
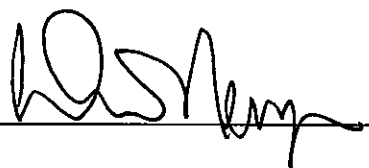


October 4, 2011

For APA  10-4-11

For AA  10/20/11

Tentative Agreement

Moving Expense TA Effects on Section 17.D and 17.S

SECTION 17D and 17S

FILLING VACANCIES, DISPLACEMENTS, REINSTATEMENTS, FURLOUGHS, AND RECALLS

D. Displacements

1. A pilot shall be considered displaced if any one of the following occurs:
 - a. The Company eliminates all positions in a bid status, in which case all pilots holding a position in such bid status shall be considered displaced.
 - b. The Company reduces the number of positions in a bid status, in which case, to the extent necessary to accomplish the reduction, the pilots within the bid status being reduced who have the least system seniority shall be considered displaced.
 - c. A pilot who has been displaced under any provision of this section may displace a more junior pilot in accordance with 7. below, in which case the more junior pilot may then also be considered displaced.
2. Proffer of Displacements
 - a. When a junior pilot is to be displaced from a bid status, the displacement shall be proffered in seniority order to all pilots in that bid status.
 - b. Displacement into another bid status is based upon the junior pilot's seniority. (For example, junior pilot A would otherwise be displaced; senior pilot B in the same bid status proffers the displacement; senior pilot B displaces into a bid status indicated on senior pilot B's bid preference list based on junior pilot A's seniority. Once senior pilot B is in the new bid status, bidding trip selections, vacations, etc. will be done with pilot B's own seniority.)

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- c. A pilot is eligible to proffer displacement provided:
 - (1) The pilot must fulfill a lock-in in accordance with Section 17.L.1., unless waived at the Company's discretion, except that the lock-in for a pilot who displaces to a lower bid status and only requires a short requalification training program shall be the same as a pilot bidding to a higher bid status.
 - (2) The pilot can fulfill the lock-in in c.(1). above prior to normal retirement unless waived at the Company's discretion.
 - (3) A pilot fulfilling a lock-in may only proffer displacement to a lateral bid status (same category and equipment -- different division and/or base) unless released from the lock-in at the Company's discretion.
 - (4) A probationary pilot cannot proffer displacement to a Captain bid status.
 - (5) In order to be eligible to be awarded a bid status that requires or results in an Air Transport Pilot certificate, a pilot must possess such certificate or have previously entered the date of the successful completion of the required written examination for said certificate into the Company's computer data base.
 - (6) The pilot has not begun, or is not within five (5) days of beginning training for another bid status as a result of a previous award.
 - d. A pilot proffering displacement does not have a reinstatement right.
3. Each pilot shall have access to and shall be responsible for maintaining a displacement preference list as a part of his or her standing bid list. On the displacement preference list a pilot may list in order of preference any bid status to which the pilot would prefer to displace in the event such pilot is displaced. A pilot may add to, delete from, or rearrange the order of displacement preferences at any time prior to the date on which the bid award procedure is implemented.
 4. Displacements may be processed once during each month; simultaneously with reinstatements, entitlements and bid preferences for vacancies.
 5. Displacements shall always be effective on the first day of a contractual month, and they shall never be effective earlier than the first day of the first contractual month following the date on which they are processed.
 6. The Company shall provide at least fifteen (15) days advance notice of the date on which displacements will be processed. Between the date on which advance notice is given and the date on which displacements are processed, pilots may continue to access and make changes to their displacement preference lists.
 7. A displaced pilot may fill a vacancy or displace a more junior pilot. The vacancy or the position to which such pilot is displacing may be in a higher, lateral, or lower bid status than the bid status of the position from

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which such pilot was displaced. The order of awarding a new bid status to a displaced pilot is as follows:

