

**Letter of Agreement**  
by and between  
**Atlantic Southeast Airlines, Inc.**  
and  
**Airline Flight Attendants**  
in the service of  
**Atlantic Southeast Airlines, Inc.**  
as represented by the  
**Association of Flight Attendants-CWA, AFL-CIO**

Preferential Bidding System

This LETTER OF AGREEMENT is made and entered into in accordance with the provisions of the Title II of the Railway Labor Act, as amended, by and between ATLANTIC SOUTHEAST AIRLINES, INC. (hereinafter referred to as the "Company"), and the ASSOCIATION OF FLIGHT ATTENDANTS-CWA, AFL-CIO, (hereinafter referred to as the "Association").

WHEREAS the Company and Association ("Parties") agreed in Letter of Agreement number 6 to make best efforts to meet and confer in good faith regarding a Preferential Bidding System ("PBS");

WHEREAS the Parties agreed to make best efforts to work together to determine if PBS will improve the quality of life for Flight Attendants as well as productivity of the Company;

WHEREAS the Parties established a PBS Working Group ("PWG") to ensure timely research of PBS;

WHEREFORE, for and full consideration of the mutual promises contained herein, the sufficiency of which is hereby acknowledged, the Parties agree to the following terms and conditions as reached by the PWG:

1. This Agreement will be effective on the date of signing, except as otherwise specifically provided in the Agreement or as specifically outlined below:

## Section 2: Definitions

Remove:

- a. "Bid line"

Add:

- a. "Administrative panel" or "Airline build option" – means the control panel associated with PBS from which a setting(s) can be made to dictate the outcome of a bid run solution.
- b. "Airline Build Threshold" - means the credit value that signals PBS to stop trying to award pairings and accept the schedule as complete.
- c. "Avoid" – means a bid request used to define unwanted trips or trip criteria during the month.
- d. "Award" – means a bid request used to define preferences for work during the month.
- e. "Bid Run Solution" or "Bid Run" – means entering or adjusting settings on the administrative panel on the Preferential Bidding System to produce a possible schedule or final award.
- f. "Bidding Award Disputes" – means an occurrence in which a Flight Attendant properly submitted a valid bid and was not awarded a trip or line consistent with his bid preferences, her/his seniority, known absences, programmed award logic, FAR's, Company policy and the Agreement.
- g. "Buddy Bid" – means Flight Attendants who want to be paired up together during a bid run.
- h. "Credit Window" – means the airline build min-max, threshold and partial value(s) set on the administrative panel. The credit window is defined by the min and max credit values a schedule needs to be considered complete. The partial schedule allows the airline to award schedules to Flight Attendants who cannot be awarded a schedule that meets the credit window (e.g., due to pre-assigned activities, a lack of pairings, etc.), but meets the partial schedule requirements.
- i. "Crewmember Build Options" – means a function that allows the system to limit the number of Flight Attendants (in seniority order) that are allowed to use certain options. The functions include: above airline threshold, below airline threshold, max days On, min days Off, reserve option, and assign reserve; all after "x" Flight Attendants.

- j. "Final Bid Award" shall denote the name of the Flight Attendant, the scheduled days off, the scheduled days of flying, vacation, training, and/or known absences where applicable.
- k. "Pairing" – means Trip.
- l. "Preferential Bidding System, Preferential Bidding Software (PBS)" – means the system which creates a Flight Attendant's monthly schedule using the Flight Attendant's seniority and preferences, system awarding logic, and complies with the provisions in this Agreement.
- m. "Personal Credit Threshold" – means a credit value that a Flight Attendant selects between sixty (60) and one hundred twenty (120) credit hours from the schedule options on the prebid sheet.
- n. "Pre-award Assignment" – means any prescheduled activity or known absence placed on a Flight Attendant's schedule before the bid opening.
- o. "Threshold Line value (TLV)" – means the credit hour value set in the administrative panel of the PBS for conducting bid runs in a position. The threshold is the point where pairings will no longer be added if the current schedule is complete so long as the value for a schedule fits into the credit window.
- p. "Virtual Credit" (VC) – means a credit value applied to a pre-assigned activity or absence for the purpose of bidding. This credit is not used for pay purposes.

