Agreement

Between

DELTA AIR LINES, INC.

And

THE AIR LINE PILOTS IN THE SERVICE OF DELTA AIR LINES, INC.

As Represented by the

AIR LINES PILOTS ASSOCIATION, INTERNATIONAL

Date of signing: June 1, 2006
General Effective Date: June 1, 2006
Duration: June 1, 2006 – December 31, 2009
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SECTION 1

SCOPE

A. Recognition

1. The Air Line Pilots Association, International, has furnished the Company proof that a
majority of the airline pilots employed by the Company have designated the Association
to represent them, and in their behalf negotiate and conclude a PWA with the Company
as to rates of pay, rules and working conditions covering the pilots in the employ of the
Company in accordance with the provisions of the Railway Labor Act, as amended.

2. Nothing in this PWA will be construed to limit or deny any pilot hereunder any rights or
privileges to which he may be entitled under the provisions of the Railway Labor Act, as
amended.

B. Definitions

1. “Affiliate” means:
   a. any subsidiary, parent or division of the Company,
   b. any other subsidiary, parent or division of either a parent or a subsidiary of the
      Company, or
   c. any entity that controls the Company or is controlled by the Company whether
directly or indirectly through the control of other entities.


3. “Alaska hub” means SEA, ANC, LAX and any other airport having a monthly average of
   at least 100 Alaska scheduled flight departures per day.

4. “Alaska marketing agreement” means the document titled “Marketing Agreement”
signed on March 1, 2004 by Delta, Alaska and Horizon Air Industries, Inc., as from time
to time amended.

5. “AS” means Alaska Airlines, Inc. and any carrier to the extent of its category B
   operations using the AS code.

6. “Category A operation” means the operation of a flight segment by a Delta Connection
   Carrier:
   a. that is an affiliate, or
   b. using the DL code under an agreement with Delta that is not a prorate agreement.

7. “Category B operation” means the operation of a flight segment by a domestic air carrier:
   a. that:
      1) controls Northwest, Continental, or Alaska, or
      2) is controlled by Northwest, Continental, or Alaska whether directly or indirectly
         through the control of other entities, or
      3) is under common control with Northwest, Continental, or Alaska, or
      4) operates such flight segment under any of the NW, CO, or AS code(s) under an
         agreement with Northwest, Continental, or Alaska respectively, other than a
         prorate agreement,
   and,
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b. that only operates:
   1) aircraft that:
      a) are certificated for operation in the United States for 70 or fewer passenger seats, and
      b) have a maximum certificated gross takeoff weight in the United States of 85,000 or fewer pounds; and/or
   2) AVRO-85 aircraft (under the terms and conditions of Section 1. of the Northwest Pilot Working Agreement), or
   3) Bombardier Q-400 aircraft (under the terms and conditions of the Alaska Pilot Working Agreement).

8. “Category C operation” means the operation of a flight segment (other than a category B operation) by a Delta Connection Carrier under the DL code pursuant to a prorate agreement with Delta.

9. “Circumstance over which the Company does not have control,” for the purposes of Section 1, means a circumstance that includes, but is not limited to, a natural disaster; labor dispute; grounding of a substantial number of the Company’s aircraft by a government agency; reduction in flying operations because of a decrease in available fuel supply or other critical materials due to either governmental action or commercial suppliers being unable to provide sufficient fuel or other critical materials for the Company’s operations; revocation of the Company’s operating certificate(s); war emergency; owner’s delay in delivery of aircraft scheduled for delivery; manufacturer’s delay in delivery of new aircraft scheduled for delivery. The term “circumstance over which the Company does not have control” will not include the price of fuel or other supplies, the price of aircraft, the state of the economy, the financial state of the Company, or the relative profitability or unprofitability of the Company’s then-current operations.

10. “CO” means Continental and any carrier to the extent of its category B operations using the CO code.

11. “Code” means the unique two character designator code assigned to an airline by the International Air Transport Association (IATA). If IATA assigns or has assigned more than one designator code for use by Delta, Northwest, Continental, or Alaska or by a subsidiary of Delta, Northwest, Continental, or Alaska then such additional designator code(s) will be included within the DL code, NW code, CO code or AS code, respectively.


13. “Company flying” means all flying reserved under Section 1 C. for performance by pilots.


15. “Continental hub” means IAH, EWR, CLE and any other airport having a monthly average of at least 100 Continental scheduled flight departures per day.
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16. “Control” for the purposes of Section 1, will exist by entity A over entity B, only if A, whether directly or indirectly through the control of other entities:

a. owns securities that constitute and/or are exchangeable into, exercisable for or convertible into more than:
   1) 30 percent (49 percent with respect to the Company’s interest in a foreign air carrier) of B’s outstanding common stock, or if stock in addition to common stock has voting power, then
   2) 30 percent (49 percent with respect to the Company’s interest in a foreign air carrier) of the voting power of all outstanding securities of B entitled to vote generally for the election of members of B’s Board of Directors or similar governing body, or
b. has the power or right to manage or direct the management of all or substantially all of B’s air carrier operations, or

c. has the power or right to designate or provide all or substantially all of B’s officers, or
d. has the power or right to provide a majority of the following management services for B: capacity planning, financial planning, strategic planning, market planning, marketing and sales, technical operations, flight operations, and human resources activities, or
e. has the power or right to appoint or elect or prevent the appointment or election of a majority of B’s Board of Directors, or other governing body having substantially the powers and duties of a Board of Directors, or
f. has the power or right to appoint or elect or to prevent the appointment or election of a minority of B’s Board of Directors or similar governing body, but only if such minority has the power or right to appoint or remove B’s Chief Executive Officer, or President, or Chief Operating Officer, or the majority membership of the Executive Committee or similar committee on B’s Board of Directors, or the majority membership of at least one-half of B’s Board committees.

18. “Delta Connection Carrier” means a domestic air carrier that conducts flying under Section 1.D.
19. “Delta Connection flying” means flying conducted by a Delta Connection Carrier for the Company.
20. “Delta hub” means ATL, CVG, SLC and any other airport having a monthly average of at least 100 Delta scheduled flight departures per day.
21. “DL” means:
a. Delta,
b. its affiliates, and
c. any other carrier to the extent of its category A operations of flight segments using the DL code.
23. “Entity” means a natural person, corporation, association, partnership, trust or any other form for conducting business, and any combination or concert of any of the foregoing.
24. “Flight segment”, for the purposes of Section 1, means the operation of an aircraft with one takeoff and one landing.
25. “Foreign air carrier” means an air carrier other than a domestic air carrier.
26. “Fragmentation transaction” means a transaction (other than a successor transaction) in which the Company or an affiliate (other than an affiliate performing flying only on permitted aircraft types):
   a. disposes of aircraft, route authority or slots (net of aircraft, route authority or slots acquired within the 12 month period preceding such transaction or acquired in a related transaction), which produced 20% or more of the operating revenue, block hours or available seat miles of the Company (excluding revenue, block hours or available seat miles of affiliates performing flying only on permitted aircraft types) during the 12 months immediately prior to the date of the agreement resulting in the fragmentation transaction, or
   b. disposes of the Song trade name, logo or trademark together with one-half or more of the aircraft then allocated to the Song operation.

27. “Hub to hub” means a flight segment between a Delta hub and either a Northwest, Continental or Alaska hub.

28. “Hub to hub baseline ratio”
   a. “CO hub to hub baseline ratio” means the ratio of X divided by Y where:
      1) X is the aggregate number of DL flight segments scheduled to operate between Delta hubs and Continental hubs during 2002, and
      2) Y is the aggregate number of flight segments scheduled to operate under the CO code between Delta hubs and Continental hubs during 2002.
   b. “Continental hub to hub baseline ratio” means the ratio of X divided by Y where:
      1) X is the aggregate number of Delta flight segments scheduled to operate between Delta hubs and Continental hubs during 2002, and
      2) Y is the aggregate number of Continental flight segments scheduled to operate between Delta hubs and Continental hubs during 2002.
   c. “NW hub to hub baseline ratio” means the ratio of X divided by Y where:
      1) X is the aggregate number of DL flight segments scheduled to operate between Delta hubs and Northwest hubs during 2002, and
      2) Y is the aggregate number of flight segments scheduled to operate under the NW code between Delta hubs and Northwest hubs during 2002.
   d. “Northwest hub to hub baseline ratio” means the ratio of X divided by Y where:
      1) X is the aggregate number of Delta flight segments scheduled to operate between Delta hubs and Northwest hubs during 2002, and
      2) Y is the aggregate number of Northwest flight segments scheduled to operate between Delta hubs and Northwest hubs during 2002.
   e. “AS hub to hub baseline ratio” means the ratio of X divided by Y where:
      1) X is the aggregate number of DL flight segments scheduled to operate between Delta hubs and Alaska hubs (calculated under Section 1 O. 9. b. 1), and
      2) Y is the aggregate number of flight segments scheduled to operate under the AS code between Delta hubs and Alaska hubs (calculated under Section 1 O. 9. b. 1),
         Note: The AS hub to hub baseline ratio may not exceed 4.0.
   f. “Alaska hub to hub baseline ratio” means the ratio of X divided by Y where:
      1) X is the aggregate number of Delta flight segments scheduled to operate between Delta hubs and Alaska hubs (calculated under Section 1 O. 9. b. 1), and
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2) Y is the aggregate number of Alaska flight segments scheduled to operate between Delta hubs and Alaska hubs (calculated under Section 1 O. 9. b. 1)). Note: The Alaska hub to hub baseline ratio may not exceed 4.0.

29. “Industry standard interline agreement” means an agreement or other arrangement between or among two or more carriers, such as the International Air Transport Association’s “multilateral interline traffic agreements”, or an “interline ticket and baggage agreement”, establishing rights and obligations relating to the acceptance and accommodation of interline passengers and shipments.

30. “International operation” means a flight segment to or from an airport, or between airports, located outside the contiguous 48 states of the United States. Exception: A flight segment to or from an airport located in Canada or Alaska will not be considered an international operation.

31. “International partner flying” means flying performed by any foreign air carrier (which is not an affiliate):
   a. under or utilizing a designator code, trade name, brand, logo, trademarks, service marks, aircraft livery or aircraft paint scheme currently or in the future utilized by the Company or any affiliate, and/or
   b. on aircraft on which the Company or any affiliate has purchased or reserved blocked space or blocked seats for sale or resale to customers of the Company or any affiliate.

32. “Mainland United States”, for the purposes of Section 1, means the contiguous 48 states of the United States.

33. “Material change” means an amendment to the Northwest/Continental marketing agreement or the Alaska marketing agreement that:
   a. affects the codeshare or prorate terms or conditions of the Northwest/Continental marketing agreement or the Alaska marketing agreement, and,
   b. has or would have an adverse material economic impact on:
      1) the structure or benefits of the Northwest/Continental marketing agreement or the Alaska marketing agreement to Delta, or
      2) a substantial number of the Delta pilots.

34. “Month”, for the purposes of Section 1, means calendar month.
35. “Northwest” means Northwest Airlines, Inc.
36. “Northwest/Continental marketing agreement” means the document titled “Marketing Agreement” signed on August 22, 2002 by Delta, Northwest and Continental, as from time to time amended.
37. “Northwest hub” means MSP, DTW, MEM and any other airport having a monthly average of at least 100 Northwest scheduled flight departures per day.
38. “NW” means Northwest and any carrier to the extent of its category B operations using the NW code.
39. “Parent” means any entity that controls another entity.
40. “Permitted aircraft type” means:
   a. a propeller-driven aircraft configured with 70 or fewer passenger seats and with a maximum certificated gross takeoff weight in the United States of 70,000 or fewer pounds, and
   b. a jet aircraft certificated for operation in the United States for 50 or fewer passenger seats and with a maximum certificated gross takeoff weight in the United States of 65,000 or fewer pounds, and
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c. one of up to 200 jet aircraft configured with 51-70 passenger seats and certificated in the United States with a maximum gross takeoff weight of 86,000 pounds or less (“70-seat jets”), and
d. beginning January 1, 2007, one of up to the number specified in the chart in Section 1 B. 40. d. jet aircraft configured with 71-76 passenger seats and certificated in the United States with a maximum gross takeoff weight of 86,000 pounds or less (“76-seat jets”). The number of 76-seat jets may be increased above the number specified in the chart in Section 1 B. 40. d. by three 76-seat jets for each aircraft above the number of aircraft in the fleet operated by the Company (in service, undergoing maintenance and operational spares) as of January 1, 2007. The number and type of aircraft in the fleet on January 1, 2007 will be provided to the Association in writing no later than January 15, 2007. Such a report will also be provided to the Association at the scheduled quarterly financial update. The number of 70-seat jets plus 76-seat jets permitted by Section 1 B. 40. may not exceed 200. Once the number of permitted 76-seat jets is established, it will not be reduced except as provided in the Section 1 B. 40. d. Note.

<table>
<thead>
<tr>
<th>Year</th>
<th>Permitted 76-seat Jets</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>15</td>
</tr>
<tr>
<td>2008 and beyond</td>
<td>30</td>
</tr>
</tbody>
</table>

Note: If a pilot on the seniority list as of June 1, 2006 (i.e., Troy Kane and above) is placed on furlough after April 13, 2006, the Company will convert all 76-seat jets for operation as 70-seat jets.

e. A carrier that operates any of the 70- or 76-seat jets not being operated as of November 1, 2004, may do so only if that carrier and the Company have agreed to terms for a preferential hiring process for pilots furloughed by the Company (i.e., a pilot furloughed by the Company will be given preferential hiring at a Delta Connection Carrier if he completes all new hire paper work, meets all new hire airman and medical qualifications, satisfies background checks and successfully completes an interview). The Company will offer preferential interviews for employment to airmen employed by a Delta Connection Carrier that offers preferential hiring to furloughed pilots under Section 1 B. 40. e., subject to the Company’s objectives for diversity and experience among newly hired pilots. A pilot hired by a Delta Connection Carrier operating any of the 70- or 76-seat jets not being operated as of November 1, 2004 will not be required to resign his Delta seniority number in order to be hired by such carrier.

41. “Pilot Working Agreement” or “PWA” means the basic collective bargaining agreement between Delta Air Lines, Inc. and the air line pilots in the service of Delta Air Lines, Inc. as represented by the Air Line Pilots Association International, together with all effective amendments, supplemental agreements, letters of agreement, and letters of understanding between the Company and the Association.

42. “Profit/loss sharing agreement” means an agreement or arrangement (other than an industry standard interline agreement) that provides for the sharing of profits or losses between or among the Company or an affiliate and another carrier or other carriers in connection with the Company’s and other carrier or carriers’ carriage of passengers. The
arrangement between the Company and any affiliate Delta Connection Carriers is not a profit/loss sharing agreement.

43. “Prorate Agreement” means an agreement between the Company and another carrier for the proration of interline revenue between them, under a standard interline prorate formula, and in a manner that provides no economic benefit to the Company other than from the carriage of passengers by the Company. The term "economic benefit" does not include the reimbursement of distribution costs or industry standard interline service charges.

44. “Scheduled block hour” means an hour of scheduled block time.

45. “Song” means the low fare subsidiary operation, announced by the Company on or about January 8, 2003, and intended to operate in competition with low cost carriers.

46. “Subsidiary” means any entity that is controlled by another entity.

47. “United States” means the United States and its possessions and territories including but not limited to the Commonwealth of Puerto Rico.

C. Scope

Except as provided in Sections 1 D., E., N. and O.:

1. All flying performed by or for the Company or any affiliate will be performed by pilots in accordance with the terms and conditions of this PWA.

2. Section 1 C. 1. includes without limitation all passenger flying, cargo flying, freight flying, positioning flights and ferry flights (scheduled and non-scheduled, revenue and non-revenue) and non-scheduled flights as defined in Section 2 of this PWA:
   a. performed by or for the Company or any affiliate on aircraft owned, leased or operated by the Company or any affiliate;
   b. performed on aircraft under the operational control of the Company or any affiliate (excluding advisory flight planning and following services provided by the Company on a fee for service basis to other air carriers);
   c. performed for the Company or any affiliate by any affiliate or other air carrier;
   d. performed by any air carrier under or utilizing a designator code, trade name, brand, logo, trademarks, service marks, aircraft livery or aircraft paint scheme currently or in the future utilized by the Company or any affiliate, or performed on aircraft on which the Company or any affiliate has purchased or reserved blocked space or blocked seats for sale or resale to customers of the Company or any affiliate;
   e. performed by Delta pilots for any other air carrier.

3. There will be no contracting or subcontracting of any Company flying to any other air carrier or performance of Company flying by pilots of any other air carrier without the prior written consent of the Delta MEC.

4. Nothing in Section 1 C. will be interpreted to cover flying performed by an air carrier other than the Company or an affiliate, merely because of its participation in industry standard interline agreements.

5. Nothing in Section 1 C. will be interpreted to cover flying performed by an air carrier other than the Company or any affiliate, merely because of its participation in the Company’s or any affiliate’s frequent flyer miles program under which passengers of such other carrier by frequent travel on board the aircraft of that carrier, may earn travel or other awards.
Section 1 - Scope

6. Neither the Company nor any affiliate will establish or maintain a pilot base at any point outside the United States unless all Company flying to and from such base is conducted by pilots who continue at all times to be covered in all respects by this PWA and the Railway Labor Act. Bidding and staffing for such base will be governed by the PWA without regard to visa or immigration requirements.

7. The Company and its affiliates will not train, or contract for training of, persons other than Delta pilots to perform Company flying.

8. The Delta name will be prominently displayed on all Company aircraft performing Company flying.

   Exception: This requirement will not apply to aircraft operated in the Song operation, provided that:
   a. the following statement is affixed to the exterior of each aircraft operated in the Song operation adjacent to the door (2L) normally used to board passengers on such aircraft: “Operated by Delta Air Lines, Inc.”, and
   b. such statement is in letters that are:
      1) at least one and one third inches in height, and
      2) located:
         a) between the door and the first window aft of the door, and
         b) above the mid-point of the door, and
   c. the Delta “widget” in black, at least one and one third inches high and one and three quarters inches wide, is displayed at the same location.

   Note: The relationship of the words described in Section 1 C. 8. a. and b., and the "widget”, as described in paragraph Section 1 C. 8. c., will be as depicted in Delta Air Lines Engineering Order 06-086575-03 and Drawing Order 11-0764 as of June 3, 2003.

D. Permitted Arrangement with Respect to Category A and C Operations

1. Section 1 C. will not apply to category A or C operations on any permitted aircraft type.

   Exception: If a permitted aircraft type meets the certificated passenger seat requirement of Section 1 B. 40. b. when first placed into service by a Delta Connection Carrier but is subsequently certificated for operation in the United States with a maximum passenger seating capacity in excess of 50 passenger seats, this permitted aircraft type may continue to be operated by Delta Connection Carriers as long as all Delta Connection Carriers operate such permitted aircraft type with no more than 50 passenger seats and with a maximum certificated gross takeoff weight in the United States of 65,000 or fewer pounds at all times.

2. If a domestic air carrier operates both permitted aircraft types and aircraft other than permitted aircraft types, the exemption for that domestic air carrier provided by Section 1 D. 1. will not apply unless:

   a. the flying on aircraft other than permitted aircraft types is not performed for the Company within the meaning of Section 1 C., and
   b. there is no reduction in the level of the Company’s then existing system scheduled aircraft block hours of flying as the result of the performance of such flying on other than a permitted aircraft type, and
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c. the aircraft other than a permitted aircraft type, is either a jet aircraft certificated for operation in the United States for 106 or fewer passenger seats and configured with 97 or fewer passenger seats (provided that any jet aircraft configured with between 71 and 97 passenger seats is not flown for the Company or any affiliate and is not flown on a city pair that is served by the Company or an affiliate) or a propeller driven aircraft configured with 72 or fewer passenger seats, and is operated on its own behalf or pursuant to agreement with an air carrier(s) other than the Company or an affiliate.

Exception: If a carrier that performs category A or category C operations acquires an aircraft that would cause the Company to no longer be in compliance with the provisions of Section 1 D. 2. c., the Company will terminate such operations on the date that is the later of the date such aircraft is placed in revenue service, or nine months from the date that the Company first became aware of the potential acquisition.

3. Section 1 C. will not apply to flying performed by any affiliate on permitted aircraft types.

4. At least 85% of all category A and category C operations each month will be under 900 statute miles.

5. At least 90% of all category A and category C operations each month will operate to or from Delta hubs, defined for this purpose as being Atlanta, Boston, Cincinnati, Washington, D.C. (DCA and IAD), Orlando, Los Angeles, Salt Lake City, New York (LGA and JFK), Fort Lauderdale, Tampa and any other airport with more than 50 daily departures of Company flying.

6. No more than 6% of category A and category C operations each month will be between Delta hubs (as defined in Section 1 D. 5.). For purposes of Section 1 D. 6., Delta Connection flying operated between FLL and TPA, FLL and MCO, TPA and MCO will not be considered flying between Delta hubs.

7. Delta Connection flying aircraft will only bear the name “Delta” as part of a phrase referencing a Connection-type operation.

8. Section 1 C. will not apply to prevent the Company or any affiliate from acquiring control of a domestic air carrier that operates aircraft other than permitted aircraft types (a domestic air carrier that the Company or any affiliate acquires control of is referred to for purposes of Section 1 D. 8. as an “acquired airline”) and operating such acquired airline pending a merger of the Company and the acquired airline, provided that:

   a. the Company agrees to operationally merge with the acquired airline and become a single corporation, a single carrier under the Federal Aviation Act and the Railway Labor Act, with a single air carrier certificate, a single pilot class or craft, not later than six months after the later of:
      1) the effective date of issuance of a final and binding integrated pilot seniority list, or
      2) the effective date of a single bargaining agreement.

   b. the pilot seniority lists of the Company and the acquired airline will be integrated pursuant to Association merger policy if both groups are represented by the Association, or if the airmen of the acquired airline are not represented by the Association, then pursuant to a method to be determined by the Delta MEC.

      1) However, in either case, the integrated seniority list produced by the Association, including any attendant conditions and restrictions, will be subject to the approval
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of the Company, and will be submitted to the Company for approval within twelve months of the date the Company or any affiliate acquired control of the acquired airline. The Company will provide the Association with its decision as to approval or disapproval (including its reasons for disapproval) of the integrated seniority list produced by the Association within two months following receipt of the integrated seniority list. If the Association does not without good cause produce and present an integrated seniority list to the Company for approval within twelve months of the date the Company or any affiliate acquired control of the acquired airline, the pilot and airman seniority lists of the Company and the acquired airline, respectively, will be integrated pursuant to the arbitration procedures set forth in *Section 1 D. 8. b. 2*.

2) If the Company rejects the list produced by the Association, the Association may modify the list and resubmit it to the Company for approval within three months after the date of such rejection, or at the election of the Association, the Association and the Company will submit to an arbitrator mutually selected by the Association and the Company for a final and binding decision, the choice of a list produced by the Association and a list produced by the Company. If the seniority list integration issue is to be submitted to an arbitrator and the Company and the Association cannot agree on the selection of an arbitrator, the arbitrator will be selected from the list of arbitrators referred to in *Section 19*, utilizing the alternate strike-off method, with the right to first strike a name from such list determined by the toss of a coin.

3) If the Association does not resubmit a modified list within the permitted time period or does so resubmit a modified list but it is rejected by the Company, then the matter will be decided through the arbitration procedure set forth in *Section 1 D. 8. b. 2*.

c. wages and benefits for the airmen of the acquired airline, to be effective upon the integration of the two seniority lists, will be negotiated between the Company and the Association. Nothing herein will entitle either the Company or the Association to negotiate any other provision of this PWA except as this PWA otherwise permits.

d. during the period between the closing date of the corporate transaction pursuant to which the Company or any affiliate acquires control of the acquired airline and the date of operational merger, the aircraft (including owned aircraft, leased aircraft, and all orders and options to purchase aircraft) of each pre-merger airline will remain separated. Such pre-merger aircraft of the Company will be operated by pilots in accordance with the terms and conditions of this PWA. Such pre-merger aircraft of the acquired airline will be operated by airmen on its seniority list. Nothing in *Section 1 D. 8. d.* will apply to prevent the Company from removing any aircraft from the fleet of either airline. In the event aircraft are removed from either fleet prior to the operational merger the Company and its affiliates will make reasonable efforts consistent with the then existing financial and operational needs of the service, to ensure that the ratio of the total number of aircraft block hours operated by pilots to the aircraft block hours operated by airmen of the acquired airline (“block hour ratio”) is not reduced below the block hour ratio that existed on the date the Company or any affiliate acquired control of the acquired airline.
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e. during the period between the closing date of the corporate transaction pursuant to
which the Company or any affiliate acquires control of the acquired airline and the
date of operational merger, the scheduled aircraft block hours operated by pilots in
any month will not be less than the scheduled aircraft block hours operated by pilots
in the same month of the twelve-month period prior to such closing date. The
Company will be excused from compliance with such minimum scheduled aircraft
block hours requirement if either a circumstance over which the Company does not
have control, or a governmental agency requirement causing the Company to reduce
or cancel service as a condition of approval of the transaction, is the cause of such
non-compliance.

