

LETTER OF AGREEMENT #11
among
PSA AIRLINES INC.
and
THE AIRLINE PILOTS
in the service of
PSA AIRLINES INC.
as represented by
THE AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement (“Agreement”) is made and entered into in accordance with the terms of Title II of the Railway Labor Act, as amended, by and between PSA AIRLINES, INC. (PSA) and Air Line Pilots Association, (“Association”) and collectively, the (“Parties”).

The Parties agree to enter into discussions regarding mutually beneficial modifications of the Collective Bargaining Agreement as they specifically relate to reserve assignments and utilization. The Parties also agree that this Letter of Agreement does not in any way commit, bind, nor engage the parties into collective bargaining as defined by Title I, Section 6 of the Railway Labor Act (RLA), as amended. Further, this Agreement shall not constitute the opening of any other section, topic, or grievance, as defined by the RLA:

The Company and the Association agree to make following revisions to Section 25.G, Reserve Duty, of the Collective Bargaining Agreement (“Agreement”).

1. Amend Section 25.G.1.i to provide that a reserve will not be assigned an open time trip earlier than one hundred and twenty (120) hours before the report time of the trip.
2. Amend Section 25.G.1.c, so that a reserve pilot is no longer required to contact the company, or be contactable, on a day off.
3. Provide greater transparency for reserve pilots, so that they are able to see who is on reserve, the seniority of the reserve pilot(s), the number of remaining reserve days for each pilot, open trips, flight assignments currently assigned, each pilot’s last flight assignment, block hours flown for the month, etc. The Company will implement this paragraph within 7 calendar days
4. Provide a “first out/last out” system that allows pilots to designate whether they wish to be called first or called last, with such preferences awarded based on their seniority. Pilots will have the option to check either first out or last out when submitting their bids in the monthly bid package. The pilot’s preference will be his/her preference for the entire month. A list of all reserve pilots’ first-out/last-out preference will be made available in FLICA no later than the commencement of first come/first serve bidding and will include all reserve pilot’s name, base, seat, seniority, type of reserve, and their first/last out preference. The Company will implement this paragraph as soon as possible, but no later than February 20, 2018 at 1200 for the March 2018 bid cycle.

Additionally, the Company and the Association shall meet and agree on a "Bucket System" system for reserve pilots. The Company agrees to implement a defined process for assigning trips to reserve pilots within each "bucket" as soon as technically possible. The parties will publish a memorandum of understanding within sixty (60) days of signing this document, unless an extension of said timeline is mutually agreed to writing, to detail the full timeline and process for implementation of the bucket system.

This Letter of Agreement will become effective on the date of signing and shall continue in full force and effect for the same duration as, and subject to the same amendable date as, the PSA Pilot Collective Bargaining Agreement.

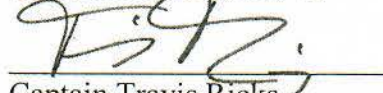
IN WITNESS WHEREOF, the Parties hereto have signed this Agreement this 29th day of December, 2017.

FOR PSA AIRLINES INC.

FOR THE AIR LINE PILOTS
ASSOCIATION, INT'L



Captain Keith Stamper
Vice President, Flight Operations



Captain Travis Ricks
Chairman, PSA MEC