## Section 5: Compensation

### §5.A - Replace

	7/17/2008	7/18/2009	7/19/2010	7/20/2011	7/21/2012
1st 6 mo.	16.50	16.67	16.83	17.00	17.17
2nd 6mo.	17.84	18.02	18.20	18.38	18.56
2nd year	20.35	20.56	20.76	20.97	21.18
3rd year	21.97	22.19	22.41	22.63	22.86
4th year	23.48	23.72	23.95	24.19	24.43
5th year	25.00	25.25	25.50	25.75	26.01
6th year	26.26	26.52	26.79	27.06	27.33
7th year	27.02	27.29	27.56	27.84	28.12
8th year	27.78	28.05	28.33	28.62	28.91
9th year	28.53	28.82	29.11	29.40	29.69
10th year	29.40	29.69	29.99	30.29	30.59
11th year	29.72	30.02	30.32	30.62	30.93
12th year	30.46	30.77	31.07	31.38	31.69
13th year	31.22	31.53	31.85	32.17	32.49
14th year	32.00	32.32	32.65	32.97	33.30
15th year	32.80	33.13	33.46	33.80	34.14
16th year	33.62	33.96	34.30	34.64	34.99
17th year	34.46	34.81	35.16	35.51	35.87
18th year	35.33	35.68	36.04	36.40	36.76
19th year	36.21	36.57	36.94	37.31	37.68
20th year			37.86	38.24	38.63

#### §5.A.1. – Add

Within eight (8) months of the date of signing of this LOA the Company will make available to each Flight Attendant electronically a current status of her/his pay credit, on a day-for-day basis, for the current month (reasonable allowance to account for lag in auditing but no later than two (2) business days after duty was performed) and will provide a reasonable time and method for a Flight Attendant to directly dispute errors with the auditor (hyperlink etc.) before the payroll is sent for processing.

#### §5.C.1.c Minimum Day Credit – Add

(d) Effective November 20, 2010, 3.86 hours of credit for each calendar day of duty and/or calendar day away from domicile.

This provision will not apply to time spent in training (not including IOE) or Naps.

§7.D.1 of Credit	Virtual Credit assigned for threshold value between 60.0-75.0	Virtual Credit assigned for threshold value between 75.1-90.0	Virtual Credit assigned for threshold value between 90.1-105.0	Virtual Credit assigned for threshold value between 105.1-120.0
Vacation	3.5/4.0	3.5/4.0	3.5/4.0	3.5/4.0
Training (RGT)	4.0	4.0	4.0	4.0
Training (other)	3.95	3.95	3.95	3.95
AFA Leave	3.50	3.75	3.95	4.25
Special Assignment	3.5	3.75	3.95	4.25
Jury Duty	2.25	2.75	3.25	3.75
Bereavement	3.95	3.95	3.95	3.95
Sick Leave	2.25	2.75	3.25	3.75
Medical Leave	2.25	2.75	3.25	3.75
Military Leave	2.25	2.75	3.25	3.75
Family Leave	2.25	2.75	3.25	3.75
Personal Leave	2.25	2.75	3.25	3.75
Resignation	2.50	2.75	3.25	3.75
Retirement	2.50	2.75	3.25	3.75
Workers' Comp	2.25	2.75	3.25	3.75
Maternity Leave	2.25	2.75	3.25	3.75
Moving Days	2.50	2.75	3.25	3.75
Suspension	2.50	2.75	3.25	3.75
TOWOP	2.25	2.75	3.25	3.75
Furlough	2.50	2.75	3.25	3.75
Other	2.50	2.75	3.25	3.75

- Additional credit classifications to the chart above will only be added by mutual agreement through a MOU(s).
- Eligibility to bid Section 7.E.1., virtual credit values will be utilized for bidding when a Flight Attendant exits training or is returning from a leave of absence.

## Section 6: Travel Expenses

### Replace §6.A.2

The Company is responsible to select adequate, safe, and comfortable lodging for crewmember overnight stays. The following criteria will be used in selecting appropriate lodging. With mutual consent between the Company and the Association Hotel Committee, any of these requirements may be waived:

- (1) Each room must have an alarm clock.
- (2) Telephones must be turned on for local, credit card, "800/888" or collect telephone calls without the use of a credit card.
- (3) There must not be a charge for local, credit card, or collect telephone calls. The crewmember retains responsibility to determine what constitutes a local call.
- (4) Rooms must be above ground level with inside access if requested by the crewmember, if available.

- (5) The hotel must be within close proximity to a restaurant that serves food during the hours of the crewmember's stay at the hotel and/or provides transportation to and from such establishments.