E. Permitted Arrangements with Foreign Air Carriers

1. **Section 1 C.** will not apply to international partner flying.

2. Without the consent of the Delta MEC, neither the Company nor any affiliate will enter
into or maintain an agreement or arrangement with any foreign air carrier performing
international partner flying that permits the Company or any affiliate to book or ticket
under the Company’s or affiliate’s designator code, reserve, block, and/or purchase for
resale:
   a. more than 50% of the passenger seats in any month on any pair of flight segments in
      a city pair (e.g., CDG-ATL-CDG) of such foreign air carrier,
   b. a monthly average of more than 175 passenger seats per flight segment (e.g., CDG-
      ATL or ATL-CDG) of such foreign air carrier to and from destinations other than
      Mexico, the Caribbean, Canada or Central America, or
   c. a monthly average of more than 100 passenger seats per flight segment of such
      foreign air carrier to and from Mexico, the Caribbean, Canada or Central America.

3. If the Company’s ownership level (i.e., the percentage of ownership referred to in
   **Section 1 B. 16. a.**) in a foreign air carrier exceeds 25%, the Company flying block hours
   scheduled in any month between the United States and the country of the foreign air
   carrier, will not be less than the Company flying block hours scheduled between the two
   countries in the same month of the twelve-month period prior to the month in which the
   Company’s ownership level first exceeds 25%. The Company will be excused from
   compliance with this provision in the event a circumstance over which the Company does
   not have control is the cause of such non-compliance.

4. No foreign air carrier will in the performance of international partner flying take on for
   hire, persons, property or mail at any point within the United States that is destined to be
   transported by such foreign air carrier to any other point within the United States.

5. Neither the Company nor an affiliate will place its code on the flight of a foreign air
   carrier in any city pair where the foreign air carrier operates a flight in which it takes on
   for hire persons, property or mail at any point in the United States that is destined to be
   transported to any other point within the United States.

6. The Company will join the Association in opposing any change in U.S. law that would
   permit foreign air carriers to engage in cabotage.

7. In addition to all other restrictions specified in **Section 1**, the Company or an affiliate
   may only enter into or maintain a profit/loss sharing agreement with a foreign air carrier
   engaged in international partner flying the home country of which is served by at least
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four Company roundtrips per week between the U.S. and that country (for purposes of Sections 1 E. 7. and 8., the “home country” means the foreign country from which a foreign air carrier primarily operates).

8. In the event the Company or an affiliate enters into or maintains a profit/loss sharing agreement with a foreign air carrier, Company flying between the United States and the home country of such foreign air carrier will, in each rolling three month period, be no less than the Company’s scheduled block hours between the two countries in the same three months of the twelve-month period prior to the month in which such agreement first became effective. The Company will be excused from compliance with this provision in the event a circumstance over which the Company does not have control is the cause of such non-compliance.

F. Affiliates and Successors

1. The PWA will be binding upon any affiliate. The Company will not conclude any agreement or arrangement that establishes an affiliate unless such affiliate agrees in writing as an irrevocable condition of such agreement or arrangement to be bound by the PWA and if the affiliate is an air carrier or parent or subsidiary of an air carrier, to operate as part of a single carrier with the Company under the PWA, unless the affiliate operates only permitted aircraft types.

2. The PWA will be binding upon any successor, including without limitation, any merged company or companies (as defined in Section 2. (a) of the Allegheny-Mohawk Labor Protective Provisions), assignee, purchaser, transferee, administrator, receiver, executor and/or trustee of all or substantially all of the equity securities and/or assets of the Company or any affiliate (a “successor”) whether as a result of a single transaction or multi-step transactions (a “successorship transaction”). Neither the Company nor any affiliate will conclude any agreement with a successor for a successorship transaction, or that will result in or create a successor, unless the successor agrees in writing to assume and be bound by the PWA, to recognize the Association as the representative of the pilots consistent with the Railway Labor Act, and to agree that the employment of such pilots will be pursuant to the terms of the PWA.

3. If an affiliate or successor is an air carrier or controls or is controlled by an air carrier (other than an air carrier that operates only permitted aircraft types), the requirements of Section 1 D. 8. a. – e. will govern the resulting operational merger, provided that the following specific provisions will apply to such affiliate or successor if the affiliate or successor controls or acquires control of the Company, and provided further that this provision will not affect the relationship between the Company and Song, and the Company and any of its non air-carrier affiliates:
   a. Subject to Section 1 F. 3. b., c. and d., the provisions of Section 1 D. 8. a. – e. will be construed so that those procedures will apply to Section 1 F. 3. as in the circumstances where the Company is the acquiring entity.
   b. If an affiliate or successor did not employ a pre-existing airmen group (as defined in Section 1 F. 3. d.), the resulting seniority list of the merged operation will consist of the pilot seniority list, followed by airmen hired by the affiliate or successor whether before or after the date of the operational merger.
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c. If an affiliate or successor employed a pre-existing airmen group, the pilot and airmen seniority lists of the Company and the affiliate or successor will be integrated pursuant to Association merger policy if both groups are represented by the Association (in which case Section 1 D. 8. b. 1), 2) and 3) will apply), or if the airmen of the affiliate or successor are not represented by the Association, then pursuant to Sections 2, 3 and 13 of the Allegheny-Mohawk Labor Protective Provisions.

d. For purposes of Section 1 F. 3., the phrase “employed a pre-existing airmen group” means that the entity involved (or any entity that it controls or is controlled by) employed airmen continuously from a date at least sixty days prior to the date of the agreement resulting in the entity becoming an affiliate or successor.

4. Before concluding any agreement or arrangement which would result in a successorship transaction or establish an affiliate, the Company will provide advance notice to the Association (to the extent consistent with the Company’s legal obligations regarding disclosure of information related to the agreement or arrangement) of the successorship transaction or establishment of an affiliate.

G. Change in Control

1. In the event that through a single transaction or multi-step related transactions, any entity acquires control of the Company or any affiliate air carrier that operates other than permitted aircraft types (any such transaction, a “change in control”), the Association will have the right in its sole discretion upon written notice to the Company within 60 days of receiving written notice of the change in control, to either:
   a. serve a Section 6 notice to reopen the PWA in whole or in part, or
   b. extend the duration of the PWA for one, two or three years, at the Association’s option, past the amendable date with 3% annual wage increases on the amendable date and on the subsequent anniversary date(s) of the amendable dates, if applicable.

2. Section 1 G. 1. will not apply if the transaction that constitutes a “change in control” consists solely of a corporate form restructuring that creates a parent holding company of the Company, whose shareholders and Board of Directors at the closing of the transaction are substantially the same as the shareholders and Board of Directors of the Company immediately preceding the transaction. Section 1 G. 1. also will not apply to a transaction during the Company’s Chapter 11 reorganization or to a plan of reorganization resulting in emergence from Chapter 11.

Exception: If, as a result of a transaction during the Company’s Chapter 11 reorganization or plan of reorganization resulting in emergence from Chapter 11, the acquiring entity is an air carrier or controls or is controlled by an air carrier, the Association will have the right in its sole discretion upon written notice to the Company, within 60 days of receiving written notice of the change in control, to extend the duration of the PWA for one, two or three years, at the Association’s option, past the amendable date, with 3% annual wage increases on the amendable date and on the subsequent anniversary date(s) of the amendable dates, if applicable.

3. Section 1 G. 1. will not apply to any entity that is an IRS qualified employee benefit plan of the Company (or a parent), or a trustee or other fiduciary of such plan acting in its capacity as such, provided that the plan is one in which (i) all pilots who meet the general
service requirements applicable to all participants are entitled to participate; (ii) stock of the Company or affiliate allocated to accounts of participants is voted in accordance with the instructions of the participants if any are given and (iii) the trustee voting unallocated stock is a nationally recognized bank or financial institution. If stock in the plan which is not required to be voted in accordance with directions of the participants is tendered to an entity outside the plan, such stock will be deemed to be no longer owned by the plan for purposes of Section 1 G. 3.

H. Opportunity to Make Competing Proposal

In the event the Company receives a proposal for a transaction that would, if completed, result in a successor or change in control, and the Company determines to pursue or facilitate the proposal the Company and/or affiliate will in good faith seek to provide the Association with the opportunity to make a competing proposal at such time and under such circumstances as the Board of Directors of the Company and/or affiliate reasonably determines to be consistent with their fiduciary duties.

I. General Furlough Protection

1. No pilot on the seniority list as of July 1, 2001 will be placed on furlough on less than 90 days advance written notice.
2. No pilot on the seniority list as of July 1, 2001 will be placed on furlough if the staffing at the time of notice or at time of furlough is less than the PBS Staffing Formula (Section 22 C.) for any position.
3. The Company will be excused from compliance with the provisions of Section 1 I. 1. and 2. in the event a circumstance over which the Company does not have control is the cause of such noncompliance.

J. Fragmentation Transaction

As a condition of any fragmentation transaction, the Company will, at the request of the Association, require the transferee of assets to:

1. employ a certain number of Delta pilots based on the number of crewmembers that will be required by the transferee for the operation of the transferred assets (not counting airmen employed by the transferee);
2. offer employment to such Delta pilots according to eligibility criteria determined by agreement between the Company and the Association or, in the absence of such agreement, by a neutral arbitrator;
3. provide that the transferring pilots will be integrated with the transferee’s pilots pursuant to Association Merger Policy if the transferee’s pilots are represented by the Association or, if otherwise, pursuant to Sections 3 and 13 of the Allegheny-Mohawk Labor Protective Provisions.
K. Labor Dispute

During a labor dispute involving an air carrier (other than the Company):
1. the Company will not perform training of airmen for service as employees of the air carrier (replacement airmen) in connection with a labor dispute, and
2. an affiliate will not perform training of airmen for service as employees of the air carrier (replacement airmen) other than itself.

Exception: With respect to labor disputes other than those involving a codeshare partner of the Company, this provision will not prevent the training of airmen by the Company at the current training rate pursuant to agreements entered into prior to October 1, 2004.

L. Associate Non-Voting Member of the Board of Directors and Information Sharing

1. The Association will be entitled to appoint an associate non-voting member of the Company’s Board of Directors (“member”) to attend and participate in all regular and special meetings of the Company’s Board of Directors. Such member will be afforded the same level of attendance and participation as shareholder-elected Directors, except such member will not have the right to attend a portion of a meeting if that portion is devoted solely to compensation and personnel. The member must be an active pilot employee of the Company. Such member will have no voting rights and will be subject to such reasonable confidentiality requirements as may be determined by the Company, as well as applicable legal and regulatory requirements. Section 1 L. will not be subject to the grievance and/or System Board of Adjustment procedures of Sections 18 and 19 and will be subject to the laws of the State of Delaware.

2. In the event that any litigation is filed against the Board of Directors of the Company and such litigation includes the non-voting member as a defendant solely by virtue of his status as such non-voting member, the Company will, to the extent legally permissible, assume the cost of attorney’s fees, related expenses and any liability or damages for such non-voting member in connection with such litigation, provided that such member agrees in writing to fully cooperate with the Company in the defense of such action and that the Company will have complete control of such litigation, including selection of counsel, who may also represent other defendants in the litigation. In no event, will the Company be required to defend such non-voting member against any allegation or action that relates to the individual actions or non-actions of the non-voting member, it being understood that this provision applies only to litigation concerning actions of the Board as an entire body with respect to which the non-voting member is included as a defendant solely by virtue of his status as such non-voting member.

3. The Company will provide the Association on a periodic basis and, in addition, at its reasonable request, with detailed historical operating and financial information on the Company and its affiliates and detailed projected operating and financial information on the Company and its affiliates.
   a. Access to, use and distribution of, information provided to the Association under Section 1 L. 3. will be conditioned upon and governed by reasonable confidentiality agreements deemed appropriate by the Company and Association.
   b. Information provided to the Association under Section 1 L. 3., will include all information reasonably necessary to enable the Association to monitor Delta’s
compliance with the terms of Section 1 (including copies of all codeshare and prorate agreements between Delta and Delta Connection Carriers and between Delta and carriers engaging in category B operations), as well as Delta’s compliance with the terms of the Company’s Profit Sharing Plan and the Company’s Monthly Performance Incentive Program. Information related to codeshare limitations (i.e., Section 1 N. 2. - 7. and Section 1 O. 2. – 6. and 9. b. 2) (if applicable)) will be provided within 30 days after the conclusion of the applicable measurement period.

c. Delta will also provide to the Association documentation of each flight segment that has been published by the Company (in print or electronically as of the first day of the current month) bearing both the DL code and one or more of NW, CO or AS code for each of the two months following the current month. Such documentation will be provided to the Association, in electronic form, by the end of each such current month, beginning with the seventh month after the commencement of codeshare flying under the Northwest/Continental marketing agreement and Alaska marketing agreement as applicable.

d. The detailed historical operating information referenced in Section 1 L. 3. will be provided to the Association concurrent with the Section 1 N. 2. - 7. and Section 1 O. 2. – 6. and 9. b. 2) (if applicable) information, at the end of each month, for the prior month.

4. The Company will not:
   a. buy back Delta common stock before December 31, 2008, except to satisfy tax withholding obligations for equity awards; or
   b. make any contribution to any employee grantor trust established by a Delta employee in connection with the 2002 Delta Excess Benefit Plan or the 2002 Delta Supplemental Excess Benefit Plan or contribute to any employee grantor trust established in the future in connection with such plans or any successor plans.

5. The Company will not award any form of compensation to any management employee specifically as a result of the successful completion of the negotiations of the following LOAs: Restructuring Changes to the Delta Pilot Working Agreement, December 2005 Interim Agreement, and Bankruptcy Restructuring Agreement. Any value derived from concessions granted in any of those LOAs may not be specifically considered or used in any way to calculate the compensation of any management employee. The Company may award compensation pursuant to incentive compensation plans or policies based on the Company’s financial performance generally without regard to the specific concessions in the above named LOAs.

M. Remedies

The Company at the written request of the Association will arbitrate any grievance filed by the Association alleging a violation of Section 1 on an expedited basis directly before the Five Member System Board of Adjustment. Such expedited arbitration hearing before such Board will be completed no later than 60 days following the filing date of the grievance and the grievance will be decided by the System Board no later than 90 days after the filing of the grievance, unless the parties agree otherwise in writing.
N. Permitted Arrangements Pursuant to the Northwest/Continental Marketing Agreement

1. **Section 1 C.** will not apply to flying performed by NW and/or CO under the DL code provided that the DL code may only be placed on NW and CO flight segments:
   a. for the sole purpose of passenger service,
   b. pursuant to the Northwest/Continental marketing agreement,
   c. under a prorate agreement, and
   d. consistent with **Section 1 N.**

2. The DL code will not be placed on NW or CO flight segments between Delta hubs whether or not a Delta hub is also a Northwest or Continental hub.

3. The DL code will not be placed on NW or CO flight segments to or from a Delta hub.
   Exception one: The DL code may be placed on hub to hub flight segments of NW and CO without regard to the limitations of **Section 1 N. 3. Exception two**, for six months after the commencement of codeshare flying under the Northwest/Continental marketing agreement (the “grace period”).
   Exception two: After the grace period, the DL code may be placed on NW or CO hub to hub flight segments, provided that the following limitations are satisfied (measured at the end of each month on a rolling 12 month average, excluding months prior to the commencement of codeshare flying under the Northwest/Continental marketing agreement):
   a. the ratio of the aggregate number of scheduled hub to hub flight segments of DL bearing a NW code, to the aggregate number of scheduled hub to hub flight segments of NW bearing a DL code, must equal or exceed the NW hub to hub baseline ratio,
   b. the ratio of the aggregate number of scheduled hub to hub flight segments of DL bearing a CO code, to the aggregate number of scheduled hub to hub flight segments of CO bearing a DL code, must equal or exceed the CO hub to hub baseline ratio,
   c. the ratio of the aggregate number of scheduled hub to hub flight segments of Delta bearing a NW code, to the aggregate number of scheduled hub to hub flight segments of Northwest bearing a DL code, must equal or exceed the Northwest hub to hub baseline ratio, and
   d. the ratio of the aggregate number of scheduled hub to hub flight segments of Delta bearing a CO code, to the aggregate number of scheduled hub to hub flight segments of Continental bearing a DL code, must equal or exceed the Continental hub to hub baseline ratio.

   Note: Each requirement in **Section 1 N. 3. Exception two a. - d.** will be satisfied if, with respect to such requirement, the number of scheduled flight segments of Delta or DL, as applicable, bearing the NW or CO code, as applicable, is no more than two average daily scheduled flight segments below the minimum number of such flight segments specified by such requirement. It is understood that “average daily scheduled flight segments” will be computed with respect to the applicable rolling time period.

4. Mainland/Hawaii
   a. The DL code may not be placed on any Northwest scheduled flight segments between the mainland United States and Hawaii unless the ratio of the number of Delta scheduled flight segments between the mainland United States and Hawaii bearing the NW code to the number of Northwest scheduled flight segments between the mainland United States and Hawaii bearing the DL code, is no less than 97.5% of the
ratio of the number of Delta flight segments between the mainland United States and
Hawaii to the number of Northwest scheduled flight segments between the mainland
United States and Hawaii during 2002.

b. The DL code may not be placed on any Continental flight segments between the
mainland United States and Hawaii unless the ratio of the number of Delta scheduled
flight segments between the mainland United States and Hawaii bearing the CO code
to the number of Continental scheduled flight segments between the mainland United
States and Hawaii bearing the DL code, is no less than 97.5% of the ratio of the
number of Delta scheduled flight segments between the mainland United States and
Hawaii to the number of Continental scheduled flight segments between the mainland
United States and Hawaii during 2002.

c. The DL code may be placed on Northwest and Continental scheduled flight segments
between the mainland United States and Hawaii, without regard to the limitations of
Section 1 N. 4. a. and b., for six months after the commencement of codeshare flying
under the Northwest/Continental marketing agreement (the "grace period").

d. After the grace period, the ratios in Section 1 N. 4. a. and b., will be measured at the
end of each month, on a rolling 12 month average, excluding months prior to the
commencement of codeshare flying under the Northwest/Continental marketing
agreement.

5. In the absence of consent of the MEC Chairman, Delta will not permit its code to be
placed on:

a. Northwest flight segments between the mainland United States and Japan in a bid
period in which the number of scheduled Delta flight segments between the mainland
United States and Japan is less than 50.

b. Continental flight segments between the mainland United States and Japan in a bid
period in which the number of scheduled Delta flight segments between the mainland
United States and Japan is less than 50.

c. If Delta is in breach of the limitations in Section 1 N. 5. a. or b., in a bid period, it will
remove its code from all Northwest and Continental scheduled flight segments in the
next bid period between the mainland United States and Japan.

d. Delta will be excused from compliance with Section 1 N. 5. a. and b. if the cause for
such non-compliance was a "circumstance over which the Company does not have
control" as defined in Section 1 B. 9.

6. With respect to flight segments of each of NW or CO in a city pair in international
operations (as defined in Section 2) no more than:

a. 50% of the passenger seats may be occupied by passengers traveling under the DL
code in any month, or

b. a monthly average of:

1) 175 passenger seats may be occupied by passengers traveling under the DL code
per flight segment to or from destinations other than Mexico, the Caribbean,
Canada or Central America, or

2) 100 passenger seats may be occupied by passengers traveling under the DL code
per flight segment to and from Mexico, the Caribbean, Canada or Central
America.
7. Commencing with the first full month after the first anniversary of commencement of
codeshare flying under the Northwest/Continental marketing agreement, Delta will, in
each rolling three month period, place its code on no greater number of:
a. Northwest flight segments than 108% of the number of Delta flight segments bearing
the NW code,
b. NW flight segments than 108% of the number of DL flight segments bearing the NW
code,
c. Continental flight segments than 108% of the number of Delta flight segments
bearing the CO code,
d. CO flight segments than 108% of the number of DL flight segments bearing the CO
code.

8. Delta will not purchase or reserve seats on NW or CO on a block space basis (i.e., on the
basis of the purchase or reservation by Delta of a block of seats on aircraft operated by
NW or CO, at a contractually agreed price, that are then available for resale by Delta to
its customers).

9. If Delta is in breach of any of the limitations on hub to hub (Section 1 N. 3.) or
Mainland/Hawaii (Section 1 N. 4.) flight segments or the limitations based on reciprocity
(Section 1 N. 7.), the following will apply:
a. Delta may cure any such breach by (within 60 days after the date of written
notification from the MEC Chairman to the Company of such breach):
1) removing the DL code from, as applicable, NW, Northwest, CO, or Continental
flight segment(s), and/or
2) increasing the number of DL or Delta, as applicable, flight segment(s) bearing the
NW or CO code, as applicable.
b. Delta may defer the cure of any such breach for up to 90 days beyond such 60 day
period if the cause of such breach was a "circumstance over which the Company does
not have control", as defined in Section 1 B. 9.

10. Consolidation
a. If Delta, Northwest or Continental acquires an air carrier and integrates that air carrier
so as to form a single carrier, the applicable limitations and parameters in
Section 1 N. will be adjusted to include the increase in scheduled flight segments that
result from the acquisition and integration of the acquired air carrier.
b. The scheduled flight segments of the acquired carrier and its subsidiaries will be
measured for the 12 consecutive months prior to the month in which the parties
executed the agreement under which Delta, Northwest or Continental (as applicable)
agreed to acquire the other air carrier. Such flight segments will be added to the
number of 2002 Delta, Northwest, Continental, DL, NW and CO (as applicable) flight
segments used to calculate the original hub to hub baseline and mainland/Hawaii
ratios.
c. The Association will have the right to terminate Section 1 N. upon 60 days written
notice to the Company, if Northwest or Continental, without the prior written
approval of the Association, acquires control of Delta, either directly or through
another individual, entity or trust, or as part of a group.
11. There will be no direct or indirect transfer to NW or CO of any aircraft owned, leased, operated or on order or option by or on behalf of Delta or an affiliate, other than in the normal course of business (e.g., lease returns or sale of aircraft, orders or options on arm’s length market terms).

12. Delta will maintain a separate operating and corporate identity from Northwest and Continental, including, but not limited to, name, trade name, logo, livery, trademarks or service marks, but permitting (in addition to the separate name, trade name, logo, livery, trademarks or service marks) the use of designator codes, frequent flyer program information, and other name, trademarks, trade name, logo, livery or service marks that reflect the alliance relationship. The foregoing will not preclude Delta from acquiring and integrating Northwest and/or Continental under Section 1 D. 8., but will apply until the closing date of any corporate transaction pursuant to which Delta or any affiliate acquires control of Northwest and/or Continental.

13. To the extent that any of the terms of Section 1 N. are inconsistent with any of the terms of the Northwest/Continental marketing agreement, the terms of Section 1 N. will take precedence and will remain in full force and effect. Delta will not be excused from compliance with any of the terms of Section 1 N. based on its obligations under the Northwest/Continental marketing agreement.

14. Amendments to the Northwest/Continental marketing agreement

a. No amendment to the Northwest/Continental marketing agreement (other than a termination) that constitutes a material change will be made without the written consent of the Delta MEC Chairman.

b. A copy of each amendment to the Northwest/Continental marketing agreement will be promptly delivered to the office of the Delta MEC Chairman. A copy of each such amendment that affects a codeshare or prorate term or condition will be delivered to the office of the Delta MEC Chairman, for his review and comment, at least 30 days prior to implementation.

1) If the Delta MEC Chairman believes that the amendment is a material change, he may dispute such amendment by submitting a grievance to the Company for expedited determination under Section 1 M. To be valid, such grievance must be so submitted within 30 days of the date of delivery of the amendment to the office of the Delta MEC Chairman.

2) If the System Board of Adjustment determines that the amendment is a material change, then at the written request of the Delta MEC Chairman, Delta will cancel or void the disputed amendment to the Northwest/Continental marketing agreement and will take all other action necessary to restore the status quo that existed prior to such amendment within 30 days of receipt of such written request by the Company. In addition, the System Board may award such other and further relief as appropriate to provide a make-whole remedy to pilots harmed by such material change.

3) If Delta does not comply with such request within such 30 day period, the Delta MEC Chairman will have the right to terminate Section 1 N. upon 60 days advance written notice to the Company.
15. Termination
   a. In the event that the Northwest/Continental marketing agreement is terminated in
      whole, for any reason, Delta and the MEC Chairman, each, will have the right to
      declare Section 1 N. null and void upon 30 days advance written notice to the other.
   b. If Delta or Northwest or Continental serves a notice of termination of its participation
      in the Northwest/Continental marketing agreement, and such notice of termination of
      participation is accepted by another party, the Delta MEC Chairman will have the
      right to terminate Section 1 N. upon 60 days advance written notice to the Company,
      with such termination to be effective upon the date of termination of such party’s
      participation in the Northwest/Continental marketing agreement.

