COLLECTIVE BARGAINING AGREEMENT

Between

PROFESSIONAL AIR TRAFFIC CONTROLLERS ORGANIZATION, INC.

and

SERCO MANAGEMENT SERVICES, INC.

For the Period: January 27, 2011 through August 1, 2013

TABLE OF CONTENTS

ARTICLE 1 PARTIES TO THE AGREEMENT	5
ARTICLE 2 UNION RECOGNITION RIGHTS	5
ARTICLE 3 EMPLOYER RIGHTS	6
ARTICLE 4 EMPLOYEE RIGHTS	8
ARTICLE 5 UNION REPRESENTATION	8
ARTICLE 6 GRIEVANCE AND ARBITRATION PROCEDURES	8
ARTICLE 7 DISCIPLINARY ACTION1	1
ARTICLE 8 CHANGES IN AGREEMENT AND PAST PRACTICES	2
ARTICLE 9 UNION DUES CHECK OFF12	2
ARTICLE 10 SENIORITY1	3
ARTICLE 11 EMPLOYEE PERFORMANCE14	4
ARTICLE 12 WATCH SCHEDULE AND SHIFT ASSIGNMENTS14	4
ARTICLE 13 VOLUNTARY CHANGES IN SHIFT AND REGULAR DAYS OFF	5
ARTICLE 14 BREAKS AND POSITION ROTATION1	5
ARTICLE 15 LEAVE OF ABSENCE WITHOUT PAY1	5
ARTICLE 16 WAGES, HOURS AND COMPENSATION1	7
ARTICLE 17 SICK LEAVE1	7
ARTICLE 18 401(K) RETIREMENT PLAN1	9
ARTICLE 19 OVERTIME	9
ARTICLE 20 VACATION LEAVE2	0
ARTICLE 21 HOLIDAYS	1
ARTICLE 22 POSITION DESCRIPTION	2
ARTICLE 23 HEALTH & WELFARE	2

ARTICLE 24 DRESS COD	Е	26
ARTICLE 25 INDEMNIFIC	CATION	26
ARTICLE 26 SUBSTANCE	E ABUSE AND TESTING PROGRAM	26
ARTICLE 27 UNION PUB	LICATION AND USE OF EMPLOYER FACILITIES	
ARTICLE 28 LAYOFF AN	D RETURN TO WORK	
ARTICLE 29 JURY DUTY	/EMERGENCY LEAVE/BEREAVEMENT LEAVE	29
ARTICLE 30 MEDICAL Q	UALIFICATIONS	
ARTICLE 31 PROBATION	JARY PERIOD	
ARTICLE 32 OFFICIAL P	ERSONNEL FILE	
ARTICLE 33 NON DISCR	IMINATION	31
ARTICLE 34 SAVINGS CI	LAUSE	31
ARTICLE 35 PRINTING C	OF THE AGREEMENT	31
ARTICLE 36 OPERATION	VAL ERROR/DEVIATION	
ARTICLE 37 CRITICAL I	NCIDENT STRESS DEBRIEFING (CISD)	
	TRAINING & RECERTIFICATION	
ARTICLE 39 ATC FACILI	TY EVALUATIONS	32
ARTICLE 40 AIR SAFETY	ζ	
ARTICLE 41 AIR TRAFFI	C SAFETY ACTION PROGRAM (ATSAP)	33
ARTICLE 42 EDUCATION	N	
ARTICLE 43 NO STRIKE	NO LOCKOUT	34
ARTICLE 44 TERMINAT	ON OF GOVERNMENT CONTRACT	34
ARTICLE 45 DURATION		35
APPENDIX I Facilities		
APPENDIX II WAGE RAT	TES	
APPENDIX III VACATIO	N LEAVE	

APPENDIX IV HOLIDAYS	39
APPENDIX V COLA	40
APPENDIX VI GRIEVANCE FORMS	41
APPENDIX VII GLACIER PARK MONTANA SICK LEAVE	48
APPENDIX VIII BONUS	49

ARTICLE 1 PARTIES TO THE AGREEMENT

Section 1. This Agreement is made between the Professional Air Traffic Controllers Organization, Inc, (hereinafter referred to as "PATCO" or the "Union") and Serco Management Services, Inc. (hereinafter referred to as the "Employer"). PATCO and the Employer are herein referred to collectively as "the Parties".

ARTICLE 2 UNION RECOGNITION RIGHTS

Section 1. The Employer hereby recognizes PATCO as the exclusive bargaining representative for each certified, single facility bargaining unit of full time and regular part time air traffic control specialists employed at the air traffic control towers identified in Appendix I of this Agreement pursuant to the Section 9(a) of the National Labor Relation Act. The parties agree that the individual bargaining units covered by this Agreement are limited exclusively to the air traffic control specialists at the towers identified in Appendix I.

If PATCO is certified as the exclusive bargaining representative of any Employer tower in addition to those identified in Appendix I, such tower shall be automatically covered by this Agreement.

Section 2. PATCO shall designate one principal Union Facility Representative at each facility identified in Appendix I. The name of the Union Facility Representative shall be submitted in writing to the Air Traffic Manager (ATM). The ATM shall be notified in writing within 10 days of any changes in the Union Facility Representative. The Facility Representative may assign in writing a designee in his or her absence provided such writing is provided to the Employer with at least five (5) days notice or, if a scheduling conflict requires use of a designee, the Union Facility Representative may provide the ATM with verbal notice of such designation. In accordance with the NLRA, the Employer agrees to confer with the Union Facility Representative or his or her designee on matters contained in this Agreement.

Section 3. Except as otherwise provided in this Article, a Union Facility Representative shall not be compensated by the Employer for his duties as a Union Facility Representative and generally shall perform such duties during times when he or she is not scheduled to work for the Employer. The Employer will pay a Union Facility Representative at the regular straight-time rate for attendance at a meeting called by the Employer such as a disciplinary meeting where the employee requests representation by the Union Facility Representative provided such meeting occurs during the Union Facility Representative's scheduled work hours. The Union Facility Representative may attend, participate telephonically or select a designee to attend such meetings which occur outside his or her scheduled work hours provided that the Union Facility Representative or his or her designee shall not be paid by the Employer for any such meetings which occur outside his or her scheduled work hours.

Section 4. The Employer shall notify and provide the Union Facility Representative the name(s), expected and actual arrival date(s) for all newly hired bargaining unit employees.

Section 5. The Union Facility Representative will arrange with the Air Traffic Manager before engaging in the above activities and shall not leave his/her post without authorization from the ATM. The parties agree that the operations of the facility shall take priority and that the Union facility Representative's duties will be performed in a manner that does not disrupt such operations. The Union Facility Representative shall be permitted to use earned vacation pay to attend Union activities, provided such request is made in accordance with the Article governing vacation leave.

Section 6. PATCO shall retain and be guaranteed all rights as per the United States Constitution, State or Commonwealth and any and all Federal Laws that are applicable.

Section 7. The Employer and or designees at the corporate level in the spirit of cooperation, hereby agree to meet with PATCO national officers and or designees at mutually agreeable times and locations and bargain as appropriate.

Section 8. Except in the case of emergency or by mutual agreement, the Union's authorized national representatives must provide at least twenty-four (24) hours prior notice to the Employer's Air Traffic Manager of the intent to visit a tower identified in Appendix I of this Agreement. In all cases, the Union national representatives shall comply with all FAA and the Employer's procedures applicable to visitors to the facility.

ARTICLE 3 EMPLOYER RIGHTS

Section 1. All management rights, authority, functions and responsibilities which are not unequivocally and expressly restricted or limited by a specific provision of this Agreement are retained by the Employer and shall remain vested exclusively in its sole discretion without regard to any past practice or condition. The parties recognize that such rights, authority, functions and responsibilities include but are not limited to:

- the full control, planning, management and operation of its business and facility;
- the determination and scope of its activities and/or services to be offered, developed, eliminated, modified or used and all methods pertaining thereto, including the location, size and number of departments;
- the determination of materials, parts, machinery and equipment to be acquired, utilized or discontinued and the layout, staffing and scheduling thereof;
- the right to determine, increase or decrease staffing for any department;
- the right to organize, reorganize, combine or discontinue departments;
- the right to hire and direct employees;
- the right to contract or subcontract non-bargaining unit work;
- the training of employees;

- the right to require employees to submit to a medical examination by the Employer;
- the right to establish quality standards and performance standards, procedures and evaluations;
- the right to determine position qualifications, schedules, staffing, shifts, and the right to require overtime work of employees;
- the right to set or change the shift times and number of hours to be worked;
- the right to introduce new or improved procedures, methods, services, machinery or equipment, to make technological changes or to discontinue procedures, methods, services, machinery or equipment;
- the right to terminate, merge, consolidate, sell or otherwise transfer its business or any part thereof;
- the right to enforce any directives, orders, or other regulatory requirements imposed on the Employer by any regulatory agency so empowered;
- the right to determine the number of employees and the assignment of duties thereto;
- the right to layoff or RIF employees;
- the right to take whatever actions may be necessary to carry out the mission of the Employer in situations of emergency;
- the right to select lead and supervisory personnel and the assignment of their work;
- the right to assign supervisory or management personnel bargaining unit work covered by this Agreement;
- the right to establish, combine, add, change or abolish jobs, duties and descriptions;
- the right to issue, modify, delete and enforce reasonable rules, regulations and policies governing employee conduct and Employer operations.

Section 2. The Employer's failure to exercise any such right, prerogative or function hereby reserved to it or the Employer's exercise of any such right, prerogative or function in a particular way, shall not be considered a waiver of the Employer's right to exercise such right, prerogative or function or preclude it from exercising the same in some other way not in conflict with the express provisions of this Agreement.

Section 3. The Employer shall retain all rights provided by the United States Constitution, Federal, State and Local law.

ARTICLE 4 EMPLOYEE RIGHTS

Section 1. Employees shall have the protection of all rights as guaranteed by the United States Constitution, State or Commonwealth and any or all Federal Laws.

Section 2. All Employees of the bargaining unit shall have the right, freely and without fear of penalty or reprisal, to form, join, and assist the Union, or to refrain from such activities, and each Employee shall be protected in the exercise of this right.

Section 3. In any investigation of an administrative nature conducted by the Employer the employee who is the subject of said investigation shall have the right to a Union representative if available while being questioned. If the union representative is unable to be physically present during such meetings, listening via teleconferencing may be permitted if the employee so desires.