#### Add §6.A.4

For scheduled layovers of sixteen (16) hours or more, downtown locations or hotels that offer additional attractions, services, or facilities will be provided, if these hotels meet the criteria listed A.2. The Vice President of Inflight Services, or her/his designee, and the MEC President, or her/his designee, may mutually agree to waive this provision on a city-by-city basis.

### **Section 7: Scheduling**

1. PBS Working Group (PWG) will be established by the Association. (The PWG will consist of up to three (3) Flight Attendant representatives appointed by the Association). The PWG may collaborate in the trip construction process as provided in paragraph 7.B.
  - a. The Company will be responsible for administration of the PBS system as well as potential changes to the system. Any changes to the system will be made in writing with mutual agreement between the Company and the Association.
  - b. The Company and the PWG will consider Flight Attendant quality of life and operational efficiency when constructing trip(s) and performing bid run solutions.
    - (1) When constructing trips, the Company will comply with the requirements of paragraph 7.B.
    - (2) When performing bid runs the Company will comply with the requirements of paragraph 7.C.3., below.
  - c. Up to three (3) PWG members will be eligible to receive vendor-provided training associated with the software used in PBS line construction. If there is no cost, replacement members will be trained at the request of the Association.
  - d. The PWG will have the ability to view the PBS administrative panel and settings and be able to assist with the bid run solutions.
  - e. The Company will grant Association leave, in accordance with Section 21.C.1, for up to three (3) PWG members appointed by the Association, for participation in the trip construction process and the bid run award solutions:

- i. The PWG Flight Attendant representatives will be paid and credited per Section 21.C.2 for the days in which they report for PWG work.
- ii. The Association will be responsible to reimburse the Company for Association leave in accordance with Section 21.C.2 for the PWG leave defined herein; however the twenty-five percent (25%) override will not be applied to those invoices submitted for PWG leave.
- iii. The Company will advise the PWG each month of the trip construction and bid run solution(s) timeline.
- iv. The Company will provide the Association with access to the pairing generation software. The pairings generated by the Association member(s) will be taken into consideration when developing a pairing solution.
- v. PWG representative will be required to execute a confidentiality and nondisclosure agreement to participate in the activities described in paragraph iv, above.

#### Replace §7.B.1

All known flying for the following month will be constructed into trips. The total amount of open time withheld or unassigned as a result of a bid run will not exceed four percent (4%) unless the Association and the Company mutually agree to exceed the four percent (4%) due to operational need. Of the four percent (4%) withheld, two percent (2%) may be withheld by the Association to be returned to open time. The Association will not withhold time on holidays.

The Company will provide to the Association the total scheduled block hours of known flying in the following month and the number of block hours withheld to verify the calculation of the four percent (4%) of block hours of known flying withheld or open time unassigned. The Company will provide the Association a list of the actual trips withheld or open time unassigned.

#### Replace §7.C.1

The Company will utilize and maintain a Preferential Bidding System (PBS), meeting the requirements of Section 7 and any other terms which have been mutually agreed upon by the Company and the Association, for the construction and awarding of monthly lines of time. Flight Attendants will use such system for bidding for monthly lines of time, except where an alternative system has been provided in accordance with this Agreement. PBS and training for the use of such system shall be provided at no cost to the Flight Attendant. Each Flight Attendant, in a position to bid, will be awarded a schedule based upon Section 7, this Letter of Agreement, and:

- (1) the FARs,
- (2) the Agreement,
- (3) her/his seniority,
- (4) her/his bid preferences,
- (5) her/his known absences,
- (6) programmed award logic, and
- (7) Company policy.

(1) The PBS will provide a Flight Attendant the ability to sort for trips to include but not limited to:

Company proposes that the terms outlined in Section 7.C.2.a & 7.C.2.b be changed to reflect the terms below to be consistent for both working groups. Terms already in Section 7.C.2.b not outlined below would be added.

