declare itself deadlocked and it shall select a neutral from the Panel of Neutrals established pursuant to Section 21 of the Pilot Employment Agreement. Such selection of a neutral shall be within ten (10) days from the date of such failure to agree.

(b) The matter of dispute shall then be submitted to such Board sitting with the Neutral and shall be referred to herein as the Hearing Board.

(c) The Hearing Board shall consist of the Neutral who shall act as Chairman during the proceedings pertaining to such matter, one (1) Board Member appointed by the Company, and one (1) Board Member appointed by the Association. This Hearing Board shall have jurisdiction to hear and decide said dispute by majority vote. Decisions by the Board so composed shall be final and binding on the parties and shall be rendered no later than thirty (30) days after the Hearing Board has been presented the dispute.
1.8 The compensation and expenses of the Neutral and expenses incident to the conduct of proceedings coming before the Hearing Board shall be shared equally between the Company and the Association.

1.9 The Board shall meet at least twice each year. Such meetings should be held during the months of April and November. Detailed minutes of all meetings shall be maintained by the Board which shall be available for review by any Plan Participant upon request.

1.10 **Informational Meetings.** Upon request from the Association, the Company will make their investment consultant(s) available at one (1) of the semi-annual Board meetings to answer questions and provide information to the Board relating to the investments and asset performance of the Plans.

1.11 Other meetings of the Board may be called by mutual agreement of the members at any time without notice or by any two (2) members of the Board upon thirty (30) days’ notice to the other members of the Board. Such meetings shall be conducted at the Company’s offices unless otherwise agreed to by the members of the Board.

**SECTION 2 – POWERS OF THE BOARD**

2.1 The Board shall determine all disputes which may arise out of the application, interpretation or administration of the Plans or with respect to the Trustee or trustees or Insuring Companies utilized in connection therewith, or concerning participation in or benefits under the Plans, and reviewing the actuarial soundness and adequacy of funding such Plans with respect to the pilots covered thereby. The Board shall have full power to affirm, reverse or otherwise modify any decision or administrative action or proposed action which gave rise to any dispute.

2.2 The Board shall have no power to add or to subtract from or modify any of the terms of the Plans.
2.3 The Board shall have the power to establish rules of procedure for the conduct of its business and of hearings before it, which rules shall not be inconsistent with the provisions of this Agreement.

2.4 Any Participant of the Plans or person having any interest in or under the Plans may submit, in writing, to the Board, any matter concerning the application, interpretation or administration of the Plans as it shall pertain to said Participant or person. Within ten (10) days after such written submission, the Board, shall notify said Participant or person, in writing, of the date of the Board meeting at which the matter submitted shall be taken under consideration and at which meeting the Participant or person may be in attendance and represented in accordance with the rules and procedures established by the Board. In the event such meeting is held for the purpose of resolving a dispute involving denial of a claim to benefits, the Participant or person, the Company and the Association shall have the right to submit all pertinent evidence for review by the Board, including witnesses, reports by any or all physician’s involved and employment data as may be necessary for the Board to resolve the issue. The Board shall have the right to request such evidence as may be reasonable and the Company, the Participant or person and the Association as the case may be, shall so provide.

2.5 The Participant of the Plans or persons having any interest in or under the Plans shall receive a formal written notification of any decision by such Board within ten (10) days following the date such decision is made. In the event any claim for benefits under the Plan is denied, whether in whole or in part, the written notification shall include specific reasons for the decision and reference to pertinent Plan provisions on which the decision is based.

SECTION 3 – REVIEW FUNCTIONS

3.1 Information Provided to The Association Members of Retirement Board. The Company will provide to the Association promptly after request, copies of all actuarial valuation reports, trust agreements, plan documents, annual reports, summary annual reports, and asset performance reports relating to the Plans. The Company will provide such
information to the Association or its delegate as soon as administratively practicable after the request is made by the Association. All documents and information will be provided electronically to the extent possible.

3.2 The Retirement Board shall review the status and administration of the Plans, Trust Funds and Insurance Contracts, and in the appropriate case make recommendations to the Company, the Association, the Trustees and Insurance Companies and the members thereon. The Board shall prepare periodic reports with respect to its functions, actions and decisions and supply the same to the Company and the Association.

3.3 **Third Party Providers.** The Company will provide timely, advance notification to the Association of changes in third party providers (e.g. plan trustees, plan actuary, record keepers and plan administrators) concerning the Plans.

**SECTION 4 – LIABILITY**

The Board and any members thereof shall be entitled to rely upon the correctness of any information furnished by the Company and the Association. The Board, and any of its members, the Association, and any officers or other representatives of the Association, and the Company, and any officer or other representatives of the Company, shall be bonded to the extent required under Federal Law with respect to any act or failure to act on the part of the Board, or any of its members, and with respect to the performance of their duties as herein provided. The Company and Association shall each respectively provide the requested bonding for its members.

This Letter of Agreement shall remain in full force and effect concurrent with the basic Agreement.
IN WITNESS WHEREOF, the parties hereto have renewed this Letter of Agreement as amended this 19th day of May, 2009.

FOR
ALASKA AIRLINES, INC.

s/Gary L. Beck
Vice President, Flight Operations

s/Elizabeth Ryan
Managing Director – Labor Air Council

Witness:
s/ Bennie Johnson

FOR
AIR LINE PILOTS ASSOCIATION, INTL.

s/Captain John H. Prater
President

s/Captain William L. Shivers
Chairman, Alaska Master Executive Council

Witness:
s/ Paul Stuart
AGREEMENT
between
ALASKA AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
ALASKA AIRLINES, INC.
as represented by
THE AIR LINE PILOTS ASSOCIATION INTERNATIONAL

Health Benefits Review Board

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 ALASKA AIRLINES, INC. (the “Company”) and the AIR
LINE PILOTS in the service of ALASKA AIRLINES, INC., as represented
by the AIR LINE PILOTS ASSOCIATION, INTERNATIONAL (the
“Association”).

WITNESSETH:

The Company and the Association entered into this agreement
regarding the establishment of a Health Benefits Review Board on the
14th day of March, 2006, and are renewing this agreement as amended
here.

WHEREAS, the Company and the Association wish to include this
agreement regarding a Health Benefits Review Board in the parties’
Collective Bargaining Agreement (the “Agreement”) by and between
Alaska Airlines, Inc. and the Air Line Pilots Association, International,

NOW THEREFORE, it is mutually understood by and between the parties
to this Letter of Agreement that:

An alternative process for resolving disputes regarding coverage and
payment of health care claims is hereby adopted which provides as
follows:

1. To address a dispute regarding coverage and/or payment of a
health care claim under a non-HMO plan, a claimant must follow
the procedures for appeal provided in the Health Benefits
Administrator Explanation of Benefits. That is:
a. The claimant (or duly authorized representative) must submit a written request for review to the Health Benefits Administrator within 180 days of the date the claimant was notified of the denial. That request must contain the claimant’s name, Health Benefits Administrator identification number, name of employer and an explanation of why the claim should not have been denied with any supporting data or information.

b. If the Health Benefits Administrator denies the appeal, and the claimant wishes to pursue the claim, the claimant must submit a request for review by the Alaska Airlines Pension/Benefits Administrative Committee (“the Committee”). The request must be submitted to the Director, Employee Benefits, within 180 days of the date of notification of the Health Benefits Administrator’s denial of the first appeal and must contain the same information as set forth above and any additional information the claimant believes supports the claim.

2. A claimant whose appeal was denied by the Committee, and those who as of the adoption of this process have a health care coverage dispute pending in the contractual grievance process have the following avenues available to them:

   a. If the health care claim in dispute is, at the time of submission to the Committee, valued at $2,000 or less, the claimant’s single avenue of recourse is through the Health Benefits Review Board described below.

   b. If the health care claim in dispute is, at the time of submission to the Committee, valued at greater than $2,000, the claimant may elect the Health Benefits Review Board process described below. If the claimant elects the Health Benefits Review Board process, he or she waives action under the grievance/arbitration provisions of the collective bargaining agreement and any cause of action he or she may have in state or federal court under ERISA.

3. The Health Benefits Review Board shall be comprised of four (4) persons, two appointed by Management and two appointed by the Association. The Board may meet in person in Seattle or through electronic conferences, as appropriate, and shall be convened with sufficient frequency to respond to claimants within 120 days of the date the pilot elects the Health Benefits Review Board process by making that request in writing to the ALPA Benefits Specialist. Travel, compensation and expenses of each party’s witnesses and/or other participants in the review and mediation process shall
be governed by Section 21.N [Expenses] of the collective bargaining agreement. The availability and compensation of Association Board members for in person meetings shall be governed by Section 18.C.4 [Retirement Board] of the CBA.

4. The primary function of the Board shall be to review and mediate health care claims brought before it upon a claimant’s request for review of the decision of the Committee. In this role, the Board is authorized to obtain and review all documentation submitted by the claimant to the Health Benefits Administrator, all documentation that was before the Committee, and to request from the claimant (or from any other source upon the claimant’s written authorization) any documentation or evidence a Board member deems pertinent to a review of the claim.

5. Mediated resolutions reached by the Board are not subject to further review in any forum. The resolutions reached by the Board are not admissible and are without precedent in any other proceeding, claim, or case, although the Board will maintain record of its mediated resolutions for its own reference.

6. Should the Board fail to mediate a health care claim within 120 days of the date the claim is received by the ALPA Benefits Specialist the dispute will transfer to the jurisdiction of the Neutral for determination. The Neutral will be selected by joint agreement of the Association and Management. The expenses of the Neutral shall be borne equally by the Association and Management. The same Neutral will serve perpetually until replaced by a majority vote of the Board.

7. The Neutral shall resolve the dispute based upon the written submissions of the parties through the Board members. The Neutral shall have the discretion to request additional documentation and/or to call for a hearing for purposes of receiving information in a question/answer format from witnesses. Unless additional time is requested of the Board and such request is granted, the Neutral shall resolve the dispute within sixty (60) days of assuming jurisdiction.

Whether by mediation or by decision from the Neutral, all disputes resolved in favor of the claimant will be paid by Alaska Airlines and not come as a directive to the Health Benefits Administrator to pay.
8. Administrative processes and safeguards designed to insure and to verify that claims are resolved in accordance with the plan’s terms and that the plan’s terms are applied consistently (where appropriate) to similarly situated claimants will be established and followed by Health Benefits Administrator, the Committee, the Board, and the Neutral.