Section 4. No employee shall have disciplinary action taken against them because of an occasional debt complaint, and the Employer shall not assist the creditor (except where such debt is owed to the Employer) in collecting the debt without a court order so stating or as otherwise required by law.

Section 5. Facility non-work areas are defined as non-operational areas designated by the Air Traffic Manager. Non-work areas shall never include the tower cab, equipment room or any other operational area. Personal property such as radios, televisions, electronic devices, magazines and publications of an appropriate nature shall be permitted in non-work areas designated by the Air Traffic Manager for use at non-work times. Under no conditions will televisions be allowed in the tower cab. Cellular telephones, pagers or other communications devices shall be powered off while in the tower cab and other operational areas.

ARTICLE 5 UNION REPRESENTATION

In any investigation by the Employer which may reasonably lead to disciplinary action against an employee, such employee shall have the right, upon request, to have a Union representative present. If requested by the employee, the Union representative can be present by telephone if unable to be physically present.

ARTICLE 6 GRIEVANCE AND ARBITRATION PROCEDURES

A grievance is defined as a dispute, difference, disagreement or complaint between the parties relating to wages, hours, and conditions of employment or any term of this Agreement. A grievance shall include, but is not limited to, the complaint of an Employee, the Union or the Employer which involves the interpretation, application of, or compliance with the provisions of this Agreement. Except as provided in Section 3 below, any employee, group of employees, or

the Union may file a grievance under this procedure. The Parties shall cooperate to resolve grievances at the earliest possible time and at the lowest possible supervisory level. The right of individual presentation does not include the right of taking any matter to arbitration unless the Union at the National Level agrees to do so.

Employees shall have the right to be assisted by the Union in the presentation of grievances. Any employee or group of employees covered by this Agreement may present grievances and have them adjusted, without the intervention of the Union, as long as the adjustment is not inconsistent with the terms of the Agreement and the Union has been given an opportunity by the employee or group of employees to be present and given a copy of the grievance. Formal grievances shall be submitted using Form FCT-FGR-10. Informal grievances resolutions shall be documented on Form FCT-IGR-10.

Section 1. The Employer and the Union agree that Employees should attempt to resolve issues or concerns with the Air Traffic Manager prior to initiating the formal grievance process. The employee and, where appropriate, the Local Facility Representative may discuss the grievance with the Air Traffic Manager or other management designated representative, and if the grievance is resolved through these discussions, the informal resolution of the grievance will be reduced to writing using Form FCT IGR-10 and signed by the parties.

Section 2. <u>Step 1. Air Traffic Manager</u>. A formal grievance must be filed by a Union representative (or the Local Facility Representative) using Form FCT-FGR-10 with the Air Traffic Manager within ten (10) calendar days of when an Employee or the Union first learned or reasonably should have learned of the event giving rise to the grievance. The parties' representatives will have full authority and are encouraged to settle grievances during this initial step. If requested, the Air Traffic Manager shall meet with the aggrieved employee and Union representative (or the Local Facility Representative) to discuss the grievance. The Employer must respond to the Step 1 grievance within ten (10) calendar days of receipt of the written grievance.

<u>Suspension / Discharge Cases</u>. The parties agree that all grievances involving suspension or discharge actions shall proceed immediately to Step 2 of this process. A written grievance must be filed by a Union representative (or the Local Facility Representative) using Form FCT-FGR-10 with the Human Resources Manager within ten (10) calendar days of when an Employee or the Union first learned or reasonably should have learned of the suspension or discharge.

<u>Step 2. Human Resources Manager</u>. If the grievance is denied at Step 1 of the grievance process, the Union shall have the right to appeal the denial of the grievance within ten (10) calendar days of the receipt of the Employer's denial by providing written notice of appeal to the Human Resources Manager through continued use of Form FCT-FGR-10. If requested, the Human Resources Manager and/or Area Manager will discuss (in person or by telephone) with the Union Step 2 designee within ten (10) calendar days after receiving the written appeal for the purpose of resolving the grievance to the mutual satisfaction of the Union and Employer. If such a resolution is reached, it will be reduced to writing on Form FCT-FGR-10 and signed by both parties. In cases where such resolution is not reached, the Employer will have twenty (20) calendar days from receipt of the Step 2 appeal to deny the grievance in writing, stating its reasons for such denial.

9

<u>Arbitration</u>. The Union will have fifteen (15) days from the receipt of the Step 2 denial of a grievance within which to appeal the grievance to arbitration. The Union shall notify the Employer in writing of such appeal and request a list of arbitrators from the Federal Mediation and Conciliation Service ("FMCS"). An arbitrator shall be selected by alternatively striking from the FMCS list until an arbitrator is selected or by another mutually acceptable method. The parties will work together to schedule arbitration hearings at a mutually agreeable date and place. It is expressly understood and agreed that the arbitrator is not authorized or empowered to change, modify, or add to this Agreement but is strictly limited to the interpretation and application of this Agreement in accordance with the materials submitted by the parties for this determination.

Section 3. National Level Grievance Procedure: In the case of any grievance at the national level which the Union or the Employer may have against the other, the moving Party shall submit the grievance using Form FCT-UEFGR-10 to the other Party within twenty (20) days of the time the moving Party may have been reasonably expected to have learned of the event giving rise to the grievance. Employer grievances shall be submitted to the Union President, and Union grievances shall be submitted to the Employer's Program Manager. If requested, the Parties may discuss (in person or by telephone) with each other the matter for the purpose of resolving the grievance to their mutual satisfaction. If such a resolution is reached, it will be reduced to writing on Form FCT-UEFGR-10 and signed by both parties. In cases where such resolution is not reached, the receiving Party will have twenty (20) days from receipt of the written grievance to deny the grievance in writing, stating its reasons for such denial. The moving Party will have fifteen (15) days from the receipt of the receiving Party's denial of a grievance within which to appeal the grievance to arbitration. The moving Party shall notify the other party in writing of such appeal and request a list of arbitrators from the Federal Mediation and Conciliation Service ("FMCS"). An Arbitrator will be selected in accordance with "Arbitration" as set forth in Step 2 above.

Section 4. Other Principles of The Grievance And Arbitration Procedure.

- The parties may request information in connection with a grievance. Such requests shall be in writing. The parties agree that they will provide each other with relevant information in accordance with the requirements of the National Labor Relations Act.
- Grievance forms are attached to this Agreement at Appendix VI. The numbering nomenclature for grievance forms will consist of 2 digits for the year, followed by a dash and a 2 digit number representing the sequential number of the grievance for the year for the facility.
- Time limits throughout all the steps of the grievance procedure can be extended by written mutual agreement. Except to the extent that the parties mutually agree in writing to extend deadlines, failure to file a grievance in accordance with the procedures set forth in this Article or failure of the Union to otherwise proceed within the applicable time limits shall render the grievance void and will result in the Union and employees waiving any rights they otherwise would have under this grievance and arbitration process.

- Failure by the Employer to abide by the applicable time limits will result in the grievance being moved to the next step in the process.
- All arbitration awards will be in writing and final and binding on the parties.
- The procedures shall be pursuant to the labor arbitration rules of the American Arbitration Association.
- The fee and expenses of the arbitrator will be split between the parties. If a verbatim transcript of the hearing is made the cost of the court reporter shall be paid by the party requesting the transcript; provided, however, that if the other party receives a copy of such transcript, the cost of the court reporter shall be divided equally between the parties. The parties shall share equally the cost of the transcript, if any, that is supplied to the arbitrator.
- The cost of cancellation of an arbitration hearing shall be borne equally by the parties where the cancellation is due to settlement of the grievance. The cost of cancellation for any other reason shall be borne by the party who seeks the cancellation. Each party will bear its own costs for the preparation for the arbitration hearing.
- The time spent by bargaining unit employees at meetings or arbitration hearings under the above grievance and arbitration procedures shall be unpaid non-work time.

ARTICLE 7 DISCIPLINARY ACTION

Section 1. <u>Just Cause</u>. No employee who has completed his probationary period may be disciplined or discharged except for just cause.

Section 2. <u>Progressive Discipline</u>. Where the Employer determines that the facts and circumstances do not constitute serious misconduct, the Employer will follow progressive discipline which will generally include:

- Documented Verbal Warning
- Written Warning
- Suspension
- Discharge

The Employer retains the discretion to repeat or skip steps where circumstances warrant. The parties agree that the Employer may impose immediate suspension or discharge for "serious misconduct" including but not limited to theft, fraud, violence, insubordination, threatening conduct, abandonment of position, or violation of the substance abuse and testing program.

Section 3. <u>Employee Notification</u>. The Employer will notify the employee of the reasons for any warning, suspension or discharge and the effective date of any suspension or discharge. The employee may submit a written response to any such discipline within seventy-two (72) hours of receipt. At the employee's request, the Union shall be provided copy of written discipline, suspension or discharge notice.

Section 4. <u>Union Representation</u>. A Local Facility Representative must be present (if requested by the Employee) at the time written discipline is issued. For purposes of this provision, "discipline" shall not include informal counseling or directing of the workforce by management.

Section 5. <u>Active/Inactive Discipline</u>. Disciplinary action more than one (1) year old shall be considered inactive and shall not provide the basis for subsequent progressive discipline, provided no subsequent discipline has been issued for similar offense(s). Where subsequent discipline is issued for a similar offense, the prior discipline will remain in effect until the most recent discipline issued for the similar offense is one (1) year old and considered inactive. All inactive discipline shall be removed from the employee's official personnel file. Nothing contained in this Section shall preclude the use or production of any inactive discipline, in any administrative or judicial proceeding or in any arbitration to demonstrate notice or consistent treatment of employees.

Section 6. <u>Probationary Employees</u>. The above discipline schedule will not apply to new hires that are still within the probationary period. The Employer shall counsel, discipline, or terminate probationary employees as it deems appropriate in its sole discretion. After completion of the probationary period, an employee will receive discipline in accordance with the above schedule. All discipline accumulated during the employee's probationary period will remain in effect until it becomes inactive under this Article.

Section 7. <u>Grievance and Arbitration</u>. The Union reserves the right to challenge discipline in accordance with the grievance and arbitration procedure set forth in this Agreement.

ARTICLE 8 CHANGES IN AGREEMENT AND PAST PRACTICES

It is hereby agreed that the Employer shall not change or implement a personnel policy or practice which is within the scope of the Employer's authority which conflicts with the terms of this Agreement without first providing the Union with notice and an opportunity to bargain regarding such policy or practice.