- a. A displaced pilot shall fill a vacancy from such pilot's bid preference list.
- b. From such pilot's displacement preference list, the pilot shall be awarded the highest preference to which entitled by seniority.
 - (1) Such pilot shall have a reinstatement right to the bid status from which displaced, and
 - (2) Shall not incur a lock-in in the bid status awarded.
 - (3) Such pilot who is awarded, from the displacement preference list, a bid status at a base other than the one from which displaced, will be eligible for moving expenses as provided in Section 8, provided:
 - (a) Such pilot was not senior enough within his former base to have been awarded
 - (i) a lateral (same category and equipment – different division) displacement, or
 - (ii) a displacement to a bid position of equal or greater pay.
 - (b) Such pilot relocates to the base to which displacing.
 - (c) Such pilot incurs a lock-in in the bid status to which displacing equal to the down-bid lock-in specified in Section 17.L.1.b.
 - (d) Such pilot forfeits any reinstatement right to the bid status from which displaced.
 - (4) When such pilot is awarded a bid status from the displacement preference list, the junior pilot who held that bid status may then be considered displaced.
- c. If the seniority of a displaced pilot does not entitle such pilot to a bid status from either the bid preference list or the displacement preference list, such pilot shall be assigned to a different bid status at that pilot's base.
 - (1) Such assignments shall be made in the following order:
 - (a) The displaced pilot will be assigned a vacancy in the highest bid status above the displaced status to which entitled by seniority at that pilot's base.
 - (b) The displaced pilot will displace a more junior pilot in the highest bid status above the displaced status to which entitled by seniority at that pilot's base.
 - (c) The displaced pilot will be assigned a vacancy in the next lower

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bid status if available at that pilot's base. If no vacancy is available, the pilot will displace a more junior pilot in that same next lower bid status at that pilot's base.

(d) Step (c) will be repeated at each successively lower bid status until the displaced pilot is assigned a bid status at that pilot's base.

(2) A pilot so assigned shall have a reinstatement right to the bid status from which displaced, and

(3) Shall not incur a lock-in in the bid status to which assigned.

d. If a displaced pilot cannot be awarded a vacancy at that pilot's base and there is no more junior pilot at that base, such pilot may be proffered those vacancies in the system for which there are no bidders, and then, if necessary, be assigned to such a vacancy.

(1) Such pilot shall have a reinstatement right to the bid status from which displaced, and

(2) Shall not incur a lock-in in the bid status awarded or to which assigned.

8. A pilot can only be displaced once in any contractual month, but a pilot who has been displaced may be displaced again in a later month. A pilot who has been displaced more than once may hold multiple reinstatement rights in accordance with E. of this Section.

S. Opening, Reactivating, or Closing a Base

1. Opening or Reactivating a Base

- a. When a base is reactivated or a new base is opened, these procedures will be in effect for the first twelve contractual months following the effective date of the first vacancy.
- b. Vacancies at a new or reactivated base will be filled using pilots' standing bid lists and the regular bid status award procedure. However, pilots will be able to qualify their bids by indicating the lowest seniority position which will be acceptable to them in the status for which they are bidding, and the Company may award vacancies at such new or reactivated base up to six (6) months in advance of their effective dates.
- c. Pilots awarded or assigned a bid status at a new or reactivated base will serve a lock-in of twenty-four (24) months. A lock-in of twelve (12) months applies to those pilots who may have held a lateral bid status (same category and equipment -- different division and/or base). While serving a lock-in at a new or reactivated base, pilots may not assume a lateral bid status at a different base.
- d. Pilots who are serving a lock-in at the time the Company announces a new or reactivated base may bid for vacancies at the new or reactivated base. If they are awarded a bid preference at the new or reactivated base, their existing lock-in will terminate and they will begin a new lock-in.
- e. Once the Company has announced a new or reactivated base, pilots who begin training or begin a lock-in not associated with the new or reactivated base may not bid for the new or reactivated base until they complete their lock-in, unless they are bidding for a lateral bid status (same category and equipment -- different division and/or base). If such pilots are awarded a lateral bid status at the new or reactivated base, their existing lock-in will terminate and they will begin a new lock-in.
- f. With respect to bid status at a new or reactivated base, as with all other bid status, the Company may terminate pilots' lock-ins at its discretion, and the Company has the option to withhold pilots from a bid status.
- g. The moving expenses of pilots who transfer to a new or reactivated base in accordance with this provision will be paid by the Company in accordance with Section 8 of this Agreement.

2. Closing of a Base

- a. The Company will announce the closing date of a base at least six (6) months prior to the closing; except that such notice is not required

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when a base is closed due to unforeseeable circumstances.

- b. During the period between the announcement of closing and the closing of the base, the Company will maintain the level of earnings of all pilots assigned to such base.
- c. During the period between the announcement of the closing and the closing of the base, a pilot may bid and be awarded a position in another bid status, but such pilot may be withheld from such bid status.
- d. Once the base closing is announced, each pilot assigned to such base should indicate to the Company, using the standing bid list, preferences for bid status assignment at a different base.
- e. When vacancies and displacements are processed for the month in which the base will close, each pilot assigned to such base will indicate to the Company, using the standing bid list, preferences for bid status assignment at a different base.
- f. The moving expenses of pilots who transfer to other bases in accordance with this provision will be paid by the Company in accordance with Section 8 of this Agreement.