This Letter of Agreement shall remain in full force and effect concurrent with the basic Agreement.

IN WITNESS WHEREOF, the parties hereto have renewed this Letter of Agreement as amended this 19th day of May, 2009.

FOR
ALASKA AIRLINES, INC.

s/Gary L. Beck  
Vice President, Flight Operations

s/Elizabeth Ryan  
Managing Director-Labor Air

Witness:

s/Bennie Johnson

FOR
AIR LINE PILOTS ASSOCIATION, INTL.

s/Captain John H. Prater  
President

s/Captain William L. Shivers  
Chairman

Alaska Master Executive Council

Witness:

s/Paul L. Stuart Jr.
Letter of Agreement
by and Between
Alaska Airlines, Inc.,
and the
Air Line Pilots Association, International
as representative of the pilots employed by Alaska Airlines, Inc.

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 Alaska Airlines, Inc. (hereinafter referred to as the "Company") and the Air Line Pilots in the service of Alaska Airlines, Inc., as represented by the Air Line Pilots Association, International (hereinafter referred to as the "Association").

Severe Irregular Operations

WHEREAS, the Company and the Association agree to establish a Severe Irregular Operations ("SIO") process;

THEREFORE, Alaska Airlines, Inc. ["Alaska"], and the Air Line Pilots Association, International ["ALPA"], as representative of the pilots employed by Alaska [the "Pilots"], agree as follows:

If the provisions of Section 25.Y [Severe Irregular Operations] are triggered, a Company representative and the Association Scheduling Chairman or such other designee as identified by the MEC Chairman shall meet at the earliest available opportunity. During this meeting, the Company representative will provide detailed information on the event that is perceived to have created or is forecast to create a SIO. The representatives will discuss:

1. The base(s), routes and other aspects of the operation expected to be impacted by the event giving rise to the request for declaration of an SIO including the anticipated duration of the SIO;

2. The substance and manner of the communication to the pilot group regarding the SIO including the opportunities for Open Flying Time premium flying; and

3. The representatives will continue to meet while the SIO is in effect to evaluate whether an extension of the originally
determined duration should be granted for the SIO and the appropriate time to terminate the designation.

This Letter of Agreement shall remain in full force and effect concurrent with the basic Agreement.

IN WITNESS WHEREOF, the parties hereto have entered into this Letter of Agreement this 19th day of May, 2009.

FOR
Alaska Airlines, Inc.

s/Gary L. Beck
Vice President, Flight Operations

s/Elizabeth Ryan
Managing Director – Labor Air

Witness:

s/ Bennie Johnson

FOR
Air Line Pilots Association, Intl.

s/Captain John H. Prater
President

s/Captain William L. Shivers
Chairman

Witness:

s/ Paul Stuart

Alaska Master Executive Council
AGREEMENT
between
ALASKA AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
ALASKA 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 ALASKA AIRLINES, INC. (the “Company”) and the AIR LINE PILOTS in the service of ALASKA AIRLINES, INC., as represented by the AIR LINE PILOTS ASSOCIATION, INTERNATIONAL (the “Association”).

Expedited Arbitration Rules

WHEREAS, the Company and the Association wish to formally adopt a program of Expedited Arbitration previously;

NOW THEREFORE, it is mutually understood by and between the parties to this Letter of Agreement that:

1. Grievances to be presented in expedited arbitration will be selected from the grievances submitted pursuant to Section 20 [Grievances] of the collective bargaining agreement.

2. Only non-discipline grievances will be submitted to expedited arbitration.

3. Grievances submitted to expedited arbitration will be chosen with the written approval of the grievant, Company and Association.

4. Expedited arbitrations will be scheduled on a mutually agreeable date(s) in March and September of each year. Every effort will be made to minimize administrative costs in holding
the expedited arbitration hearings, while providing for suitable facilities including caucus and hearing rooms.

5. A Neutral will conduct the expedited arbitrations and render decisions. The Neutral will act without the assistance of a System Board. The Neutral will be selected by mutual agreement of the Association and Employer. Once selected, the Neutral will serve until either the Employer or Association (or both) request that Neutral be replaced. The Association and the Company will equally share costs associated with the Neutral.

6. Only non-lawyer representatives will present grievances at expedited arbitration hearings. Lawyers will not be present in the hearing room unless they are the grievant. Only elected or appointed ALPA committee members will present the Association’s cases to expedited arbitration. A Company employee will present the Company’s argument to expedited arbitration. Each party will have no more than two hours (2:00) (including witness testimony) to present their case.

7. Documents that either party intends to introduce at the expedited arbitration hearing will be produced upon request by the other party. The rules of evidence will not apply to the presentation of documentary evidence in the expedited arbitration.

8. Witnesses may be called and/or the grievant may make an oral presentation to the Neutral at the expedited arbitration hearing. The travel and expenses of witnesses requested to testify are pursuant to Section 20.D.3 [Expenses] of the Collective Bargaining Agreement. In an effort to reduce costs, witnesses may testify by telephone.

9. No transcript will be taken of any expedited arbitration hearing. Except as set forth below, nothing transpiring during the expedited arbitration process shall be admissible in any other proceeding of any type.

10. Except where otherwise agreed by the parties, the Neutral shall provide a decision within forty-eight hours (48:00) after the close of the presentation on that grievance. At the request of either party, that decision will be produced in writing.
11. Written decisions by the neutral shall be binding precedent in any future expedited arbitration on the same subject matter. These written decisions shall also be admissible evidence in any other arbitration conducted under Section 20 [Grievances] of the Collective Bargaining Agreement but shall not be considered binding precedent.

12. Decisions rendered in this process shall not be subject to further review in any other proceeding of any type.

This Letter of Agreement shall remain in full force and effect concurrent with the basic Agreement.

IN WITNESS WHEREOF, the parties hereto entered into this Letter of Agreement this 19th day of May, 2009.

FOR
ALASKA AIRLINES, INC.
s/Gary L. Beck
Vice President, Flight Operations

FOR
AIR LINE PILOTS ASSOCIATION, INTL.
s/Captain John H. Prater
President

s/Elizabeth Ryan
Managing Director – Labor Air

s/Captain William L. Shivers
Chairman
Alaska Master Executive Council

Witness:
s/Bennie Johnson

Witness:
s/Paul Stuart
AGREEMENT
between
ALASKA AIRLINES, INC.,
and
THE AIR LINE PILOTS
In the service of
ALASKA AIRLINES, INC.
as represented by
THE AIR LINE PILOTS ASSOCIATION INTERNATIONAL

Bidding for General and Non-Flight Related Training/Meetings

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 Alaska Airlines, Inc. (hereafter referred to as “the Company”) and the AIR LINE PILOTS ASSOCIATION, INTERNATIONAL (hereafter referred to as “the Association”).

WHEREAS, the Company and the Association desire to set a protocol for those times when the Company determines that bidding is appropriate for training conducted under sections 11.A.5 (General Training) or 26.U.2 (Non-Flight Related Training/Meetings) of the CBA;

THEREFORE, the Company and Association agree as follows:

A. Scheduling of Training: Training will be scheduled in the following manner when the Company determines that bidding is appropriate for training conducted under sections 11.A.5 (General Training) or 26.U.2 (Non-Flight Related Training/Meetings) of the CBA:

1. Posting: A list of those pilots requiring training along with the scheduled date(s) for such training (e.g., classroom training, simulator training, SLF), will be posted as follows:
   a. Training slots will be posted at each base on the appropriate electronic services the day that Continuing Qualification training awards are posted and the affected pilots will be notified electronically in a manner verifying receipt.
   b. Training slots will be posted for a minimum of seven (7) calendar days.
   c. The training notification will include:
(1) the type of training;
(2) the available training slots designating the dates and times for such training (e.g., ground school and simulator training, the specific SLF pairing – if SLF is required);
(3) the names of the pilots eligible for that training.

2. **Bidding**: The pilot will submit his choices for the known training slots.
   a. Bids will close at 12:00 local domicile time on the date specified in the notification. The closing date will also be the bid award date.
   b. All pilots who have not completed the particular training will be eligible to bid for that training.
   c. The number of training slots available for bidding may vary based on a variety of factors.
   d. Pilots may not bid training slots that conflict with their scheduled vacation period.

3. **Awarding**: The Company will award the most senior pilot his choice and continue in seniority order until all bids have been processed. Awards will be posted at each base on the appropriate electronic services and the affected pilots will be notified electronically in a manner verifying receipt.
   a. The pilot’s training slot will be awarded based on his seniority relative to the available slots.
   b. A pilot may be awarded, should he bid for, a training slot during a month in which they are awarded or assigned CQ training.
   c. Due to unplanned circumstances beyond the control of the Company (training failures, leave, SIM failure, etc.) a pilot’s awarded training date(s) may be rescheduled.
   d. Pilots participating in the Reduced Reserve Schedule Program (RRSP) who bid for and are awarded training that falls outside their fifteen (15) day Reduced Reserve Schedule period will have their days off returned on a day for day basis. When it is necessary to return a RRSP participant a duty-free period the Company will accommodate the RRSP participant’s preferences as to the date(s) on which such duty-free period is returned.
4. **Assigning:**
   a. If all posted slots are not filled in a given month, the Company will assign training in reverse seniority order to those pilots not awarded or assigned CQ training during that month.
   b. Pilots participating in the Reduced Reserve Schedule Program (RRSP) who are assigned training that falls outside their fifteen (15) day Reduced Reserve Schedule period will have their days off returned on a day for day basis. When it is necessary to return a RRSP participant a duty-free period the Company will accommodate the RRSP participant’s preferences as to the date(s) on which such duty-free period is returned.

B. **Training Package:** If required for the training, the Training Department shall provide each pilot scheduled for training with a complete training package, (i.e., itinerary, hotel, tickets, training pay claim forms, etc.).

C. Except as provided herein, all other provisions of the CBA remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have renewed this Letter of Agreement as amended this 1st day of April, 2011.