ARTICLE 9 UNION DUES CHECK OFF

Section 1. The Employer agrees to deduct, during the term of this Agreement, Union Dues from the regular pay of employees who have voluntarily authorized such deductions in writing. The Employer agrees to remit all such deductions to the Union at the end of the following month.

Section 2. Union dues deductions will be made in equal payments using the following calculation: Monthly Dues x 12 months / the number of pay periods in the calendar year = biweekly pay period deduction.

Section 3. The original of a properly executed written authorization form for each employee for whom Union dues are to be deducted hereunder shall be delivered to the Employer before any payroll deductions are made. Deductions shall be made thereafter only pursuant to forms which have been properly executed and are in effect. Any form which is incomplete or in error will be returned to the Union by the Employer. No deduction shall be made which is prohibited by applicable law.

Section 4. Check-off deductions under all properly executed forms which have been delivered to the Employer on or before the fifteenth (15) day of any particular month thereafter shall begin with the first pay period in the following calendar month.

Section 5. Any employee's whose seniority is broken by death, self-termination, discharge or lay-off, or who is transferred to a position outside the bargaining unit, shall cease to be subject to check-off deductions beginning with the first pay period immediately following that in which such death, self-termination, discharge, lay-off, or transfer occurred.

Section 6. The Union shall indemnify, defend and hold the Employer harmless against any and all claims, demands, suits or other forms of liability (including reasonable attorneys' fees incurred by the Employer) that shall arise out of or by reason of action taken or not taken by the Employer pursuant to this Article and/or in reliance upon payroll deduction authorization form(s) submitted to the Employer.

ARTICLE 10 SENIORITY

Section 1. Seniority will be defined as an employee's date of hire with the Employer. Consistent with the Service Contract Act, employees shall be given credit for service with a predecessor contractor at the facility without a break in continuous service. Should more than one employee have the same seniority date, the ranking of seniority shall be determined by the length of service at the current facility. In situations that do not break a tie, seniority shall be determined by an employee's control tower operator ("CTO") certification; the employee facility certified for the longest amount of time being deemed the more senior. If facility certification date is also the same, the employee with the greatest number of years as an air traffic controller will be deemed more senior.

Section 2. Break in Seniority. Seniority shall be broken by:

- Discharge;
- Voluntary resignation or retirement;
- Failure to report as required by recall;
- Failure to return to work upon expiration of leave of absence;
- More than twelve (12) consecutive months of failure to perform work for any reason (e.g., layoff); or

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- after acceptance of a non-bargaining unit position.
- After a break in seniority, an Employee's seniority date will be the date on which the Employee becomes reemployed, reinstated, or otherwise returns to the bargaining unit.

Section 3. <u>Seniority List</u>. An updated seniority list will be provided to the Union on an annual basis.

ARTICLE 11 EMPLOYEE PERFORMANCE

Section 1. The parties agree that each employee is responsible for ensuring that his or her performance complies with all FAA rules, regulations and orders and all Employer standards.

Section 2. The Employer is responsible for the implementation of procedures and/or direction of operations.

Section 3. The Employer and the employees shall each be responsible for their own actions. In the event of a difference of professional opinion between any employee and the ATM or other manager, the employee shall comply with the instructions of the ATM or other manager and the employee shall not be subject to discipline for complying with the instructions.

Section 4. In the event the ATM or other manager relieves an employee from the employee's operational position because of alleged unacceptable performance by the employee, the ATM (or other manager) shall provide, upon written request of the employee (provided such request is made within seven (7) days of the action), a written explanation of the reason(s) for the action as soon as practicable but not more than seven (7) days after receipt of such written request. The written explanation does not constitute notice of disciplinary action.

Section 5. Nothing in this Article limits the Employer's right to issue the employee disciplinary action for unacceptable performance or otherwise in accordance with Article 7. (Disciplinary Action).

ARTICLE 12 WATCH SCHEDULE AND SHIFT ASSIGNMENTS

Section 1. The Basic Watch Schedule is defined as the days of the week, hours of the day, rotation of shifts, and changes in regular days off. The Basic Watch Schedule must satisfy coverage requirements. Assignments of individual employees to the Basic Watch Schedule are not considered changes to the Basic Watch Schedule. In developing or changing the Basic Watch Schedule, the facility's Air Traffic Manager may consider ideas and recommendations that may be presented by the Local Facility Representative. The Employer shall continue making alternative work schedules available in accordance with the Employer's policy and procedures and subject to all restrictions set forth therein.

Section 2. The Basic Watch Schedule will normally be posted at least 30 days in advance except where operational needs or staffing levels require changes with less notice.

Section 3. Except where operational requirements do not permit, assignments to the Basic Watch Schedule will be by seniority with the most senior employee having first choice. Assignments to the Basic Watch Schedule shall be posted at least 14 days in advance. The Employer recognizes that changes to individual assignments are undesirable. Except where operational needs or staffing levels do not permit, the Employer will use its best efforts to avoid changing an employee's assignment. Such efforts may include use of overtime, use of other qualified staff, or swapping of employee shifts.

Section 4. The Employer agrees that it will not change employees' approved leave except for emergencies or circumstances beyond the Employer's control.

ARTICLE 13 VOLUNTARY CHANGES IN SHIFT AND REGULAR DAYS OFF

The exchange of shifts and/or days off between equally qualified employees is permissible provided that the exchange is consistent with the operational needs of the facility and does not result in overtime or violation of applicable law, regulations, or the terms of this Agreement. Employee requests for such exchanges must be approved by the Air Traffic Manager at least 3 business days in advance of such exchange.

ARTICLE 14 BREAKS AND POSITION ROTATION

Section 1. <u>Breaks</u>. Where staffing levels and operational needs permit, the Employer shall strive to provide employees a break once every two to three hours. Such breaks will normally be for ten (10) minutes. In case of a conflict with Federal and State Law, the Employer shall comply with the Law.

Section 2. <u>Meal Break</u>. Where staffing levels and operational needs permit, the Employer shall strive to provide one thirty (30) minute uninterrupted paid meal break per day. It is understood that employees shall be required to remain in the general area of the facility ("general area" is defined as the tower and the area directly adjacent to the tower where the employee may be immediately recallable) and/or return to duty during such meal break based on operational needs and staffing levels. In case of a conflict with Federal and State Law, the Employer shall comply with the Law.

Section 3. <u>Rotation</u>. Where staffing levels and operational needs permit and to the extent practicable, employees shall not be required to work more than two consecutive hours on the same operational position.

ARTICLE 15 LEAVE OF ABSENCE WITHOUT PAY

The Employer may grant employees a leave of absence without pay of up to six (6) weeks for reasons including the employee's serious health condition, the birth of a child or placement of a child as a result of adoption or foster care, to care for a spouse, child or parent of the employee with a serious health condition, the loss of FAA Class II Medical certificate or other compelling

personal reasons. A leave of absence is not automatic but may be granted in the Employer's sole discretion where it is requested properly and approved by the Employer in writing.

Eligibility. Employees shall be eligible for a leave of absence after they have completed one year of employment with Employer. Employees being laid off are not eligible for leaves of absence.

Section 1. <u>Procedure</u>. Employees must submit a written request for leave of absence (using the form the Employer provides for such purpose) to the human resources manager with fifteen (15) days notice where possible. The written request must include the start and end date requested, and the reason for the leave. The Employer may require employees requesting leave due to serious health condition to provide documentation from a health care provider regarding the need for and duration of the leave prior to the leave of absence being approved. Failure to provide sufficient documentation may result in the leave being delayed or denied.

Section 2. <u>Benefits</u>. The Employer will continue to provide health insurance coverage during the leave. The employee will required to pay his or her share of the premiums to continue insurance coverage under the applicable insurance plan. Failure to pay such premiums will result in termination of benefits. Except to the extent required by law, employees will not be eligible for holiday pay while on a leave of absence.

Section 3. <u>Work While on Leave Prohibited</u>. Engaging in gainful employment for any other Employer while on a leave of absence, unless specifically approved by the Employer in writing, will be deemed just cause for termination of employment.

Section 4. <u>Return to Work.</u> Employees on a leave of absence due to their own health condition shall, prior to returning to work, be required to provide documentation from a health care provider certifying their fitness for duty and ability to perform the essential functions of their job. Employees must also provide the certification of CAMI as required under applicable FAA regulations. An employee returning from a leave of absence will be returned, where possible, to his or her regular job classification without a loss of seniority. Employees will be returned to work at the same status as when they commenced the leave. Terminated health insurance benefits will be restored effective the first day of the first month following the employee's return to work. Failure to return to work upon expiration of an approved leave of absence will be deemed just cause for termination of employment.

Section 5. <u>Military Leave</u>. Employees enlisted or entering the military or naval services of the United States shall be granted all rights and privileges provided by the applicable federal laws.

Section 6. <u>Extension</u>. The Employer may grant an extension of a leave of absence in its sole discretion. The employee will be required to submit written documentation to support the need for an extension. Such extensions must be approved in writing by the Employer

Section 7. <u>FMLA</u>. The Employer will continue to provide FMLA leave to employees covered by this Agreement.

ARTICLE 16 WAGES, HOURS AND COMPENSATION

Section 1. <u>Wages.</u> Effective October 1 of each year, the Employee's base hourly wage rate shall be as listed in Appendix II. The October 2010 increase shall be paid upon receipt of the modification of the contract from the FAA incorporating the 2010 wage rates retroactive to October 1st (the first day of the Federal Government's fiscal year). The October 2011 and 2012 increases shall be paid on or before the first pay period of the following calendar year retroactive to October 1st (the first day of the Federal Government's fiscal year).

Section 2. <u>Normal Workweek</u>. The employee's normal workweek will consist of forty (40) hours.

Section 3. <u>Night Differential</u>. Bargaining unit employees shall receive a night differential equal to 10% of the regular hourly wage rate for all hours worked between 6:00 PM and 6:00 AM.

Section 4. <u>Sunday Differential</u>. Full-time bargaining unit employees (40 hours a week) working Sunday as part of their regularly scheduled workweek shall be paid at the rate of their regular hourly wage rate plus a Sunday premium of 25% of the regular hourly wage rate for each hour of Sunday work which is not overtime.

Section 5. <u>Pay Days.</u> Bargaining unit employees shall be paid in accordance with the Employer's pay cycle schedule.