16. Rulings of Government Authority
   If, as a result of any action or rulings of any governmental authority, or in response
   thereto, any amendment that is a material change is required to be made to the
   Northwest/Continental marketing agreement, and is made without the written consent of
   the Delta MEC Chairman, then the Delta MEC will have the right to terminate Section 1 N.
   upon 60 days advance written notice to the Company.

17. Labor Disputes
   a. There will be no increased use of the DL code (i.e., an increase over and above that
      which was loaded in Deltamatic in the 90 day period prior to the commencement of
      the cooling off period) by NW or CO during a cooling off period (under Section 5, 6
      or 10 of the Railway Labor Act) applicable to Delta pilots. In the event of a lawful
      primary strike against Delta by the Delta pilots, the DL code will not be used by NW
      or CO at any time during such strike.
   b. There will be no payments other than those payments occurring during the ordinary
      course of business to Delta from NW or CO during a cooling off period (under
      Section 5, 6 or 10 of the Railway Labor Act) applicable to Delta pilots or a lawful
      strike by Delta pilots.
   c. No airman trained by NW or CO in the prior 12 months will be hired to serve as a
      Delta pilot during a cooling off period (under Section 5, 6 or 10 of the Railway Labor
      Act) applicable to Delta pilots or a lawful strike by Delta pilots.
      Note: For ease of reading in Section 1 N. 17., the defined term “pilot” is modified by
      the word “Delta.” Such modification does not change the meaning of the defined term
      “pilot.”

18. The provisions of Section 1 N. 14. - 17. will be effective in all respects without regard to
    whether the parties are then engaged in collective bargaining pursuant to Section 6 of the
    Railway Labor Act. Delta expressly waives any and all rights whatsoever to argue that
    the Association’s rights under these provisions or exercise of such rights should be
    affected in any way by virtue of the status quo provisions of the Railway Labor Act.

19. Transactions between Delta and NW, and Delta and CO will be at arm’s length (as would
    be conducted by independent, unaffiliated parties).
Section 1 - Scope

O. Permitted Arrangements Pursuant to the Alaska Marketing Agreement

1. **Section 1 C.** will not apply to flying performed by AS under the DL code provided that the DL code may only be placed on AS flight segments:
   a. for the sole purpose of passenger service,
   b. pursuant to the Alaska marketing agreement,
   c. under a prorate agreement, and
   d. consistent with the terms of **Section 1 O.**

2. The DL code will not be placed on AS flight segments between Delta hubs whether or not a Delta hub is also an Alaska hub.

3. The DL code will not be placed on AS flight segments to or from a Delta hub. Exception one: The DL code may be placed on hub to hub flight segments of AS without regard to the limitations of **Section 1 O. 3. Exception two**, for six months after the commencement of codeshare flying under the Alaska marketing agreement (the “grace period”).
   Exception two: After the grace period, the DL code may be placed on AS hub to hub flight segments, provided that the following limitations are satisfied (measured at the end of each month on a rolling 12 month average, excluding months prior to the commencement of codeshare flying under the Alaska marketing agreement):
   a. the ratio of the aggregate number of scheduled hub to hub flight segments of DL bearing an AS code, to the aggregate number of scheduled hub to hub flight segments of AS bearing a DL code, must equal or exceed 4.0, and
   b. the ratio of the aggregate number of scheduled hub to hub flight segments of Delta bearing an AS code, to the aggregate number of scheduled hub to hub flight segments of Alaska bearing a DL code, must equal or exceed 4.0.
   Note: Each requirement in **Section 1 O. 3. Exception two a.** and b. will be satisfied if, with respect to such requirement, the number of scheduled flight segments of Delta or DL, as applicable, bearing the AS code, as applicable, is no more than two average daily scheduled flight segments below the minimum number of such flight segments specified by such requirement. It is understood that “average daily scheduled flight segments” will be computed with respect to the applicable rolling time period.

4. In the absence of consent of the MEC Chairman, Delta will remove its code from AS flight segments between the State of Alaska and the mainland United States in a bid period immediately following a period of twelve consecutive bid periods in which the total number of scheduled Delta flight segments between the State of Alaska and the mainland United States was less than 1419. The Company will be excused from compliance with **Section 1 O. 4.** if the cause for such non-compliance was a “circumstance over which the Company does not have control” as defined in **Section 1 B. 9.**

5. With respect to flight segments of AS in a city pair in international operations, no more than:
   a. 50% of the passenger seats may be occupied by passengers traveling under the DL code in any month, or
   b. a monthly average of 86 passenger seats may be occupied by passengers traveling under the DL code per flight segment.
Section 1 - Scope

6. Commencing January 2006, Delta will, in each rolling three month period (with the measurement for January 2006 covering the November 1, 2005 through January 31, 2006 time period), place its code on no greater number of:
   a. Alaska flight segments than 108% of the number of Delta flight segments bearing the AS code,
   b. AS flight segments than 108% of the number of DL flight segments bearing the AS code.

7. Delta will not purchase or reserve seats on AS on a block space basis (i.e., on the basis of the purchase or reservation by Delta of a block of seats on aircraft operated by AS, at a contractually agreed price, that are then available for resale by Delta to its customers).

8. If Delta is in breach of any of the limitations on hub to hub (Section 1 O. 3. or Section 1 O. 9. b. 2) flight segments or the limitations based on reciprocity (Section 1 O. 6.), the following will apply:
   a. Delta may cure any such breach within 60 days of the date of written notification from the MEC Chairman to the Company of such breach by:
      1) removing the DL code from, as applicable, AS or Alaska flight segment(s), and/or
      2) increasing the number of DL or Delta, as applicable, flight segment(s) bearing the AS code, as applicable.
   b. Delta may defer the cure of any such breach for up to 90 days beyond such 60 day period if the cause of such breach was a "circumstance over which the Company does not have control", as defined in Section 1 B. 9.

9. Consolidation
   a. If Delta or Alaska acquires an air carrier and integrates that air carrier so as to form a single carrier, the applicable limitations and parameters in Section 1 O. will be adjusted to include the increase in scheduled flight segments that result from the acquisition and integration of the acquired air carrier.
   b. Hub to Hub Baseline Ratios
      1) If Delta or Alaska acquires an air carrier and integrates that air carrier so as to form a single carrier, an AS hub to hub baseline ratio and an Alaska hub to hub baseline ratio will be calculated under Section 1 B. 28. e. and f. (or re-calculated, if there is an additional acquisition and integration) based on the following number of scheduled flight segments: a) the number of Delta and Alaska and DL and AS scheduled flight segments between a Delta hub and an Alaska hub as measured during the 12 consecutive months prior to the month in which the parties executed the agreement under which Delta or Alaska (as applicable) agreed to acquire the other air carrier, and b) the number of scheduled flight segments of the acquired carrier and its subsidiaries between a Delta hub and an Alaska hub for the same 12 consecutive months (which is to be added to the number of Delta and Alaska and DL and AS scheduled flight segments (as applicable) calculated in Section 1 O. 9. b. 1) a)).
2) If an AS hub to hub baseline ratio and an Alaska hub to hub baseline ratio are calculated (or re-calculated), then the following ratios will apply (and the ratios in Section 1 O. 3. a. and b. will not be applicable):

   a) The ratio of the aggregate number of scheduled hub to hub flight segments of DL bearing an AS code, to the aggregate number of scheduled hub to hub flight segments of AS bearing a DL code, must equal or exceed the AS hub to hub baseline ratio, and

   b) The ratio of the aggregate number of scheduled hub to hub flight segments of Delta bearing an AS code, to the aggregate number of scheduled hub to hub flight segments of Alaska bearing a DL code, must equal or exceed the Alaska hub to hub baseline ratio.

c. The Association will have the right to terminate Section 1 O. upon 60 days written notice to the Company, if Alaska, without the prior written approval of the

Association, acquires control of Delta, either directly or through another individual, entity or trust, or as part of a group.

10. There will be no direct or indirect transfer to AS of any aircraft owned, leased, operated or on order or option by or on behalf of Delta or an affiliate, other than in the normal course of business (e.g., lease returns or sale of aircraft, orders or options on arm’s length market terms).

11. Delta will maintain a separate operating and corporate identity from Alaska, including, but not limited to, name, trade name, logo, livery, trademarks or service marks, but permitting (in addition to the separate name, trade name, logo, livery, trademarks or service marks) the use of designator codes, frequent flyer program information, and other name, trademarks, trade name, logo, livery or service marks that reflect the alliance relationship. The foregoing will not preclude Delta from acquiring and integrating Alaska under Section 1 D. 8., but will apply until the closing date of any corporate transaction pursuant to which Delta or any affiliate acquires control of Alaska.

12. To the extent that any of the terms of Section 1 O. are inconsistent with any of the terms of the Alaska marketing agreement, the terms of Section 1 O. will take precedence and will remain in full force and effect. Delta will not be excused from compliance with any of the terms of Section 1 O. based on its obligations under the Alaska marketing agreement.

13. Amendments to the Alaska marketing agreement

a. No amendment to the Alaska marketing agreement (other than a termination) that constitutes a material change will be made without the written consent of the Delta MEC Chairman.

b. A copy of each amendment to the Alaska marketing agreement will be promptly delivered to the office of the Delta MEC Chairman. A copy of each such amendment that affects a codeshare or prorate term or condition will be delivered to the office of the Delta MEC Chairman, for his review and comment, at least 30 days prior to implementation.

1) If the Delta MEC Chairman believes that the amendment is a material change, he may dispute such amendment by submitting a grievance to the Company for expedited determination under Section 1 M. To be valid, such grievance must be so submitted within 30 days of the date of delivery of the amendment to the office of the Delta MEC Chairman.
2) If the System Board of Adjustment determines that the amendment is a material change, then at the written request of the Delta MEC Chairman, Delta will cancel or void the disputed amendment to the Alaska marketing agreement and will take all other action necessary to restore the status quo that existed prior to such amendment within 30 days of receipt of such written request by the Company. In addition, the System Board may award such other and further relief as appropriate to provide a make-whole remedy to pilots harmed by such material change.

3) If Delta does not comply with such request within such 30 day period, the Delta MEC Chairman will have the right to terminate Section 1 O. upon 60 days advance written notice to the Company.

14. Termination

a. In the event that the Alaska marketing agreement is terminated in whole, for any reason, Delta and the MEC Chairman, each, will have the right to declare Section 1 O. null and void upon 30 days advance written notice to the other.

b. If Delta or Alaska serves a notice of termination of its participation in the Alaska marketing agreement, and such notice of termination of participation is accepted by the other party, the Delta MEC Chairman will have the right to terminate Section 1 O. upon 60 days advance written notice to the Company, with such termination to be effective upon the date of termination of such party’s participation in the Alaska marketing agreement.

15. Rulings of Government Authority

If, as a result of any action or rulings of any governmental authority, or in response thereto, any amendment that is a material change is required to be made to the Alaska marketing agreement, and is made without the written consent of the Delta MEC Chairman, then the Delta MEC will have the right to terminate Section 1 O. upon 60 days advance written notice to the Company.

16. Labor Disputes

a. There will be no increased use of the DL code (i.e., an increase over and above that which was loaded in Deltamatic in the 90 day period prior to the commencement of the cooling off period) by AS during a cooling off period (under Sections 5, 6 or 10 of the Railway Labor Act) applicable to Delta pilots. In the event of a lawful primary strike against Delta by the Delta pilots, the DL code will not be used by AS at any time during such strike.

b. There will be no payments other than those payments occurring during the ordinary course of business to Delta from AS during a cooling off period (under Sections 5, 6 or 10 of the Railway Labor Act) applicable to Delta pilots or a lawful strike by Delta pilots.

c. No airman trained by AS in the prior 12 months will be hired to serve as a Delta pilot during a cooling off period (under Sections 5, 6 or 10 of the Railway Labor Act) applicable to Delta pilots or a lawful strike by Delta pilots.

Note: For ease of reading in Section 1. O. 16., the defined term “pilot” is modified by the word “Delta.” Such modification does not change the meaning of the defined term “pilot.”
17. The provisions of *Section 1 O. 13. – 16.* will be effective in all respects without regard to whether the parties are then engaged in collective bargaining pursuant to Section 6 of the Railway Labor Act. Delta expressly waives any and all rights whatsoever to argue that the Association’s rights under these provisions or exercise of such rights should be affected in any way by virtue of the status quo provisions of the Railway Labor Act.

18. Transactions between Delta and AS will be at arm’s length (as would be conducted by independent, unaffiliated parties).
SECTION 2

DEFINITIONS AND GLOSSARY

A. Definitions

Note: Unless expressly noted in the body of a definition, each definition will apply throughout the PWA.

1. "150% cap" means the cap that limits the Company’s obligation to fund or provide the medical and dental benefits of retirees, their dependents and survivors to 150% of the Company’s cost of providing such coverage as of the end of 1993. For purposes of determining whether the Company’s obligation is limited by the 150% cap, the Company’s cost will be determined net of all participant contributions. No earlier than January 1, 2008, the 150% cap will apply to pilot retirees, their dependents and survivors enrolled in the DPMP.

2. “Accrued vacation” means the vacation time (i.e., the number of weeks or days) a pilot is accumulating in a vacation year for use in the next vacation year. The accrual rate for such vacation is determined by the number of years of continuous employment the pilot completed before April 1st of the vacation year.

Example: Assume that on October 1st, (i.e., at the completion of 50% of the vacation year) a pilot has not been on leave or furlough in excess of 30 days since the beginning of the vacation year. Such pilot will have accrued 50% of the vacation time to which he will be entitled on the next April 1st.

3. “Active payroll status” means the status of a pilot who is not on inactive payroll status.

4. “Administrative pilot” means a pilot who is removed from a category for the purpose of performing managerial, supervisory and/or administrative duties for the Company (e.g., a pilot in a payroll department other than 030 or 031).

Exception: An instructor who does not perform managerial or supervisory duties (i.e., an instructor in payroll department 052) is not an administrative pilot.

5. “Advance entitlement” (AE) means an award (or, with respect to an entry level pilot, an award or assignment) to a category that is anticipated to become effective on a subsequent conversion date.

6. “Affiliate” means:
   a. any subsidiary, parent or division of the Company,
   b. any other subsidiary, parent or division of either a parent or a subsidiary of the Company, or
   c. any entity that controls the Company or is controlled by the Company whether directly or indirectly through the control of other entities.

7. “Aggregate service” means all time starting from a pilot’s date of employment with the Company as a pilot, with the exception of the following:
   a. periods of furlough, or
   b. unpaid leave in excess of 60 cumulative days.

8. “Aircraft model” means an aircraft (e.g., B-737-800, MD-88) within an aircraft type.
## Section 2 – Definitions and Glossary

9. “Aircraft type” means one of the following groupings:

<table>
<thead>
<tr>
<th>a. B-777</th>
<th>e. MD-90/MD-88</th>
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<tbody>
<tr>
<td>b. B-767-400ER</td>
<td>f. B-737-300/200</td>
</tr>
<tr>
<td>c. B-767 (all except B-767-400ER)/B-757</td>
<td>g. EMB-190/195</td>
</tr>
<tr>
<td>d. B-737-900/800/700/600</td>
<td>h. CRJ-900</td>
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</tbody>
</table>

10. “Aircrew program designee” (APD) means a pilot who is designated by the FAA to administer type rating evaluations.

11. “Airman” means a person:
   a. whose name does not appear on the Delta Pilots’ System Seniority List, and
   b. who is certified to operate the controls, and/or assist in the operation of the controls of a commercial aircraft at a cockpit position.


13. “Alaska hub” means SEA, ANC, LAX and any other airport having a monthly average of at least 100 Alaska scheduled flight departures per day.

14. “Alaska marketing agreement” means the document titled “Marketing Agreement” signed on March 1, 2004 by Delta, Alaska and Horizon Air Industries, Inc., as from time to time amended.

15. “Annual compensation” for purposes of the profit sharing plan, means an employee’s gross earnings during the profit sharing plan year, including any sick and vacation pay (whether paid by the Company or from a disability and survivor trust), but excluding: a) expense reimbursements, b) expense allowances, c) income required to be imputed to the employee for any reason pursuant to federal, state or local law, d) profit sharing awards, e) earnings from any other incentive compensation program, f) Company contributions to a retirement plan, g) disability payments, h) income from the grant, vesting, exercise or sale of Delta stock or Delta stock options, i) income relating to, or resulting from, bankruptcy claims, notes, or other securities, j) medical plan payments and k) severance payments. In addition, annual compensation for the purposes of the profit sharing plan includes pilot furlough pay.

16. “Applicable rate” means, for the purposes of Section 8, the composite hourly rate plus international pay, if applicable, for the position held by the pilot at the time of the deadhead.

Exception one: If a pilot holds a position with more than one rate when deadheading by air transportation to a flight segment(s), the applicable rate will be the rate for the aircraft model used on the first non-deadhead segment after the deadhead on which the pilot performed, or was scheduled to perform, duty as a crew member.

Exception two: If a pilot holds a position with more than one rate when deadheading by air transportation on the last flight segment(s) of his rotation, the applicable rate will be the rate for the aircraft model used on the last non-deadhead segment before the deadhead on which the pilot performed, or was scheduled to perform, duty as a crew member.

17. “AS” means Alaska Airlines, Inc. and any carrier to the extent of its category B operations using the AS code.
18. “Asterisk rotation” means a rotation that:
   a. is published in the bid package,
   b. is scheduled to begin in one bid period and end in another,
   c. includes:
      1) a duty period that begins in the second bid period, and/or
      2) a flight segment in the second bid period with a different flight number than the
         last flight segment in the first bid period,
   d. is subject to change or removal from a pilot’s line, and
   e. is designated with an *.
19. “Attrition” means the number of pilots who leave the active service of the Company due
to retirement, medical leave, any leave in excess of 30 days, disability, death, or
termination.
20. “Average Line Value” (ALV) means a number of hours established by the Company that
is the projected average of all regular line values, for a position, for a bid period.
21. “Base” means a location to which a pilot is assigned.
22. “Base premium” means the premium developed each year separately for the DPMP and
for each option offered under the DFCMP excluding HMOs and fully insured options, for
retirees and survivors, from the combined experience of a population composed of all
retirees and survivors (pilot retirees and survivors and other retirees and survivors)
participating in DPMP and the DFCMP excluding HMOs and fully insured options. In
the case of the premium attributable to children of pilot retirees, such base premium will
be based on the combined experience of all dependents participating in the DPMP and the
DFCMP excluding HMOs and fully insured options. Such base premium will be
developed by the Company's actuary using reasonable actuarial assumptions and methods
that are designed to determine such base premium in the actuary's best professional
judgment. The Company's calculation of the DPMP base premium will be subject to
review by the Association. The Company will provide to the Association by June 15th of
each year, data, assumptions and methodologies used to determine such costs and base
premium. The Association may provide comments on such analysis under the DPMP by
July 7th, and the Company's actuary will consider such comments in making its final
determination of the base premium. The methodology for determining the base premium
will be applied separately to develop pre-Medicare and post-Medicare premiums.
23. “Bid period” means one of the following time periods:
   a. January 1st through January 30th (the “January bid period”)
   b. January 31st through March 1st (the “February bid period”)
   c. March 2nd through March 31st (the “March bid period”)
   d. April 1st through April 30th (the “April bid period”)
   e. May 1st through May 31st (the “May bid period”)
   f. June 1st through June 30th (the “June bid period”)
   g. July 1st through July 31st (the “July bid period”)
   h. August 1st through August 31st (the “August bid period”)
   i. September 1st through September 30th (the “September bid period”)
   j. October 1st through October 31st (the “October bid period”)
   k. November 1st through November 30th (the “November bid period”)
   l. December 1st through December 31st (the “December bid period”)
24. “Bid-qualified pilot” means a pilot who has completed or is projected to complete all training, except for OE, prior to the first day of the bid period.

25. “Block time” means the time beginning when an aircraft first moves for the purpose of flight or repositioning and ending when the aircraft comes to a stop at the next destination or at the point of departure.

26. “Board” means the Delta Pilots’ System Board of Adjustment.

27. “Break-in-duty” means a rest period (measured from release to report) that is sufficient to break a pilot’s duty period under Section 12 I.


29. “Business day” means each day from Monday through Friday, except for Company holidays.

30. “Captain” means a pilot who is in command and who is responsible for the manipulation of, or who manipulates, the flight controls of an aircraft while under way, including takeoff and landing of such aircraft; who is properly qualified to serve as and holds currently effective airman’s certificates authorizing him to serve as such pilot.

31. “Carry-over rate” means the dollar value of a pilot’s accumulated credit for a bid period divided by such accumulated credit, expressed in dollars per minute.

32. “Category” means the combination of a pilot’s position and base.

33. “Category A operation” means the operation of a flight segment by a Delta Connection Carrier:
   a. that is an affiliate, or
   b. using the DL code under an agreement with Delta that is not a prorate agreement.

34. “Category B operation” means the operation of a flight segment by a domestic air carrier:
   a. that:
      1) controls Northwest, Continental, or Alaska, or
      2) is controlled by Northwest, Continental, or Alaska whether directly or indirectly through the control of other entities, or
      3) is under common control with Northwest, Continental, or Alaska, or
      4) operates such flight segment under any of the NW, CO, or AS code(s) under an agreement with Northwest, Continental, or Alaska respectively, other than a prorate agreement, and,
      b. that only operates:
         1) aircraft that:
            a) are certificated for operation in the United States for 70 or fewer passenger seats, and
            b) have a maximum certificated gross takeoff weight in the United States of 85,000 or fewer pounds; and/or
         2) AVRO-85 aircraft (under the terms and conditions of Section 1. of the Northwest Pilot Working Agreement), or
         3) Bombardier Q-400 aircraft (under the terms and conditions of the Alaska Pilot Working Agreement).

35. “Category C operation” means the operation of a flight segment (other than a category B operation) by a Delta Connection Carrier under the DL code pursuant to a prorate agreement with Delta.
36. “Category freeze” means a period of time
   a. that is determined under Section 22 H,
   b. that commences on the date of a pilot’s award of an AE or VD for which qualification
      training is required, and
   c. during which the pilot will (unless declared eligible by the Company) be ineligible to
      be awarded another AE with an award date falling within the freeze period (other than
      to a new or reestablished category) for which qualification training is required.

37. “Circumstance over which the Company does not have control,” for the purposes of
   Section 1, means a circumstance that includes, but is not limited to, a natural disaster;
   labor dispute; grounding of a substantial number of the Company’s aircraft by a
   government agency; reduction in flying operations because of a decrease in available fuel
   supply or other critical materials due to either governmental action or commercial
   suppliers being unable to provide sufficient fuel or other critical materials for the
   Company’s operations; revocation of the Company’s operating certificate(s); war
   emergency; owner’s delay in delivery of aircraft scheduled for delivery; manufacturer’s
   delay in delivery of new aircraft scheduled for delivery. The term “circumstance over
   which the Company does not have control” will not include the price of fuel or other
   supplies, the price of aircraft, the state of the economy, the financial state of the
   Company, or the relative profitability or unprofitability of the Company’s then-current
   operations.

38. “CO” means Continental and any carrier to the extent of its category B operations using
   the CO code.

39. “Code” means the unique two character designator code assigned to an airline by the
   International Air Transport Association (IATA). If IATA assigns or has assigned more
   than one designator code for use by Delta, Northwest, Continental, or Alaska or by a
   subsidiary of Delta, Northwest, Continental, or Alaska then such additional designator
   code(s) will be included within the DL code, NW code, CO code or AS code,
   respectively.

40. “Company” means Delta Air Lines, Inc.

41. “Company Director - Health Services” (DHS), means an Aviation Medical Examiner
   designated annually by the Company to conduct the medical review of a pilot under
   Section 14 G. 3. and Section 15 B. If the designated DHS becomes unavailable, the
   Company will promptly designate another Aviation Medical Examiner as the DHS.

42. “Company flying” means all flying reserved under Section 1 C. for performance by
   pilots.

43. “Composite hourly rate” means the basic hourly rate of pay set forth in the pay tables of
   Section 3 for each aircraft model, status and longevity step, computed with the traditional
   factors of speed, mileage and gross weight taken into account.

44. “Continental” means Continental Airlines, Inc. (and Continental Micronesia, Inc. to the
   extent that Continental Micronesia, Inc. operates pursuant to the collective bargaining
   agreement between Continental Airlines, Inc. and the Association).

45. “Continental hub” means IAH, EWR, CLE and any other airport having a monthly
   average of at least 100 Continental scheduled flight departures per day.

46. “Contingent displacement” means a displacement from a pilot’s new category that is
   caused by his displacement into that category.
47. “Contingent vacancy” means a vacancy in a pilot’s former category that is caused by his award to a different category pursuant to an advance entitlement.

48. “Continuing qualification training” (CQ) means training necessary to maintain position qualification under FAR 121.427 and the Company’s advanced qualification program (AQP) standards.