FOR
Alaska Airlines
s/Captain Gary L. Beck
Vice President, Flight Operations

Airline Pilots Association, Int’l
s/Captain Donald L. Moak
President

s/Elizabeth Ryan
Managing Director-Labor Air
s/First Officer Paul Stuart Jr.
Chairman
Alaska Master Executive Council

Alaska Master Executive Council
PAGE

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AGreement
between
ALASKA AIRLINES, INC.,
and
THE AIR LINE PILOTS
In the service of
ALASKA AIRLINES, INC.
as represented by
THE AIR LINE PILOTS ASSOCIATION INTERNATIONAL

Fair Treatment of Experienced Pilots Act Implementation

WHEREAS, the Fair Treatment for Experienced Pilots Act (FTEPA), Public Law 110-135, codified at 49 U.S.C. §44729, provides the ability for an individual to serve as a Captain or First Officer until attaining 65 years of age; and

WHEREAS, the FTEPA provided a limitation on that same ability for those individuals who have attained age 60 (“FTEPA pilots”) for flights between the United States and another country, with the FTEPA utilizing the “ICAO standard,” found in Annex 1 to the Convention on International Civil Aviation (commonly referred to as the “Chicago Convention”), Section 2.1.10.1; and

WHEREAS the FTEPA’s utilization of the “ICAO standard” creates a category of conflicts (“ICAO age 60 illegalities”) that require administrative rules and procedures not currently included in the collective bargaining agreement between the Company and the Association governing as of the adoption of this Letter of Agreement;

NOW THEREFORE, the parties agree as follows:

A. **Conflicts with Respect to Monthly Bid Awards:** Should a FTEPA Captain and a FTEPA First Officer be awarded, per Section 25.C.10 (Bid Award) a Bid Block (as defined in Section 2) which contains a segment between the United States and another country, subject to the “ICAO standard”, the First Officer will have the “illegality” (as defined in Section 2). In this situation, the First Officer will have the option of:
   1. Keeping the awarded line and handling any ICAO age 60 illegalities via the process outlined in 25.D (Line Adjustment).
2. Keeping the awarded line and handling any ICAO age 60 illegalities via the process outlined in 25.D (Line Adjustment) provided the removal of the ICAO age 60 illegalities would not result in the pilots credited hours falling below a value designated by the pilot (e.g., “I will accept a line with ICAO age 60 illegalities provided my remaining credit would be above 70 hours, and will adjust my line as per the CBA.”).

3. Bypassing to his next bid line not containing an ICAO age 60 illegality.

B. **Conflicts with Respect to Step Trading:** Potential conflicts in pairings between the United States and another country, subject to the “ICAO standard” will be avoided during the step trading process by application of the following:

1. Once Bid Blocks have been awarded, Captain step trade requests will be processed first. Such requests will be denied for any trip or portion thereof which would create an ICAO age 60 illegality.

2. When First Officer step trade requests are processed, such requests will be denied for any trip or portion thereof which would create an ICAO age 60 illegality.

C. **Conflicts with Respect to Trip Trading:** Potential conflicts in pairings between the United States and another country, subject to the “ICAO standard” will be avoided in trip trading by application of the following:

1. Open time trades will be processed on a first come first served basis. Open time trades that create an ICAO age 60 illegality will be denied.

2. Pilot-to-Pilot trades that create an ICAO illegality will be denied.

D. **Inadvertent Assignment of FTEPA Pilots to ICAO Segments**

1. **Bid Block Holder**
   a. If a FTEPA Captain and FTEPA First Officer are inadvertently assigned to a pairing that creates an ICAO age 60 illegality, the more senior pilot will decide which pilot will fly the pairing. If a Bid Block holder does not fly the pairing, he will be pay assigned.
   b. A Bid Block holder who has been pay assigned as a result of an ICAO age 60 illegality may, at his option, for the
day(s) he was scheduled to fly, pick up a trip(s) from Open Flying Time or sign up for open flying as provided in paragraph 25.R.1.d. Pilots choosing this option will receive pay and credit for the pay assigned trip and pay only for the trip(s) picked-up and flown. In the event the trip picked up is broken or split, the pilot will receive pay only for the scheduled or actual value of the segments flown whichever is greater.

Example: The pilot is pay assigned a three (3) day trip worth 18:00 credit hours and subsequently picks up a two (2) day trip worth 12:00 hours. The pilot will receive 30:00 hours of pay and 18:00 hours of credit (18:00 credit hours for the ICAO age 60 illegal assignment and 12:00 hours of pay for the picked up trip).

Should the trip picked up be broken or split into a one (1) day 6:00 hour trip, the pilot will be paid 24:00 hours of pay and 18:00 hours credit (18:00 credit hours for the ICAO age 60 illegal assignment and 6:00 hours of pay for the broken trip).

2. **Reserve Pilots**
   a. **Occurrence**: Where a FTEPA Captain and FTEPA First Officer are inadvertently assigned to a pairing that creates an ICAO age 60 illegality, and a reserve pilot does not fly a previously assigned trip as a result of the senior pilot’s election to fly the trip, then the reserve pilot shall lose that trip and not have “bumping” rights. He will return to the reserve list and be subject to further flight assignment for that day.
   b. **Required Rest prior to Contactability**: Once a short call reserve pilot has reported for duty and Pilot Scheduling releases the pilot, the pilot will return to the reserve list after a legal break per Section 12.D.2 [Reserve Pilots].
   c. **Duty Limitation**: In no case will a reserve pilot be required to remain on duty in excess of the time specified in Section 12.B. [Duty Period Limitations].
   d. **Reserve Away from Base**: In no case will a reserve pilot be required to sit reserve or standby duty away from his base.
All other provisions of the CBA remain in full force and effect.

This Letter of Agreement shall remain in full force and effect concurrent with the Basic Agreement.

IN WITNESS WHEREOF, the parties hereto have entered into this Letter of Agreement this 1st day of April, 2011.

FOR
Alaska Airlines, Inc.
s/Captain Gary L. Beck
Vice President, Flight Operations
s/Elizabeth Ryan
Managing Director-Labor Air

FOR
Air Line Pilots Association, Int’l.
s/Captain Donald L. Moak
President
s/First Officer Paul Stuart Jr.
Chairman
Alaska Master Executive Council
Letter of Agreement
by and Between
Alaska Airlines, Inc.,
and the
Air Line Pilots Association, International
as representative of the pilots employed by Alaska Airlines, Inc.

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 Alaska Airlines, Inc. (hereinafter referred to as the "Company") and the Air Line Pilots in the service of Alaska Airlines, Inc., as represented by the Air Line Pilots Association, International (hereinafter referred to as the "Association").

Scheduling Management Group

WHEREAS, the Company and the Association agreed to establish a Scheduling Management Group ("SMG"), and did so pursuant to LOA 09-04; and

WHEREAS, the Company and the Association find it necessary to make certain modifications to LOA 09-04;

NOW THEREFORE, Alaska Airlines, Inc. ["Alaska"], and the Air Line Pilots Association, International ["ALPA"], as representative of the pilots employed by Alaska [the "Pilots"], agree to the following as a Letter of Agreement to replace LOA 09-04:

Statement of Intent:
The parties recognize that an effective partnership based on mutual respect and trust benefits the long term profitability and competitiveness of Alaska Airlines and is likewise beneficial to the Pilot Group. In order to take full advantage of these mutually beneficial opportunities, it is critical for labor and management to work collaboratively.

The purpose of the SMG is to provide a cooperative process that promotes a functional balance between the interests of the parties. Neither party, through entry of this letter, relinquishes any rights protected by the law or the Agreement.

For Alaska Airlines, the efficiency and productivity of flying impacts
operational safety, reliability, cost, and business competitiveness that are critical for proper system and operational coordination. Crew planning and scheduling must be managed and maintained within acceptable financial and operational limits.

For the ALPA represented pilots of Alaska Airlines, pairings, lines, and scheduling work rules represent an important factor in their work environment, including the promotion of a safe and effective flight operation, and income opportunities. A pilot’s work schedule and the coordination of that work schedule with other flight, travel, and operational responsibilities impacts a pilot’s quality of life and the ability to operate an aircraft safely.

A. Composition of SMG:
The SMG will comprise on a permanent basis persons in the following positions or their equivalent (“permanent members”):
The Managing Director of Flight Operations Planning and Crew Resource Management, the Manager of Pilot Scheduling, the Manager of Crew Planning, a Company Labor Representative, the ALPA Scheduling Committee Chairman, the ALPA Contract Compliance Committee Chairman, and the ALPA Grievance Committee Chairman. Of the three permanent ALPA members, one will be elected by the ALPA Master Executive Council to act as the ALPA Scheduling Management Group Committee Chairman. Moreover, additional members may be added or subtracted by either party with mutual agreement between the Managing Director of Flight Operations Planning and Crew Resource Management and the ALPA Scheduling Management Group Committee Chairman. A current roster of participants will be maintained and exchanged as there are changes to the composition by each party.

B. Meetings of the SMG:
For the first year of implementation following ratification of the Agreement, the permanent members of the SMG will meet once a month. During this same first year, additional meetings may be called for by either the Managing Director of Flight Operations Planning and Crew Resource Management or the ALPA Scheduling Management Group Committee Chairman and will be attended by a minimum of two (2) permanent members of the SMG from each party.

Following the first year after ratification, meetings may be called for by either the Managing Director of Flight Operations Planning and
Crew Resource Management or the ALPA Scheduling Management Group Committee Chairman and will be attended by a minimum of two (2) permanent members of the SMG from each party.

These meetings of the SMG are not intended to substitute for the necessary interactions of the representatives of the parties as described below.

C. **Pairing and Line Construction:**
The SMG shall have oversight to ensure pilot input into the pairing and line construction process. Members of the SMG will work to incorporate pilot input from each base into that base’s respective pairings and lines. The final product of line and pairing construction will take into account both ALPA and Company input in order to maximize benefit for pilots while still ensuring an efficient operation.

D. **Work Rule Oversight:**
Members of the SMG will provide oversight to ensure that reserve assignments, VSA assignments, premium trip assignments, trades, conversions, Severe Irregular Operations (SIO) and Adequate Reserve Coverage (ARC) determinations are done according to the contract and consistent with the best interests of pilots and the continuity of the operation. Either party can make changes to policies such as ARC. These changes will be followed if it does not create degradation in operational performance as determined by the performance metrics of the week following the change. The SMG will participate in policy changes such as ARC. These changes will be followed if it does not create degradation in operational performance.

E. **Access:**
Members of the SMG will be given access to both crew planning and crew scheduling work spaces in order to facilitate communication. However this access will not interfere with the normal duties required in crew planning and crew scheduling, with the issue of whether “interference” is present being determined by crew planning or crew scheduling. SMG members will also have all software provided for pairing construction, line generation, and scheduling. This includes real-time access for maestro or any future scheduling software. SMG members will have access that enables them to determine the genesis of pairings and any assignments of crew to that pairing. The purpose of this is to
ensure continual compliance with both the spirit and the letter of the contract. The costs unique to the Association’s access, such as licenses or software provided in accordance with this agreement, will be borne by the Association.