Section 6. <u>Pay Statements.</u> Each employee shall receive a statement of earnings and deductions for all pay periods. Information to be contained on the statement shall be in accordance with Federal, State and Commonwealth Law.

Section 7. <u>Cost of Living Allowance</u>. Where applicable, employees shall receive a cost-ofliving allowance (COLA) in the amount as shown in Appendix V.

Section 8. <u>Relocation Bonus</u>. The Employer will continue to pay a relocation bonus to eligible employees subject to the specific terms and conditions of the Employer's policy, and with the express understanding that the Employer reserves the right to change or eliminate that policy at any time in its sole discretion.

ARTICLE 17 SICK LEAVE

Section 1. Category 1 Sick Leave.

- (a) <u>Accrual</u>. Bargaining unit employees shall accrue category 1 sick leave per pay period credited against the health and welfare contribution consistent with Article 23 according to the schedule below:
 - Effective the first pay period of calendar year 2012: 1.07 hours per pay period (i.e., 28 hours per year).

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- Effective the first pay period of calendar year 2013: .62 hours per pay period (i.e., 16 hours per year).
- (b) <u>Unused Balances</u>. Bargaining unit employees shall be paid for any earned but unused category 1 sick leave on the pay period following their anniversary and upon termination.

Section 2. Category 2 Sick Leave.

- (a) <u>Annual Deposit</u>. Bargaining unit employees shall receive category 2 sick leave which shall not be credited against the health and welfare contribution set forth in Article 23 in accordance with the following schedule:
 - On the first day of the first pay period of calendar year 2012: 12 hours.
 - On the first day of the first pay period of calendar year 2013: 24 hours.
- (b) <u>Unused Balances/Carry-over/Cap</u>. Unused category 2 sick leave may be carried over from year to year subject to the maximum balance twenty-four (24) hours (cap) at which time employees shall not receive any additional category 2 sick leave. Bargaining unit employees shall not be paid for any earned but unused category 2 sick leave upon termination or at any other time.

Section 3. <u>Usage</u>. Category 1 and 2 Sick leave may be taken for an absence of an employee on a scheduled day, by reason of (1) illness, (2) accident, (3) illness of dependent child, or (4) need to care for immediate family member with serious health condition. Sick leave may be taken in one (1) hour increments. Employees are encouraged to schedule medical and dental appointments outside of working hours, but sick leave may be used for scheduled medical or dental appointments if such leave is requested at least seven (7) days in advance and is approved by the Employer. Employees who need sick leave for the reasons stated herein but who have exhausted their sick leave may request vacation leave or, if all of their vacation leave is exhausted, leave without pay, subject to the provisions of this Agreement.

Section 4. <u>Proof of Illness</u>. The Employer may require proof of illness or accident, including certification from a physician, when an employee takes category 1 or 2 sick leave. If requested, such proof must be provided to the Employer within two days of the employee returning to work.

Section 5. <u>Accounting</u>. Category 1 and 2 sick leave shall be used to replace scheduled work hours and may not be used to bring the employee's total paid hours in one workweek to an amount above forty (40). If an employee's approved sick leave will result in more than forty (40) paid hours in a work week, the approved leave over forty (40) hours will be treated as leave without pay. For purposes of tracking sick leave, accrued category 1 sick leave will be exhausted before category 2 sick leave is used.

Section 6. <u>Personal Days Leave ("PDL"</u>). Bargaining unit employees shall accrue PDL per pay period credited against the health and welfare contribution consistent with the Company's current practice until the first pay period of calendar year 2012 at which time such PDL accrual will end. Employees shall be permitted to use any PDL accrued prior to the first pay period of

calendar year 2012 or shall be paid out for any such accrued, unused PDL upon their anniversary.

Section 7. <u>Glacier Park</u>. Employees employed at Glacier Park tower shall receive sick leave in accordance with Appendix VII.

ARTICLE 18 401(K) RETIREMENT PLAN

Section 1. <u>401K Plan</u>. The Employer will continue to provide a 401(k) Plan for all regular fulltime employees covered by this Agreement. Employees may elect to contribute to the 401(k) plan up to the maximum amount permitted by the plan documents and applicable law.

Section 2. <u>Matching Schedule</u>. The Employer will match the employee's contribution up to six percent (6%) of their gross income at the rate fifty percent (50%).

Section 3. <u>Plan Documents Control</u>. The terms of the applicable Plan documents with respect to all matters will govern this benefit. Any questions or disputes concerning said 401(k) Plan or benefits there under will be resolved in accordance with the terms and conditions set forth in the Plan documents. No dispute arising or relating to this Article shall be subject to the grievance and arbitration procedures set forth in Article 6, except an allegation that the Employer has failed to provide the 401(k) Plan.

Section 4. <u>New Employees Eligibility</u>. The benefits described in this Article will be made available to eligible employees on the first day of the first month following their date of hire.

ARTICLE 19 OVERTIME

Section 1. <u>Overtime</u>. In addition to any applicable night differential (which shall be calculated on the base hourly rate and not compounded), overtime for all employee shall be paid at one and one-half (1 1/2) times the base hourly rate for hours worked in excess of forty (40) hours in any one (1) workweek. For the purposes of this Article, only hours worked shall be used in calculating overtime pay. Hours paid for non-work time (e.g., vacation, holiday, sick leave) shall not be considered hours worked for the purposes of calculating overtime.

Section 2. <u>Law</u>. Overtime shall be paid to employees in accordance with applicable Federal, State, and Commonwealth laws.

Section 3. <u>Work on Scheduled Day Off</u>. If an employee is called in to work on his scheduled day off, the Employer will guarantee him a minimum of two (2) hours of pay provided, however, that the guarantee will not apply where the employee is unfit for duty or sent home for disciplinary reasons.

ARTICLE 20 VACATION LEAVE

Section 1. <u>Eligibility</u>. Upon completion of each full year of continuous service, Employees shall receive paid vacation, according to the schedule in Appendix III of this document. Bargaining unit employees who work fewer than 1,840 hours during a one (1) year period of continuous service, shall receive paid vacation time on a pro rata basis determined by the ratio of hours actually worked to 2080 hours rounded to the nearest whole day.

Section 2. <u>Vacation Utilization</u>. The Employer understands the importance of time off from work and the important safety benefit resulting from such time off, and encourages employees to utilize their vacation time for rest and relaxation.

- (a) Except as provided in Section 2(b) below, employees who fail to schedule all of their earned vacation within ninety (90) days of their next anniversary date will have their vacation scheduled by the ATM during such ninety (90) day period.
- (b) Only where the Employer is unable to approve the employee's vacation leave will the employee be permitted to carry over any earned vacation leave from one anniversary year to the next. In such circumstances, the employee must schedule all carried over vacation leave within six (6) months following his anniversary date or the ATM will schedule the carried over vacation during that six month period.

Section 3. <u>Vacation Pay</u>. Vacation pay shall be based upon the employee's regular straight time hourly wage rate at the time of the vacation. It is understood that current rate of pay would apply regardless of whether or not the rate of pay was more or less than the rate of pay in effect at the time the vacation was earned.

Section 4. <u>Payment of Unused Vacation</u>. Employees leaving the Employer with at least one (1) year of continuous service shall receive pay for earned and unused vacation time upon separation.

Section 5. <u>Scheduling of Vacation</u>. The Vacation year commences March 1st and concludes the last day of February in the following year. Vacations shall be bid in full week increments, based on vacation leave projections for the upcoming vacation year. Vacations shall be bid by seniority between January 1st and February 15th preceding the vacation year. An employee may bid his entire vacation entitlement at one time. In order to prevent the circumvention of seniority, employees will not be permitted to trade vacation selections without the written approval of the ATM. After the vacation selection process is completed, vacation leave shall be granted on a first come, first served basis; provided the employee gives the Employer prior written notice at least fourteen (14) days prior to the requested vacation date. If there is a conflict between two (2) employees who submit requests the same day, seniority will govern.

Section 6. <u>Vacation Increment</u>. All vacation leave must be taken in no less than one hour increments.

Section 7. <u>Employee Vacation Requests</u>. The Employer shall honor an employee's request for vacation leave with due consideration to the requirements of maintaining air traffic control service; the Employer reserves the right to deny such request where operation or staffing levels require.

Section 8. <u>40 Hour Per Week Restriction</u>. Vacation leave shall be used to replace scheduled work hours and may not be used to bring the employee's total paid hours in one week to an amount above forty (40). If an employee's approved vacation leave will result in more than forty (40) paid hours in a work week, the approved leave over forty (40) hours will be treated as leave without pay.

Section 9. <u>Compliance with Law</u>. If there is a conflict between the provisions of this Article and the requirements of Federal or State law, the Employer shall comply with the applicable law.

ARTICLE 21 HOLIDAYS

Section 1. <u>Holidays</u>. Paid holidays shall be provided in accordance with this Article and as listed in Appendix IV.

Section 2. <u>Holiday Pay</u>. Holiday pay will be paid at the employees regular hourly wage rate as follows:

- (a) Eligible employees, who do not work on a designated holiday, will receive eight
 (8) hours of holiday pay.
- (b) Eligible employees who work on a designated holiday will receive eight (8) hours of holiday pay in addition to their regular hourly wage rate (including any applicable night or other premium differential or overtime) for hours actually worked on the holiday.
- (c) Eligible employees, who are on vacation on a designated holiday, shall receive eight (8) hours of holiday pay in addition to their vacation pay.

Section 3. <u>Holiday Pay Eligibility</u>. To be eligible for holiday pay, employees must have:

- (a) Completed the probationary period;
- (b) Worked on the observed holiday when scheduled to do so unless the Employer authorized the absence in advance or the absence is due to medical reasons verified by a doctor's note; and
- (c) Worked on his/her scheduled shift immediately before and immediately after the designated holiday unless the Employer authorized the absence in advance or the absence is due to medical reasons verified by a doctor's note.

Section 4. <u>Taking Off the Holiday</u>. The parties recognize that the Employer is generally a 365 days per year operation and employees will be required to work on holidays. Employees

scheduled to work on a designated holiday will be required to report to work on such holiday unless they have approved leave.

Section 5. <u>Layoff, Leave of Absence, Unpaid Leave</u>. An employee who is on layoff, leave of absence or other unpaid leave is not eligible to receive holiday pay for any holiday that falls within the time period of his/her layoff, leave of absence or unpaid leave.