49. “Continuous training” means the combination of:
   a. training, and
   b. associated periods of interruption of training of three consecutive days or less.

50. “Control” for the purposes of Section 1, will exist by entity A over entity B, only if A, whether directly or indirectly through the control of other entities:
   a. owns securities that constitute and/or are exchangeable into, exercisable for or convertible into more than:
      1) 30 percent (49 percent with respect to the Company’s interest in a foreign air carrier) of B’s outstanding common stock, or if stock in addition to common stock has voting power, then
      2) 30 percent (49 percent with respect to the Company’s interest in a foreign air carrier) of the voting power of all outstanding securities of B entitled to vote generally for the election of members of B’s Board of Directors or similar governing body, or
   b. has the power or right to manage or direct the management of all or substantially all of B’s air carrier operations, or
   c. has the power or right to designate or provide all or substantially all of B’s officers, or
   d. has the power or right to provide a majority of the following management services for B: capacity planning, financial planning, strategic planning, market planning, marketing and sales, technical operations, flight operations, and human resources activities, or
   e. has the power or right to appoint or elect or prevent the appointment or election of a majority of B’s Board of Directors, or other governing body having substantially the powers and duties of a Board of Directors, or
   f. has the power or right to appoint or elect or to prevent the appointment or election of a minority of B’s Board of Directors or similar governing body, but only if such minority has the power or right to appoint or remove B’s Chief Executive Officer, or President, or Chief Operating Officer, or the majority membership of the Executive Committee or similar committee on B’s Board of Directors, or the majority membership of at least one-half of B’s Board committees.

51. “Conversion date” means the date on which the award or assignment of a pilot to a different category becomes effective.

52. “Co-terminal” means the following airport combinations:
   a. DCA/IAD
   b. DFW/DAL
   c. IAH/HOU
   d. JFK/EWR/LGA
   e. LAX/BUR/LGB/ONT/SNA
   f. MIA/FLL
   g. ORD/MDW
   h. SFO/OAK/SJC
53. “CQ golden days” means a block of five consecutive days during which a pilot will not be scheduled for CQ.

54. “Credit” means the time attributed to a pilot for PWA flight time limitations purposes.

55. “Credited reserve on-call day” (CROC day) means a day on which a reserve pilot:
   a. is on a rotation,
   b. receives pay and credit under Section 4 I.,
   c. is on airport standby duty, or
   d. is on sick leave on an on-call day.

56. “Crew Scheduling assigned X-day” means an X-day placed on a pilot’s schedule in accordance with Section 12 N. 2. and/or Section 12 N. 7.

57. “D&S Plan” means the Delta Pilot’s Disability and Survivorship Plan, as Amended and Restated, Effective July 1, 1996, as amended.

58. “D&S Plan participant” means a person who is receiving or is entitled to receive benefits under the D&S Plan.

59. “Date of furlough” means the date on which a pilot’s furlough begins.

60. “Date of recall” means the date a pilot is scheduled to report to duty in conjunction with a recall.

61. “Day” means calendar day.

62. “DBMS” means a computerized crew scheduling system operated by Flight Operations.

63. “Deadhead” means the surface or air transportation of a pilot between airports at the instruction of the Company.
   Exception one: Surface transportation to or from an airport for the sole purpose of lodging is not a deadhead.
   Exception two: Travel to and from training is not a deadhead.


65. “DC Plan participant” means a person who is receiving or is entitled to receive benefits under the DC Plan.


67. “Defined Benefit Plan participant” means a person who is receiving or is entitled to receive benefits under a Defined Benefit Plan.

68. “Delta” means the Company.

69. “Delta Connection Carrier” means a domestic air carrier that conducts flying in accordance with Section 1 D.

70. “Delta Connection flying” means flying conducted by a Delta Connection Carrier for the Company.

71. “Delta Family Care Medical Plan” (DFCMP) means the non-collectively bargained medical and dental plan offered to flight attendants and ground employees (including HMOs and the no coverage option).

72. “Delta hub” means ATL, CVG, SLC and any other airport having a monthly average of at least 100 Delta scheduled flight departures per day.

73. “Delta Pilots Medical Plan” (DPMP) means the collectively bargained medical and dental plan available to pilots and pilot retirees under Section 25 G.

75. “Disability status,” “disability” or “disablement” means being eligible for and receiving disability benefits from the D&S Plan.

76. “Displacement” means an award (voluntary displacement or VD) or assignment (mandatory displacement or MD) that is anticipated to become effective on a later conversion date to eliminate a surplus from a category.

77. “Distributed training” means training that is accomplished without a classroom, instructor in a classroom, flight training device, flight simulator or airplane. Distributed training includes training material the Company requires a pilot to complete that cannot be completed in conjunction with the normal course of preparing for flight. Examples of informational materials that are not distributed training include, but are not limited to, manuals updates (e.g., updates to FOM, Operations Manual 1 and 2, QRH, FCTM, Airway Manual), flight crew bulletins and flight operations bulletins.

78. “DL” means:
   a. Delta,
   b. its affiliates, and
   c. any other carrier to the extent of its category A operations of flight segments using the DL code.

79. “Doctor” means a medical professional who holds one of the following degrees:
   a. M.D.,
   b. D.O.,
   c. D.D.S., or
   d. D.C.


81. “Domestic category pilot” means a regular or reserve pilot who is not an international category pilot.

82. “Domestic operation” means a flight segment to and from an airport, or between airports, located inside the contiguous 48 states of the United States, Alaska or Canada.

83. “Domestic per diem” means the hourly meal allowance for time away from base that is applicable to a pilot while engaged in domestic operations.

   Note: See Section 11 I. 3. (travel to training) and Section 23 P. 9. (out-of-base white slips).

84. “Duty period” means the elapsed time from report to release (for a break-in-duty).

85. “Earned vacation” means the vacation time (i.e., the number of weeks or days) a pilot is entitled to use in a vacation year.

86. “Eligible family member” for the purposes of Section 6, means:
   a. a relative who:
      1) resides in an eligible pilot's household,
      2) is dependent on the pilot for livelihood, and
      3) is claimed on the pilot's federal tax return as a dependent.
   b. an eligible pilot’s spouse (including a person who is a domestic partner under the Delta Domestic Partner Program).

87. “Eligible family member” for the purposes of Section 25, means eligible family member as defined in the DPMP.
88. “Eligible move” means the actual movement of all of an eligible pilot’s household goods and personal effects from his former permanent residence to, and the establishment of, his new permanent residence at, a location that is:
   a. within the United States, and
   b. more than 50 straight line statute miles from:
      1) his former permanent residence, and
      2) the greater metropolitan area of his former base, as described in the then most recently published U.S. Census Bureau Metropolitan Areas Definition (See www.census.gov/population/www/estimates/metrodef.html).
   Exception: An eligible move will not include a move by a pilot whose permanent residence, on the award date of his related conversion or the date of his recall from furlough, is located in, or located within 50 miles of, the greater metropolitan area of his new base.

89. "Eligible pilot" for the purposes of Section 6, means a pilot who intends to complete or completes an eligible move and:
   a. converts into a position at another base via an MD or VD, or
   b. converts into a position at a new or re-established base within 12 months of the first pilot conversion at such base, or
   c. transfers from a closed base within the 12 months preceding the base closing, or
   d. is recalled from furlough to a base other than his furlough base, or
   e. otherwise transfers to a base at Company request,
   f. provided:
      1) he actually moves his household goods and personal effects to a new permanent residence that is within a 125 straight-line statute mile radius of the airfield reference point at his new base, and
      2) his current permanent residence is not within such radius, and
      3) he actually establishes his home at his new permanent residence, and
      4) his new permanent residence is at least 50 straight-line statute miles closer to the airfield reference point at his new base than is the permanent residence address from which he is relocating, and
      5) he agrees to repay the Company for such relocation benefits if, within 24 months of the conversion that entitled him to receive such relocation benefit, he:
         a) converts into a position at another base as the result of an advance entitlement, or
         b) relocates to another permanent residence outside such radius, without changing bases.

90. “Employment year” means a one-year period beginning on a pilot’s employment anniversary date.

91. “Entity” means a natural person, corporation, association, partnership, trust or any other form for conducting business, and any combination or concert of any of the foregoing.

92. “Entry level pilot” means a pilot who has not completed his initial OE at the Company.

93. “Entry level position” means any position listed in Section 22.

94. “Evaluation” means a check of a pilot’s performance and/or proficiency pursuant to an FAR or as part of the Company’s training including its Advanced Qualification Program (AQP).

95. “FAA” means the Federal Aviation Administration.
96. “FARs” means the Federal Aviation Regulations.
97. “First Officer” means a pilot who is second in command and who is to assist or relieve
the captain in the manipulation of the flight controls of an aircraft while under way,
including takeoff and landing of such aircraft; who is properly qualified to serve as and
holds currently effective airman’s certificates authorizing him to serve as such First
Officer.
98. “Five Member Board” means the System Board of Adjustment when comprised of two
members appointed by the Company, two members appointed by the Association and a
neutral member selected by the parties, to decide a specific dispute.
99. “Flight segment”, for the purposes of Section 1, means the operation of an aircraft with
one takeoff and one landing.
100. “Flight time” means:
a. actual block time on a functional check flight and a verification flight segment(s), and
b. for all other flying, the greater of actual or scheduled block time on a flight
segment(s).
101. “Flying”, “flown”, “flies” and “fly” for purposes of Sections 4, 12, and 23, means:
a. operation of a flight as a cockpit crewmember, and/or
b. a deadhead by air.
102. “Foreign air carrier” means an air carrier other than a domestic air carrier.
103. “Foreign pilot base” means a base located outside the boundaries of the contiguous 48
states of the United States.
104. “Four Member Board” means the System Board of Adjustment when comprised of two
members appointed by the Company and two members appointed by the Association, to
decide a specific dispute.
105. “Fragmentation transaction” means a transaction (other than a successor transaction) in
which the Company or an affiliate (other than an affiliate performing flying only on
permitted aircraft types):
a. disposes of aircraft, route authority or slots (net of aircraft, route authority or slots
acquired within the 12 month period preceding such transaction or acquired in a
related transaction), which produced 20% or more of the operating revenue, block
hours or available seat miles of the Company (excluding revenue, block hours or
available seat miles of affiliates performing flying only on permitted aircraft types)
during the 12 months immediately prior to the date of the agreement resulting in the
fragmentation transaction, or
b. disposes of the Song trade name, logo or trademark together with one-half or more of
the aircraft then allocated to the Song operation.
106. “Full service bank” or bank means an individual account maintained in DBMS for each
pilot into which he may deposit and from which he may withdraw or borrow credit on a
minute basis.
107. “Functional check flight” (FCF) means flying that involves the planned use of abnormal
or “special” checklists and/or determinations of the airworthiness of major system items
or troubleshooting.
108. “Furlough base” means the base to which a pilot was assigned on his date of furlough.
109. “Green slip” (GS) means a request by a pilot to be assigned same-day/next-day open time that may generate premium pay:
   a. on his regular line days-off,
   b. on his reserve line X-day(s),
   c. on reserve line on-call days, while on long-call, with less than 12 hours notice, or
   d. on his remaining reserve line on-call days in the current bid period after he has accumulated credit equivalent to the ALV in such bid period.

110. “Green slip with conflict” (GSWC) means a request by a regular pilot to be assigned same-day/next-day open time that may generate premium pay, and:
   a. overlaps a scheduled rotation(s) remaining to be flown, or
   b. creates an FAR or PWA conflict with a scheduled rotation(s) remaining to be flown.

111. “Hearing officer” means a Company-designated senior operating official.

112. “HMO above composite premium” means the amount charged by the HMO in excess of the composite amount the Company contributes to the cost of the DFCMP (other than an HMO).

113. “Hub to hub” means a flight segment between a Delta hub and either a Northwest, Continental or Alaska hub.

114. “Hub to hub baseline ratio”
   a. “CO hub to hub baseline ratio” means the ratio of X divided by Y where:
      1) X is the aggregate number of DL flight segments scheduled to operate between Delta hubs and Continental hubs during 2002, and
      2) Y is the aggregate number of flight segments scheduled to operate under the CO code between Delta hubs and Continental hubs during 2002.
   b. “Continental hub to hub baseline ratio” means the ratio of X divided by Y where:
      1) X is the aggregate number of Delta flight segments scheduled to operate between Delta hubs and Continental hubs during 2002, and
      2) Y is the aggregate number of Continental flight segments scheduled to operate between Delta hubs and Continental hubs during 2002.
   c. “NW hub to hub baseline ratio” means the ratio of X divided by Y where:
      1) X is the aggregate number of DL flight segments scheduled to operate between Delta hubs and Northwest hubs during 2002, and
      2) Y is the aggregate number of flight segments scheduled to operate under the NW code between Delta hubs and Northwest hubs during 2002.
   d. “Northwest hub to hub baseline ratio” means the ratio of X divided by Y where:
      1) X is the aggregate number of Delta flight segments scheduled to operate between Delta hubs and Northwest hubs during 2002, and
      2) Y is the aggregate number of Northwest flight segments scheduled to operate between Delta hubs and Northwest hubs during 2002.
   e. “AS hub to hub baseline ratio” means the ratio of X divided by Y where:
      1) X is the aggregate number of DL flight segments scheduled to operate between Delta hubs and Alaska hubs (calculated under Section 1 O. 9. b. 1), and
      2) Y is the aggregate number of flight segments scheduled to operate under the AS code between Delta hubs and Alaska hubs (calculated under Section 1 O. 9. b. 1),

Note: The AS hub to hub baseline ratio may not exceed 4.0.
f. “Alaska hub to hub baseline ratio” means the ratio of X divided by Y where:
   1) X is the aggregate number of Delta flight segments scheduled to operate between
      Delta hubs and Alaska hubs (calculated under Section 1 O. 9. b. 1), and
   2) Y is the aggregate number of Alaska flight segments scheduled to operate
      between Delta hubs and Alaska hubs (calculated under Section 1 O. 9. b. 1).
   Note: The Alaska hub to hub baseline ratio may not exceed 4.0.

115. “Inactive payroll status” means the status of a pilot who is furloughed, receiving benefits
     under the D&S Plan, military leave that exceeds 30 consecutive days, medical leave,
     personal leave, family leave, maternity leave, or a pilot on a disciplinary suspension.

116. “Industry standard interline agreement” means an agreement or other arrangement
     between or among two or more carriers, such as the International Air Transport
     Association’s “multilateral interline traffic agreements”, or an “interline ticket and
     baggage agreement”, establishing rights and obligations relating to the acceptance and
     accommodation of interline passengers and shipments.

117. “Initial training” means training necessary to create an equipment and status
     qualification.

118. “International category pilot” means a regular or reserve pilot holding a position for
     which qualification for trans-oceanic navigation procedures is required.

119. “International operation” means a flight segment to or from an airport, or between
     airports, located outside the contiguous 48 states of the United States.
     Exception: A flight segment to or from an airport located in Canada or Alaska will not
     be considered an international operation.

120. “International partner flying” means flying performed by any foreign air carrier (which is
     not an affiliate):
     a. under or utilizing a designator code, trade name, brand, logo, trademarks, service
        marks, aircraft livery or aircraft paint scheme currently or in the future utilized by the
        Company or any affiliate, and/or
     b. on aircraft on which the Company or any affiliate has purchased or reserved blocked
        space or blocked seats for sale or resale to customers of the Company or any affiliate.

121. “International pay” means an hourly pay premium paid to a pilot who has completed at
     least one year of service with the Company as a pilot for flight time flown in an
     international operation.

122. “International per diem” means the hourly meal allowance for time away from base that
     is applicable to a pilot while engaged in international operations.
     Note: An international category pilot assigned to training away from base will receive
     domestic per diem.

123. “International small-category” means an international category containing fewer than
     1500 scheduled credit hours in a bid period.

124. “Intra-theatre flying” means a flight segment(s) flown by international category pilots
     between airports located outside the contiguous 48 states of the United States.
     Exception: An ocean crossing flight segment is not intra-theatre flying.

125. “Inverse assignment” (IA) means the assignment of open time in inverse seniority order
     under Section 23 N. or O.
     Exception: An assignment to a reserve pilot who is among a group of reserve pilots
     whose RAW values are equal under Section 23 A. 35. is not an IA.
126. “Inverse assignment with conflict” (IAWC) means an IA that:
   a. overlaps a scheduled rotation(s) remaining to be flown, or
   b. creates an FAR or PWA conflict with a scheduled rotation(s) remaining to be flown.

127. “Irregular operations” (IROPS) means an event(s) in the system (e.g., sickness, fatigue or
   no-show of another pilot, weather, mechanical, aircraft type substitution, substitution of
   one aircraft model for another aircraft model on which the pilot is not qualified,
   diversion, cancellation, overflight, misconnect, application of the FARs) that causes a
   pilot to be removed from his scheduled rotation or portion thereof.

128. “Line” means a pilot’s bid period schedule.
   a. “Initial line” means the line awarded/assigned to a pilot via PBS or DBMS.
   b. “Adjusted line” means a pilot’s initial line as modified by the line adjustment process.
   c. “Regular line” means a line composed of training, vacation, leaves, rotations and/or
      days-off.
   d. “Reserve line” means a line composed of training, vacation, leaves, reserve on-call
      days and X-days.
   e. “Blank regular line” means a regular line that is constructed without rotations.
   f. “Specially created reserve line” means a reserve line that was not awarded/assigned in
      the initial line awards.
   g. “Requires qualification line” (RQ line) means a line created for a pilot who converted
      into a category, but was not qualified to bid.

129. “Line adjustment” means the process by which the Company removes a rotation(s) from
   a regular pilot’s line for the next bid period, which would otherwise create FAR and/or
   PWA conflict(s).

130. “Line check pilot” (LCP) means a pilot who is:
   a. selected by the Company and designated by the FAA, and
   b. authorized to administer evaluations during line operations.

131. “Line construction window” (LCW) means a range of hours that is seven and one half
   hours above and below the ALV for each position in each bid period. The LCW will not
   extend below 65 hours without mutual agreement between the Director - Crew Resources
   and the MEC Scheduling Committee Chairman.

132. “Line guarantee” means a line holder’s minimum pay and credit entitlement in a bid
   period.

133. “Longevity” means all time beginning at date of employment as a pilot, and ending at
   termination of employment as a pilot, retirement as a pilot, or death.
   Exception one: For purposes of vacation, sick leave and pass benefits, the longevity of a
   pilot who transferred from another Company department will begin on his most recent
   date of employment with the Company.
   Exception two: Longevity does not include periods during which a pilot remains on
   furlough due to his decision to bypass recall.

134. “Low-time pilot” means a Captain or First Officer who has not flown (excluding
   deadhead) 75 hours of block time as a Captain or First Officer in his aircraft type.

135. “Mainland United States”, for the purposes of Section 1, means the contiguous 48 states
   of the United States.
136. “Material change” means an amendment to the Northwest/Continental marketing agreement or the Alaska marketing agreement that:
   a. affects the codeshare or prorate terms or conditions of the Northwest/Continental marketing agreement or the Alaska marketing agreement, and,
   b. has or would have an adverse material economic impact on:
      1) the structure or benefits of the Northwest/Continental marketing agreement or the Alaska marketing agreement to Delta, or
      2) a substantial number of the Delta pilots.

137. “Month”, for the purposes of Section 1, means calendar month.

138. “MPPP” means the Money Purchase Pension Plan as Amended and Restated, Effective July 1, 1996, as amended.

139. “New or reestablished category” means, for the purposes of Section 22, a category that has not been in existence for 60 days since the date of the first opportunity for the first conversion.

140. “Non-consolidated pilot” means a pilot who has not completed consolidation requirements as set forth in the FARs (currently Section 121.434(g) or a pilot who has flown (excluding deadhead) less than 100 block hours, including OE, in his aircraft type).

141. “Non-scheduled flight” means a publicity flight, contract flight, charter flight not shown on a regular line, scenic flight, attempt, rerouted flight, ferry flight, functional check flight, verification flight, proving run, experimental flight and airway aid test flight.

142. “Non-seniority list instructor” (NSLI) means an instructor who is:
   a. not on the seniority list, or
   b. currently receiving long term disability benefits under the D&S Plan.

143. “Northwest” means Northwest Airlines, Inc.

144. “Northwest/Continental marketing agreement” means the document titled “Marketing Agreement” signed on August 22, 2002 by Delta, Northwest and Continental, as from time to time amended.

145. “Northwest hub” means MSP, DTW, MEM and any other airport having a monthly average of at least 100 Northwest scheduled flight departures per day.

146. “NW” means Northwest and any carrier to the extent of its category B operations using the NW code.

147. “Ocean crossing” means a flight segment:
   a. across the Atlantic Ocean, or
   b. across the Pacific Ocean, as follows:
      1) between the North American continent and the Hawaiian Islands,
      2) between the Hawaiian Islands and any point west of the 160 degree meridian,
      3) from the North American continent to a point west of the 160 degree meridian,
      4) from a Pacific Rim airport to Australia and/or New Zealand,
   or
   c. to or from an airport in South America, as follows:
      1) between the United States and any point south of the equator on the South American continent, and
      2) any flight segment scheduled for greater than eight hours to, within or from the South American continent,
   or
   d. to or from an airport in Europe that crosses latitude 36°N. and/or longitude 45°E.

149. “Off-rotation deadhead” means travel initiated by a pilot, at the beginning or end of a
rotation, by means other than the scheduled deadhead segment.

150. “Open time” means a rotation(s) not awarded on a regular line in the initial line awards,
or that otherwise becomes available.

151. “Operating experience” (OE) means performing the duties of Captain or First Officer
under the supervision of an LCP under FAR 121.434 (c) and (f).

152. “Operating margin” means, for any calendar year, the ratio of the Company’s
consolidated operating income to the Company’s consolidated revenues. The Company’s
consolidated operating income and consolidated revenues will be calculated in
accordance with Generally Accepted Accounting Principles in the United States and as
reported in the Company’s public securities filings except that operating income will
exclude: a) all restructuring charges and expenses related to the Company’s Chapter 11
cases, b) all asset write downs related to long term assets, c) gains or losses with respect
to employee equity securities and d) gains or losses with respect to extraordinary, one-
time or non-recurring events.

153. “Operational crewmember” means a pilot who operates the controls of the aircraft, assists
in the operation or control of the aircraft, and/or serves as a relief Captain or relief First
Officer.

154. “Out-of-base pilot” means a pilot who holds the same position at another base.

155. “Parent” means any entity that controls another entity.

156. “Permanent residence” means the home where a pilot physically resides on a permanent
basis and at which he intends to remain. Evidence of a pilot’s permanent residence
includes, but is not limited to, his DBMS residence address and residence address for
Company benefits enrollment purposes.

157. “Permitted aircraft type” means:
   a. a propeller-driven aircraft configured with 70 or fewer passenger seats and with a
      maximum certificated gross takeoff weight in the United States of 70,000 or fewer
      pounds, and
   b. a jet aircraft certificated for operation in the United States for 50 or fewer passenger
      seats and with a maximum certificated gross takeoff weight in the United States of
      65,000 or fewer pounds, and
   c. one of up to 200 jet aircraft configured with 51-70 passenger seats and certificated in
      the United States with a maximum gross takeoff weight of 86,000 pounds or less
      (“70-seat jets”), and
   d. beginning January 1, 2007, one of up to the number specified in the chart in
      Section 1 B. 43. d. jet aircraft configured with 71-76 passenger seats and certificated
      in the United States with a maximum gross takeoff weight of 86,000 pounds or less
      (“76-seat jets”). The number of 76-seat jets may be increased above the number
      specified in the chart in Section 1 B. 43. d. by three 76-seat jets for each aircraft
      above the number of aircraft in the fleet operated by the Company (in service,
      undergoing maintenance and operational spares) as of January 1, 2007. The number
      and type of aircraft in the fleet on January 1, 2007 will be provided to the Association
      in writing no later than January 15, 2007. Such a report will also be provided to the
      Association at the scheduled quarterly financial update. The number of 70-seat jets
      plus 76-seat jets permitted by Section 1 B. 43. may not exceed 200. Once the number
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of permitted 76-seat jets is established, it will not be reduced except as provided in the Section 1 B. 43. d. Note.

<table>
<thead>
<tr>
<th>Year</th>
<th>Permitted 76-seat Jets</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>15</td>
</tr>
<tr>
<td>2008 and beyond</td>
<td>30</td>
</tr>
</tbody>
</table>

Note: If a pilot on the seniority list as of June 1, 2006 (i.e., Troy Kane and above) is placed on furlough after April 13, 2006, the Company will convert all 76-seat jets for operation as 70-seat jets.

e. A carrier that operates any of the 70- or 76-seat jets not being operated as of November 1, 2004, may do so only if that carrier and the Company have agreed to terms for a preferential hiring process for pilots furloughed by the Company (i.e., a pilot furloughed by the Company will be given preferential hiring at a Delta Connection Carrier if he completes all new hire paper work, meets all new hire airman and medical qualifications, satisfies background checks and successfully completes an interview). The Company will offer preferential interviews for employment to airmen employed by a Delta Connection Carrier that offers preferential hiring to furloughed pilots under Section 1 B. 42. e., subject to the Company’s objectives for diversity and experience among newly hired pilots. A pilot hired by a Delta Connection Carrier operating any of the 70- or 76-seat jets not being operated as of November 1, 2004 will not be required to resign his Delta seniority number in order to be hired by such carrier.