- Average Daily Credit
- Carryover Pairings
- Check-in Airport
- Credit
- Crew on Pairing
- Days Off
- Deadheads
- Departure Dates
- Duty On (Base Local Time)
- Duty Period Length
- Duty Period Release Time
- Duty Period Report Time
- Equipment
- Flight Numbers
- Fly Thru Airports
- Ground Time (Per Leg)
- Layovers
- Legs per Duty Period
- Length of Pairing
- Line Check Airmen
- Pairing Number
- Redeye Pairings
- Release Time
- Report Time
- Specific Pairings
- Time Away From Base

Based on the terms, outlined above, the following terms, already outlined in the ASA-AFA Collective Bargaining Agreement, have been agreed upon to mean the same:

- |                      |   |                                  |
|----------------------|---|----------------------------------|
| Average Daily Credit | = | iv. Average daily credited hours |
| Credit               | = | xx. Pairing Credit               |
| Crew on Pairing      | = | xii. Fly with/Avoid Employee     |

Days Off	=	i. Perfer Off
Departure Dates	=	ii. Departing On
Duty Period Length	=	ix. Pairing Length
Duty Period Release Time	=	viii. RON Release Time
Duty Period Report Time	=	vii. RON Check in Time
Equipment	=	iii. Specific Aircraft Type
Flight Numbers	=	xxii. Pairing Including Specific
Fly Thru Airports	=	xiii. Landing In
Ground Time (per leg)	=	xvii. Sit Time
Layovers	=	xv. Layover In
Legs per Duty Period	=	xi. Duty Time
Length of Pairing	=	ix. Pairing Length
Pairing Number	=	xix. Pairing Number
Release Time	=	vi. Pairing Release Time
Report Time	=	v. Pairing Check in Time
Time Away From Base	=	xviii. Time Away From Base

\* Additional options may be added by mutual consent.

#### 7.C.2.c

- v. Long Call reserve
- vi. Call Me First

#### Nap Lines

1. Nap bidding will be designated in a separate bidding area within the PBS for the purpose of bidding. A Flight Attendant will be permitted to bid on a Nap, or bid to construct non-Nap trips, and may then return to Nap bidding and preference Nap trips.

#### Bid Run Solutions

Bid runs will be conducted with the following conditions:

- (2) A "No bid" run will be done prior to the opening of the bid window to establish a guideline for the threshold line value (TLV) and number of regular and reserve lines;
- (3) Airline build options, (TLV) for each position, for each bid run solution:
  - (a) The TLV will be determined by the Company;

Flight Attendants will have the option to set a personal credit value. This is a credit value that each Flight Attendant can set to bid to achieve a desired credit value for her/his line. The credit value window can be set from sixty (60) credit hours to one hundred twenty (120) credit hours.

A regular line will contain no more than ninety-eight (98) block-to-block hours or one hundred twenty (120) credit hours; including deadhead (deadhead only applies to the one hundred twenty (120) credit hours).

Vacation Bid Low option: In a month in which a Flight Attendant has vacation, she/he will have the option, at her/his discretion, to select the TLV at seventy-five (75) hours for her/his bidding purposes, minus her/his vacation virtual credit for that month.

A Flight Attendant who has vacation, at her/his discretion, will have the option to use either three and one half (3.5) virtual credit hours or four (4) virtual credit hours for each day of his vacation period applied toward her/his schedule for the month for which she/he has vacation.

In a month in which a Flight Attendant has vacation, a Flight Attendant(s) will have the option to select a threshold line value (TLV) that is the lower of seventy-five (75) hours or if the Company selects a (TLV) for a bid run solution(s) less than seventy-five (75) hours, then the lower value. The PBS system will have a check box that overrides the (TLV) selected in the administrative panel. If a Flight Attendant selects the vacation low option he/she will be paid the greater of the Minimum Monthly guarantee in Section 5 or the credits she/he is awarded.

Example: Company selects a TLV of eighty (80) hours with a min-max of sixty-five (65) and ninety-five (95). The Flight Attendant who selects the vacation bid low option will have a threshold of seventy-five (75) hours and a min of sixty-five (65) hours for her/his bidding purposes. The Flight Attendant will have the option to use twenty-four and a one-half (24.5) or twenty-eight (28) hours of virtual credit for bidding purposes.

- f. A Flight Attendant will have the ability to submit a preference to not be awarded a pairing(s) that have been awarded to a specific Flight Attendant(s).

#### Add §7.L.10

Flight Attendants may designate which leg(s) of a trip she/he desires to post for pick up. These leg(s) would be posted electronically where another Flight Attendant may add those leg(s) to her/his schedule.