Section 6. <u>Legal Obligations</u>. The Parties hereby agree that if there is any conflict between the provisions of this Article and any legal obligations imposed on the Employer by Federal or State law or regulations or Presidential Executive Orders, such legal obligations shall be controlling.

ARTICLE 22 POSITION DESCRIPTION

Section 1. The Employer shall provide each bargaining unit employee a general position description which accurately reflects the duties of his or her air traffic control specialist position.

Section 2. The employee's primary duties shall relate to air traffic control, LAWRS weather observation, and other reasonably related functions.

Section 3. On an occasional or temporary basis, the Employer may assign employees reasonable unrelated duties as necessary to maintain operations, ensure safety, and/or address emergencies.

ARTICLE 23 HEALTH & WELFARE

Section 1. <u>H&W Contribution</u>.

- (a) The employer will continue the status quo with regard to its contributions to health and welfare benefits until such time as it receives the modification of the contract from the FAA incorporating the fiscal year 2011 wage rates. Upon receipt of the contract modification the employer will contribute \$3.50 per hour worked towards the cost of health and welfare benefits for each employee, except for employees working in Hawaii where the contribution shall remain \$1.64 per hour, retroactive to October 1st (the first day of the Federal Government's fiscal year).
- (b) Beginning in July 2011 and annually each July thereafter, the parties will review and discuss the health and welfare hourly contribution in Section 1(a) and will use the applicable wage determination's health and welfare hourly contribution as a reference to adjust such amount and/or calculation. Any such adjustment shall become effective in the first pay period of the next calendar year retroactive to the prior October 1st (the first day of the Federal Government's fiscal year).
- (c) Health and welfare benefits covered by this provision include: health insurance, vision insurance, dental insurance, life and AD&D insurance, STD, LTD, category 1 sick leave, EAP, H&W benefits administration, and 401(k) excluding Employer matching contributions.

Section 2. <u>Health and Welfare Benefits</u>. The Employer shall continue to provide, in accordance with its present policy and subject to any applicable conditions or limitations therein, the following benefits to eligible employees; provided that should the following benefits change for all non-exempt SCA-covered employees Employer-wide, such changes will also be made in the benefits provided in this Article.

- (a) <u>Health Insurance</u>. Subject to this Article, the Employer will provide a comparable level of health insurance benefits as it currently provides. The Employer will cover the costs of such health insurance provided, however, that should the aggregate costs of all health and welfare benefits exceed the health and welfare contribution amount set forth in Section 1, the employee will be required to pay the remaining cost to maintain such benefits. Any such employee share of premiums shall be made via payroll deduction on a pre-tax basis under Section 125 of the Internal Revenue Code.
- (b) <u>Dental</u>. Subject to this Article, the Employer will provide a comparable level of dental insurance benefits as it currently provides. The Employer will cover the costs of such dental insurance provided, however, that should the aggregate costs of all health and welfare benefits exceed the health and welfare contribution amount set forth in Section 1, the employee will be required to pay the remaining cost to maintain such benefits. Any such employee share of premiums shall be made via payroll deduction on a pre-tax basis under Section 125 of the Internal Revenue Code.
- (c) <u>Vision Insurance</u>. Subject to this Article, the Employer will provide a comparable level of vision insurance benefits as it currently provides. The Employer will cover the costs of such vision insurance provided, however, that should the aggregate costs of all health and welfare benefits exceed the health and welfare contribution amount set forth in Section 1, the employee will be required to pay the remaining cost to maintain such benefits. Any such employee share of premiums shall be made via payroll deduction on a pre-tax basis under Section 125 of the Internal Revenue Code.
- (d) Life and AD&D Insurance. Subject to this Article, the Employer will provide a comparable level of life and AD&D insurance benefits as it currently provides. The Employer will cover the costs of such life and AD&D insurance provided, however, that should the aggregate costs of all health and welfare benefits exceed the health and welfare contribution amount set forth in Section 1, the employee will be required to pay the remaining cost to maintain such benefits. Any such employee share of premiums shall be made via payroll deduction on a pre-tax basis under Section 125 of the Internal Revenue Code.
- (e) <u>Short Term Disability</u>. The Employer shall provide a comparable level of short term disability insurance benefits as it currently provides. The Employer will cover the costs of such benefit provided, however, that should the aggregate costs of all health and welfare benefits exceed the health and welfare contribution amount set forth in Section 1, the employee will be required to pay the remaining

cost to maintain such benefits. To the extent the employee pays for this benefit post-tax, this will continue to be a 100% employee paid benefit.

- (f) Long Term Disability. The Employer shall provide a comparable level of long term disability insurance benefits as it currently provides. The Employer will cover the costs of such benefit provided, however, that should the aggregate costs of all health and welfare benefits exceed the health and welfare contribution amount set forth in Section 1, the employee will be required to pay the remaining cost to maintain such benefits. To the extent the employee pays for this benefit post-tax, this will continue to be a 100% employee paid benefit.
- (g) <u>Employee Assistance Program</u>. The Employer will continue to provide an Employee Assistance Program ("EAP").
- (h) <u>401(k)</u>. On a pay period basis, the Employer will contribute to the employee's 401(k) account the amount, if any by which the health and welfare contribution amount set forth in Section 1 exceeds the cost of the health and welfare benefits provided to such employee. Where the costs of health and welfare benefits provided to such employee exceed the health and welfare contribution amount, no Employer 401k contributions shall be made, other than Employer matching contributions as set forth in Article 18.
- (i) Category 1 Sick Leave. The Employer will provide eligible employees with category 1 sick leave in accordance with Article 17. (Category 2 sick leave shall not be credited against the H&W contribution amount set forth herein.) In accordance with Article 17, the Employer will provide eligible employees with PDL per pay period credited against the health and welfare contribution consistent with the Company's current practice until the first pay period of calendar year 2012 at which time such PDL accrual will end.
- (j) <u>Benefits Administration</u>. Health & Welfare benefit administration.

Section 3. <u>125 Plan</u>. Subject to this Article, the Employer will continue to provide a Section 125 Plan. The Employer will cover the costs of such 125 Plan.

Section 4. <u>Waiting Period</u>. The benefits described in this Article will be made available to eligible employees on the first day of the first month following the employee's date of hire.

Section 5. <u>Termination of Coverage</u>. Except as is otherwise required pursuant to the Employee Retirement Income Security Act of 1974 with respect to coverage under the insurance programs set forth in this Article coverage of an employee under the insurance programs set forth in Section 1 (a) through (h) of this Article shall terminate upon the earliest date allowed by the terms and conditions of the plan documents and the law. Notwithstanding any provision of this Agreement, the Employer shall have no obligations to pay any of the costs of the coverage set forth in this Agreement on behalf of any employee who is engaged in a strike.

Section 6. <u>Cap on Employer Paid Premiums/Costs</u>. If during the term of this Agreement, the premiums/costs of the above benefits increase, the increase shall be paid by the Employer and

employee at the same proportionate rate as exists at time of execution of the Agreement provided, however, that should the aggregate costs of all health and welfare benefits exceed the health and welfare contribution amount set forth in Section 1, the employee will be required to pay the remaining cost to maintain such benefits.

Section 7. <u>Right to Change Providers/Carriers</u>. The Employer reserves the right to change insurance carriers, health maintenance organizations, plan administrators, or to self-insure, as it deems appropriate.

Section 8. <u>The Language of the Policies Govern</u>. The extent of coverage under all Employer insurance policies (including HMO) referred to in this Agreement will be governed by the terms and conditions set forth in said policies or plans. Any questions or disputes concerning said insurance policies or plans or benefits there under will be resolved in accordance with the terms and conditions set forth in said policies or plans.

Section 9. <u>Scope of Employer Responsibility</u>. It is expressly agreed and understood that the Employer does not accept, nor is it to be charged with, any responsibility or liability in any manner for any benefit afforded by this Article pursuant to or under an insurance contract, plan or program, including determination of coverage, qualification for or payment of benefits to or on behalf of an employee, or otherwise, and the Employer's sole liability shall be limited to making payment to the insurer of any required premium payment. No dispute arising or relating to this Article shall be subject to the grievance and arbitration procedures set forth in Article 6, except an allegation that the Employer has failed to pay premiums required to purchase insurance coverage. Nothing in this Agreement will be construed to relieve any insurance carrier(s) or plan administrator(s) from any liability it may have to the Employer, employee or beneficiary of any employee.

Section 10. <u>National Health Insurance</u>. The Employer reserves the exclusive right to make any changes, reductions, modifications, deletions, or improvements with respect to employee medical, prescription, dental, or vision insurance (including but not limited to changes in insurance carriers, insurance plans, benefit levels, deductibles, co-payment levels, etc.) it determines are warranted in its sole discretion to comply with federal Health Reform or ensure employees are not eligible to obtain insurance through an insurance exchange. These changes are not subject to collective bargaining. To the extent these changes increase the Employer's costs of providing coverage, the Employer shall have the right to re-open the benefits provisions of the collective bargaining agreement to negotiate other insurance changes or changes to other economic portions of the Agreement to offset the additional costs. Notice to the Union shall be in writing and discussions shall commence within fifteen (15) days of such notice to reopen. In the event the parties cannot reach an agreement within sixty (60) days of the Employer providing notice of its intent to reopen, the Employer shall thereafter have the right to implement its last proposal. During the reopener, the no strike/no lockout provision of the Agreement shall remain in full force and effect.

ARTICLE 24 DRESS CODE

Section 1. Members of the bargaining unit shall groom and attire themselves in a neat, clean professional manner appropriate to the business of Air Traffic Control. Examples of acceptable attire include: casual slacks, jeans, shorts of appropriate length, shirts with collars, dresses, skirts, blouses, turtle necks, and sweaters. Shoes (including appropriate athletic shoes) shall be neat and clean, and neckties shall not be required. The wearing of Union insignia shall be permitted provided that such insignia is no greater than three and one-half inches in diameter and provided further that it is not offensive, scurrilous, inflammatory or disparaging of an employee, manager or the Employer. Professional looking attire with the Union logo is acceptable.

Section 2. <u>Unacceptable Attire</u>. Examples of unacceptable attire include, but are not limited to: tattered blue jeans, sandals and flip flops, T-shirts, tank/muscle/sleeveless shirts, halter/tube tops, athletic clothing (such as sweats, jogging suits, gym shorts), revealing, ripped or disheveled clothing and clothing having sexual connotations, written or pictured, or large lettering or slogans. Hats and caps shall not be worn inside the tower cab except if required due to a medical condition verified by a doctor's note, and in such circumstances, such hat or cap shall not have a bill and shall be worn in a manner that does not obstruct vision or otherwise cause a safety issue. To the extent hats or caps are worn consistent with the requirements of this Article they must also be neat, clean and comply with the dress code set forth in this Article.