Should there be suspected use of this software that is inconsistent with Company policies, the CBA or the spirit of intent of this agreement, it will be reviewed by the Managing Director of Flight Operations Planning and Crew Resource Management and the ALPA Scheduling Management Group Committee Chairman. If it is determined that impermissible use occurred, it is recognized that the Company may take action such as, but not limited to, removing the responsible person from the committee, limiting the responsible person’s access or other appropriate remedies.

F. **Transparency:**
Members of the SMG will communicate changes to the pilot group in a timely fashion. This will include the real time posting of Adequate Reserve Coverage. A briefing will be prepared for the SMG each month which details changes in the bid package of a significant nature. A briefing will be prepared for the SMG each month that details information in aggregate and per base including but not limited to the number of conversions, days off flown into, and average hours flown by reserves.

G. **Trip Drops:**
ALPA will be ensured the necessary duty periods free from duty for the permanent SMG members as required to fulfill the responsibilities as set forth in this Letter. The Managing Director of Flight Operations Planning and Crew Resource Management and the ALPA Scheduling Management Group Committee Chairman will mutually agree on the appropriate number of duty periods to be dropped in addition to those scheduling related drops already agreed to in Section 18 [Union Business]. Time dropped will be reimbursed to Alaska Airlines by the Association at 50% of the actual hourly rate (fringe benefit costs will be carried by the Company).

The monthly meetings of the SMG will continue after the first year. These meetings will be held unless the Managing Director of Flight Operations Planning and Crew Resource Management and the ALPA Scheduling Management Group Committee Chairman mutually agree that there is insufficient reason to hold a meeting for that
month. Time dropped will be reimbursed to Alaska Airlines by the Association at 50% of the actual hourly rate (fringe benefit costs will be carried by the Company).

With mutual agreement by the Managing Director of Flight Operations Planning and Crew Resource Management and the ALPA Scheduling Management Group Committee Chairman, additional duty periods free from duty will be permitted as necessary to carry out the obligations of this Letter. The cost for such duty periods will be reimbursed to Alaska Airlines by the Association at 50% of the actual hourly rate (fringe benefit costs will be carried by the Company).

H. **Conflict Resolution:**
Disagreements between ALPA and Company members of the SMG on matters pertaining to the SMG will first be handled with face to face meetings if possible, or phone meetings. Email will not be used to handle disagreements of a substantial nature. All disputes arising out of Section 25 will be submitted to the SMG before Section 20 procedures may be utilized.

This Letter of Agreement shall remain in full force and effect concurrent with the basic Agreement.

IN WITNESS WHEREOF, the parties hereto have entered into this Letter of Agreement this 1st day of April, 2011.

FOR
Alaska Airlines, Inc.

s/Captain Gary L. Beck
Vice President, Flight Operations

s/Elizabeth Ryan
Managing Director – Labor Air

FOR
Air Line Pilots Association, Intl.

s/Captain Donald L. Moak
President

s/First Officer Paul Stuart Jr.
Chairman,
Alaska Master Executive Council
AGREEMENT
between
ALASKA AIRLINES, INC.
and
THE AIR LINE PILOTS
In the service of
ALASKA 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 ALASKA AIRLINES, INC. (the “Company”) and the AIR LINE PILOTS in the service of ALASKA AIRLINES, INC., as represented by the AIR LINE PILOTS ASSOCIATION, INTERNATIONAL (the “Association”).

LAX Co-Terminal Agreement

The Company and the Association entered into LOA 10-03 regarding the LAX Co-Terminal on the 6th day of May, 2010, and are renewing that LOA, as amended, here.

WHEREAS, the Company and the Association wish to include this agreement regarding a LAX Co-Terminal in the parties’ Collective Bargaining Agreement (the “Agreement”) by and between Alaska Airlines, Inc. and the Air Line Pilots Association, International,

WHEREAS, the Company and the Association desire to establish provisions for Co-Terminals in the Los Angeles (LAX) base;

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

A. Definition
   1. “Co-Terminal(s)”, as used in this Letter of Agreement, shall mean certain specified airports proximate to any LAX base from which the Company may originate and terminate trips.

   2. “Co-Terminal Bid Block”, as used in this Letter of Agreement, shall mean a Bid Block containing one (1) or more pairings that originate at a Co-Terminal.
B. **Co-Terminal Airports:** The following airports may be operated by the Company as Co-Terminals serving the LAX base:

1. Bob Hope Airport – Burbank (BUR)
2. Long Beach Airport – Daugherty Field (LGB)
3. Ontario International Airport (ONT)
4. John Wayne Airport – Orange County (SNA)

C. **Parking:** The Company shall provide free paved and lighted parking facilities at these Co-Terminals, including transportation between parking facilities and the terminal, if necessary.

1. Such parking facility will be within twenty (0:20) minutes of the airport.
2. If transportation is required from the parking facility to the airport, it will run on a scheduled service of no less than three (3) times per hour or within twenty (0:20) minutes on-call as needed.

D. **Facilities:** The Company shall provide facilities at each operating Co-Terminal so that a pilot(s) may receive necessary Company materials. All mail items such as paychecks, manual revisions, etc. shall be available at the LAX Base or forwarded, at the pilot's request, to a Co-Terminal facility. R.O.N. Computer facilities will be provided at each operating Co-Terminal. Crew Scheduling will maintain a toll free (800, 888) telephone number for pilots to use. The Company will utilize electronic services at the operating Co-Terminal(s) to post items requiring posting per the basic agreement.

E. **Line Construction**

1. **Airport Consistency:** The Company shall use its best efforts to have all trips within a monthly bid block of time depart from and return to the same Co-Terminal throughout the month.

2. **Line Construction – Rest:** For the purpose of line construction within the monthly bid packages and for Open Flying blocks, the Company will schedule bid block holders with no less than thirteen hours (13:00) of rest plus a debrief time of fifteen minutes (00:15) and a report time of one hour (1:00).
between any two (2) trips if either one originates from any Co-Terminal (across-town rest).

**Note:** This scheduled rest is only for the purpose of line construction within the monthly bid packages and Open Flying Bid Blocks and not a requirement for daily operations.

3. **Open Flying Blocks:** Recognizing that the increased requirement of the across-town rest may limit the Company’s ability to build Open Flying Bid Blocks that include Co-Terminal pairings, both parties agree that the sixty-five hours (65:00) referred to within Section 2 [Block of Time] of the basic agreement is a requirement for Bid Blocks of time within the bid packages (monthly bidding) and not a requirement for Open Flying Co-Terminal Bid Blocks. Trips that cannot be scheduled as provided in paragraph E.2 may be left in Open Flying Time.

F. **Pairing Construction:** In the event a pairing does not return to the Co-Terminal from which it departed, the Company will provide transportation back to the departure Co-Terminal. In such instances, pilots shall receive one-half hour’s (00:30) pay and one-half hour’s (00:30) flight credit for the transportation time to the departure Co-Terminal (regardless of the actual transportation time). A pilot’s rest period shall be determined from the scheduled surface deadhead completion time or actual arrival time at the departure Co-Terminal, whichever is later (if the actual arrival time is later than scheduled, such release time must be reported by the pilot to Pilot Scheduling promptly after arrival at the airport).

G. **Co-Terminal Reserve Schedule**
   1. The Company may build and award reserve schedules (reserve lines) out of Co-Terminal(s) in operation. If a pilot is awarded a reserve schedule out of a Co-Terminal, his reporting requirements are to that Co-Terminal.

   2. Co-Terminal reserve lines will be built as extra reserve lines within the LAX base. The pilots are not required to bid them; nor will they be assigned these extra lines.

H. **Co-Terminal Transportation:** When an LAX based pilot, other than an LAX pilot awarded a Co-Terminal reserve schedule, is scheduled to operate a Co-Terminal trip, he may request Pilot
Scheduling to set up courtesy transportation between the LAX base and the required Co-Terminal prior to and/or following the trip to facilitate the pilot’s commute.

1. Courtesy transportation does not constitute a surface deadhead nor is it part of a pilot’s duty period.

2. All vendors that may provide courtesy transportation must have vehicles with seatbelts for pilot occupants.

3. Both parties may agree upon a procedure that allows pilots desiring courtesy transportation to schedule transportation themselves in lieu of contacting Pilot Scheduling.

I. Reserve Assignment

1. Any reserve pilot may be assigned a trip originating out of the LAX base or any Co-Terminal in operation.

2. Reserve assignments shall be conducted in accordance with the applicable provisions of Section 25.K [Assignment of Reserve Flying] of the basic agreement, except as follows:
   a. In the case of a Short Call reserve assignment with eight or more hours (8:00) notice, the Company may bypass a pilot who holds a Co-Terminal reserve line if he is the last Short Call reserve left in that Co-Terminal on that day; and
   b. In the case of a Short Call reserve assignment with less than eight (8) hours notice, a Co-Terminal Short Call reserve pilot may be assigned out of order to a trip departing from that Co-Terminal. (e.g. if the Company is assigning an ONT trip to a reserve with less than 8 hours notice the Company may assign a reserve holding an ONT Co-Terminal reserve schedule even though there may be other reserve(s) that normally would be the next reserve assigned under Section 25.K.4.d [First Duty Period Limitation].

3. The Company will schedule across-town rest of no less than thirteen hours (13:00) of rest (14:15 hours block-to-block) between any two (2) trips if either one originates from any Co-Terminal.

J. Reserve Reporting: A reserve pilot who has been awarded a reserve schedule in LAX is required to be available to report to the
LAX pilot resource center. If a reserve pilot has been awarded a Co-Terminal reserve schedule, he will be required to be available to report to that applicable Co-Terminal. Reserve reporting is in accordance with Section 25.L [Reserve Reporting Requirements].