158. “Personal drop sick” (PDS) means a personal drop request by a pilot to engage in a routine health maintenance procedure. PDS requests will be granted at the discretion of the Chief Pilot’s Office.

159. “Physical standards” means the standards established by the FAA for the issuance of a First Class Medical Certificate, including the FAA waiver and restriction policy.


Note: The defined term “pilot” when used with respect to allocations under LOA #7 (Bankruptcy Protection Covenant) on account of the ALPA Claim or the ALPA Notes does not limit the authority of the Delta MEC to determine eligibility for allocation of the ALPA Claim or the ALPA Notes among persons who are pilots, former pilots, or their survivors.

161. “Pilot change schedule” (PCS) means a process for the submission of requests for:

a. military leave of absence (see Section 13 E.)
b. personal drop (PD), qualified personal drop (QPD) and authorized personal drop (APD) (see Section 23 J.)
c. swap with the pot (see Section 23 L.)
d. white slip (see Section 23 P.)
e. yellow slip (see Section 23 T.)
f. GS and GSWC (see Section 23 Q.)
g. X-day move (see Section 12 P. 13.)
h. additional day off (see Section 23 S. 16.)

163. “Pilot-to-pilot swap board” means an electronic system through which a pilot offers
and/or executes a rotation drop, swap and/or pickup with another pilot under
Section 23 F.

164. “Pilot Working Agreement” or “PWA” means the basic collective bargaining agreement
between Delta Air Lines, Inc. and the air line pilots in the service of Delta Air Lines, Inc.
as represented by the Air Line Pilots Association International, together with all effective
amendments, supplemental agreements, letters of agreement, and letters of understanding
between the Company and the Association.

165. “Position” means the combination of a pilot’s aircraft type, status, and classification as
domestic or international.

166. “Post-November 11, 2004-hired pilot retiree” means a pilot retiree who was hired after

167. “Pre-tax income” (PTIX) means, for any calendar year, the Company’s consolidated pre-
tax income calculated in accordance with Generally Accepted Accounting Principles in
the United States and as reported in the Company’s public securities filings but
excluding: a) the line item entitled “Reorganization Items, Net” as reported in the
statement of income, b) all asset write downs related to long term assets, c) gains or
losses with respect to employee equity securities, d) gains or losses with respect to
extraordinary, one-time or non-recurring events, and e) expense accrued with respect to
the profit sharing plan.

168. “Premium pay” means pay as set forth in Section 23 U. applicable to:
   a. an inversely assigned rotation or flight segment(s).
   b. a GS rotation.
   c. a GSRC rotation.
   d. a domestic category rotation assigned/awarded to an international category pilot
      under Section 23 N. 28. or Section 23 O. 21.

169. “Proficiency check pilot” (PCP) means:
   a. a pilot who is selected by the Company and designated by the FAA and authorized to
      administer proficiency checks in other than line operations, and/or
   b. an NSLI who is selected by the Company and designated by the FAA and authorized
      to administer proficiency checks in other than line operations under Section 11 D.

170. “Profit/loss sharing agreement” means an agreement or arrangement (other than an
      industry standard interline agreement) that provides for the sharing of profits or losses
      between or among the Company or an affiliate and another carrier or other carriers in
      connection with the Company’s and other carrier or carriers’ carriage of passengers. The
      arrangement between the Company and any affiliate Delta Connection Carriers is not a
      profit/loss sharing agreement.

171. “Projection” means the sum of a pilot’s accumulated credit and remaining scheduled credit
      within the bid period.

172. “Pro rata portion of the ALV” means a share (1/30th in a 30 day bid period or 1/31st in a
      31 day bid period) of the ALV.

173. “Prorate Agreement” means an agreement between the Company and another carrier for
      the proration of interline revenue between them, under a standard interline prorate
      formula, and in a manner that provides no economic benefit to the Company other than
      from the carriage of passengers by the Company. The term "economic benefit" does not
include the reimbursement of distribution costs or industry standard interline service charges.

174. “Purchased vacation” means the vacation days that a pilot receives as a result of a full service bank transaction.

175. “Qualification training” means training necessary to create a position qualification (i.e., initial, transition, upgrade, requalification, transoceanic ground school).

176. “Qualified SLI” means an SLI who can function as the instructor of record.

177. “Recalled-medical hold” means the status of a pilot who is unable to present the Company with a First Class Medical Certificate within 30 days of receipt of his notice of recall.

178. “Recency” or “recency of experience” means the requirement of a Captain or First Officer to make at least three takeoffs and landings within a 90 day period under FAR 121.439. Satisfaction of this requirement is not training.

179. “Reestablishment of recency” means the training and checking required under FAR 121.439 to reestablish qualifications that have lapsed due to lack of recency.

180. “Regular pilot” means a pilot who holds a regular line.

181. “Release” means:
  a. for purposes of determining a pilot’s break-in-duty, the later of:
     1) 30 minutes after the block-in of his last flight segment, or
     2) the actual time he is released by the Company (after completion of any additional duty required by the Company) to begin a rest period sufficient to break his duty period under Section 12 I.
  b. for purposes of determining a pilot’s duty period credit and rotation credit, the later of:
     1) 30 minutes after the actual block-in of his last flight segment,
     2) 30 minutes after the adjusted block-in of his last flight segment determined by adding the scheduled block time of such flight segment to the later of the scheduled or actual departure time of such flight segment, or
     3) the actual time he is released by the Company (after completion of any additional duty required by the Company) to begin a rest period sufficient to break his duty period under Section 12 I.

182. “Relief Captain” means a Captain who is current in his position and augments a crew.

183. “Relief crew” means a relief Captain and a relief First Officer, collectively.

184. “Relief First Officer” means a type-rated First Officer who is current in his position and augments a crew.

185. “Report” means the later of the actual or scheduled time that a pilot begins duty. Such scheduled time:
  a. in a domestic category is:
     1) one hour before the scheduled departure of the first flying (excluding deadhead) segment.
     2) 30 minutes before the scheduled departure of the first on-line deadhead segment.
     3) 90 minutes before the scheduled departure of the first off-line deadhead segment.
  b. in an international category is:
     1) 90 minutes before the scheduled departure of the first:
Section 2 – Definitions and Glossary

186. “Reroute” means:
   a. alteration of a pilot’s rotation or portion thereof due to irregular operations to:
      1) delete a previously scheduled flight segment(s), and/or
      2) add a flight segment(s) that is not open time (including flying removed from open
time),
   or
   b. alteration of a pilot’s rotation or portion thereof to:
      1) delete a previously scheduled flight segment(s), and/or
      2) add a flight segment(s) under Section 23 N. 20, or O. 15.;
   and
   c. notification to the pilot, after the airborne departure of his first flight segment, of such
alteration.

   Note: An alteration in the departure, enroute or arrival time of a scheduled flight segment
does not constitute a reroute.

187. “Reserve assignment weighting” (RAW) means a value assigned to a reserve pilot that is
based on his accumulated credit in a bid period and his CROC days in a bid period. A
reserve pilot’s RAW is used to sequence him for assignment to open time. Such value
will be calculated using the following formula, rounded to the nearest integer:

\[
\text{Reserve assignment weighting} = \left[ \left( \frac{A}{C} \right) \times 75 \right] + \left[ \left( \frac{B}{D} \right) \times 100 \right],
\]

where:

\( A \) = the reserve pilot’s credit hours accumulated in the bid period plus prorated credit
hours associated with his period of unpaid absence and/or vacation and/or training
(other than qualification or distributed training), if any. The number of prorated
hours associated with his period of unpaid absence and/or vacation and/or training
(other than qualification or distributed training) will be determined by multiplying the
number of days of his unpaid absence and/or vacation and/or training (other than
qualification or distributed training) by the reserve guarantee and then dividing that
product by 30 or 31 (days of the bid period).

\( B \) = the reserve pilot’s CROC days plus prorated CROC days associated with his period
of absence other than sick leave, if any (e.g., vacation, training, MLOA, PLOA). The
number of prorated CROC days associated with his period of absence other than sick
leave will be determined by multiplying the number of days of his absence by 18 (on-
call days per bid period) and then dividing that product by 30 or 31 (days of the bid
period).
C = the reserve guarantee.

D = number of on-call days in a full month of reserve.

188. “Reserve day” means a day on which a reserve pilot is scheduled to be on either an on-call day or an X-day.

189. “Reserve pilot” means a pilot who holds a reserve line.

190. “Reserve utilization order” (RUO) means an order of assigning open time to reserve pilots, within days-of-availability groupings, that is based upon a comparison of their RAW values.

191. “Retired” means the termination of the pilot’s employment under circumstances that enable him to receive an early, normal or deferred retirement benefit under the Delta Pilots Retirement Plan or the DC Plan.

192. “Retired pilot” means a pilot retiree (including a post-November 11, 2004-hired pilot retiree) and a person who retired from the Company as a pilot on or before January 1, 1997.

193. “Retirement date” means retirement date as defined in the Delta Pilots Retirement Plan or the DC Plan.

194. “Rotation” means a duty period, or series of duty periods, that is identified by number and scheduled to begin and end at a pilot’s base, and all the flight segments contained therein. The release of a regular pilot for a break-in-duty at his base that is within such a series of duty periods (“in base layover”) will not end his rotation.

195. “Rotation guarantee” means the pay guarantee under Section 4 F.

196. “Savings Plan” means the Delta Family-Care Savings Plan As Amended and Restated, Effective April 1, 2003, as amended through the 13th Amendment thereto.

197. “Savings Plan participant” means a person who is receiving or is entitled to receive benefits under the Savings Plan.

198. “Scheduled accident leave” means accident leave in the subsequent bid period that is known by the pilot and reported to the Company before the date for the close of line bidding for such bid period as specified in Section 23 B.

199. “Scheduled block hour” means an hour of scheduled block time.

200. “Scheduled block times” means the greater of the flight times set forth in the:
   a. Company operating schedules, or
   b. bid package.

201. “Scheduled flight” means a flight published in the bid package or shown in the Company’s operating schedules and extra sections thereof.

202. “Scheduled sick leave” means sick leave in the subsequent bid period that is known by the pilot and reported to the Company before the date for the close of line bidding for such bid period as specified in Section 23 B.

203. “Seniority” means a pilot’s number on the seniority list.

204. “Seniority date” means the date of a pilot’s seniority as shown on the seniority list.

205. “Seniority list” means the Delta Air Lines Pilots’ System Seniority List.

206. “Seniority list instructor” (SLI) means an instructor who is a pilot. Exception: An instructor who is a pilot currently receiving long term disability benefits under the D&S Plan cannot be an SLI.

207. “Sick” means disabled due to sickness, as defined in Section 14 A. 7.

208. “Sickness” means any personal medical condition of a pilot, physical or mental, that disables him from performing duties as a flight crewmember.
Section 2 – Definitions and Glossary

209. “SLI duty period” means one of the following when performed by an SLI:
   a. one FTD or simulator period including brief and debrief.
   b. one training and/or evaluation event in an aircraft including brief and debrief.
   c. two complete qualification training oral evaluations.
   d. a VF(s) and/or an FCF(s), not to exceed 10 hours.
   e. a day of Company business away from his training center.
   f. a duty period of up to 13 scheduled hours and 15 actual hours during which an SLI
deadheads to and/or from a training location and performs SLI duties.
   g. a period consisting solely of deadheading to or from a training location.
   h. service as part of a crew complement for one FTD or simulator period, including brief
   and debrief.
   i. up to eight hours (exclusive of meal break) of office duties or special projects (an
   “office day”).

Note: An SLI may be required to perform any SLI duties during his office day or
additional SLI duties that have arisen on short notice during his SLI duty period. Such
SLI will be credited with an additional SLI duty period only if he is required to remain on
duty in excess of eight hours (exclusive of meal break).

210. “Song” means the low fare subsidiary operation, announced by the Company on or about
January 8, 2003, and intended to operate in competition with low cost carriers.

211. “Standard deviation” means an index of variability as set forth in Robert L. Winkler and

212. “Standing bid” means a pilot’s order of category preferences, as they exist in DBMS, for
AEs, MDs, and VDs. A pilot’s category preferences may include:
   a. a minimum acceptable relative seniority ranking (by number or percentage) in the
category (including his own category),
   b. a specification for “regular line only”, or
   c. his willingness to be displaced in lieu of a pilot who is junior to him and in his
category.

213. “Status” means a pilot’s rank as Captain or First Officer.

214. “Subsidiary” means any entity that is controlled by another entity.

215. “Sufficient qualifications” means the requirements imposed by law and this PWA to
enter training or serve as a pilot for Delta Air Lines, Inc.

216. “Supplemental Annuity Plan” means the Delta Pilots Supplemental Annuity Plan,
Effective July 1, 1996, as amended.

217. “Supplemental vacation” means the vacation days that a pilot receives (for use in the
current or following vacation year) due to being inversely assigned into an X-day(s)
(Section 23 S. 16.).

218. “Survivor” or “eligible survivor” means an individual who is entitled to receive monthly
income survivor benefits under the D&S Plan, but only for so long as such person is
eligible for such benefits. After January 1, 2008 “survivor” or “eligible survivor” means
the spouse or child of the deceased pilot/pilot retiree, who would be eligible for benefits
under the D&S Plan in effect on June 1, 2006.

219. “Targeted line value” (TLV) means a 12 bid period rolling average of the ALV.
Section 2 – Definitions and Glossary

230. “Time away from base” means the period beginning with report at base and ending upon release at base. Exception: The “time away from base” of a pilot who is assigned to training away from base will end at block-in at his base.

231. “Total projected costs” for the DPMP for each calendar year will be determined by an actuary selected by the Company and will be developed from the combined experience of a population composed of all of the Company's active employees participating in medical and dental plans excluding HMOs and fully insured options. The Company's actuary will use reasonable actuarial assumptions and methods that are designed to determine such total projected costs in the actuary's best professional judgment. By June 15th of each year, the Company will provide to the Association the actuary's detailed preliminary determination of what the total projected costs will be for the following calendar year. The Association may provide comments on such analysis by July 7th, and the Company's actuary will consider such comments in making its final determination of total projected costs.

232. “Training” means a Company-sponsored program of instruction and/or evaluation required by the Company or FARs (e.g., qualification training, CQ, distributed training).

233. “Training day(s)” means a day(s) in which a pilot is scheduled to:
   a. attend continuous training.
   b. travel between his base and the training location.

234. “Trans-oceanic duty period” means a duty period that contains an ocean crossing (including deadheading).

235. “Unanticipated accident leave” means accident leave for the current or subsequent bid period that is reported to the Company by a pilot after the line award for the bid period.

236. “Unanticipated sick leave” means sick leave for the current or subsequent bid period that is reported to the Company by a pilot after the line award for the bid period.

237. “Unassigned pilot” means a pilot in excess of PWA staffing requirements who is assigned to an aircraft type and base but does not currently hold a status.

238. “United States” means the United States and its possessions and territories including but not limited to the Commonwealth of Puerto Rico.

239. “Vacation bank hours” means the hours in a pilot’s vacation bank. Such vacation bank hours will be equal to 3:15 (3:00 effective April 1, 2007) for each day of a pilot’s earned vacation, together with purchased and supplemental vacation for use in the current vacation year.

240. “Vacation period” means a portion(s) of the combination of a pilot’s earned, purchased and supplemental vacation that is designated by the pilot as:
   a. primary,
   b. secondary,
   c. tertiary, or
   d. quaternary.

241. “Vacation year” means the period that begins on April 1st each year and ends on the following March 31st.
242. “Verification flight” (VF) means flying that is performed to determine whether a
maintenance repair action has successfully resolved the pertinent problem, provided such
flying does not involve:
a. the planned use of abnormal or special checklists, or
b. determinations of the airworthiness of major system items or troubleshooting.
243. “Western D-Plan” means the Western Air Lines Pilots Defined Benefit Plan (D Plan), as
amended.
245. “White slip” means a request by a regular pilot to be awarded open time under
Section 23 P.
246. “Window of circadian low” (WOCL) means 0101 to 0459 (pilot’s base time).
247. “Within days-of-availability groupings” means an order of assigning open time under
Section 23 N. or O. to reserve pilots based upon a comparison between each pilot’s days-
of-availability and the length of the rotation.
248. “Within least disruption groupings” means an order of assigning open time to reserve
pilots for whom such assignment would extend into their regular line and conflict with a
rotation(s). Such pilots will be sequenced for assignment by least number of rotation
days to be dropped.
249. “Within least intrusion groupings” means an order of assigning open time to reserve
pilots for whom such assignment would extend into their regular line days-off, but would
not extend into a rotation(s). Such pilots will be sequenced for assignment by least
number of days interrupted.
250. “X-day” means a 24-hour duty-free period at a pilot’s base, on a reserve line.
251. “Year” means a calendar year.
252. “Yellow slip” means a request by a reserve pilot to:
a. lower his RAW value by 15 points,
b. become first in sequence for conversion, at the discretion of the Company, to short
call, (in seniority order among pilots submitting yellow slips for conversion to short
call), or
c. waive his X-day(s) contingent on being awarded a rotation.

B. Acronyms

1. “ACARS” – Automated Communication and Reporting System
3. “ALPA” – Air Line Pilots Association, International
4. “ALV” - Average Line Value
5. “AME” - Aviation Medical Examiner
6. “AQP” - Advanced Qualification Program.
7. “APD” – Authorized Personal Drop or Aircrew Program Designee
8. “ATP” – Airline Transport Pilot
9. “CME” – Company Medical Examiner
10. “COBRA” - Consolidated Omnibus Budget Reconciliation Act
11. “COMAT” – Company Material
12. “CROC” – Credited Reserve On-Call Day
13. “CQ” - Continuing Qualification Training
14. “CVR” - Cockpit Voice Recorder
15. “D&S Plan” – Delta Pilots Disability and Survivorship Plan
16. “DBMS” – Data Base Management System
17. “DHS” – Director of Health Services
18. “DPA” – Duty Period Average
19. “DPAC” – Delta Pilots Assistance Committee
20. “DPMP” – Delta Pilots Medical Plan
21. “FAA” – Federal Aviation Administration
22. “FAM” – Flight Advisory Message
23. “FAR” – Federal Aviation Regulation
24. “FCF” – Functional Check Flight
25. “FICA” – Federal Insurance Contributions Act
27. “FSA” – Flexible Spending Account
28. “FTD” – Flight Training Device
29. “GS” – Green Slip
30. “GSWC” – Green Slip With Conflict
31. “HMO” – Health Maintenance Organization
32. “IA” – Inverse Assignment
33. “IAWC” – Inverse Assignment With Conflict
34. “IOE” – Initial Operating Experience
35. “IROP” – Irregular Operations
36. “IRS” – Internal Revenue Service
37. “JSA” – Jump Seat Authority
38. “LCA” – Line Check Airman
39. “LCP” – Line Check Pilot
40. “LCW” – Line Construction Window
41. “LOE” – Line Operational Evaluation
42. “LTD” – Long Term Disability
43. “MD” – Mandatory Displacement
44. “MEC” – Master Executive Council
45. “MLOA” – Military Leave of Absence
46. “MPPP” – Delta Pilots Money Purchase Pension Plan
47. “MRO” – Medical Review Officer
48. “NME” – Neutral Medical Examiner
49. “NSLI” – Non-Seniority List Instructor
50. “NTSB” – National Transportation Safety Board
51. “OE” – Operating Experience
52. “OSS” – Operations Support System
53. “PBS” – Preferential Bidding System
54. “PCP” – Proficiency Check Pilot
55. “PCS” – Pilot Change Schedule
56. “PD” – Personal Drop
57. “PDS” – Personal Drop Sick
58. “PME” – Pilot Medical Examiner
59. “PMX” – Plan Medical Examiner
60. “PS” – Positive Space
Section 2 – Definitions and Glossary

1. “PTIX” – Pre-Tax Income
2. “PWA” – Pilot Working Agreement
3. “QPD” – Qualified Personal Drop
4. “RAW” – Reserve Assignment Weighting
5. “RUO” – Reserve Utilization Order
6. “SAQ” – Special Airport Qualification
7. “SLI” – Seniority List Instructor
8. “SPC” – Strategic Planning Committee
9. “SVP” – Senior Vice President
10. “TLV” – Targeted Line Value
11. “VD” – Voluntary Displacement
12. “VF” – Verification Flight
13. “VPN” – Virtual Private Network
14. “VRU” – Voice Response Unit
15. “WOCL” – Window of Circadian Low
16. “XCM” – Extra Crew Member
SECTION 3

COMPENSATION

A. Definitions

1. “Annual compensation” for purposes of the profit sharing plan, means an employee’s gross earnings during the profit sharing plan year, including any sick and vacation pay (whether paid by the Company or from a disability and survivor trust), but excluding: a) expense reimbursements, b) expense allowances, c) income required to be imputed to the employee for any reason pursuant to federal, state or local law, d) profit sharing awards, e) earnings from any other incentive compensation program, f) Company contributions to a retirement plan, g) disability payments, h) income from the grant, vesting, exercise or sale of Delta stock or Delta stock options, i) income relating to, or resulting from, bankruptcy claims, notes, or other securities, j) medical plan payments and k) severance payments. In addition, annual compensation for the purposes of the profit sharing plan includes pilot furlough pay.

2. “Block time” means the time beginning when an aircraft first moves for the purpose of flight or repositioning and ending when the aircraft comes to a stop at the next destination or at the point of departure.

3. “Composite hourly rate” means the basic hourly rate of pay set forth in the pay tables of Section 3 for each aircraft model, status and longevity step, computed with the traditional factors of speed, mileage and gross weight taken into account.

4. “Domestic operation” means a flight segment to and from an airport, or between airports, located inside the contiguous 48 states of the United States, Alaska or Canada.

5. “Entry level pilot” means a pilot who has not completed his initial OE at the Company.

6. “Flight time” means:
   a. actual block time on a functional check flight and a verification flight segment(s), and
   b. for all other flying, the greater of actual or scheduled block time on a flight segment(s).

7. “International operation” means a flight segment to or from an airport, or between airports, located outside the contiguous 48 states of the United States. Exception: A flight segment to or from an airport located in Canada or Alaska will not be considered an international operation.

8. “International pay” means an hourly pay premium paid to a pilot who has completed at least one year of service with the Company as a pilot for flight time flown in an international operation.
9. “Longevity” means all time beginning at date of employment as a pilot, and ending at termination of employment as a pilot, retirement as a pilot, or death. Exception one: For purposes of vacation, sick leave and pass benefits, the longevity of a pilot who transferred from another Company department will begin on his most recent date of employment with the Company. Exception two: Longevity does not include periods during which a pilot remains on furlough due to his decision to bypass recall.

10. “Operating margin” means, for any calendar year, the ratio of the Company’s consolidated operating income to the Company’s consolidated revenues. The Company’s consolidated operating income and consolidated revenues will be calculated in accordance with Generally Accepted Accounting Principles in the United States and as reported in the Company’s public securities filings except that operating income will exclude: a) all restructuring charges and expenses related to the Company’s Chapter 11 cases, b) all asset write downs related to long term assets, c) gains or losses with respect to employee equity securities and d) gains or losses with respect to extraordinary, one-time or non-recurring events.

11. “Pre-tax income” (PTIX) means, for any calendar year, the Company’s consolidated pre-tax income calculated in accordance with Generally Accepted Accounting Principles in the United States and as reported in the Company’s public securities filings but excluding: a) the line item entitled “Reorganization Items, Net” as reported in the statement of income, b) all asset write downs related to long term assets, c) gains or losses with respect to employee equity securities, d) gains or losses with respect to extraordinary, one-time or non-recurring events, and e) expense accrued with respect to the profit sharing plan.
Section 3 - Compensation

B. Pay Tables

1. A pilot will be paid for flight time in accordance with the composite hourly rates set forth in the pay tables of Section 3 B. 2.

2. a. Effective June 1, 2006, composite hourly pay rates will be as follows:

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Section 3 - Compensation

a. June 1, 2006, composite hourly pay rates (continued)

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Section 3 - Compensation

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or,

2) the composite hourly pay rates determined by increasing the January 1, 2007 composite hourly pay rates by 0.5% for each 0.25% that operating margin for 2007 exceeds 6.0%.