ARTICLE 25 INDEMNIFICATION

The Employer agrees to indemnify, hold harmless, and defend employees against claims against them in connection with the performance of their duties of employment for the Employer to the full extent permitted by law but not with respect to any claims that an employee engaged in fraudulent, willful, reckless, grossly negligent, criminal or acts outside the scope of his or her employment. Employees shall immediately (but in no event later than 24 hours) notify the Employer upon learning of any actual or threatened dispute or lawsuit and shall cooperate fully in any defense or action whether before or after their termination of employment. Where the Employer indemnifies the employee, the Employer shall retain the right to direct the defense, select legal counsel, and make any settlement decisions.

ARTICLE 26 SUBSTANCE ABUSE AND TESTING PROGRAM

It is hereby recognized that the Employers is a "Drug Free Company", therefore, bargaining unit employees will be subject to substance testing in accordance with Department of Transportation (DOT) and Federal Aviation Administration (FAA) regulations.

Section 1. <u>General</u>: The parties recognize that employees work in safety sensitive positions where the health and safety of those traveling in airplanes depends on employees performing their duties in an alert, competent and professional manner. The parties also recognize that employees adversely affected by drugs or alcohol may pose a risk to such persons, as well as to themselves and other employees.

Section 2. <u>Definitions</u>: For purposes of this Article, "drug" is any "controlled dangerous substance" as listed in Schedules I-V of 21 C.F.R. Part 1308 and any "prohibited drug" as defined in 14 C.F.R. Part 120, Subpart A-E. Employees shall comply with all FAA regulations and orders regarding the use of prescription and over-the-counter drugs.

Section 3. <u>Testing</u>: Employees may be tested for drugs and/or alcohol in accordance with 14 C.F.R. Part 120, Subpart F:

Section 4. <u>Testing Procedures</u>: Testing will be conducted in accordance with applicable DOT and FAA regulations.

Section 5. Disciplinary Penalties:

- (a) The use, possession, manufacture, sale or distribution or being under the influence of alcohol or a drug on Employer property, while operating Employer equipment/vehicle during working time, shall constitute just cause for immediate discharge of the employee.
- (b) A confirmed positive test result for drugs from a test administered pursuant to this Article shall constitute just cause for immediate discharge of the employee.
 "Positive test result" for purposes of this paragraph means a test performed on a specimen provided by the employee which detected an amount of a drug at or above the levels established by the applicable U.S. Government agency for safety sensitive positions.
- (c) A confirmed positive test result from an employee while on duty which measures an ethyl alcohol concentration of .04% or higher for alcohol from a test administered pursuant to this Article shall constitute just cause for immediate discharge of the employee.
- (d) Intentionally submitting or attempting to submit an adulterated, diluted, or substituted specimen, whether the employee's own specimen or another's specimen, shall constitute just cause for immediate discharge.
- (e) Refusal to take or cooperate in a drug and/or alcohol test pursuant to this Article or a referral to treatment shall constitute just cause for immediate discharge. Any refusal to take a drug or alcohol test shall be considered a "confirmed positive test result" for drugs under this Article.
- (f) Conviction of a violation of a criminal drug offense shall constitute just cause for immediate discharge.

Section 6. <u>Searches</u>: To the extent allowable by federal and state law, the Employer reserves the right to search any Employer-controlled property, including but not limited to, any desk, drawer, file, locker or other container of any nature on the Employer's premises and any package, bag or container of any nature whatsoever brought on or removed from the workplace.

Section 7. <u>Drug-Free Workplace</u>: In accordance with the Drug-Free Workplace Act of 1988, employees must abide by the terms of this Article and must notify the human resources manager or area manager in writing of any conviction of a violation of a criminal drug offense no later than five (5) calendar days after such conviction. The term "conviction" includes a finding of guilt, a no contest or nolo contendere plea, and the imposition of a sentence by a judicial body. Employees shall also report to the human resource manager or area manager any alcohol-related or drug-related arrest or conviction in accordance with FAA requirements.

ARTICLE 27 UNION PUBLICATION AND USE OF EMPLOYER FACILITIES

Section 1. <u>Bulletin Board</u>. The Employer shall provide necessary space, if available, for a Union-furnished bulletin board in the facility for posting of Union materials. The content of publications or announcements placed on the Union's bulletin board shall not be restricted, censored, altered, or removed by the Employer unless such materials are offensive, scurrilous, inflammatory or disparaging.

Section 2. <u>Employer Facilities</u>. The Union may place materials in the employee's mail slots/boxes or lockers if available in the facility and outside the operating quarters. The parties agree that the Union will not identify the Employer's address or telephone number as the Union's office on any business card or other written material. The Employer's copy machine, fax machine, e-mail, computers and/or other equipment and supplies shall not be used for Union business.

Section 3. The Employer may permit the Union Facility Representative to conduct a Union business meeting in an area, designated by the ATM as a non-work area. Operational areas may not be used for Union business. Employees participating in any such meeting shall be on unpaid time.

ARTICLE 28 LAYOFF AND RETURN TO WORK

Section 1. <u>Notice of Layoffs</u>. For the purpose of this Article, "layoff" shall be defined as an Employee not being scheduled by the Employer for seven (7) calendar days or more due to lack of work. Should the Employer determine the need to layoff employees, the Employer shall provide the Union and affected employee(s) with written notice of at least seven (7) calendar days prior to the commencement of the layoffs, except in the event of emergency or other circumstances beyond the Employer's control.

Section 2. <u>Order of Layoffs</u>. In the event of a layoff, the Employer will select the least senior Employee(s) to be laid off first. Employees selected for layoff may apply for any vacancies at other facilities.

Section 3. <u>Recall</u>. All employees in layoff status from their facility shall retain their seniority with the Employer in accordance with Article 10 for a one year period effective the day of the layoff. Laid-off Employees shall be placed on a recall list for the period of one year and shall be recalled to work based on seniority.

Section 4. <u>Recall Procedure</u>. In the event of lay-off and recall, the Employer shall contact the Employee at the telephone number of record and by certified mail to the last known address. The Employee shall be required, within five (5) working days (excluding Saturday and Sunday) of delivery or attempted delivery of the notice of recall, to notify the Employee shall be required to work and return to work on the date specified for recall. The Employee shall be required to be available for work within two (2) weeks (or sooner if feasible) of the notice. Employee who declines a recall opportunity forfeits all recall rights.

ARTICLE 29

JURY DUTY/EMERGENCY LEAVE/BEREAVEMENT LEAVE

Section 1. Jury Duty. Employer shall provide Jury Duty pay as follows:

- (a) Employees required to perform jury duty will receive their regular hourly wage rate of pay, less jury fees received. Compensation for jury duty is based on the number of hours the employee would regularly have worked (excluding overtime) on those days.
- (b) Employees receiving a jury summons must present the summons and a leave request to the ATM promptly after receipt of such summons and must furnish the ATM with proper written documentation of performed jury duty and fees received upon their return to work.
- (c) An Employee is required to work on a regularly scheduled work day if he is not required for jury duty on a particular day or if he is dismissed early enough to work two (2) hours or more of his shift.
- (d) Jury duty leave shall be used to replace scheduled work hours and may not be used to bring the employee's total paid hours in one week to an amount above forty (40).

Section 2. <u>Emergency Leave Due to Temporary Closure of the Tower</u>. In the event of fire, earthquake, storm, power outage or other emergency which requires the temporary closing of the tower, employees scheduled for and who report to work (excluding employees on overtime) during such closure shall receive up to eight (8) hours of straight time pay for loss of scheduled work. Employees who receive notification from the Employer and are directed not to report shall not be eligible for such pay. Employees will be permitted to use earned vacation leave for any additional loss of scheduled work hours (excluding overtime) resulting from such closure.

Section 3. <u>Bereavement Leave</u>. The Employer shall compensate employees up to twenty-four (24) hours with pay to attend the funeral of an immediate family member, which is defined as a spouse, child, stepchild, brother, sister, domestic partner, parent, grandparent, grandchild or mother or father-in-law or any relative residing with the employee. Part-time employees have the same entitlement on a pro-rated basis.

Employees must promptly notify their ATM to request bereavement leave. The employee must complete a Request for Leave form and submit to the Project Management Office ("PMO"). Bereavement leave will not be paid if it occurs when the employee is on vacation or leave of

absence, absent due to illness or injury, or not working due to a regularly scheduled day off or a paid holiday.

ARTICLE 30 MEDICAL QUALIFICATIONS

Section 1. <u>Class II Medical Certificate</u>. Employees are required to maintain a current FAA Class II Medical Certificate ("Class II Certificate") and ensure that the medical clearance is current at all times. The Employee shall provide a copy of a valid Class II Certificate to the Employer within one week of the renewal date or the last day of the renewal month, whichever comes first.

Section 2. <u>Reimbursement</u>. The Employer will reimburse employees for costs incurred for the required routine annual FAA Class II Medical examination up to a total not to exceed one hundred twenty-five dollars (\$125). To receive such reimbursement, employees must complete all required expense reports and must provide a copy of the FAA Class II Medical Certificate and itemized receipt from a certified Aviation Medical Examiner ("AME").

Section 3. <u>Expired FAA Class II Medical Certificates</u>. An employee whose FAA Class II Medical Certificate expires shall be promptly suspended from air traffic control duties and placed on a leave of absence without pay under Article 15 (Leave of Absence without Pay) for a maximum of six (6) weeks, or until a valid FAA Class II Medical Certificate has been provided to the Employer, whichever time is less. The Employee may use earned vacation hours or sick hours available during such leave. Employees who's FAA Class II Medical Certificate expires due to their own negligence may be subject to disciplinary action.

ARTICLE 31 PROBATIONARY PERIOD

All newly hired employees shall serve a training and probationary period during the first ninety (90) days of their employment. During such period, the Employer may evaluate the employee's performance and may discipline or discharge a probationary employee at its sole discretion without just cause. Discharge and/or disciplinary action of a probationary employee cannot be challenged by the Employee or the Union through the grievance and arbitration procedure established in this Agreement. If an employee fails to obtain the required certification within the first ninety (90) days of employment, such employee's probationary period may be extended by the Employer until such employee obtains the necessary certification or for an additional ninety (90) day period, whichever comes first, to allow for additional assessment and training. To be effective, notice of such extension must be received by the Union prior to the expiration of the Employee's original 90-day probationary period.