K. **Limitations on Co-Terminal Use:**
   1. The maximum number of Co-Terminal Bid Blocks available for use in a bid period shall be as follows:

<table>
<thead>
<tr>
<th>Positions on BPL</th>
<th>Maximum % of total LAX Bids Blocks</th>
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</thead>
<tbody>
<tr>
<td>&gt; 250</td>
<td>50%</td>
</tr>
<tr>
<td>240 – 249</td>
<td>45%</td>
</tr>
<tr>
<td>225 – 239</td>
<td>40%</td>
</tr>
<tr>
<td>210 – 224</td>
<td>35%</td>
</tr>
<tr>
<td>&lt; 210</td>
<td>30%</td>
</tr>
</tbody>
</table>

   *These BPL position numbers are inclusive of the LAX Base Chief Pilot(s).*

   a. The term “Positions on BPL” includes pilots reduced from the BPL subsequent to the effective date of the most recent vacancy bid due to retirement prior to age sixty-five (65), Long Term Disability, sick leave, leave of absence, resignation or discharge.

   b. The term “total LAX Bid Blocks” does not include Open Flying Bid Blocks.

   2. Standard rounding will be used for determining the number of allowable Co-Terminal Bid Blocks – less than five, rounds down; five or greater rounds up (e.g., at 10% Co-Terminal Bid Blocks, 64 total Bid Blocks = 6 Co-Terminal Bid Blocks, 65 total Bid Blocks = 7 total Co-Terminal Bid Blocks).

   3. All Co-Terminal Bid Blocks shall be separated and delineated in the monthly bid packages.

   L. This Letter of Agreement shall be effective on the signature date indicated below and shall continue in full force and effect and run concurrent with the basic agreement between the parties.
IN WITNESS WHEREOF, the parties hereto have renewed this Letter of Agreement as amended this 28th day of June, 2011.

FOR
Alaska Airlines, Inc.

s/Captain Gary L. Beck
Vice President, Flight Operations

s/Elizabeth Ryan
Managing Director-Labor Air

FOR
Air Line Pilots Association, Int’l.

s/Captain Donald L. Moak
President

s/First Officer Paul L. Stuart Jr.
Chairman, Alaska Master Executive Council
Letter of Agreement
Between
Alaska Air Group, Inc.,
Alaska Airlines, Inc.,
and the
Air Line Pilots Association, International
as representative of the pilots employed by Alaska Airlines, Inc.

Alaska Air Group, Inc. ("AAG"), Alaska Airlines, Inc. ("Alaska"), and the Air Line Pilots Association, International ("ALPA"), as representative of the pilots employed by Alaska (the "Pilots"), agree as follows:

A. AAG, as parent of Alaska, wishes to join with Alaska and ALPA in protecting and preserving the flying and related work of the Pilots, because doing so enhances the value of AAG’s investment in Alaska by providing additional protection to the ongoing stability in the relationship between Alaska and the Pilots and providing greater financial strength to Alaska.

B. AAG has reviewed and is familiar with the terms of Section 1 [Scope and Recognition] and Section 2 [Definitions] of the 2013 Collective Bargaining Agreement between Alaska and ALPA (the “Agreement”). Terms used in this AAG Letter of Agreement, unless otherwise defined in this AAG Letter of Agreement, have the meaning given them in Section 1 and Section 2 of the Agreement.


D. An Acquisition is defined as a single transaction or multi-step transaction by which AAG acquires Control of an air carrier (the “Acquired Air Carrier”) without a resulting Merger Transaction. In the case of an Acquisition of an air carrier that operates any aircraft other than Small Aircraft, AAG will comply with and cause Alaska to comply with the provisions of Letter of Agreement 13-02 [Job Protection Letter of Agreement].
E. When AAG intends to acquire Control of an air carrier, whether in a Merger Transaction or an Acquisition, or when AAG learns that another entity intends to acquire Control of AAG, then AAG will:

1. Provide the Association with reasonable advance notice of the proposed transaction;

2. Meet to discuss the impact of the proposed transaction upon the Pilots;

3. Disclose the details of any material agreements related to such transaction in a timely manner to allow the Association to prepare for those discussions, provided that no financial or other confidential business information needs to be disclosed unless suitable arrangements for confidentiality are established.

F. This AAG Letter of Agreement becomes effective on the effective date of the Agreement and will remain in effect concurrent with the Agreement and any status quo period applicable to the Agreement under the Railway Labor Act (RLA). A dispute between ALPA and either AAG or Alaska, or both, concerning interpretation or application of this AAG Letter of Agreement may be heard and determined by the Alaska Pilots’ System Board of Adjustment in accordance with the procedures of Section 1.G. [Remedies] of the Agreement, and AAG consents to the jurisdiction of such System Board for such purpose.

The parties have attested to their agreement to all of the foregoing terms by entering into this AAG Letter of Agreement effective this ______ day of ______, 2013.

FOR
Alaska Air Group, Inc.
s/Bradley D. Tilden
President & CEO

FOR
Alaska Airlines, Inc.
s/Bradley D. Tilden
President & CEO
FOR
Air Line Pilots Association, Int’l

s/Captain Donald L. Moak
President

FOR
Air Line Pilots Association, Int’l

s/Captain Chris Notaro
Chairman
Alaska Master Executive Council
Letter of Agreement
Between
ALASKA AIR GROUP, INC.
ALASKA AIRLINES, INC.
and
THE AIR LINE PILOTS
In the service of
ALASKA AIRLINES, INC.
as represented by
THE AIR LINE PILOTS ASSOCIATION INTERNATIONAL

THIS JOB PROTECTION 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 ALASKA AIR GROUP, INC. (“AAG”), ALASKA AIRLINES, INC. (“Alaska”) and the AIR LINE PILOTS in the service of ALASKA AIRLINES, INC., as represented by the AIR LINE PILOTS ASSOCIATION, INTERNATIONAL (“ALPA”).

WHEREAS, it is the desire of AAG, Alaska and ALPA to enter into a Letter of Agreement protecting the work for Pilots in the event AAG completes an Acquisition as defined in paragraph D of Letter of Agreement 13-01 [AAG Letter of Agreement] between AAG, the Company, and ALPA (the “AAG Letter of Agreement”).

NOW, THEREFORE, it is mutually agreed and understood by and between the parties that Alaska will not furlough Pilots during a Work Protection Period due to the transfer of flying as a result of an Acquisition. In the event of a furlough during a Work Protection Period, and in the event of a disagreement over the cause of the furlough, it shall be Alaska and AAG’s burden of proof to establish that the furlough was not due to the transfer of flying to the Acquired Air Carrier, as defined in paragraph D of the AAG Letter of Agreement.

A. A Work Protection Period commences on the date that AAG announces an intent to engage in an Acquisition and it continues for a period measured as the total length of the duration (Effective Date to Amendable Date) of the then current Collective Bargaining Agreement between ALPA and the Company (“Agreement”) plus one year.

B. Except as otherwise provided in this Job Protection Letter of Agreement, a furlough shall be subject to all terms and conditions of the Agreement.
C. Terms used in this Job Protection Letter of Agreement, unless otherwise defined in this Job Protection Letter of Agreement, have the meaning given them in Section 1 [Scope & Recognition] and Section 2 [Definitions] of the Agreement.

D. A dispute between ALPA and either AAG or Alaska, or both, concerning interpretation or application of this Job Protection Letter of Agreement may be heard and determined by the Alaska Pilots’ System Board of Adjustment in accordance with the procedures of Section 1.G. [Remedies] of the Agreement, and AAG consents to the jurisdiction of such System Board for such purpose.

E. This Job Protection Letter of Agreement becomes effective on the effective date of the Agreement and will remain in effect:
   1. Concurrent with the Agreement and any status quo period applicable to the Agreement under the RLA; plus
   2. any additional period of time included within a Work Protection Period if one is activated during the time described paragraph E.1 above.

The parties have attested to their agreement to all of the foregoing terms by entering into this AAG Letter of Agreement effective this _____ day of _____, 2013.

FOR
Alaska Air Group, Inc.
s/Bradley D. Tilden
President & CEO

FOR
Alaska Airlines, Inc.
s/Bradley D. Tilden
President & CEO

FOR
Air Line Pilots Association, Int’l
s/Captain Donald L. Moak
President

FOR
Air Line Pilots Association, In’l
s/Captain Chris Notaro
Chairman,
Alaska Master Executive Council
Letter of Agreement
Between
Alaska Air Group, Inc.,
Alaska Airlines, Inc.,
and the
Air Line Pilots Association, International
as representative of the pilots employed by Alaska Airlines, Inc.

Alaska Air Group, Inc. (“AAG”), Alaska Airlines, Inc. (“Alaska”), and the Air Line Pilots Association, International (“ALPA”), as representative of the pilots employed by Alaska (the “Pilots”), agree as follows:

A. AAG, as parent of Alaska, wishes to join with Alaska and ALPA in protecting and preserving the flying and related work of the Pilots, because doing so enhances the value of AAG’s investment in Alaska by providing additional protection to the ongoing stability in the relationship between Alaska and the Pilots and providing greater financial strength to Alaska.

B. Alaska has placed an order with the Boeing Company for Boeing 737 Aircraft, which includes fixed and optional positions. For the purpose of this document the order shall be referred to as the “2012 Order;” however, the 2012 Order shall include all aircraft whether fixed positions or options not yet in possession of Alaska but which have been ordered from the Boeing Company any time prior to [Date of Signing of the Agreement].

C. All flying of current aircraft and aircraft acquired under the 2012 Order shall be performed by the Pilots, so long as those aircraft are operated by an entity under the Control of AAG. None of the current aircraft or aircraft acquired under the 2012 Order shall be flown by airlines not controlled by AAG under a capacity purchase agreement with AAG or an entity under the Control of AAG.

D. This shall not be construed so as to preclude AAG and/or Alaska from merging with another airline, but in that case the provisions of paragraph C of this Boeing Aircraft Letter of Agreement and of Section 1.C [Successorship and Merger] and 1.D [Labor Protective Provisions (LPP)] of the collective bargaining agreement between ALPA and Alaska entered into _____, 2013 (the “Agreement”) shall apply, including, without limitation, the requirement in Section [insert section number].
1.D.3. [Fleet] that “the aircraft (including all orders and options to purchase aircraft) and operations of each pre-transaction airline shall remain separated until such time as both the pilot seniority lists are integrated and the pilot collective bargaining agreements are combined in accordance with paragraphs D.1 and D.2 of Section 1.”

E. Terms used in this Boeing Aircraft Letter of Agreement, unless otherwise defined in Boeing Aircraft Letter of Agreement, have the meaning given them in Section 1 [Scope & Recognition] and Section 2 [Definitions] of the Agreement.

F. A dispute between ALPA and either AAG or Alaska, or both, concerning interpretation or application of this Boeing Aircraft Letter of Agreement may be heard and determined by the Alaska Pilots’ System Board of Adjustment in accordance with the procedures of Section 1.G. [Remedies] of the Agreement, and AAG consents to the jurisdiction of such System Board for such purpose.