- (a) Crew Scheduling will have eight (8) hours to process a request for a Flight Attendant to trade a portion of a trip for a day off from another Flight Attendant.
- (b) A Flight Attendant desiring to trade a portion of a trip(s) for a day off will submit a request and Crew Scheduling will post the portion of the trip a Flight Attendant desires to drop or trade immediately upon submission

of such request. The portion of the trip posted for drop or trade will remain posted until ten (10) hours before departure time.

- (c) If the leg(s) are not picked up by another Flight Attendant, the leg(s) return to the original Flight Attendant.
- (d) Minimum day credits would not be applied to a day where the Flight Attendant voluntarily split her/his trip up to be picked up by another Flight Attendant.
- (e) Trip or portions thereof picked up by another Flight Attendant would not be paid over the minimum monthly guarantee.
- (f) Swaps for portions of trip(s) will not be permitted.

### **Section 8: Reserves**

#### **Replace §8.C.3**

The Company may not schedule or reschedule a Reserve Flight Attendant to exceed one hundred twenty five (125) credit hours per month as provided in 9.A.2. However, a Flight Attendant who was scheduled in compliance with this provision at the start of an assignment will complete the assignment even if to do so will cause her/him to exceed one hundred twenty five (125) credit hours. After completing an assignment, a Reserve Flight Attendant who has accrued at least one hundred twenty-five (125) credit hours will have the option to be released from her/his remaining reserve days for the month.

#### **Replace §8.D.9 Ready Reserve Bucket Assignments**

Ready reserve assignments will be assigned by the bucket list starting with the 2-day bucket, then the 3-day bucket, then the 4-day bucket and so on.

- a. Reserve Flight Attendants will be assigned by least credit hours first;
- b. Reserve Flight Attendants who have AM reserve on-call periods will be assigned AM ready reserve; Reserve Flight Attendants who have PM on-call periods will be assigned PM ready reserve. Reserve Flight Attendants will only be assigned a ready reserve AM/PM outside of his/her on-call period if no other Reserve Flight Attendants are available for the assignment.
  - (1) AM reserve periods will include periods that begin from 0001 – 1200
  - (2) PM reserve periods will include periods that begin from 1001 – 2400
  - (3) Reserve periods that begin between 1001 – 1200
- c. Reserve Flight Attendants may be bypassed for ready reserve if she/he would be scheduled for more than two (2) consecutive ready reserve periods.

#### Add 8.G Long-Call Reserve

1. The Company will award between five (5%) and ten percent (10%) of the total reserve compliment long-call reserve.
2. A long-call Reserve Flight Attendant will be on call continuously beginning at 0001 on the first day of her/his reserve period and ending at 2400 on the last day of her/his reserve period.
3. A long-call Reserve Flight Attendant may be called to the airport for a specific assignment and such Reserve Flight Attendant may subsequently be rescheduled and/or be required to operate additional flight segment(s).
4. A long-call Reserve Flight Attendant may be transitioned to short-call reserve at any time for any portion of her/his reserve period(s) no more than seven (7) days per month upon receiving at least ten (10) hours of notification. If so transitioned, she/he will be subject to the short-call reserve and will be assigned to an on-call period of the flight assignment received while on short-call reserve, the Reserve Flight Attendant will immediately return to long-call Reserve Flight Attendant status.
5. A long-call Reserve Flight Attendant will be given at least ten (10) hours from the first contact attempt to report for duty.
6. A long-call Reserve Flight Attendant will have up to sixty (60) minutes to respond to the Company from the time of initial attempted contact, and such time will be included in the call-out time.

#### Add 8.H Call Me First

A Flight Attendant may select Call Me First (CMF) during the initial monthly bid. A Flight Attendant who fails to make a selection or who was not afforded the opportunity to bid will be considered a No Preference (NP) Reserve Flight Attendant. A Flight Attendant who has not selected CMF may request CMF, electronically, during the month. Such request will become effective at the beginning of the first reserve on-call period that begins at least four (4) days after the request was made and, once made, will remain in effect until the end of the bid period.

### **Section 9: Hours of Service**

#### Replace §9.A.2

A Flight Attendant shall be scheduled for no more than one hundred twenty-five (125) credit hours per month. A Flight Attendant may voluntarily exceed the one hundred twenty-five (125) hour scheduling limit. If a Flight Attendant has increased her/his time through trip adds and/or trades, the maximum credit time will be increased by a corresponding number of hours.

## **Section 27: Part Time Flight Attendant Program**

Replace §27.E.2

A Part Time Flight Attendant line will be constructed with no less than fifty (50) credit hours or more than sixty (60) credit hours. These credit hour limits can be modified upon mutual agreement between the parties.