Note: Increases to composite hourly pay rates will not exceed 6.0%.
Section 3 - Compensation

1) January 1, 2008, composite hourly pay rates (continued)

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or,

2) the composite hourly pay rates determined by increasing the January 1, 2007 composite hourly pay rates by 0.5% for each 0.25% that operating margin for 2007 exceeds 6.0%.

Note: Increases to composite hourly pay rates will not exceed 6.0%.
d. Effective January 1, 2009, composite hourly pay rates will be the greater of the following:

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or,

2) the composite hourly pay rates determined by adjusting the composite hourly pay rates effective January 1, 2008 by 0.5% for each 0.25% that operating margin for 2008 is above or below 6.0%.

Note: Increases to composite hourly pay rates will not exceed 6.0%.
### 1) January 1, 2009, composite hourly pay rates (continued)

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or,

2) the composite hourly pay rates determined by adjusting the composite hourly pay rates effective January 1, 2008 by
0.5% for each 0.25% that operating margin for 2008 is above or below 6.0%.

Note: Increases to composite hourly pay rates will not exceed 6.0%.
Section 3 - Compensation

e. Effective December 31, 2009, the composite hourly pay rates will be the greater of the following:

1)  

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or,

2) the composite hourly pay rates determined by increasing the composite hourly pay rates in effect on January 1, 2009 by 1.0%.
Section 3 - Compensation

1) December 31, 2009, the composite hourly pay rates (continued)

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or,

2) the composite hourly pay rates determined by increasing the composite hourly pay rates in effect on January 1, 2009 by 1.0%.
f. Examples:

Assume a starting composite hourly rate of $100.00.

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<td>Final Pay Rate</td>
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<td>107.66</td>
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</table>

Note: The adjusted pay tables will be distributed electronically by the Company as soon as practicable after each adjustment date. The Company will review each such adjusted pay table with the Association prior to distribution.

3. A regular pilot who flies an aircraft model other than that shown on his line will have his pay computed at the rate of the aircraft model flown.
4. If, during any consecutive rolling 18-month period, the Company grants an across-the-board increase in base pay rates to non-pilot U.S.-based workgroups covering 30% or more of its non-pilot U.S.-based workforce, then a review of pilot composite hourly rates will be triggered. If, as a result of that review, it is determined that, as of the date the review was triggered, the Delta top-of-scale 757 Captain composite hourly rate is less than 100% of the average of the top-of-scale 757 Captain hourly domestic day rates at United, American, USAir, Northwest and Continental, the pilot composite hourly rates will be increased (except as provided in Section 3 B. 4. Note). The amount of increase will be the lesser of the percentage difference between the Delta top-of-scale 757 Captain composite hourly rate and 100% of the top-of-scale average 757 Captain hourly domestic day rates at United, American, USAir, Northwest and Continental, or the average percentage increase (except as provided in Section 3 B. 4. Note) granted to the non-pilot U.S.-based workgroups of the Company. Any percentage increase due the pilots will be effective as of the date of the increase that triggered the review.

Note: Base pay rates for non-pilot U.S.-based workgroups will only be considered to have increased to the extent they exceed the rates in effect on January 1, 2006. Should an increase for non-pilot U.S.-based workgroups exceed the base pay rates in effect on January 1, 2006, then only the percentage by which such an increase exceeds the applicable January 1, 2006, base pay rates will be considered in the calculation of the percentage increase that may be applied to pilot composite hourly rates.

5. If, in any calendar year, the Company awards a bonus or lump sum payment other than a base pay rate increase (and other than a payment pursuant to the Company profit-sharing plan and/or the performance incentive plan, and/or an equity grant or issuance or other consideration specified in the Plan of Reorganization) to U.S.-based non-pilot workgroups covering 30% or more of its non-pilot U.S.-based workforce, then the pilots will receive a bonus or lump sum payment equal to the highest across the board bonus or lump sum payment granted to any major non-pilot work group (i.e., reservation agents, flight attendants, AMTs, ACS agents). For example, if AMTs receive a $500 bonus and Customer Service Agents receive a $300 bonus, then the pilots would receive the $500 bonus.

Note: This provision will be effective on November 11, 2004, and will terminate on December 31, 2009. Exception: Each year, the bonus or lump sum due a pilot under this provision will be decreased by the annual hourly pay received by the pilot attributable to the increase in composite hourly pay rates set forth in Section 3 B. For example, if a pilot is otherwise entitled to a $2000 bonus under this provision for 2008 and he received a 2.0% increase in composite hourly pay rates in 2008 that equaled $1600 in annual earnings, he would receive $2000 minus $1600 or $400.

C. International Pay

International pay is:

- Captain $5.00
- First Officer $3.00
Section 3 - Compensation

D. Entry Level Pilot Pay

An entry level pilot will be paid at the rate of $2750.00 per month.

E. New Aircraft Models

1. The Company will give the Association notice of its intention to introduce a new aircraft model at least six months prior to the projected scheduled revenue service date, or within 30 days after entering into the contract for procurement of the new aircraft model, whichever is later in time. (A new aircraft model is an aircraft model for which no composite hourly pay rate exists in the pay tables set forth in Section 3 B.).

2. The parties will meet within 15 days following written request by either party to negotiate an agreement setting forth the rates of pay and work rules for such new aircraft model.

3. If such negotiations do not result in agreement executed within 90 days from the date of the parties first meeting, either party may submit the dispute to expedited final and binding interest arbitration before a Five Member System Board of Adjustment under Section 19. The award of the Five Member System Board of Adjustment must be rendered within 60 days following submission of the dispute unless the parties agree otherwise.

4. In reaching its determination the Five Member System Board of Adjustment will give controlling weight to the mission, rates of pay and work rules applicable to the most closely comparable aircraft models, in terms of speed, passenger capacity, range, fuel economy, and gross weight, at the Company and at the three other largest domestic air carriers (measured in ASMs by aircraft types other than permitted aircraft types as defined in Section 1 B. 40.).

5. During this process (until implementation of an executed agreement or of the Five Member System Board award), the Company will establish rates of pay and work rules (including any unique transition requirements and aircraft type classification) for affected pilots training for and flying such aircraft, that in its judgment are consistent with the criteria of Section 3 E. 4.

6. Pilots will undergo training for and fly such new aircraft model in the Company’s scheduled and non-scheduled operation without regard to the length of time required to complete this process.

7. The initial rates of pay agreed to by the parties or established by the Five Member System Board of Adjustment for such new aircraft model will be effective as of the date of the first conversion into the category (if the aircraft model is determined to be a new aircraft type) or as of its actual revenue service date (if the aircraft model is determined to be part of an existing aircraft type).

F. Date of Rotation

For pay and credit purposes, the date on which a pilot is scheduled to depart (block-out) on the first flight segment of a rotation will be considered the date on which the rotation was flown.
G. ALPA Claim and ALPA Notes

Provide ALPA Claim and ALPA Notes under LOA #7 (Bankruptcy Protection Covenant).

H. Monthly Incentive Program

Pilot participation in the Monthly Incentive Program in accordance with the following:

<table>
<thead>
<tr>
<th>Monthly Incentive Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eligibility</td>
</tr>
<tr>
<td>Pilot and non-pilot employees of Delta generally, excluding officers and directors</td>
</tr>
<tr>
<td>Maximum Potential Payout</td>
</tr>
<tr>
<td>$100 cash per month per eligible employee</td>
</tr>
<tr>
<td>Award Measurement Criteria</td>
</tr>
<tr>
<td>Operational Excellence and Overall Customer Satisfaction</td>
</tr>
<tr>
<td>Method of Payout Calculation</td>
</tr>
<tr>
<td>Payout will be based on:</td>
</tr>
<tr>
<td>1. On-Time Performance</td>
</tr>
<tr>
<td>2. Satisfaction with IROP Recovery</td>
</tr>
<tr>
<td>3. Overall Customer Satisfaction:</td>
</tr>
<tr>
<td>4. Completion Factor</td>
</tr>
<tr>
<td>Timing of Payment</td>
</tr>
<tr>
<td>Earned monthly</td>
</tr>
<tr>
<td>Pensionable</td>
</tr>
<tr>
<td>Yes</td>
</tr>
</tbody>
</table>
### Profit Sharing Plan

<table>
<thead>
<tr>
<th>Eligibility</th>
<th>Pilot and non-pilot employees of the Company generally, except for management employees covered by incentive compensation plans.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payout Calculation</td>
<td><strong>PTIX Levels</strong></td>
</tr>
<tr>
<td></td>
<td>$0 to $1.5 billion</td>
</tr>
<tr>
<td></td>
<td>Over $1.5 billion</td>
</tr>
<tr>
<td>Program Year</td>
<td>The calendar year or, for the initial year of the program, the period June 1, 2006 through December 31, 2006.</td>
</tr>
<tr>
<td>Basis of Individual Award</td>
<td>Individual employee’s annual compensation in the year in which the PTIX was earned as a percentage of total annual compensation for that year for all eligible employees. The Association will have the right to review the methodology and calculation of awards prior to such awards.</td>
</tr>
<tr>
<td>Timing of Accrual and Payment</td>
<td>Accrue annually; award to be paid within 30 calendar days after the date on which the Company’s annual audited consolidated financial statements are released (i.e., typically March 15th).</td>
</tr>
<tr>
<td>Pensionable</td>
<td>Yes</td>
</tr>
<tr>
<td>Type of Payment</td>
<td>Cash</td>
</tr>
<tr>
<td>Impact of Termination of Employment</td>
<td>A former pilot whose employment has been severed for any reason, including retirement, resignation or termination for any reason, will receive, at the same time as pilots, an award based on his annual compensation for the period in which he earned such compensation, as will the estate or designated beneficiary of a deceased pilot who earned such compensation.</td>
</tr>
</tbody>
</table>
Section 3 - Compensation

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SECTION 4

MINIMUM PAY AND CREDIT GUARANTEES

A. Definitions

1. “Aircraft model” means an aircraft (e.g., B-737-800, MD-88) within an aircraft type.
2. “Aircraft type” means one of the following groupings:

| a. B-777               | e. MD-90/MD-88            |
| b. B-767-400ER         | f. B-737-300/200          |
| c. B-767 (all except B-767-400ER)/B-757 | g. EMB-190/195 |
| d. B-737-900/800/700/600 | h. CRJ-900               |

3. “International small-category” means an international category containing fewer than 1500 scheduled credit hours in a bid period.
4. “Line” means a pilot’s bid period schedule.
   a. “Initial line” means the line awarded/assigned to a pilot via PBS or DBMS.
   b. “Adjusted line” means a pilot’s initial line as modified by the line adjustment process.
   c. “Regular line” means a line composed of training, vacation, leaves, rotations and/or days-off.
   d. “Reserve line” means a line composed of training, vacation, leaves, reserve on-call days and X-days.
   e. “Blank regular line” means a regular line that is constructed without rotations.
   f. “Specially created reserve line” means a reserve line that was not awarded/assigned in the initial line awards.
   g. “Requires qualification line” (RQ line) means a line created for a pilot who converted into a category, but was not qualified to bid.
5. “Line adjustment” means the process by which the Company removes a rotation(s) from a regular pilot’s line for the next bid period, which would otherwise create an FAR and/or PWA conflict(s).
6. “Line guarantee” means a line holder’s minimum pay and credit entitlement in a bid period.
7. “Reserve day” means a day on which a reserve pilot is scheduled to be on either an on-call day or an X-day.

B. Regular Line Guarantee

1. The line guarantee of a regular pilot will be the lesser of:
   a. the scheduled credit of his adjusted line,
   b. 65 credit hours, or
   c. his block hour limitation.

   Exception: A pilot holding a blank regular line is not entitled to a line guarantee.
Section 4 – Minimum Pay And Credit Guarantees

2. A regular line guarantee will be computed at the pay rate(s) of the aircraft model(s) shown on the pilot’s adjusted line. If multiple aircraft models are shown on such line, the pilot’s line guarantee will be prorated. Such prorate will be based upon the amount of scheduled credit for each aircraft model shown on such line.

3. A regular line guarantee will be reduced by:
   a. pay and credit for a rotation(s) (or a portion thereof) dropped due to an unpaid leave(s) of absence (including a personal drop(s)) or furlough, or
   b. the net reduction in pay and credit resulting from a swap(s).

4. An international small-category pilot who is assigned (i.e., not awarded as the result of a bid) a regular line with scheduled credit less than 65 hours will receive a reserve line guarantee in lieu of a regular line guarantee.

C. Reserve Line Guarantee

1. The line guarantee of a reserve pilot for credit purposes will be 70 hours, and for pay purposes, will be the total dollar value determined as follows:
   a) 70 hours
   minus
   b) his accumulated credit in the bid period, the result of which will be multiplied by
   c) the hourly rate of the highest paying aircraft model that all pilots in his category may be required to fly in the bid period, the result of which will be added to
   d) the dollar value of his accumulated credit in the bid period.

   Note one: Subject to Section 4 G., the dollar value of the accumulated credit in Section 4 C. 1. d) will be computed at the hourly rate of the highest paying aircraft model that all pilots in his category may be required to fly in the bid period.

   Note two: International pay for a pilot’s flight time flown in international operations in the bid period will be added to the dollar value of the accumulated credit in Section 4 C. 1. d).

Exception one: A reserve line guarantee will be reduced 1/30th or 1/31st for each vacation day (as provided under Section 7 G. 2) and for each CQ training day (as provided under Section 11 B. 2).

Exception two: A reserve line guarantee will be reduced by 1/18th for each on-call day(s) removed from a pilot’s line due to an unpaid leave(s) of absence (including a personal drop(s)) or furlough).

Exception three: The reserve line guarantee of a pilot who is unavailable for a reserve assignment due to fatigue while on-call will be reduced by 1/18th of the reserve guarantee for each such day of unavailability (i.e., not the duration of the reserve assignment he was unable to accept).

Exception four: The line guarantee of a pilot on an RQ line is a pro rata portion of the ALV for each day of the bid period he is on the RQ line.

2. A pilot who is on a reserve line for a portion of a bid period will receive a reserve line guarantee that is prorated based on 1/18th of the reserve guarantee for each on-call day on his schedule.
D. Line Guarantee-Unassigned Pilots

The line guarantee of an unassigned pilot will be the reserve guarantee of the lowest paying position listed in Section 22 B. for aircraft in revenue service.

E. Company-Removal Guarantee

1. If the Company removes a regular pilot from a rotation or portion thereof after completion of the line adjustment process for the convenience of the Company, the pilot will receive pay and credit for the scheduled credit of the removed rotation or portion thereof, plus his accumulated credit for any portion of such removed rotation flown. If such rotation included an international operation(s), the pilot will also receive international pay for the scheduled block time or deadhead time of the international operation(s). The phrase “convenience of the Company” does not include:
   a. a pilot-initiated removal (e.g., absence under Section 13, sick or accident leave, vacation, personal drop, Association business, failure to report as scheduled, swap, participation in a grievance or a System Board), or a removal due to,
   b. IROPS (for pay and credit treatment, see Section 4 F.)
   c. his training (for pay and credit treatment, see Section 11 B.)
   d. his OE - or another pilot’s OE (for pay and credit treatment, see Section 11 B. and Section 23 G. 5.)
   e. the removal of a rotation(s) in one bid period caused by an FAR/PWA conflict resulting from a white slip or yellow slip awarded to him in the prior bid period (see Section 23 P. 7. f. Exception two, and Section 23 T. 3. a. 1) Exception two)
   f. change or removal of an asterisk rotation (for pay and credit treatment, see Section 4 F. 6.)
   g. low-time pilot pairing (for pay and credit treatment, see Section 4 F.)
   h. a conflict with his reserve assignment (for pay and credit treatment, see Section 4 E. 2.)
   i. a removal from recovery or reroute flying (for pay and credit treatment, see Section 4 F.)
   j. disciplinary suspension
   k. the removal of a rotation under Section 23 P. 10. a. (proffered white slip), Section 23 P. 13. (white slip errors and omissions) and Section 23 Q. 14. (green slip errors and omissions)
   l. witness/representative appearance (for pay and credit treatment, see Section 17 B.)
   m. failure to complete training (for pay and credit treatment, see Section 11 B. 6. and 7.)
   n. failure to meet physical standards (for pay and credit treatment, see Section 15 C.)
   o. failure to be in possession of required FAA and travel documents at report for the first duty period of a rotation (e.g., FAA Medical Certificate, FAA Airman Certificate, passport, visas)
   p. retirement, death, furlough, or termination.

2. A regular pilot who is removed from a rotation due to a conflict with a reserve assignment will receive pay and credit for the greater of the scheduled credit of the rotation removed or the credit accumulated on the regular portion of his line from such reserve assignment.
F. Rotation Guarantee

1. After completion of line adjustment, a regular pilot who is unable to fly a rotation or portion thereof that originates on his regular line, due to IROPS or an FAR or PWA conflict, will receive pay and credit for the greater of:
   a. the scheduled credit of such rotation, or
   b. his accumulated credit for:
      1) recovery flying under Section 23 K., or
      2) the rerouted rotation flown under Section 23 L.

Exception: A pilot who is removed from a rotation due to an FAR and/or PWA conflict created by a white slip or yellow slip award from the prior bid period will not be entitled to a rotation guarantee for such removed rotation (see Section 23 P. 7. f. Exception two and Section 23 T. 3. a. 1) Exception two).

2. A pilot who is eligible for a rotation guarantee may be assigned flying or deadheading under Section 23 G. 5., Section 23 K. or Section 23 L.

3. A pilot who is eligible for a rotation guarantee and is assigned flying under Section 23 G. 5., Section 23 K. or Section 23 L. may be entitled to lodging. (see Section 5 E. 1.)

4. The pay and credit of a pilot who is eligible for a rotation guarantee and who has performed recovery or reroute flying will be computed and applied as of the completion date of the rotation flown.

5. The pay and credit of a pilot who is eligible for a rotation guarantee for a transition rotation and who has performed:
   a. reroute flying, will be computed and applied as of the completion date of the rotation flown. If the pilot is on reserve on such completion date, the rotation guarantee will be offset against his reserve guarantee.
   b. recovery flying will be computed and applied:
      1) as of the scheduled dates of his original rotation, if the pay and credit of his recovery flying is less than that of the original rotation, and
      2) as of the completion date of the recovery flying, if the pay and credit of his recovery flying is more than that of the original rotation.

Note: Such pilot may request that Crew Scheduling apply credit hours from the subsequent bid period to the prior bid period in order to recoup an amount equal to the credit hours that were scheduled to occur in the transition rotation within the prior bid period (not to exceed the applicable white slip pickup limit). The subsequent bid period will have a corresponding number of credit hours reduced from the total credit hours for that bid period.

6. Asterisk Rotations – The rotation guarantee of an asterisk rotation will be based on the portion of the rotation (as originally published in the bid package) that is contained within the bid period.
7. For purposes of a rotation guarantee, a rotation(s) added to a regular pilot’s line as the result of Section 4 F. 7. a. - e., will be part of his regular line:
   a. inverse assignment with or without conflict under Section 23 N. or O.,
   b. swap with the pot under Section 23 H.,
   c. white slips under Section 23 P.,
   d. green slips or green slips with conflict under Section 23 Q.,
   e. a rotation swap between regular pilots.

G. Mixed Aircraft Model Guarantee

Contingent on FAA approval, the Company may place any aircraft model into any aircraft type grouping. In such event, the composite hourly rate for the purposes of reserve line guarantee for all aircraft models in the aircraft type grouping will be the weighted average for such models based on the aircraft model mix within the aircraft type groupings. This rate will be adjusted and published annually on January 1st of each year.

EXAMPLE:
777 and 767-400 models are placed in the same aircraft type grouping. (12 year Captain rate used for calculations.)

\[
\begin{align*}
(8) \text{777s divided by } [(8) \text{777s} + (21) \text{767-400s}] &= .2759 \\
(21) \text{767-400s divided by } [(8) \text{777s} + (21) \text{767-400s}] &= .7241 \\
.2759 \text{ multiplied by 777 rate of } \$215.73 &= \$59.52 \\
.7241 \text{ multiplied by 767-400 rate of } \$203.77 &= \$147.55 \\
\$59.52 + \$147.55 &= \$207.07 \\
\end{align*}
\]

Composite hourly rate for a 12 year Captain on 777 and 767-400 models is $207.07.

H. Suit-Up Pay and Credit

1. A regular pilot or a long call reserve pilot will receive a minimum of two hours pay and credit if he:
   a. has not acknowledged his removal from a rotation or portion thereof, and
   b. reports for duty.
   Exception: A pilot who is entitled to a rotation guarantee under Section 4 F. will not receive suit-up pay and credit if he elects to waive his rotation guarantee and the corresponding requirement to be available for flying or deadheading under Section 4. F. 2.
   Note: A pilot may only waive his rotation guarantee with the concurrence of Crew Scheduling.

2. A short call reserve pilot who is removed from a rotation or portion thereof will receive suit-up pay and credit if Crew Scheduling first attempted to notify him of such removal less than two hours before his scheduled report.
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SECTION 5

LODGING AND EXPENSES

A. Definitions

1. “Domestic per diem” means the hourly meal allowance for time away from base that is applicable to a pilot while engaged in domestic operations.
2. “International per diem” means the hourly meal allowance for time away from base that is applicable to a pilot while engaged in international operations.
   Note: An international category pilot assigned to training away from base will receive domestic per diem.
3. “Time away from base” means the period beginning with report at base and ending upon release at base.
   Exception: The “time away from base” of a pilot who is assigned to training away from base will end at block-in at his base.
   Note: See Section 11 I. 3. (travel to training) and Section 23 P. 8. (out-of-base white slips).

B. Per Diem

1. Domestic per diem: $1.85.
2. International per diem: $2.40.
3. A pilot who is assigned to training away from his base that includes a break in training of at least 48 hours will receive per diem for the time of such break if he notifies the Company of his intention to remain at the training location during the break.

C. Trans-oceanic Crew Meals

A pilot engaged in an international operation involving an ocean crossing will be scheduled to receive the same main course meal(s) that is provided to the highest class of passenger service.

D. Other Expenses

1. The Company will reimburse a pilot for the following, if they are required by the Company:
   a. Passport application, renewal and expedited renewal fees charged by the U.S. Department of State.
   b. Passport photograph fees.
   c. Visa application fees charged by a foreign country.
   d. Vaccination fees charged by a medical facility.
2. A vaccination recommended by a pilot’s personal physician will be a covered expense under the pilot’s medical plan (DFCMP, DPMP or HMO).
3. The Company will reimburse a pilot for additional reasonable expenses related to an extraordinary condition.
Section 5 – Lodging & Expenses

E. Lodging

1. The Company will provide adequate and comfortable single occupancy lodging for a pilot who is:
   a. away from base, when:
      1) undergoing training,
      2) on a layover, or
      3) performing other duty in which he is required to be away from base overnight.
   b. at his base, when undergoing qualification training (including the night prior to the first day of training, but not including the night of the last day of training) provided he submits a request for such lodging to Flight Training Planning not later than seven days before the date of the close of line bidding for the bid period in which the training is scheduled or the date of notification of his scheduled training, whichever is later.
   c. at his base, provided:
      1) the pilot reports for duty and is assigned recovery flying under Section 23 K. 1.,
      2) the time between the notification of the replacement flying and the scheduled departure time is at least five hours, and
      3) the replacement flying is scheduled to be conducted within the same duty period of the original rotation.
   d. at his base, provided:
      1) the pilot reports for duty and is assigned recovery flying under Section 23 K. 1.,
      2) he is released without having flown,
      3) he receives a break-in-duty,
      4) he is assigned a new report in the same day, and
      5) the new release is later than the release of his original duty period.
   e. at a station (at or away from base) at which the pilot is scheduled for block-in to block-out time of more than five hours (upon the pilot’s request). Exception: If travel time to a co-terminal is part of the scheduled block-in to block-out time, the pilot will be provided lodging (upon his request) if the total ground time is more than the sum of five hours plus the ground travel time under Section 8 B. 3.

2. A pilot will check in and out of hotels, thereby informing hotel personnel of the identity of pilots then occupying hotel rooms.

3. A pilot will pay for his incidental lodging expenses (e.g., telephone charges, room service, movies, etc.) at the time of check-out. The Company will not reimburse a pilot for such incidental expenses.

4. If Company arranged lodging at a layover station is not available, a pilot may arrange other lodging. The Company will reimburse a pilot for the actual reasonable expenses of such lodging.

5. The Company will provide transportation between a lodging facility and the airport or other work location. If transportation is not provided, or is delayed more than 20 minutes, a pilot may arrange his own transportation and the Company will reimburse him for his actual necessary transportation expenses.

6. The MEC Hotel Committee will have the right to meet with the Senior Vice President-Flight Operations or his designee concerning lodging accommodations.
7. No changes will be made to existing accommodations without 30 days prior notice to the MEC Hotel Committee or MEC Chairman, unless existing lodging or transportation arrangements become unavailable.