G. This Boeing Aircraft Letter of Agreement becomes effective on the effective date of the Agreement and will remain in effect concurrent with the Agreement and any status quo period applicable to the Agreement under the RLA.

The parties have attested to their agreement to all of the foregoing terms by entering into this AAG Letter of Agreement effective this ______ day of _______, 2013.

FOR
Alaska Air Group, Inc.
s/Bradley D. Tilden
President & CEO

FOR
Alaska Airlines, Inc.
s/Bradley D. Tilden
President & CEO

FOR
Air Line Pilots Association, Int’l
s/Captain Donald L. Moak
President

FOR
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s/Captain Chris Notaro
Chairman
Alaska Master Executive Council
AGREEMENT
between
ALASKA AIRLINES, INC.
and
THE AIR LINE PILOTS
In the service of
ALASKA 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 ALASKA AIRLINES, INC. (the “Company”) and the AIR LINE PILOTS in the service of ALASKA AIRLINES, INC., as represented by the AIR LINE PILOTS ASSOCIATION, INTERNATIONAL (the “Association”).

Excess Disability Retirement Benefits

This letter of agreement replaces LOA 94-01 [VEBA for Disability Retirement].

WHEREAS, it has been the intent of the Company to provide a disability benefit based on 50% of the average of the pilot’s final twelve (12) months’ compensation immediately preceding the commencement of sick leave benefits, vacation pay and/or disability payments, and,

WHEREAS, the parties have learned that certain disability benefits within the qualified Fixed Income Retirement Plan for Pilots may not be considered ancillary and may be subject to limitations imposed by Section 415 of the Internal Revenue Code,

NOW THEREFORE, it is mutually agreed and understood by and between the parties to this Letter of Agreement that:

A. The Company shall provide a pilot’s disability benefit based upon 50% of the average of the pilot’s final twelve (12) months’ compensation immediately preceding the commencement of sick leave benefits, vacation pay and/or disability payments. The pilot’s disability benefit shall be paid from the Fixed Income Retirement Plan.
Plan for Pilots to the extent of law, then, if necessary, by general funds of the Company.

B. This Letter of Agreement shall be effective on the signature date indicated below and shall continue in full force and effect and run concurrent with the basic agreement between the parties.

Except as provided herein, all other provisions of the CBA remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have renewed this Letter of Agreement as amended this ___ day of __________, 2013.

FOR Alaska Airlines, Inc. FOR Air Line Pilots Association, Int’l.

s/Captain Gary L. Beck s/Captain Donald L. Moak
Vice President, Flight Operations President

s/Shane Tackett s/Captain Chris Notaro
Vice President – Labor Relations Chairman, Alaska Master Executive Council

s/Elizabeth Ryan s/First Officer Sean A. Hansen
Managing Director – Labor Air Chairman, ALA Negotiating Committee
Below this cover are Memoranda of Understanding (MOUs) adopted by the parties as a component of the 2013 Collective Bargaining Agreement (CBA). These Memoranda of Understanding differ from Letters of Agreement (LOA) in that MOUs are designed to facilitate certain one-time events such as the inclusion of new concepts to the contract or the phasing out of certain concepts that have existed in prior CBA. These MOUs have the full force and effect of all other terms of the CBA until such time as the event for which they have been adopted is completed and the MOU is thereby rendered moot.

Memoranda of Understanding:

09-02  Elimination of Bank, dated May 19, 2009
11-04  Return from Active Military Leave, dated Feb 15, 2012
13-02  MEX/GDL RON LAX, dated Feb 11, 2013
13-05  Reserve Flying on a Day Off, dated Date of Ratification
13-06  Same Calendar Day Trades, dated Date of Ratification
13-07  Post Ratification Discussions, dated Date of Ratification
13-08  Freighter Flexibility, dated Date of Ratification
13-09  ALPA Scheduling Representative, dated Date of Ratification

The following MOUs have been removed because the concepts have been incorporated into the body of the CBA or have been replaced by another MOU.

09-13  Out of Domicile Parking
11-02  ALPA Scheduling Representative
11-03  Vacation Bidding
12-01  Negotiating Committee Monthly Meeting Protocol
12-06  MEX/GDL RON LAX
13-03  Open Time & Pilot to Pilot Trading Window
13-04  Management Pilots Return to the Line

The following MOUs have been removed because the terms of the memoranda have been completed therefore rendering the MOU moot.

09-01  Rights & Equities of Pilots
09-03  Elimination of SQ
09-04  SEA ETOPS Base
09-05  Implementation Schedule
09-06  Voluntary Furlough
09-07  RE: October 2009 Furlough Mitigation
09-09  Early Out
<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
</tr>
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<tbody>
<tr>
<td>10-03</td>
<td>Recall &amp; Bypass for Voluntary Furloughs</td>
</tr>
<tr>
<td>11-01</td>
<td>Seattle ETOPS Training</td>
</tr>
<tr>
<td>12-02</td>
<td>Oxygen Mask Training</td>
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<tr>
<td>12-04</td>
<td>Exploratory Discussions Protocol</td>
</tr>
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<td>12-07</td>
<td>Delay of Vacancy Bid 2012-11</td>
</tr>
<tr>
<td>13-01</td>
<td>Section 6 Protocol Agreement</td>
</tr>
</tbody>
</table>
Memorandum of Understanding
by and Between
Alaska Airlines, Inc.,
and the
Air Line Pilots Association, International
as representative of the pilots employed by Alaska Airlines, Inc.

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 Alaska Airlines, Inc. (hereinafter referred to as the "Company") and the Air Line Pilots in the service of Alaska Airlines, Inc., as represented by the Air Line Pilots Association, International (hereinafter referred to as the "Association").

Elimination of the "Bank" Program

WHEREAS, the Company and the Association agree to eliminate the "Bank" Program;

THEREFORE, Alaska Airlines, Inc. ["Alaska"], and the Air Line Pilots Association, International ["ALPA"], as representative of the pilots employed by Alaska [the “Pilots"], agree as follows:

A. Positive Bank
   1. Upon Date of Signing (DOS) of the agreement, positive bank will no longer be accumulated. One (1) year from DOS all remaining positive bank balance will be paid out to the pilot unless prior to the end of this year the pilot has:
      a. utilized his entire balance, or
      b. requested, with one month of notice, a liquidation of his remaining balance.

   2. Until a pilots positive bank has been exhausted or liquidated, whichever occurs first and in no event later than one (1) year from DOS, the following rules apply:
      a. Any previously “banked” Flight Time Credit shall continue to be carried forward in his flight pay records until utilized. Flight Time Credit which is carried forward shall continue to be identified as “positive bank”.
      b. A pilot who has less than his monthly maximum of pay and Flight Time Credit for a month shall receive in such month any pay and Flight Time Credit he has in his positive bank, except in no case will the receipt of any
such pay and Flight Time Credit cause him to exceed the designated monthly maximum Credited Hours in any month.

c. The difference between his pay and Flight Time Credit and his monthly maximum shall be calculated for the pilot's equipment and status and be paid to the pilot at the end of any low time month.

d. Any balance used in a month in which a pilot is a reserve will be in addition to his guarantee.

B. **Negative Bank**

1. Upon DOS of the agreement, no new negative bank time will be incurred.

2. Pilots with a negative bank balance shall continue to carry such balance until it has been repaid.
   a. A negative bank balance shall be repaid as a pilot exceeds the designated monthly maximum hours (credited) and in an amount equal to the dollar amount used and the associated credited time necessary to earn such dollar amount.
   b. Any remaining balance at retirement or severance of employment shall be deducted from the pilot’s final paycheck.

C. **Administration of Bank**

1. **Posting:** The Company shall, by the tenth (10th) day of each month, post electronically a list of the remaining positive or negative bank balance for each pilot.

2. **Bid Block Holder Requirement:**
   a. **Positive Balance:** Any pilot who is a block holder in a month and has positive bank time, which, when added to his projected bid block hours as of the first day of the month would cause him to exceed his monthly maximum, and this excess time equals or exceeds the number of Credited Hours in any trip in his Bid Block; shall then be required to drop a scheduled trip(s).

   (1) **Pilot Notification:** The pilot will be notified by the Company no later than the 12th day of the month that he must drop a trip(s). Such pilot will be paid and credited from his accrued time up to the monthly maximum.
(2) **Senior Qualified/Senior Reserve Protection**: If a pilot has bank time equal to or exceeding the amount that would require him to drop a trip(s) but no trip(s) is dropped as specified above, the Company will be required to upgrade the senior qualified pilot in that status for the following month. In the case of First Officers, the senior reserve will be paid and credited the designated monthly maximum hours for the following month.

b. **Negative Balance**: Any pilot who is a block holder in a month and has a negative bank balance, which, when subtracted from his projected Bid Block hours as of the first day of the month would cause him to be below monthly guarantee; shall then be required to pick up a scheduled trip(s). Pilots picking up trip(s) to repay the negative bank shall not exceed the designated monthly maximum plus five (5) hours of credited time.

c. **Selection of Trip(s)**: The selection of the trip(s) to be dropped or picked up shall be at the pilot’s option subject to adequate reserve coverage. If the pilot has not acted by the 15th, the trip(s) will be determined by the Company and the pilot notified to this effect immediately.

This Memorandum of Understanding will remain in effect until the terms contained herein have been satisfied.

IN WITNESS WHEREOF, the parties hereto have entered into this Memorandum of Understanding this 19th day of May, 2009.

FOR ALASKA AIRLINES, INC.
s/Gary L. Beck
Vice President, Flight Operations

FOR AIR LINE PILOTS ASSOCIATION, INTL.
s/Captain John H. Prater
President

s/Elizabeth Ryan
Managing Director – Labor Air

s/Captain William L. Shivers
Chairman
Alaska Master Executive Council

Witness:

s/Bennie Johnson

s/Paul Stuart
PAGE
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Memorandum of Understanding
by and Between
Alaska Airlines, Inc.,
and the
Air Line Pilots Association, International
as representative of the pilots employed by Alaska Airlines, Inc.

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 Alaska Airlines, Inc. (hereinafter referred to as the "Company") and the Air Line Pilots in the service of Alaska Airlines, Inc., as represented by the Air Line Pilots Association, International (hereinafter referred to as the "Association"). The following reflects the practice that the parties have followed regarding the substance of this letter since August 10, 2011.