ARTICLE 32 OFFICIAL PERSONNEL FILE

Section 1. The Employer shall maintain one official personnel file for each employee which shall be kept in the Employer's corporate office. Nothing in this Article shall preclude the Employer from maintaining copies of relevant personnel documents relating to employees in informal files at the facility or other Employer locations.

Section 2. Each employee may receive a copy of his or her official personnel file upon written request. The Employer shall pay for one such copy per year. Any subsequent copies of the personnel file in the same calendar year shall be paid for by the employee.

Section 3. Within fifteen days of review of his or her personnel file, the employee may submit a written response to any derogatory material contained in the file. The employee's written response shall be attached to such derogatory materials and maintained in the official personnel file.

Section 4. Disciplinary action notices shall be maintained in the official personnel file in accordance with Article 7 of this Agreement.

ARTICLE 33 NON DISCRIMINATION

The Employer and the Union in the performance of this Agreement agree not to discriminate against any employee because of race, gender, age, color, religion, national origin, or other legally protected status in accordance with applicable Federal, State and local law. The Employer and the Union are committed to maintaining a work environment that is free from sexual harassment or harassment based upon any other legally protected status. Nothing in this Agreement shall be construed to preclude the Employer from making reasonable accommodations or otherwise complying with the obligations imposed by the Americans with Disabilities Act or any other applicable law.

The use of personal pronouns of the male gender is for grammatical purposes only and the Agreement shall apply equally to either gender.

ARTICLE 34 SAVINGS CLAUSE

In the event that any provision of this Agreement shall be rendered invalid by applicable legislation or be declared invalid by any court or regulatory agency of competent jurisdiction, such action shall not invalidate the entire Agreement which shall remain in full force and effect. Both parties agree that the subject matter of any provision found to be invalid shall be renegotiated. It is further agreed by the Parties that if there is any conflict between the provisions of this Agreement and any legal obligations imposed on the Employer by federal, State law or Regulations, Rules or Presidential Executive Orders, such legal obligations shall be controlling.

ARTICLE 35 PRINTING OF THE AGREEMENT

The Employer shall print two copies of the Collective Bargaining Agreement ("CBA"), with each party retaining one original.

ARTICLE 36 OPERATIONAL ERROR/DEVIATION

Section 1. An employee(s) believed to be involved in an operational error-/-deviation shall be relieved from position as soon as operationally practicable. If requested by the employee(s), and operationally practicable, the Union representative or designee may be present during the interview process. The employee and their Union representative shall be permitted to review relevant recordings and date available within the facility before submitting a final statement concerning an operational error/deviation.

Section 2. the employee and the Union representative shall upon request be provided a copy of the Final Operational Error/Deviation Report prior to submission. The employee or Union Representative may submit comments, in writing, to the Air Traffic Manager regarding the Final Operational Error/Deviation Report. The comments shall remain on file for the same period of time that the Final Operational Error/Deviation Report is required to be retained.

ARTICLE 37 CRITICAL INCIDENT STRESS DEBRIEFING (CISD)

Section 1. The Employer will proactively manage the common disruptive physical, mental, and emotional factors that an employee may experience while on duty, after a critical incident, (i.e., accidents/incidents, such as an aviation disaster with loss of life, the death of a co-worker, acts of terrorism, exposure to toxic materials). Upon request, an employee involved in or witnessing a critical incident shall be relieved from operational duties as soon as feasible.

ARTICLE 38

EMPLOYEE TRAINING & RECERTIFICATION

Section 1. The Employer shall provide an employee who is decertified from an operational position written documentation regarding the reason(s) for decertification. If the Employer determines that retraining for recertification is appropriate, then the employee shall also be notified in writing of the area(s) of skill required for remedial training. If requested by the employee, he/she may have the Union Facility Representative present when the Employer discusses his/her decertification.

Section 2. The Employer retains the right to individual training methods. If the Employer decides to provide retraining, the Employer will document a Training Program to be discussed with the employee in accordance with the Facility Training Plan.

Section 3. The Union Facility Representative may comment and/or make suggestions regarding the Facility Training Plan.

ARTICLE 39 ATC FACILITY EVALUATIONS

Section 1. The Union recognizes the right of the Employer and the FAA to conduct periodic ATC Facility audits/evaluations.

Section 2. The Air Traffic Manager (ATM) will normally request volunteers from the bargaining unit to participate in these facility audits/ evaluations. If there are no volunteers, the ATM may select an employee to participate based on availability, staffing levels, operational needs, required skills and experience. The ATM will attempt, where the above factors permit, to rotate such assignment among the employees.

Section 3. Upon request by the Employer, the Union Facility Representative and employees shall cooperate and assist the Employer in addressing any deficit area identified in any audit / evaluation.

ARTICLE 40 AIR SAFETY

Section 1. The Employer and the Union at the facility and national levels will work together in the spirit of cooperation to address aviation safety concerns to ensure that the highest level of air safety is maintained.

ARTICLE 41 AIR TRAFFIC SAFETY ACTION PROGRAM (ATSAP)

Section 1. Consistent with the Employer's Safety Management System, the Employer and the Union mutually recognize the safety benefits associated with establishing an atmosphere of trust ("just culture") wherein employees can feel free to report with immunity, safety violations and issues without fear of reprisal.

Section 2. At such time when the FAA makes their Air Traffic Safety Action Program (ATSAP) available to the FAA Contract Tower Program, the Union will work with the Employer to ensure a seamless implementation.

ARTICLE 42 EDUCATION

The Employer recognizes the importance for employees to enrich their professional development by the continuation of job-related higher education; therefore, the Employer shall reimburse employees who take Aviation job-related courses from an accredited college or university (including those attended in person or on-line via computer) up to a maximum of \$5250.00 per calendar year for tuition fees. Employees shall complete all employee tuition reimbursement form(s)/application(s) in accordance with the Employer's policy. The cost of supplies and books are not included. Payments shall be made to the employee within thirty (30) days of receipt by the Employer of reimbursement forms and proof of successful completion and evidence of the job-related course. Such courses are voluntary and are to be taken on Employee's own time and are not to interfere with the Employee's work responsibilities. Successful completion is defined as a grade of "C" or above for undergraduate courses or "B" or above for graduate courses. Employees must have completed their probationary period before beginning any such course, must obtain prior approval from the Employer that the course is considered job-related, and must be actively employed by the Employer upon course completion to receive this payment. Employees who voluntarily end their employment with the Employer twelve (12) or fewer

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months after completing the course will be required to repay the Employer the full amount of the tuition reimbursement received by such employees. In administering this program, the Employer will comply with all applicable tax laws.

ARTICLE 43 NO STRIKE/NO LOCKOUT

Section 1. The Union, its officers, agents, representatives, members, and employees covered by this Agreement hereby agree that during the term of this Agreement there will be no strike, slowdown, sympathy strike, work stoppage, picketing, and/or curtailment of, or interference with, the work or operations of the Employer. In the event such prohibited activities occur, the Union agrees that it will promptly notify the employees that it has not approved such action and instruct employees to cease such actions and return to work immediately. Nothing in this Section shall be construed to limit the Union's or its members' rights under the U.S. Constitution.

Section 2. It shall not be a violation of this Agreement or cause for discharge or disciplinary action in the event that an employee refuses to cross another union's lawful primary picket line involving a work stoppage. The parties further agree that an employee's refusal to enter the tower or report to work in circumstances not covered above, even if based upon a good faith but mistaken belief that a "lawful primary picket line involving a work stoppage" is in place will subject the employee to disciplinary action under Section 4 of this Article. In the event there is a lawful primary picket line at one or more entrances to the tower but there is an alternative means of accessing the tower where the employee would not be required to cross the lawful primary picket line, the employee shall be required to use such alternative means and report to work. Failure of the employee to use such alternative means and report to work shall subject the employee to disciplinary action under Section 4 of this Article.

Section 3. The Employer hereby agrees that during the term of this Agreement there will be no lockout of employees.

Section 4. In the event any employee covered by this Agreement violates the terms of this Article, the Employer will have the right to immediately discharge or otherwise discipline such employee. The failure to confer a penalty for violation of this Article shall not constitute a waiver of the right to do so in any other instance, nor shall such failure establish a precedent of any kind.

ARTICLE 44 TERMINATION OF GOVERNMENT CONTRACT

Section 1. This Agreement is expressly limited to the work assigned the Employer to be performed at the towers set forth in Appendix I pursuant to the contract between the Employer and the FAA ("Contract"). If the FAA cancels, does not renew, or otherwise terminates the Contract, or the Contract ends for any other reason, all obligations on the Employer required by this Agreement shall cease upon the effective termination date of the Contract, however, if there is any conflict between the provisions of this Agreement and any legal obligations imposed on

the Employer by Federal or State Law or Regulations, Rules or Presidential Executive Orders, such legal obligations shall be controlling.

Section 2. The Union reserves all of its rights under applicable law and Article 34 of this Agreement to apply and/or extend this Agreement in its entirety to any successor contractor for the duration of the term of this Agreement and thereafter.

ARTICLE 45 DURATION

Section 1. This Agreement shall become effective on the date the Agreement is approved and ratified by the Union and the Employer, and shall be in full force and effect from January ____, 2011 to and including August 1, 2013, and from year-to-year thereafter unless modified, amended, or terminated in accordance with this Article. This Agreement shall automatically renew for additional periods of one (1) year unless either Party gives written notice to the other of its desire to amend or terminate this agreement. The written notice must be given not more than one hundred (120) calendar days or less than sixty (60) calendar days preceding the expiration date of this Agreement.

IN WITNESS WHEREOF, the parties hereto by their duly designated representatives have hereunto set their hands.

FOR THE EMPLOYER

SERCO MANAGEMENT SERVICES, INC.

Its: SVP Human Resources

Date: _

FOR THE UNION

PROFESSIONAL AIR TRAFFIC CONTROLLERS ORGANIZATION, INC.