8. Crew Accommodations will provide the MEC Hotel Committee a minimum of 120 days advance written notice of scheduled expiration dates of hotel contracts and, under normal circumstances, a list of potential replacement hotels. The MEC Hotel Committee may, within 30 days thereafter, submit desired list deletions and/or additions to Crew Accommodations. Crew Accommodations will give due consideration to such input and will meet and confer with the committee to resolve any disputes. This process is intended to result in the selection of mutually acceptable lodging accommodations.

9. In all domestic markets, the preference for a layover hotel will be a branded hotel that is affiliated with a national chain.
   a. The MEC Hotel Committee may, at its discretion, conduct quarterly reviews of each domestic hotel that is not affiliated with a national chain (non-brand hotel). If as a result of such review, the MEC Hotel Committee determines that a non-brand hotel is not able to provide acceptable accommodations, the Company will conduct a new analysis of that market within 45 days and present its findings to the MEC Hotel Committee in order to receive their input. This process is intended to result in the selection of mutually acceptable lodging accommodations.
   b. In all contracts for domestic hotels entered into on or after July 1, 2006, the Company will include a clause in the hotel contract that provides the right to terminate the contract in the event the hotel ends its affiliation with a national chain.

10. A pilot scheduled for a layover of more than 12 hours (block-to-block) will receive lodging at a downtown hotel.
    Exception one: Such lodging may be provided at a hotel in the vicinity of the airport if the MEC Hotel Committee has approved the use of such hotel in connection with the layover.
    Exception two: During irregular operations, the Company will attempt to provide lodging at a Company-approved downtown hotel.
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SECTION 6

RELOCATION

A. Definitions

1. "Eligible family member" for the purposes of Section 6, means:
   a. a relative who:
      1) resides in an eligible pilot's household,
      2) is dependent on the pilot for livelihood, and
      3) is claimed on the pilot's federal tax return as a dependent.
   b. an eligible pilot's spouse (including a person who is a domestic partner under the
      Delta Domestic Partner Program).

2. “Eligible move” means the actual movement of all of an eligible pilot's household goods
   and personal effects from his former permanent residence to, and the establishment of,
   his new permanent residence at, a location that is:
   a. within the United States, and
   b. more than 50 straight line statute miles from:
      1) his former permanent residence, and
      2) the greater metropolitan area of his former base, as described in the then most
         recently published U.S. Census Bureau Metropolitan Areas Definition (See

   Exception: An eligible move will not include a move by a pilot whose permanent
   residence, on the award date of his related conversion or the date of his recall from
   furlough, is located in, or located within 50 miles of, the greater metropolitan area of his
   new base.

3. "Eligible pilot" for the purposes of Section 6, means a pilot who intends to complete or
   completes an eligible move and:
   a. converts into a position at another base via an MD or VD, or
   b. converts into a position at a new or re-established base within 12 months of the first
      pilot conversion at such base, or
   c. transfers from a closed base within the 12 months preceding the base closing, or
   d. is recalled from furlough to a base other than his furlough base, or
   e. otherwise transfers to a base at Company request,
   f. provided:
      1) he actually moves his household goods and personal effects to a new permanent
         residence that is within a 125 straight-line statute mile radius of the airfield
         reference point at his new base, and
      2) his current permanent residence is not within such radius, and
      3) he actually establishes his home at his new permanent residence, and
      4) his new permanent residence is at least 50 straight-line statute miles closer to the
         airfield reference point at his new base than is the permanent residence address
         from which he is relocating, and
Section 6 - Relocation

5) he agrees to repay the Company for such relocation benefits if, within 24 months of the conversion that entitled him to receive such relocation benefit, he:
   a) converts into a position at another base as the result of an advance entitlement, or
   b) relocates to another permanent residence outside such radius, without changing bases.

4. “Furlough base” means the base to which a pilot was assigned on his date of furlough.

5. “Permanent residence” means the home where a pilot physically resides on a permanent basis and at which he intends to remain. Evidence of a pilot’s permanent residence includes, but is not limited to, his DBMS residence address and residence address for Company benefits enrollment purposes.

B. Relocation Benefits

1. Subject to the limitations in Section 6 B. 2., an eligible pilot will be provided the following relocation benefits:
   a. Household Goods and Personal Effects
      The cost of packing, crating, and transporting up to 24,000 pounds of the pilot's household goods and personal effects, when arranged by the Company with a recognized public moving and storage company, from his former permanent residence to his new permanent residence (or storage facility in the vicinity of his new permanent residence).
      Note: Company paid expenses under Section 6 B. 1. a., will not exceed the expense of moving the straight line statute mile distance between the airfield reference points at the former base and the new base.
   b. Motor Vehicle(s)
      1) The cost of transporting up to two motor vehicle(s), from the pilot’s former permanent residence to his new permanent residence, provided:
         a) there are at least 600 straight line statute miles between:
            i) the airfield reference points at his former base and his new base, and
            ii) his former permanent residence and his new permanent residence,
         and,
         b) such vehicle(s) is:
            i) no more than 10 model years old,
            ii) in driving condition,
            iii) licensed to operate on public highways,
            iv) registered in the name of the pilot or spouse,
            v) insured, and
            vi) not classified for insurance purposes as classic or collector.
      2) If such vehicle(s) is driven during the move:
         a) enroute tolls and parking charges, and
         b) mileage expenses at the rate of 20 cents per mile, not to exceed the lesser of the straight-line statute mile distance between:
            i) the airfield reference point at his former base and his new base, or
            ii) his former permanent residence and his new permanent residence.
c. **Passes**

Space available on-line (i.e., Delta Air Lines, Inc.) transportation, for the most direct route of travel, between the Delta station nearest his permanent residence and his new base city as follows:

1) For the purpose of house hunting: four (priority SA-1, valid for seven days) round trips for the pilot and his spouse. Eligibility for such passes will begin on the award date of the MD or VD that created the eligibility for relocation benefits.

Note: The pilot’s Chief Pilot may authorize priority SA-1 transportation to allow the pilot's minor dependent children to accompany him.

2) For the purpose of traveling to his new permanent residence: one (priority SA-1, valid for seven days) one-way for the eligible pilot and his eligible family members. Eligibility for such passes will begin on the award date of the MD or VD that created the eligibility for relocation benefits.

3) For the purpose of commuting to the new base, while in the process of relocating: four (priority SA-1, valid for seven days) round-trips, per bid period for the eligible pilot, from his conversion date until he establishes a new permanent residence or one year, whichever is sooner.

d. **Lease Cancellation**

The costs incurred by him as the result of prematurely canceling an unexpired lease or rental agreement for his former permanent residence, in an amount not to exceed three months rent, provided:

1) such lease or rental agreement was entered into before the date of the award (or date of notice of recall from furlough) that created his eligibility for relocation benefits under Section 6 A. 2.,

2) he submits to Relocation Services:
   a) a copy of the lease or rental agreement, and
   b) a letter from the landlord describing and confirming the cancellation costs incurred,

   and

3) he contacts Relocation Services in writing to allow them to negotiate the lease cancellation. If he does not do so, the lease cancellation charges will not be reimbursed.

e. **Insurance**

The Company will provide insurance coverage for the:

1) repair or replacement value of household goods and personal effects that are lost or damaged while being moved under Section 6 B. 1. a., to a maximum of $150,000.

   Note one: Household goods and personal effects of extraordinary value ($100 per pound) must be:
   a) identified prior to loading, and
   b) unpacked at the destination in the presence of the moving company's driver.

   Note two: Electronic equipment is not covered for internal damage unless there is obvious external damage caused in transit.
2) loss or damage to a vehicle(s) transported under Section 6 B. 1. b. 1) up to the lesser of the vehicle's replacement value or $50,000.

Note: A pilot will not be paid for a claim under this provision unless he notifies a moving company representative of such claim:

a) prior to the initiation of repair work or purchase of replacement item,

b) within 90 days of delivery of the household goods or personal effects, and

Exception: A claim related to property damage to the former or new permanent residence must be submitted to the moving company within 48 hours of pick-up or delivery.

c) at the time of delivery of a vehicle transported under Section 6 B. 1. b. 1).

f. COMAT

In accordance with standard COMAT shipping regulations, one space available shipment of up to 500 pounds of an eligible pilot's properly packaged, inventoried and labeled (with origin and destination address and phone numbers) personal effects (excluding furniture).

1) The following may not be shipped COMAT:

a) items classified as “Dangerous Goods.”

b) items restricted under FAA regulations.

c) pets.

2) The pilot is responsible to deliver the goods to the airport cargo facility and pick up the shipment at its destination. Unclaimed shipments may be sent to a commercial storage facility at the pilot’s expense 96 hours after arrival at destination.

3) The Company will assume liability to a maximum of $500 for loss of a properly packaged shipment between the origin and destination cities.

4) Use Shipping Account Number 185-674-017.

g. Miscellaneous Expense Allowance

A one-time allowance of $2000.00 after arrival of all household goods and personal effects at the pilot’s new residence.

2. Limitations

The following limitations apply to the reimbursement of expenses incurred in connection with an eligible move:

a. Reimbursable expenses for the transportation of a pilot’s household goods and personal effects under Section 6 B. 1. a. will not:

1) exceed the expense of moving from the former base to the new base.

2) include the cost of moving planes, motor homes, campers, boats, golf carts, jet skis, trailers, garden tractors and accessories, model trains, doll houses, children’s playhouses, hot tubs, whirlpool baths, pools and associated equipment, foods, plants, flowers, dry flower arrangements, large artificial plants or trees that require crating to transport, perishable items, pet kennels, fencing, fish, aquariums over 20 gallons, paint, beer, wine, liquor, flammable articles, explosive articles, dangerous goods, property liable to damage other property, art works, furs, sculptures, paintings, passports, money, notes, securities, bullion, precious stones, jewelry, stamps or coins, salesman’s samples, merchandise for sale or exhibit, wood burning stoves, stove pipes, firewood, building materials, decorative rock, farm tractors,
farm equipment, grain, storage buildings, excess tools or shop equipment,
cement yard furnishings or other items too large or heavy to be handled
safely by the movers, firearms, ammunition.
3) include the cost of moving more than two, in any combination, of the
following:
a) motorcycles.
b) motor bikes.
c) snowmobiles.
d) all-terrain vehicles.
b. An eligible pilot will not be reimbursed for expenses that are:
1) incurred:
a) prior to the awarding of the VD or MD that created his eligibility for
relocation benefits or the issuance of a recall from furlough letter, or
b) while the pilot is on medical leave, personal leave, military leave, disciplinary
suspension, furlough or receiving benefits under the D&S Plan,
or
2) submitted to Relocation Services more than 60 days from the date the expense
was incurred.
c. If both the pilot and spouse are eligible pilots, relocation benefits will be reimbursed
for the family as a unit, unless the pilot and spouse are maintaining separate
permanent residences.
d. A pilot who has not signed and submitted a Standard Repayment Agreement will not
receive relocation benefits (including the Company-arranged movement of household
goods or vehicles).

C. Forfeiture

1. A pilot will forfeit his existing eligibility for relocation benefits if he:
a. does not relocate his permanent residence within 24 months (excluding time from
date of furlough to the earlier of his date of recall or date of recall bypass) of the
conversion pursuant to the award or recall that entitled him to such relocation
benefits, or
b. prior to relocating he:
   1) is awarded a position at his former base,
   2) becomes eligible for relocation benefits again under Section 6 A. 2., or
   3) retires, dies or is terminated.
2. A pilot will repay the Company for relocation benefits paid if:
a. his relocation was the result of a conversion into a position at a new or reestablished
base and he:
   1) converts into a position at another base as the result of a VD within 24 months of
   his conversion to a position at such new or reestablished base, or
   2) does not actually complete an eligible move within the 24 month period specified
   in Section 6 C. 1. a.,
b. he elects to move prior to his projected date of conversion and such conversion does
not occur, or
c. he does not actually complete an eligible move within the 24 month period specified in Section 6 C. 1. a.

D. Travel Time

1. An eligible pilot will:
   a. be released from duty for up to seven days based on the lesser of:
      1) one day for each 400 miles or portion thereof between his old residence and his new residence, or
      2) one day for each 400 miles or portion thereof between his old base and his new base.
   b. receive pay/no credit at a pro rata portion of the ALV for each day off as provided in Section 6 D. 1. a.

2. In order to be released for relocation, a pilot must make his request to Crew Scheduling at least 15 days prior to the first desired day of travel time.

E. General

1. Upon completion of his OE, a probationary pilot will be permitted to ship to his first base up to 1000 pounds of boxed household goods and personal effects via COMAT in accordance with standard Company COMAT shipping regulations.

2. An eligible pilot will complete and submit the following forms, which are available on the Flight Operations website:
   a. Form 2506C Approval for Pilot Relocation Benefits
   b. Moving Company Authorization Form
   c. Pilot Relocation Reimbursement Request
   d. Standard Repayment Agreement
   e. Affidavit of Permanent Residence.

3. Reimbursement will be added to a subsequent paycheck following approval by the Relocation Services Department and processing through Accounts Payable.

4. Relocation reimbursement requests are to be submitted to GMAC Global Relocation Services, the Company’s expense processing service provider, using the Pilot Relocation Reimbursement Request form. Expense statements and receipts must be submitted to GMAC within 60 days from the date the expense was incurred, at the following address:

<table>
<thead>
<tr>
<th>GMAC Address</th>
<th>GMAC Phone contact information:</th>
</tr>
</thead>
</table>
| GMAC Global Relocation Services  
Attn: Delta Air Lines accounts  
900 S. Frontage Road, Suite 200  
Woodbridge, IL 85017 | 630-972-2271 Direct  
866-316-6965 FAX |

a. Original receipts supporting expenditures must be attached to the form. Copies of receipts may be accepted under special circumstances with approval of Relocation Services.

b. A pilot must print his name, payroll identification number, new base and department number on all expense statements and direct billing documents.
5. Relocation Services Contacts:

<table>
<thead>
<tr>
<th>Company Mail Address:</th>
<th>U.S. Mail Address:</th>
<th>Overnight / FedEx Address:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relocation Services</td>
<td>Relocation Services</td>
<td>Relocation Services</td>
</tr>
<tr>
<td>Department 999</td>
<td>Delta Air Lines, Inc.</td>
<td>Delta Air Lines, Inc.</td>
</tr>
<tr>
<td>ATG</td>
<td>Department 999</td>
<td>Department 999</td>
</tr>
<tr>
<td>(ATL ext. 5-4460)</td>
<td>1060 Delta Blvd.</td>
<td>1060 Delta Blvd.</td>
</tr>
<tr>
<td>(Inter city ext. 625-4460)</td>
<td>Atlanta, GA</td>
<td>Atlanta, GA</td>
</tr>
<tr>
<td>(FAX - Inter city ext. 625-3340)</td>
<td>30320-6001</td>
<td>30320-6001(404-715-4460)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(FAX 404-715-3340)</td>
</tr>
</tbody>
</table>
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SECTION 7

VACATIONS

A. Definitions

1. “Accrued vacation” means the vacation time (i.e., the number of weeks or days) a pilot is accumulating in a vacation year for use in the next vacation year. The accrual rate for such vacation is determined by the number of years of continuous employment the pilot completed before April 1st of the vacation year.

Example: Assume that on October 1st (i.e., at the completion of 50% of the vacation year) a pilot has not been on leave or furlough in excess of 30 days since the beginning of the vacation year. Such pilot will have accrued 50% of the vacation time to which he will be entitled on the next April 1st.

2. “Earned vacation” means the vacation time (i.e., the number of weeks or days) a pilot is entitled to use in a vacation year.

3. “Purchased vacation” means the vacation days that a pilot receives as a result of a full service bank transaction.

4. “Supplemental vacation” means the vacation days that a pilot receives (for use in the current or following vacation year) due to being inversely assigned into an X-day(s) (Section 23 S. 16.).

5. “Vacation bank hours” means the hours in a pilot’s vacation bank. Such vacation bank hours will be equal to 3:15 (3:00 effective April 1, 2007) for each day of a pilot’s earned vacation, together with purchased and supplemental vacation for use in the current vacation year.

6. “Vacation period” means a portion(s) of the combination of a pilot’s earned, purchased and supplemental vacation that is designated by the pilot as:
   a. primary,
   b. secondary,
   c. tertiary, or
   d. quaternary.

7. “Vacation year” means the period that begins on April 1st each year and ends on the following March 31st.

B. Earned Vacation and Vacation Bank Hours

1. Each vacation year, a pilot who has been employed by the Company for:
   a. more than one year will be entitled to earned vacation and vacation bank hours as follows:
Section 7 - Vacations

1) For the 2006 - 2007 vacation year:

<table>
<thead>
<tr>
<th>Years of Continuous Employment Completed before April 1st of Vacation Year</th>
<th>Earned Vacation</th>
<th>Vacation Bank Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - 4</td>
<td>2 weeks</td>
<td>45:30</td>
</tr>
<tr>
<td>5 - 10</td>
<td>3 weeks</td>
<td>68:15</td>
</tr>
<tr>
<td>11 - 17</td>
<td>4 weeks</td>
<td>91:00</td>
</tr>
<tr>
<td>18 - 24</td>
<td>5 weeks</td>
<td>113:45</td>
</tr>
<tr>
<td>25 or more</td>
<td>6 weeks</td>
<td>136:30</td>
</tr>
</tbody>
</table>

2) For vacation years beginning on or after April 1, 2007:

<table>
<thead>
<tr>
<th>Years of Continuous Employment Completed before April 1st of Vacation Year</th>
<th>Earned Vacation</th>
<th>Vacation Bank Hours Effective 4/1/07</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - 5</td>
<td>2 weeks</td>
<td>42:00</td>
</tr>
<tr>
<td>6 - 11</td>
<td>3 weeks</td>
<td>63:00</td>
</tr>
<tr>
<td>12 - 18</td>
<td>4 weeks</td>
<td>84:00</td>
</tr>
<tr>
<td>19 or more</td>
<td>5 weeks</td>
<td>105:00</td>
</tr>
</tbody>
</table>

b. less than one year prior to April 1st of the vacation year, will be entitled to earned vacation and vacation bank hours as follows:

1) For the 2006 - 2007 vacation year:

<table>
<thead>
<tr>
<th>Date of Employment From:</th>
<th>Earned Vacation</th>
<th>Vacation Bank Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 16th to March 31st</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>February 16th to March 15th</td>
<td>1 day</td>
<td>3:15</td>
</tr>
<tr>
<td>January 16th to February 15th</td>
<td>2 days</td>
<td>6:30</td>
</tr>
<tr>
<td>December 16th to January 15th</td>
<td>3 days</td>
<td>9:45</td>
</tr>
<tr>
<td>November 16th to December 15th</td>
<td>5 days</td>
<td>16:15</td>
</tr>
<tr>
<td>October 16th to November 15th</td>
<td>6 days</td>
<td>19:30</td>
</tr>
<tr>
<td>September 16th to October 15th</td>
<td>7 days</td>
<td>22:45</td>
</tr>
<tr>
<td>August 16th to September 15th</td>
<td>8 days</td>
<td>26:00</td>
</tr>
<tr>
<td>July 16th to August 15th</td>
<td>9 days</td>
<td>29:15</td>
</tr>
<tr>
<td>June 16th to July 15th</td>
<td>11 days</td>
<td>35:45</td>
</tr>
<tr>
<td>May 16th to June 15th</td>
<td>12 days</td>
<td>39:00</td>
</tr>
<tr>
<td>April 16th to May 15th</td>
<td>13 days</td>
<td>42:15</td>
</tr>
<tr>
<td>April 1st to April 15th</td>
<td>14 days</td>
<td>45:30</td>
</tr>
</tbody>
</table>
Section 7 - Vacations

2) For vacation years beginning on or after April 1, 2007:

<table>
<thead>
<tr>
<th>Date of Employment From:</th>
<th>Earned Vacation</th>
<th>Vacation Bank Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 16th to March 31st</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>February 16th to March 15th</td>
<td>1 day</td>
<td>3:00</td>
</tr>
<tr>
<td>January 16th to February 15th</td>
<td>2 days</td>
<td>6:00</td>
</tr>
<tr>
<td>December 16th to January 15th</td>
<td>3 days</td>
<td>9:00</td>
</tr>
<tr>
<td>November 16th to December 15th</td>
<td>5 days</td>
<td>15:00</td>
</tr>
<tr>
<td>October 16th to November 15th</td>
<td>6 days</td>
<td>18:00</td>
</tr>
<tr>
<td>September 16th to October 15th</td>
<td>7 days</td>
<td>21:00</td>
</tr>
<tr>
<td>August 16th to September 15th</td>
<td>8 days</td>
<td>24:00</td>
</tr>
<tr>
<td>July 16th to August 15th</td>
<td>9 days</td>
<td>27:00</td>
</tr>
<tr>
<td>June 16th to July 15th</td>
<td>11 days</td>
<td>33:00</td>
</tr>
<tr>
<td>May 16th to June 15th</td>
<td>12 days</td>
<td>36:00</td>
</tr>
<tr>
<td>April 16th to May 15th</td>
<td>13 days</td>
<td>39:00</td>
</tr>
<tr>
<td>April 1st to April 15th</td>
<td>14 days</td>
<td>42:00</td>
</tr>
</tbody>
</table>

Exception: A pilot who returns to active payroll status following a medical leave of absence (Section 13 B.) will not be eligible to accrue vacation bank hours until completion of all training required to return to flight duty, including OE.

2. If the Company increases the earned vacation of its domestic ground personnel over the earned vacation for pilots in Section 7 B. 1. a., such provision will be amended so that the earned vacation of pilots is no less than the earned vacation of domestic ground personnel.

3. A pilot’s accrued vacation will be proportionately reduced for the time of a leave of absence (Section 13) or furlough (Section 21) in excess of 30 aggregate days.

Exception: A pilot’s accrued vacation will be proportionately reduced for the time of a military leave of absence (Section 13 D.) in excess of 30 consecutive days.

C. Vacation Period Selection

1. A pilot may split his vacation into as many as four vacation periods provided:
   a. he has at least 14 days of earned vacation,
   b. there are vacation weeks available for bid, and
   c. each vacation period is at least seven days long.

2. Vacation periods will be posted, made available for bidding in DBMS, and awarded as follows:

<table>
<thead>
<tr>
<th>Period</th>
<th>Posting Deadline</th>
<th>Bid Closing Date</th>
<th>Bids Awarded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary</td>
<td>January 1st</td>
<td>January 8th</td>
<td>January 15th</td>
</tr>
<tr>
<td>Secondary</td>
<td>January 15th</td>
<td>January 22nd</td>
<td>January 29th</td>
</tr>
<tr>
<td>Tertiary</td>
<td>January 29th</td>
<td>February 5th</td>
<td>February 12th</td>
</tr>
<tr>
<td>Quaternary</td>
<td>February 12th</td>
<td>February 19th</td>
<td>February 26th</td>
</tr>
</tbody>
</table>
3. A pilot will bid his vacation based on the category he:
   a. holds on January 31\textsuperscript{st}, or
   b. is scheduled to be converted to, on or before January 31\textsuperscript{st}.
4. Pilots will be awarded vacation periods in seniority order in each category.
5. The Company will assign a vacation period(s) to a pilot who is not awarded a vacation
   period(s) through the vacation bidding process.
6. Every week of a vacation year (four weeks per bid period) will be available for a primary
   vacation in every category.
7. A pilot who:
   a. converts into another category pursuant to:
      1) an advance entitlement or voluntary displacement:
         a) will be notified via DBMS to re-bid his unused vacation period(s) through the
            vacation move-up process.
         b) will change any previously awarded and unused vacation period(s) through
            the vacation move-up process.
         c) may be assigned an available vacation period, in inverse seniority order, if he
            does not change his previously awarded and unused vacation period(s)
            through the vacation move-up process.
      2) a mandatory displacement, may retain his previously awarded unused vacation
         period(s).
   b. is awarded an AE or VD that requires qualification training that conflicts with a
      scheduled vacation period may:
      1) re-bid the vacation period through the vacation move-up process,
      Note: A pilot who will re-bid such vacation period must so notify Crew
         Resources within ten days of the date of issuance to him of notice of such conflict.
         In the absence of such notification to Crew Resources:
         a) the pilot’s earned vacation will be reduced by the number of days in such
            vacation period, and
         b) he will receive pay, under Section 7 G. 3. b., in lieu of such vacation period
            not taken.
         or
      2) retain such vacation period as follows:
         a) The vacation retention requests of pilots awarded the same position with same
            award date, who entered such requests as part of their standing bids for such
            AE or VD, will be granted in seniority order to the extent that the Company is
            able to assign another pilot(s) to the available training period(s) by a date
            certain, which is seven days prior to the award of lines for the bid period in
            which the training is scheduled to commence.
         b) The vacation retention requests of pilots that are made after such award date,
            may, at the discretion of the Company, be granted.
      Note: In either case, if such request is granted, the pilot will not receive pay
      protection if he is converted out of seniority order (see Section 22 E. 9. c. 1) delay
      of training at pilot request).
Section 7 - Vacations

D. Vacation Move-Up

1. After the awarding of quaternary vacations, a pilot may request, via DBMS, to change an
awarded vacation period(s) to another vacation period that is determined by the Company
to be available.
2. Vacation move-ups will be awarded to pilots each month (by category, in seniority order)
as follows:
   a. Vacation move-up:
      1) bidding will close on the date and time specified in Section 23 B.
      2) awards will be posted on the date specified in Section 23 B.
   b. Vacation move-ups will be awarded in seniority order with the following priority:
      1) Pilots requesting to change a primary vacation.
      2) Pilots requesting to change a secondary vacation.
      3) Pilots requesting to change a tertiary vacation.
      4) Pilots requesting to change a quaternary vacation.
3. A pilot will not be awarded a vacation move-up:
   a. for a newly available vacation period that is in the current or subsequent bid period.
   b. if his previously awarded vacation period is longer than the newly available vacation
      period.
      Note: Purchased and/or supplemental vacation days will not be considered as part of
      his previously awarded vacation.
   c. if the move-up would result in the pilot receiving more than four vacation periods in a
      vacation year.
      Exception: A pilot may be awarded more than four vacation periods in a vacation
      year as a result of a move-up if the pilot’s additional vacation period(s) was carried
      over from the previous vacation year (see Section 7 F. 6. a.).