WHEREAS, Alaska Airlines ("Company") and the airline pilots in the service of the Company as represented by the Air Line Pilots Association, International ("Association") desire to simplify the process for returning from active military leave; and

WHEREAS, the Company and the Association agree that allowing a pilot returning from active military leave to exercise his system seniority for the purposes of establishing that pilot’s base and position would further that goal;

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

A. If no vacancy bid or reduction bid has occurred during the pilot’s active military leave, that pilot will return to his prior claim.

B. If one or more vacancy bids have occurred during the pilot’s active military leave, that pilot will be permitted to return to any base or position that his seniority, on the date of this return, allows provided a posted or proffered vacancy was filled in that base or position.

C. If one or more reduction bids have occurred during the pilot’s active military leave and that pilot’s position was reduced as a product of any of those reduction bids, that pilot will be permitted to return to any base or position that his seniority, on the date of this return, allows.
D. A pilot returning from active military leave per the provision of this letter will be carried as an extra in their base or position until the next vacancy or reduction bid.

E. No later than September 1, 2012 the Association and the Company will meet to discuss an extension or modification of this letter.

Except as herein indicated all remaining provisions of the CBA remain in full force and effect.

This Memorandum of Understanding will remain in effect until the terms contained herein have been satisfied.

IN WITNESS WHEREOF, the parties hereto have entered into this Memorandum of Understanding this 15th day of February, 2012.

FOR
Alaska Airlines, Inc.
s/Captain Gary Beck
Vice President Flight Operations
s/Elizabeth Ryan
Managing Director – Labor Air

FOR
Air Line Pilots Association, Int’l
s/First Officer Paul L. Stuart Jr.
Chairman, Alaska Master Executive Council
s/First Officer Sean Hansen
Chairman, ALA Negotiating Committee
Memorandum of Understanding
by and Between
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and the
Air Line Pilots Association, International
as representative of the pilots employed by Alaska Airlines, Inc.

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WHEREAS, the Company and the Association recognize the unique challenges associated with all-night flying to MEX and GDL; and

WHEREAS, the Company and the Association believe that providing a hotel between these duty periods when flown by LAX Based Pilots will help meet these challenges;

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

A. The Company may build multi duty period trips in the LAX Base consisting of LAX-MEX-LAX and LAX-GDL-LAX turns. Between duty periods on these trips, Pilots will R.O.N. (Remain Over Night) in Base.

   Example: LAX-MEX-LAX (R.O.N.) LAX-GDL-LAX (R.O.N.) LAX-MEX-LAX

B. LAX Based Pilots awarded or assigned these pairings are considered in Base, except, Pilots are considered away from Base for the following purposes:

   1. Section 5.A (Per Diem)

   2. Section 5.B (Lodging & Transportation)

   3. Section 5.E (Dry Cleaning)

   4. Section 12.A.3 (Trip/TAFB Rig)

   5. Section 12.C (Report and Release), except when initially reporting for the pairing.
6. LOA 93-04, Paragraph 3

C. In this MOU, the parties have endeavored to account for the impact on all provisions of the CBA. To the extent an unintended consequence arises, the parties agree to meet to promptly address and resolve the issue.

D. This letter replaces MOU 12-06 (MEX/GDL RON LAX).

E. This MOU will remain in effect concurrent with the current CBA, and the applicable status quo period. As an exception, either party may give sixty (60) days notice of intent to terminate this MOU, in which case the MOU will expire at the end of that period, absent renewal or replacement.

Except as herein indicated all remaining provisions of the CBA remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have entered into this Memorandum of Understanding this 11th day of February, 2013.

FOR
Alaska Airlines, Inc.
s/Captain Gary Beck
Vice President, Flight Operations
s/Elizabeth Ryan
Managing Director – Labor Air

FOR
Air Line Pilots Association, Intl.
s/Captain Chris Notaro
Chairman, Alaska Master Executive Council
s/First Officer Sean Hansen
Chairman, ALA Negotiating Committee
Memorandum of Understanding
Between
Alaska Airlines, Inc.,
and the
Air Line Pilots Association, International
as representative of the pilots employed by Alaska Airlines, Inc.

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 Alaska Airlines, Inc. (hereinafter referred to as the "Company") and the Air Line Pilots in the service of Alaska Airlines, Inc., as represented by the Air Line Pilots Association, International (hereinafter referred to as the "Association").

WHEREAS, Reserve Pilots may wish to perform extra flying on their day(s) off for additional compensation or in exchange for a day(s) off in the future; and

WHEREAS, the Company and the Association agree that allowing this will help with short-term staffing issues;

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

A. A Reserve Pilot may pick up a trip(s) from Open Flying Time on his day(s) off with the approval of Pilot Scheduling subject to the following:
   1. The Reserve Pilot may elect to pick up a trip(s) from Open Flying Time for pay only in addition to his total pay value for the month; or
   2. The Reserve Pilot may elect to pick up a trip(s) from Open Flying Time for pay and credit in exchange for a mutually agreeable day(s) off later in that bid period.

B. A Reserve Pilot who picks up a trip(s) on a day(s) off will be treated as a Bid Block Holder for the purposes of that trip.

C. Scheduling may not solicit a Reserve Pilot to fly on his day(s) off.

D. This MOU will remain in effect concurrent with the current CBA, and the applicable status quo period. As an exception, either party may give thirty (30) days notice of intent to terminate this MOU, in
which case the MOU will expire at the end of that period, absent renewal or replacement.

Except as herein indicated all remaining provisions of the CBA remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have entered into this Memorandum of Understanding this _____ day of _____, 2013.

FOR
Alaska Airlines, Inc.
s/Captain Gary Beck
Vice President, Flight Operations
s/Elizabeth Ryan
Managing Director – Labor Air

FOR
Air Line Pilots Association, Intl.
s/Captain Chris Notaro
Chairman, Alaska Master Executive Council
s/First Officer Sean Hansen
Chairman, ALA Negotiating Committee
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WHEREAS, the Company and the Association have a mutual interest in increasing the number of approved Open Flying Time trades while preserving operational reliability; and

WHEREAS, the Company and the Association agree that incrementally liberalizing the rules surrounding trip trading will further that interest;

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

A. For trades that cover the same Calendar Day(s) or more, and in addition to the provisions of Section 25.H [Trip Trading], the following shall apply:
   1. Greater than or equal to twenty four hours (24:00) prior to the first Calendar Day of the trip being traded out of, Pilot Scheduling shall approve trades with Open Flying Time if:
      a. The report time of trip(s) being acquired is within plus or minus four hours (4:00) of the trip(s) being traded; and
      b. The trade would not result in a staffed zone having Negative Reserve Coverage on the first day of the trip. This restriction will be suspended for trades that fall between September 15, 2013 and October 31, 2013.
      c. A trip that encompasses more than fifty percent (50%) of the WOCL period may only be traded for another trip that encompasses more than fifty percent (50%) of the WOCL period. This restriction only applies to the first day of the trip.
2. Less than twenty four hours (24:00) prior to the first Calendar Day of the trip being traded out of, Pilot Scheduling shall approve trades with Open Flying Time if:
   a. Both the report time and the release time of the first day of trip(s) being acquired is within plus or minus four hours (4:00) of the trip(s) being traded; and
   b. The trade would not result in a staffed zone having Negative Reserve Coverage on the first day of the trip.
   c. A trip that encompasses more than fifty percent (50%) of the WOCL period may only be traded for another trip that encompasses more than fifty percent (50%) of the WOCL period. This restriction only applies to the first day of the trip.

3. Negative Reserve Coverage, as referenced above, means that a staffed reserve zone contains more open trips that could be covered by that reserve zone than available reserves. *(The intent is that the reserve zone directly affected by the trade does not go negative. This does not apply to any zone that touches the trip.)*

4. Blackout Days: The provisions of this MOU may be suspended as follows:
   b. Six (6) additional Calendar Days may be designated per calendar year;
   c. No more than four (4) Calendar Days may be designated per bid period;
   d. All blackout days will be listed in the bid package.

5. If a trade is rejected for Adequate Reserve Coverage by the automated trading program the pilot may submit a trade review inquiry that will be processed within 3 hours (3:00).

6. The Company and the Scheduling Management Group (SMG) will review the trip trading process on a quarterly basis and will make adjustments to expand or tighten the trading rules based on the impact to the operation.

7. The SMG will resolve any unintended consequences of this agreement.
8. These provisions will be implemented within thirty (30) days of ratification and remain in effect through at least October 31, 2013.

B. This MOU will remain in effect concurrent with the current CBA, and the applicable status quo period. As an exception, beginning November 1, 2013, either party may give thirty (30) days notice of intent to terminate this MOU, in which case the MOU will expire at the end of that period, absent renewal or replacement.

Except as herein indicated all remaining provisions of the CBA remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have entered into this Memorandum of Understanding this _____ day of _____, 2013.

FOR
Alaska Airlines, Inc. FOR
Air Line Pilots Association, Intl.

s/Captain Gary Beck s/Captain Chris Notaro
Vice President, Flight Operations Chairman, Alaska Master Executive Council

s/Elizabeth Ryan s/First Officer Sean Hansen
Managing Director – Labor Air Chairman, ALA Negotiating Committee

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Between
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WHEREAS the parties recognize that issues that might otherwise be resolved in the process of Section 6 negotiations remain to be resolved, and

WHEREAS the parties do not wish to delay implementation of CBA ’13 and the benefits contained therein by addressing those issues in the Section 6 process, and

WHEREAS the parties remain committed to resolving issues and grievances during the course of CBA ’13,

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

A. The parties agree to engage in discussions, pursuant to a protocol between the parties, that are necessary to implement the requirements of 14 CFR Part 117 so that such requirements can be met by the implementation date mandated by statute and those regulations;

B. The parties agree to engage in discussions which will result in revisions to Section 30 of the CBA [Flight Data Recording Devices] that update the language to better reflect the reality of data collection and maintain the protections currently afforded Pilots in that Section; and

C. The parties agree to form a Committee to study whether Pilot Scheduling flexibility can be enhanced by modern technology such as the use of a Preferential Bidding System and the leveraging of mobile devices. The commitment in this regard is only to form a
Committee comprised of ALPA and Alaska representatives, who will develop a protocol for this research and study, and who will issue non-binding recommendations to their respective leadership groups and, in the case of ALPA, to its Membership; and

D. The parties agree to further address and resolve all pre-grievance and grievance issues referred to the Negotiating Committee by the Grievance Committee or MEC; and

E. The parties commit that any product of the discussions set forth above “that in the opinion of the MEC substantially affects the pay, working conditions, retirement or career security of the Membership will be subject to ratification by the Membership” pursuant to Section 90 of the ALPA Administrative Manual and Section 40.C.2 of the Alaska Airlines Master Executive Council Policy Manual.