By: : Its: President

Date

APPENDIX I FACILITIES

PATCO is the collective bargaining agent certified by the National Labor Relations Board (NLRB) for bargaining unit employees employed by Serco at the facilities listed below:

FACILITY

Glacier Park, MT (GPI)
Kenai, AK (ENA)
Kodiak, AK (ADQ)
Lancaster, CA (WJF)
Lihue, HI (LIH)
San Luis Obispo, CA (SBP)
Tacoma Narrows, WA (TIW)

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APPENDIX II WAGE RATES

<u>Glacier Park Tower</u>: The employees' regular hourly wage rates shall be increased in accordance with the schedule below. The October 2011 and 2012 increases shall be paid on or before the first pay period of the following calendar year retroactive to October 1st (the first day of the Federal Government's fiscal year).

October 2011	3.2%
October 2012	2.2%

<u>All Other Towers</u>: The employees' regular hourly wage rates shall be increased in accordance with the schedule below. The October 2010 increase shall be paid upon receipt of the modification of the contract from the FAA incorporating the 2010 wage rates retroactive to October 1st (the first day of the Federal Government's fiscal year). The October 2011 and 2012 increases shall be paid on or before the first pay period of the following calendar year retroactive to October 1st (the first day of the Federal Government's fiscal year).

October 2010:	3.2%
October 2011	2.2%
October 2012	2.2%

APPENDIX III VACATION LEAVE

Upon completion of each full year of continuous service, employees shall be eligible for a paid vacation in accordance with Article 20 and the following schedule:

	VACATION LEAVE			
FACILITY	80 Hours after X Years	120 Hours after X Years	160 Hours after X Years	
Glacier Park, MT (GPI)	1	5	15	
Kenai, AK (ENA)	1	5	15	
Lancaster, CA (WJF)	1	5	15	
Lihue, HI (LIH)	1	5	15	
San Luis Obispo, CA (SBP)	1	5	15	
Tacoma Narrows, WA (TIW)	1	5	15	
Kodiak, Alaska (ADQ)	1	5	15	

APPENDIX IV HOLIDAYS

Bargaining unit employees' shall receive holiday pay in accordance with Article 21 according to the table below:

FACILITY	# Holiday per year
Glacier Park, MT (GPI)	10
Kenai, AK (ENA)	11*
Lancaster, CA (WJF)	10
Lihue, HI (LIH)	10
San Luis Obispo, CA (SBP)	11*
Tacoma Narrows, WA (TIW)	10
Kodiak, Alaska (ADQ)	11*

The holidays shall be:

New Years Day	Martin Luther King Day
Presidents Day	Memorial Day
Independence Day (4 th of	
July)	Labor Day
Columbus Day	Veterans Day
Thanksgiving Day	Christmas Day

Employees working at facilities marked with an "" shall also receive Good Friday as a holiday.

APPENDIX V COLA

Employees at the following bargaining unit facilities shall receive a cost of living allowance (COLA) in the percentage shown below applied to their regular hourly wage rate for all hours worked up to 40 hours per week.

FACILITY	COLA %
Kenai, AK (ENA)	15%
Lihue, HI (LIH)	21%
Kodiak, AK (ADQ)	40%

APPENDIX VI GRIEVANCE FORMS

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Formal Grievance Form

Note: Informal Resolution. The Employer and the Union agree that Employees should attempt to resolve issues or concerns with the Air Traffic Manager prior to initiating the formal grievance process. The employee and, where appropriate, the Local Facility Representative may discuss the grievance with the Air Traffic Manager or other management designated representative, and if the grievance is resolved through these discussions, the informal resolution of the grievance will be reduced to writing and signed by the parties. (CBA Article 6, Section 1)

(Suspensions and Discharges proceed to Step 2)			
STEP 1			
Submitted by:		Date Submitted:	
Grievant Name:		Occurrence Date:	
Applicable Provisions of Agreement:			
Facts and Contentions of Grievance:			
		·· ········	
Remedy Requested:		<u> </u>	
		<u></u>	·····
			<u></u>
Form FCT-FGR-10	1/3 42	Facility ID	_ Grievance #

Formal Gr	ievance	Form
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ATM Response (required within 10	calendar days):				
				· · · · · · · · · · · · · · · · · · ·	
		· · · ·			
Approved	Denied				
ATM Signature:			Response Date:		
STEP 2 – Appeal to Humar	Resource Manag	ier by N	lational Represe	entative	
Submitted by:	· · · · /	· · · · · · · · · · · · · · · · · · ·	Date Submitted:		
Additional Information:					
	· · · · · · · · · · · · · · · · · · ·				
Meeting Requested (required wit	hin 10 calendar days):				
Telephone Conference	In-Person				
		2/3			
Form FCT-FGR-10		43	Facility ID	Grievance #	

Formal G	Grievance	Form
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Human Resources Response (required within 20 calendar	days):
Approved Denied	
HR Manager Signature:	Response Date:
Mutually Agreed Resolution:	
HR Manager Signature:	Date:
Union Signature:	Date:
Union Desires Arbitration (required within 15 calendar days	s of denial)
Union Signature:	Response Date:
3/3 Form FCT-FGR-10 44	Facility ID Grievance #

Note: Informal Resolution. The Employer and the Union agree that Employees should attempt to resolve issues or concerns with the Air Traffic Manager prior to initiating the formal grievance process. The employee and, where appropriate, the Local Facility Representative may discuss the grievance with the Air Traffic Manager or other management designated representative, and if the grievance is resolved through these discussions, the informal resolution of the grievance will be reduced to writing and signed by the parties. (CBA Article 6, Section 1)

(Suspensions and Discharges must proceed to Step 2 of the Formal Grievance Process)

Facts and Contentions of Grievance:			
	· · · ·		
Mutually Agreed Resolution:			
	· · · · · · · · · · · · · · · · · · ·		
ATM Signature:		Date:	
Union Signature:		Date:	
Form FCT-IGR-10	1/1 45	Facility ID	Grievance #

Union/Employer Formal Grievance Form

STEP 1	
Submitted by:	Date Submitted:
Grievant Name:	Occurrence Date:
Applicable Provisions of Agreement:	
Facts and Contentions of Grievance:	
Remedy Requested:	
Meeting Requested (required within 10 calendar days):	
Telephone Conference In-Person	1
Form FCT-UEFGR-10	1/2 Facility ID Grievance #

Union/Employer Formal Grievance Form

Respondent Response (required within 20 calendar days)):		
	······································		
Approved Denied			
Peenendent Signature	Poononaa Datai		
Respondent Signature:	Response Date		
and the state of the	an a	na na tanàna mandritra mandritra dia kaominina dia kaominina dia kaominina dia kaominina dia kaominina dia kaomi	
Mutually Agreed Resolution:			
	<u>, , , , , , , , , , , , , , , , , , , </u>	2000 - 10 - 01 - 000 - 00 - 10 - 10 - 10	
Grievant Signature:	Date:		
Respondent Signature:	Date:		
Grievant Desires Arbitration (required within 15 calendar days of denial)			
Grievant Signature:	Response Date: _	<u></u>	
	2/2	gan yang kana amang mang mang kana na mang kana na mang mang mang mang mang mang man	
Form FCT-UEFGR-10		_ Grievance #	

APPENDIX VII GLACIER PARK MONTANA SICK LEAVE

The parties agree that the bargaining unit employees working in Glacier Park, Montana (GPI) shall continue to receive sick leave in accordance with the language contained in the 2007-2010 collective bargaining agreement as set forth below (and shall not receive category 1 or category 2 sick leave under Article 17):

Sick Leave

Section 2. On the first day of the first pay period of each new calendar year, employees with at least one full year of service shall receive forty (40) hours of paid sick leave.

Section 3. New employees will be eligible for sick leave after one year of service on a pro rata basis until the first day of the first pay period of the next new calendar year. For example, an employee with an anniversary date of July 1 will be eligible for 20 hours (50% of the 40 hours) of sick leave on his anniversary date for the remainder of the pay periods in that calendar year while an employee with an anniversary date of October 1 will be eligible for 10 hours (25% of the 40 hours) of sick leave on his anniversary date for the remainder of the pay periods in that calendar year while an employee with an anniversary date of October 1 will be eligible for 10 hours (25% of the 40 hours) of sick leave on his anniversary date for the remainder of the pay periods in that calendar year.

Section 4. Sick leave must be used in the calendar year it is earned. Employees will not be permitted to carry-over sick leave from year to year. Employees shall not be entitled to receive pay for any earned but unused sick leave upon termination or at any other time.

Section 5. Sick leave may be taken for an absence of an employee on a scheduled day, by reason of (1) illness, (2) accident, (3) illness of dependent child, or (4) need to care for immediate family member with serious health condition. Sick leave must be taken in one (1) hour increments. Employees are encouraged to schedule medical and dental appointments outside of working hours, but sick leave may be used for scheduled medical or dental appointments if such leave is requested at least five (5) calendar days in advance and is approved by the Employer. Employees who need sick leave for the reasons stated herein but who have exhausted their sick leave may request vacation leave or, if all of their vacation leave is exhausted, leave without pay, subject to the provisions of this Agreement.

Section 6. The Employer may require proof of illness or accident, including certification from a physician, when an employee takes sick leave. If requested, such proof must be provided to the Employer within two days of the employee returning to work.

Section 7. Sick leave shall be used to replace scheduled work hours and may not be used to bring the employee's total paid hours in one week to an amount above forty (40). If an employee's approved sick leave will result in more than forty (40) paid hours in a work week, the approved leave over forty (40) hours will be treated as leave without pay.

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APPENDIX VIII BONUS

<u>Glacier Park Tower</u>: In the first full pay period following the effective date of this Agreement, eligible employees shall receive a one time lump sum bonus of \$500.00 less applicable tax and withholding. To be eligible for such bonus, employees must (a) be employed by the Employer and working in Glacier Park at the time of ratification of this Agreement and (b) be employed by the Employer the Employer and working in Glacier Park on the date of payment.

<u>Glacier Park, Lihue, Kenai and Kodiak Towers</u>: On or before, November 15, 2011, eligible employees shall receive a one time lump sum bonus of \$500.00 less applicable tax and withholding. To be eligible for such bonus, employees must (a) be employed by the Employer and working in Glacier Park, Lihue, Kenai or Kodiak at the time of ratification of this Agreement and (b) be employed by the Employer and working in working in Glacier Park, Lihue, Kenai or Kodiak on November 15, 2011.

Bonuses are not payable to (a) employees working at towers not expressly identified above, (b) employees hired after ratification, or (c) employees working in any newly organized towers that are added during the term of the Agreement.