Replace §27.E.3

Part Time Flight Attendants will not be drafted if the draft would cause the Flight Attendant to be scheduled for more than seventy (70) credit hours for the bid period. A Part Time Flight Attendant will be drafted in the same order (inverse seniority) as Full Time Flight Attendants

## **Section 28: General**

Replace §28.K

Flight Attendants will not normally be required to empty the trash cans on the aircraft; however, in the event the trash has not been emptied before passengers are scheduled to board the aircraft, the Flight Attendant will be responsible for emptying the trash. It is understood that such occasions should be infrequent. Should any new carrier, with whom the Company will be performing flying for, have contracts with one of its working groups or policy that would prevent that group from emptying the trash, the Flight Attendant will be responsible. Any station that handled trash for the Company prior to February 1, 2010 will still be responsible for emptying the trash cans on the aircraft.

Add §28.S

Male Flight Attendants will be permitted to wear earrings to the extent that it is permitted by the carrier with whom the Company is performing the flying for.

Replace §Letter of Agreement #2.B.2

Regular lines will contain a combination of trips and days off, and shall not contain reserve days. A regular line will not contain any out of domicile trip pairings, including charters, unless the pairings begins and ends with a deadhead to and from the Flight Attendant's domicile. A regular line will be constructed with no more than one hundred twenty (120) credit hours, except as otherwise permitted in this Agreement. For the purposes of line construction, the term "credit" shall include duty rig and/or minimum day credit.

Add §Letter of Agreement #6

- a. During the training months, in addition to the Association member of the Joint PBS Committee, there will also be Association appointed Trainers in

each domicile (up to six (6) in Atlanta and two (2) in Dulles). Such cost will be borne by the Company.

- b. Flightline will maintain an (800) helpline to assist Flight Attendants with bidding.
- c. The bidding system will not change from Flightline without written consent of the Association.
- d. Flight Attendants will not be charged to access Flightline.

Replace §Letter of Agreement #7

- 2. The Joint PBS Committee shall be composed of four (4) members from the Company and one (1) member from the Association, which shall be a Flight Attendant on the seniority list. Once the System is purchased by the Company, such Association Member shall be permitted to drop trips pursuant to Section 21.C to work with the Committee as necessary. The Company shall bear the cost of worked performed by the Committee, including flight pay loss for the Association Member of the Committee. The Association member of the joint PBS Committee shall have continuing PBS involvement as part of the Scheduling Committee.

Audit trail-Currently covered under 7.G (Bidding Award Disputes)

Reserve line bidding-Currently covered under 7.C.2.c & 8.A.1

Minimum monthly guarantee (MMG)-Currently covered under 7.D.2 & 5.B.1

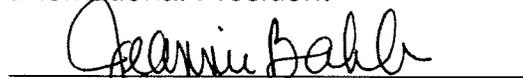
This LETTER OF AGREEMENT will become effective on the date of signing and will run concurrently with the Agreement.

IN WITNESS WHEREOF, the parties hereto have signed this Letter of Agreement this 7<sup>th</sup> day of July, 2010.

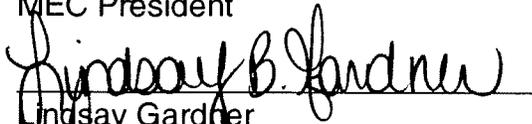
ASSOCIATION OF FLIGHT  
ATTENDANTS CWA, AFL-CIO



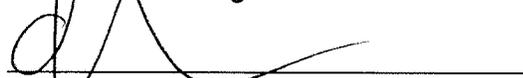
Pat Friend  
International President



Jeannie Babb  
MEC President

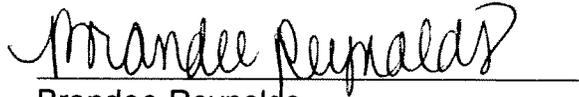


Lindsay Gardner  
MEC Scheduling Chair

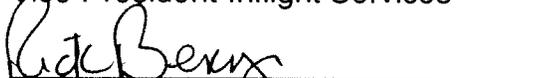


Chris Tomko  
MEC Secretary-Treasurer

ATLANTIC SOUTHEAST AIRLINES, INC.



Brandee Reynolds  
Vice President-Inflight Services



Rick Berry  
System Manager-Inflight Services