F. This MOU will remain in effect until the processes described above have been completed, it is amended by another MOU, or is terminated by mutual agreement.

Except as herein indicated all remaining provisions of the CBA remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have entered into this Memorandum of Understanding this _____ day of _____, 2013.

FOR
Alaska Airlines, Inc.
s/Captain Gary Beck
Vice President, Flight Operations

s/Elizabeth Ryan
Managing Director – Labor Air

FOR
Air Line Pilots Association, Intl.
s/Captain Chris Notaro
Chairman, Alaska Master Executive Council

s/First Officer Sean Hansen
Chairman, ALA Negotiating Committee
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WHEREAS, The Company and the Association are desirous of making the Freighter operation successful, and

WHEREAS, Freighter flights are scheduled flights, and

WHEREAS, the Freighter operation must have a certain amount of flexibility, such as extra stops and modified departure times, and

WHEREAS, this flexibility can cause a pilot to become illegal for his next scheduled trip,

NOW THEREFORE, the parties agree:

A. For the purposes of this letter, “Freighter” means aircraft designed to carry freight only. Aircraft designed to carry both passengers and freight, or passengers only are not covered under this letter.

B. **Freighter Operation Revisions:**
   1. If a Freighter portion of a Bid Block Holder’s original trip cancels (other than changing the order of assignments):
      a. The Bid Block Holder may be reassigned to other segments on the Freighter and the provisions of Section 25.U.3 [In Base – Trip Makeup Requirement] shall not apply.
      b. The reassignment must be scheduled to end no later than five hours (5:00) after the end of the originally scheduled trip.
c. The Pilot will receive one hundred percent (100%) Flight Time Credit and one hundred-fifty percent (150%) pay up to the monthly maximum for the trip flown or the original trip whichever is greater.

d. If no Freighter reassignment is given the provisions of 25.U will apply.

Example:

<table>
<thead>
<tr>
<th>Original Pairing</th>
<th>Revised Pairing</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANC-OTZ</td>
<td>ANC-OME</td>
</tr>
<tr>
<td>OTZ-ANC</td>
<td>OME-ANC</td>
</tr>
<tr>
<td>ANC-DLG</td>
<td>ANC-DLG</td>
</tr>
<tr>
<td>DLG-ANC</td>
<td>DLG-ANC</td>
</tr>
</tbody>
</table>

2. If a Bid Block Holder’s entire Freighter only pairing is cancelled:

a. The Bid Block Holder may be reassigned to another Freighter only pairing and the provisions of Section 25.U.3 [In Base – Trip Makeup Requirement] shall not apply.

b. The reassignment must be scheduled to end no later than five hours (5:00) after the end of the originally scheduled trip.

c. The Pilot will receive one hundred percent (100%) Flight Time Credit and one hundred-fifty percent (150%) pay up to the monthly maximum for the trip flown or the original trip whichever is greater.

d. If no Freighter reassignment is given the provisions of 25.U will apply.

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<tr>
<td>OTZ-ANC</td>
<td>OME-ANC</td>
</tr>
<tr>
<td>ANC-DLG</td>
<td>ANC-BET</td>
</tr>
<tr>
<td>DLG-ANC</td>
<td>BET-ANC</td>
</tr>
</tbody>
</table>

3. If a Bid Block Holder is reassigned away from base under Section 25.V [Reassignment Away From Base - Bid Block...
Holder] while flying the Freighter, and he was scheduled to continue on the Freighter after returning to his base:

a. The Bid Block Holder may be reassigned to other segments on the Freighter when transiting his base.

b. The reassignment must be scheduled to end no later than five hours (5:00) after the end of the originally scheduled trip.

c. The Pilot will receive one hundred percent (100%) Flight Time Credit and one hundred-fifty percent (150%) pay up to the monthly maximum for the trip flown or the original trip whichever is greater.

**Example:**

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</tr>
<tr>
<td>ANC-DLG</td>
<td>OME-ANC</td>
</tr>
<tr>
<td>DLG-ANC</td>
<td>ANC-BET</td>
</tr>
<tr>
<td></td>
<td>BET-ANC</td>
</tr>
</tbody>
</table>

4. If the sequence of Freighter flights within a pairing change, a Bid Block Holder will receive 100% flight time credit and 150% pay for the changed segments. The reassignment will be scheduled to return at or before the end of the original pairing.

**Example:**

<table>
<thead>
<tr>
<th>Original Pairing</th>
<th>Revised Pairing</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANC-OTZ</td>
<td>ANC-DLG</td>
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<tr>
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</tr>
<tr>
<td>ANC-DLG</td>
<td>ANC-OTZ</td>
</tr>
<tr>
<td>DLG-ANC</td>
<td>OTZ-ANC</td>
</tr>
</tbody>
</table>

5. A Bid Block Holder who is reassigned away from base under Section 25.V [Reassignment Away From Base - Bid Block Holder] or has a Flag Stop added to his scheduled pairing per Section 25.A.9 while flying the Freighter, will be handled in accordance with the normal provisions of the CBA and paragraphs C below.
C. **Illegality:**

1. Should a Bid Block Holder become illegal for his next scheduled trip, due to a reassignment on the Freighter as described in paragraph B above, the affected pilot will be made whole for the original scheduled Flight Time Credit without taking any action. "Being made whole" specifically means the pilot will receive Flight Time Credit and be paid for the difference between the Flight Time Credit scheduled and the Flight Time Credit flown. The premium attached to the revisions above is in addition to Flight Time Credit and does not affect this calculation.

   **Example:** A pilot is scheduled for pairings 4690-18 and 4690-19 worth 12:00 of Flight Time Credit. 4690-18 has an added stop bringing the Flight Time Credit for that trip to 7:30 and is rescheduled to leave 2 hours late making the pilot illegal to fly 4690-19. If the pilot takes no further action, the following adjustment will apply:

<table>
<thead>
<tr>
<th>Scheduled</th>
<th>Revised</th>
</tr>
</thead>
<tbody>
<tr>
<td>4690-18 = 6:00</td>
<td>4690-18 = 7:30</td>
</tr>
<tr>
<td>4690-19 = 6:00</td>
<td>4690-19 = 4:30</td>
</tr>
<tr>
<td><strong>Total = 12:00</strong></td>
<td><strong>Total = 12:00</strong></td>
</tr>
</tbody>
</table>

2. If the affected pilot wishes to Flight Time Credit for the full value for the lost trip (i.e., the one he is illegal for), the pilot must makeup the trip in accordance with Section 25.U [Cancellation / Illegality / Equipment Substitution].

D. This MOU will remain in effect concurrent with the current CBA, and the applicable status quo period. As an exception, either party may give thirty (30) days notice of intent to terminate this MOU, in which case the MOU will expire at the end of that period, absent renewal or replacement.

Except as herein indicated all remaining provisions of the CBA remain in full force and effect.
IN WITNESS WHEREOF, the parties hereto have entered into this Memorandum of Understanding this _____ day of _____, 2013.

FOR
Alaska Airlines, Inc.
s/Captain Gary Beck
Vice President, Flight Operations Council
s/Elizabeth Ryan
Managing Director – Labor Air

FOR
Air Line Pilots Association, Intl.
s/Captain Chris Notaro
Chairman, Alaska Master Executive Council
s/First Officer Sean Hansen
Chairman, ALA Negotiating Committee
Memorandum of Understanding
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WHEREAS, Alaska Airlines ("Company") and the airline pilots in the service of the Company as represented by the Air Line Pilots Association, International ("Association") desire to assure efficiency, productivity and quality of life for the pilots; and

WHEREAS, the Company and the Association agree that the inclusion of a designee from the ALPA Alaska MEC (hereafter the “ALPA Scheduling Representative”) in the crew planning process, including the construction of pilot pairings and monthly bid blocks would further that goal;

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

A. Access and Responsibilities:
   1. The ALPA Scheduling Representative will be provided full access to all information and resources related to the construction of pilot pairings and monthly bid blocks.

   2. The access described in A.1 above may require that the ALPA Scheduling Representative sign a Non-Disclosure Agreement ("NDA").

B. Schedule and Compensation:
   1. Bid Block Holder:
      a. The ALPA Scheduling Representative will utilize the step trading process to keep the value of his monthly bid block between forty hours (40:00) of credit and the designated monthly maximum.
b. The ALPA Scheduling Representative will be granted those drop requests without respect to the limitations contained in paragraphs 25.D.2.e-i of the CBA or Adequate Reserve Coverage.

c. Additional drops below the forty hour (40:00) minimum will be at the mutual discretion of the MEC Chairman or his designee and the Vice President of Flight Operations or his designee.

2. Reserve Schedule Holder:
   a. The ALPA Scheduling Representative will be permitted to drop up to 10 reserve days of his choosing.
   b. The ALPA Scheduling Representative will notify the manager of Crew Planning of the days he wishes to drop.
   c. Additional drops beyond the ten (10) reserve day maximum will be at the discretion of the MEC Chairman and the Vice President of Flight Operations.

3. The ALPA Scheduling Representative shall receive eighty-five hours (85:00) pay and credit exclusive of pay only events.

C. Cost/Billing: The difference between the value of the pilots Bid Block and the eighty-five hour (85:00) guarantee will be reimbursed to the Company by the Association at 50% ALPA Scheduling Representative’s actual hourly rates (fringe benefit costs will be carried by the Company).

D. Duration: This letter shall remain in full force and effect until May 31, 2014. No later than April 1, 2014 the Association and the Company will meet to discuss an extension or modification of this letter.

Except as herein indicated all remaining provisions of the CBA remain in full force and effect.
IN WITNESS WHEREOF, the parties hereto have entered into this Memorandum of Understanding this _____ day of _____, 2013.

FOR
Alaska Airlines, Inc.
s/Captain Gary Beck
Vice President Flight Operations
s/Elizabeth Ryan
Managing Director – Labor Air

FOR
Air Line Pilots Association, Intl.
s/Captain Chris Notaro
Chairman, Alaska Master Executive Council
s/First Officer Sean Hansen
Chairman, ALA Negotiating Committee
Index will be completed following a final administrative review of this document
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