E. Adjustments and Postponements

1. The starting date of an awarded vacation period may be adjusted upon mutual agreement
between the pilot and the Company.
2. An awarded vacation may not be postponed unless such postponement is:
   a. due to unusual circumstances or Company requirements, or
   b. by mutual agreement between the pilot and the Company.
3. A postponed vacation period will be considered vacated and the affected pilot will be
   assigned an available vacation period.
   Note: Such pilot may re-bid through the move-up process.
4. Purchased and supplemental vacation days will be placed, at pilot option, at the
   beginning or end of a vacation period for the subsequent vacation year.
   Exception: A vacation period may only be expanded by a block of seven consecutive
   purchased or supplemental vacation days in:
      a. the December bid period, or
      b. the first ten days of January.
   Note: Such expansion will constitute the bidding and awarding of a posted vacation
   week.
5. Upon mutual agreement between the pilot and the Company, a pilot may purchase vacation days (see Section 12 O. 4. c.) to be placed at the beginning or end of a vacation period for the current vacation year.

6. Supplemental days for the current vacation year may be placed at the beginning or end of a vacation period, by mutual agreement between the pilot and the Company.

F. Cancellation of Vacation

1. The Company will:
   a. not cancel an awarded vacation unless due to operational necessity, and
   b. make:
      1) every effort to avoid canceling an awarded vacation, and
      2) every reasonable effort to recall a furloughed pilot in order to avoid cancellation of an awarded vacation.

2. A pilot will receive at least 30 days advance notice of the cancellation of an awarded vacation period. Exception: A pilot may receive less than 30 days advance notice in the event of an emergency that precludes such notice. The Company will notify such pilot promptly and forward to him a letter of confirmation at the earliest possible date.

3. The Company:
   a. may reinstate a cancelled vacation with 30 days advance written notice.
   b. will not reinstate a previously canceled vacation period with less than 30 days notice without the pilot’s consent.

4. A pilot whose vacation is canceled may:
   a. not displace another pilot from an awarded vacation period.
   b. be awarded a new vacation through the vacation move-up process.

5. If subsequent to the award of vacation periods, the number of vacation periods in a category must be reduced:
   a. the pilots in the affected category(ies) will be afforded the option, in order of seniority, to voluntarily cancel their awarded vacation period(s).
   b. the remaining cancellation of vacation periods will be conducted (if necessary) in inverse seniority order.

6. A pilot who is unable to take an awarded vacation during the current vacation year due to the needs of the Company may, at pilot option:
   a. carry the vacation time over into the succeeding vacation year, or
   b. accept pay, under Section 7 G. 3. b., in lieu of such vacation not taken.

7. A pilot who, during the last two bid periods of a vacation year, returns from an extended absence may:
   a. take any unused earned vacation in an available vacation period(s) in the current vacation year, and/or
   b. accept pay, under Section 7 G. 3. b., in lieu of such vacation not taken.

8. A pilot who is rerouted into his vacation period may, at his option, place the lost vacation day(s) at the end of the affected vacation period (without a reduction from his vacation bank hours for any rotation removed to accommodate such placement of lost vacation days), or add the lost vacation day(s) to the beginning or end of a subsequent vacation period.
Section 7 - Vacations

9. A pilot who is rerouted into a scheduled vacation period will be reimbursed for nonrefundable deposits and fees (e.g., accommodations, transportation, guides, instructors, rental vehicles or equipment) up to a maximum of $1,000, provided the pilot makes every reasonable effort to obtain a refund and submits proof satisfactory to his Chief Pilot that refund of such deposit/fee is not possible. Exception: No reimbursement will be due in the event the reroute is caused by a circumstance over which the Company does not have control (e.g., pilot’s origin or destination airport closed, weather on pilot’s routing, mechanical on pilot’s assigned aircraft).

10. Based on operational necessity as reasonably determined by the Company, the Company may proffer to liquidate a vacation period(s) in a category following notification to the MEC Scheduling Committee Chairman. This proffer may be made no earlier than sixty days prior to the affected bid period.

G. Vacation Pay

1. To the extent of his available vacation bank hours, a regular pilot will be paid 3:15 (3:00 effective April 1, 2007) for each day of his vacation.
2. To the extent of his available vacation bank hours, a reserve pilot will be paid 3:15 (3:00 effective April 1, 2007) and his reserve guarantee will be reduced by 1/30th or 1/31st for each day of his vacation.
3. A pilot will:
   a. not receive pay for a vacation day(s) in excess of his vacation bank hours.
   b. receive pay for the balance of his vacation bank hours on each March 31st, at the composite hourly rate for the category held by the pilot in such March bid period.
   c. receive pay for the value of the hours remaining in his vacation bank and any accrued vacation at the rate of the category for the last bid period in which he performed service as a pilot if he:
      1) retires.
      2) has commenced medical leave of absence and makes a request for such pay.
      3) dies.
   d. receive pay for the value of the hours remaining in his vacation bank (but will be ineligible for any accrued vacation) at the rate of the category for the last bid period in which he performed service as a pilot if he voluntarily resigns with notice.
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SECTION 8

DEADHEADING

A. Definitions

1. “Applicable rate” means, for the purposes of Section 8, the composite hourly rate plus international pay, if applicable, for the position held by the pilot at the time of the deadhead.
   Exception one: If a pilot holds a position with more than one rate when deadheading by air transportation to a flight segment(s), the applicable rate will be the rate for the aircraft model used on the first non-deadhead segment after the deadhead on which the pilot performed, or was scheduled to perform, duty as a crew member.
   Exception two: If a pilot holds a position with more than one rate when deadheading by air transportation on the last flight segment(s) of his rotation, the applicable rate will be the rate for the aircraft model used on the last non-deadhead segment before the deadhead on which the pilot performed, or was scheduled to perform, duty as a crew member.

2. “Deadhead” means the surface or air transportation of a pilot between airports at the instruction of the Company.
   Exception one: Surface transportation to or from an airport for the sole purpose of lodging is not a deadhead.
   Exception two: Travel to and from training is not a deadhead.


4. “Off-rotation deadhead” means travel initiated by a pilot, at the beginning or end of a rotation, by means other than the scheduled deadhead segment.

B. Pay and Credit

1. A pilot who deadheads by air transportation on a flight segment(s) designated by the Company will receive pay and credit at the applicable rate for the flight time of the deadhead segment(s).

2. A pilot who utilizes an off-rotation deadhead will receive pay and credit at the applicable rate for the scheduled time of the scheduled deadhead segment(s).
Section 8 - Deadheading

3. A pilot who deadheads between the airports listed below by surface transportation (in either direction) will be paid as follows:

<table>
<thead>
<tr>
<th>Airport Pairings</th>
<th>Travel Time</th>
<th>Pay</th>
<th>Airport Pairings</th>
<th>Travel Time</th>
<th>Pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>FLL-MIA</td>
<td>0:45</td>
<td>$9.38</td>
<td>DAL-DFW</td>
<td>0:25</td>
<td>$5.21</td>
</tr>
<tr>
<td>HOU-IAH</td>
<td>0:45</td>
<td>$9.38</td>
<td>MDW-ORD</td>
<td>1:10</td>
<td>$14.59</td>
</tr>
<tr>
<td>EWR-JFK</td>
<td>1:20</td>
<td>$16.68</td>
<td>EWR-LGA</td>
<td>1:20</td>
<td>$16.68</td>
</tr>
<tr>
<td>LAX-ONT</td>
<td>1:30</td>
<td>$18.75</td>
<td>LAX-BUR</td>
<td>1:15</td>
<td>$15.63</td>
</tr>
<tr>
<td>LAX-ONT</td>
<td>1:30</td>
<td>$18.75</td>
<td>LAX-SNA</td>
<td>1:30</td>
<td>$18.75</td>
</tr>
<tr>
<td>LAX-LGB</td>
<td>1:00</td>
<td>$12.50</td>
<td>SFO-OAK</td>
<td>1:00</td>
<td>$12.50</td>
</tr>
<tr>
<td>SFO-SJC</td>
<td>1:00</td>
<td>$12.50</td>
<td>BUR-ONT</td>
<td>2:00</td>
<td>$25.00</td>
</tr>
<tr>
<td>BUR-SNA</td>
<td>2:00</td>
<td>$25.00</td>
<td>BUR-LGB</td>
<td>1:30</td>
<td>$18.75</td>
</tr>
<tr>
<td>ONT-SNA</td>
<td>1:15</td>
<td>$15.63</td>
<td>ONT-LGB</td>
<td>2:00</td>
<td>$25.00</td>
</tr>
<tr>
<td>OAK-SJC</td>
<td>1:30</td>
<td>$18.75</td>
<td>DCA-IAD</td>
<td>0:45</td>
<td>$9.38</td>
</tr>
</tbody>
</table>

4. A pilot who deadheads by surface transportation between airport pairings not listed in Section 8 B. 3. will be paid $12.50 per hour of travel time, on a minute by minute basis.

5. If the Company utilizes two or more airports in other areas, either the Company or the Association may initiate conferences for the purpose of establishing ground travel time(s). If a travel time is not agreed upon within 30 days of the initiation of such conferences, the issue of the travel time will be submitted to the Delta Pilots’ System Board of Adjustment, sitting with a neutral arbitrator, for determination. Pending a decision of the Board, the travel time will be the American Automobile Association published travel times.

C. Effect on Duty Rigs

1. When a domestic category pilot deadheads by air transportation at the beginning of a duty period, his report for calculation of rotation credit and duty period credit, will be the later of his actual report or 30 minutes (90 minutes for an off-line deadhead(s)) before the scheduled departure time.

2. When an international category pilot deadheads by air transportation at the beginning of a duty period, his report, for calculation of rotation credit and duty period credit, will be the report under Section 12 A. 19. b.

3. When a pilot deadheads by surface transportation at the beginning of a duty period, his report for calculation of rotation credit and duty period credit, will be the scheduled departure time of the surface transportation.

4. When a pilot deadheads by surface transportation at the end of a rotation, his release, for calculation of rotation credit and duty period credit, will be extended by the travel times in Section 8 B. 3. and 5., regardless of the actual travel time.

5. DPA pay and credit does not apply to a duty period consisting solely of a deadhead.

6. Reserve duty period average does not apply to a duty period consisting solely of a deadhead.
D. Modes of Transportation

1. A pilot will not be required to deadhead on an air carrier experiencing a labor dispute (strike) by pilots.

2. A pilot will not be required to deadhead on an air carrier experiencing a labor dispute (strike) by employees other than pilots, except in emergency situations. This does not preclude such deadheading as may be required to prevent disruption of the Company flight schedules.

3. A pilot who is scheduled to deadhead at the end of a rotation will be booked on the flight(s) scheduled to return him to his base as soon as possible.

4. A pilot who is scheduled to deadhead to a layover at the end of a duty period in which he has performed flying, will be booked on the flight(s) scheduled to place him at his layover as soon as possible.

E. Off-Rotation Deadheads

1. A regular pilot may utilize an off-rotation deadhead at the beginning or end of a rotation.

2. A regular pilot is required to notify Crew Scheduling of an off-rotation deadhead at the beginning of a rotation within the 24 hours preceding the report of the scheduled deadhead segment.

3. A reserve pilot may utilize an off-rotation deadhead at the end of a rotation. He may utilize an off-rotation deadhead at the beginning of a rotation only with permission from Crew Scheduling.

4. A pilot who utilizes an off-rotation deadhead at the end of a rotation is required to give prior notification to Crew Scheduling. Such notice must be given as soon as possible after the arrival of the pilot’s last flying segment prior to his scheduled deadhead. Such notice will be given via a voice response unit (VRU) or, at pilot option, via a call to Crew Scheduling.

5. A pilot who utilizes an off-rotation deadhead at the beginning of a rotation is required to report for duty at the departure airport of the first non-deadhead segment as follows:
   a. one hour before the scheduled departure time of the first non-deadhead segment, or,
   b. one hour and 30 minutes before the scheduled departure time of the first non-deadhead segment if that segment includes an ocean crossing.

6. The maximum on-duty time of a pilot who utilizes an off-rotation deadhead at the beginning of his rotation will be determined using the report in Section 8 E. 5., or, if the pilot is given prior notice, the adjusted time.

7. The in-base break-in-duty under Section 12 G. for a pilot who utilizes an off-rotation deadhead at the end of a rotation will be determined using the scheduled release of such rotation.

8. A pilot who utilizes an off-rotation deadhead at the beginning of a rotation will be responsible for his transportation.

9. A pilot who utilizes an off-rotation deadhead at the end of a rotation will be responsible for his transportation.

Exception one: A pilot who utilizes an off-rotation deadhead to travel to his base at the end of a rotation, prior to his scheduled deadhead, will be provided positive space on-line transportation if sales are authorized at the time of his attempted booking.
Section 8 - Deadheading

Exception two: A pilot who utilizes an off-rotation deadhead to travel to a domestic airport (other than his base) in the vicinity of his permanent residence at the end of a rotation will be provided positive space on-line transportation if:

- sales are authorized at the time of the attempted booking,
- the routing does not pass through the pilot’s base,
- the routing does not exceed the number of deadhead segments scheduled, and
- the flight segment(s) departs:
  1) prior to the originally scheduled deadhead, or
  2) on the same day as the originally scheduled deadhead.

Exception three: A pilot deadheading under Section 8 E. 9. Exception one or two may attempt his booking at any time after the report of his rotation.

10. Effect on per diem

- When a pilot utilizes an off-rotation deadhead at the beginning of a rotation, his time away from base begins at the later of his actual report or the scheduled report under Section 8 E. 5.

- When a pilot utilizes an off-rotation deadhead at the end of a rotation, his time away from base ends upon his release from his last non-deadhead segment.

11. A pilot who utilizes an off-rotation deadhead will be provided lodging as shown on his rotation.

12. No deadhead will be booked on the jumpseat.

13. The Company and Association will meet at the Association’s request to review the selection of air carriers for pilot deadheading. The recommendations of the MEC Chairman will be given due consideration by the Company in the selection of such air carriers. An air carrier that is being rejected for safety related reasons for transportation by the United States Department of Defense will not be utilized for pilot deadheading.
SECTION 9

MISCELLANEOUS FLYING

A. Definitions

1. “Functional check flight” (FCF) means flying that involves the planned use of abnormal or “special” checklists and/or determinations of the airworthiness of major system items or troubleshooting.

2. “Verification flight” (VF) means flying that is performed to determine whether a maintenance repair action has successfully resolved the pertinent problem, provided such flying does not involve:
   a. the planned use of abnormal or special checklists, or
   b. determinations of the airworthiness of major system items or troubleshooting.

B. Pay and Credit

1. A pilot will be paid his composite hourly rate on all scheduled and all non-scheduled flights.

2. An administrative pilot may fly a rotation or portion of a rotation that is removed from open time. The pilot(s) who would otherwise have performed such flying will not receive pay protection if such rotation:
   a. was removed from open time within 96 hours of report, and
   b. was available for at least one PCS run.
   Exception: If such rotation is in same day or next day open time, then a PCS run is not required.

C. Professional and Personal Flying

1. A pilot will devote his entire professional flying service to the Company.

2. A pilot may affiliate with the United States Armed Services.

D. Certificate Requirements

1. A pilot will have all required pilot and medical certificates in his possession when reporting for flight duty.

2. A pilot will fax or mail a copy of his most current medical certificate to Aircrew Records, Dept. 060, ATL. The certificate must be received on or before the 25th of the month during which his medical certificate expires.

3. A pilot will not be paid or credited for any rotation or guarantee unless his certificates are valid and correctly documented in DBMS.
   Exception: A Chief Pilot, the System Manager - Flight Operations, or the Director - Flight Operations may waive these requirements due to extraordinary circumstances.
Section 9 – Miscellaneous Flying

E. VF & FCF

1. The Director-Flight Operations or his designee will be the initial arbiter as to whether a particular assignment fits the definition of a VF or FCF.
2. The Captain (or Captain qualified First Officer SLIs) assigned to the FCF must have completed Delta’s FCF training program (“FCF training”) that was designed and implemented through the mutual agreement of the Delta Flight Training Department and a representative of the Delta MEC.
3. Captains (or Captain qualified First Officer SLIs) who have completed FCF training will be on the functional check flight corps roster. Captain qualified First Officer SLIs who have permanently returned to the line as First Officers will be removed from the functional check flight corps roster.
4. The First Officer position on an FCF may be filled with a right-seat qualified pilot on the FCF roster or will be awarded/assigned under Section 23 N. or O.
5. A pilot will be assigned a VF(s) under Section 23 N. or O.
SECTION 10

ADMINISTRATIVE PILOTS

A. Definitions

“Administrative pilot” means a pilot who is removed from a category for the purpose of performing managerial, supervisory and/or administrative duties for the Company (e.g., a pilot in a payroll department other than 030 or 031).

Exception: An instructor who does not perform managerial or supervisory duties (i.e., an instructor in payroll department 052) is not an administrative pilot.

B. Return to the Line

An administrative pilot who returns to the line will:

1. transfer to any category that his seniority allows him to hold, and
2. convert into such category on the first day of the bid period.

C. Physical Examinations

An administrative pilot is covered by the medical review provisions under Section 15.
SECTION 11

TRAINING

A. Definitions

1. “Aircrew program designee” (APD) means a pilot who is designated by the FAA to administer type rating evaluations.

2. “Bid-qualified pilot” means a pilot who has completed or is projected to complete all training, except for OE, prior to the first day of the bid period.

3. “Continuing qualification training” (CQ) means training necessary to maintain position qualification under FAR 121.427 and the Company’s advanced qualification program (AQP) standards.

4. “Continuous training” means the combination of:
   a. training, and
   b. associated periods of interruption of training of three consecutive days or less.

5. “CQ golden days” means a block of five consecutive days during which a pilot will not be scheduled for CQ.

6. “Distributed training” means training that is accomplished without a classroom, instructor in a classroom, flight training device, flight simulator or airplane. Distributed training includes training material the Company requires a pilot to complete that cannot be completed in conjunction with the normal course of preparing for flight. Examples of informational materials that are not distributed training include, but are not limited to, manuals updates (e.g., updates to FOM, Operations Manual 1 and 2, QRH, FCTM, Airway Manual), flight crew bulletins and flight operations bulletins.

7. “Entry level pilot” means a pilot who has not completed his initial OE at the Company.

8. “Evaluation” means a check of a pilot’s performance and/or proficiency pursuant to an FAR or as part of the Company’s training including its Advanced Qualification Program (AQP).

9. “FAA” means the Federal Aviation Administration.

10. “FARs” means the Federal Aviation Regulations.

11. “Functional check flight” (FCF) means flying that involves the planned use of abnormal or “special” checklists and/or determinations of the airworthiness of major system items or troubleshooting.

12. “Line check pilot” (LCP) means a pilot who is:
   a. selected by the Company and designated by the FAA, and
   b. authorized to administer evaluations during line operations.

13. “Non-seniority list instructor” (NSLI) means an instructor who is:
   a. not on the seniority list, or
   b. currently receiving long term disability benefits under the D&S Plan.

14. “Operating experience” (OE) means performing the duties of Captain or First Officer under the supervision of an LCP under FAR 121.434 (c) and (f).
Section 11 - Training

15. “Proficiency check pilot” (PCP) means:
   a. a pilot who is selected by the Company and designated by the FAA and authorized to
      administer proficiency checks in other than line operations, and/or
   b. an NSLI who is selected by the Company and designated by the FAA and authorized
      to administer proficiency checks in other than line operations under Section 11 D.

16. “Pro rata portion of the ALV” means a share (1/30th in a 30 day bid period or 1/31st in a
    31 day bid period) of the ALV.

17. “Qualification training” means training necessary to create a position qualification (i.e.,
    initial, transition, upgrade, requalification, transoceanic ground school).

18. “Qualified SLI” means an SLI who can function as the instructor of record.

19. “Recency” or “recency of experience” means the requirement of a Captain or First
    Officer to make at least three takeoffs and landings within a 90 day period under FAR
    121.439. Satisfaction of this requirement is not training.

20. “Reestablishment of recency” means the training and checking required under FAR
    121.439 to reestablish qualifications that have lapsed due to lack of recency.

21. “Rotation guarantee” means the pay guarantee under Section 4 F.

22. “Seniority list instructor” (SLI) means an instructor who is a pilot.
    Exception: An instructor who is a pilot currently receiving long term disability benefits
    under the D&S Plan cannot be an SLI.

23. “SLI duty period” means one of the following when performed by an SLI:
   a. one FTD or simulator period including brief and debrief.
   b. one training and/or evaluation event in an aircraft including brief and debrief.
   c. two complete qualification training oral evaluations.
   d. a VF(s) and/or an FCF(s), not to exceed 10 hours.
   e. a day of Company business away from his training center.
   f. a duty period of up to 13 scheduled hours and 15 actual hours during which an SLI
      deadheads to and/or from a training location and performs SLI duties.
   g. a period consisting solely of deadheading to or from a training location.
   h. service as part of a crew complement for one FTD or simulator period, including
      brief and debrief.
   i. up to eight hours (exclusive of meal break) of office duties or special projects (an
      “office day”).

   Note: An SLI may be required to perform any SLI duties during his office day or
   additional SLI duties that have arisen on short notice during his SLI duty period. Such
   SLI will be credited with an additional SLI duty period only if he is required to remain on
   duty in excess of eight hours (exclusive of meal break).

24. “Training” means a Company-sponsored program of instruction and/or evaluation
    required by the Company or FARs (e.g., qualification training, CQ, distributed training).

25. “Training day(s)” means a day(s) in which a pilot is scheduled to:
   a. attend continuous training.
   b. travel between his base and the training location.

26. “Unassigned pilot” means a pilot in excess of PWA staffing requirements who is
    assigned to an aircraft type and base but does not currently hold a status.
27. “Verification flight” (VF) means flying that is performed to determine whether a maintenance repair action has successfully resolved the pertinent problem, provided such flying does not involve:
   a. the planned use of abnormal or special checklists, or
   b. determinations of the airworthiness of major system items or troubleshooting.

B. Pay and Credit

1. Qualification Training
   a. A regular pilot, while assigned to qualification training:
      1) will be paid and credited the greater of (or at his option, on a bid period to bid period basis, either of):
         a) rotations removed during periods of continuous training to:
            i. accommodate travel between his base and his training location when such training is conducted away from his base, and/or
            ii. accommodate such training, and/or
            iii. eliminate an FAR or PWA conflict that arises because of such training, or
         b) pro rata portion of the ALV at the rate of the highest paying aircraft model shown on his line for each training day.
      2) may (if bid qualified) be awarded/assigned a white slip, GS or IA that is scheduled to release prior to commencement of such training. Such pilot will receive, in addition to pay and credit under Section 11 B. 1. a. 1):
         a) pay and credit for the white slip, or
         b) pay and credit/no credit (Section 23 U. 1. a.) for the GS, or
         c) pay, no credit for the IA.
   b. A reserve pilot or an unassigned pilot, while assigned to qualification training, will be paid and credited a pro rata portion of the ALV for each training day, including training days on which his schedule shows “OFF” (not scheduled to attend training), at the rate of the highest paying aircraft model shown on his line or if he has not flown during the bid period, the rate used to establish his reserve guarantee or unassigned pilot guarantee (see Section 4).
   c. A pilot, while assigned to qualification training:
      1) that extends into two or more bid periods, will be paid and credited in each bid period based on the type of line he holds (regular, reserve, or unassigned) in such bid period.
      2) who completes a rotation on the day in which he commenced training or originates a rotation on a day in which he completes training, will be paid and credited for such rotation in addition to pay and credit under Section 11 B. 1. a. 1).
   d. A pilot whose qualification training is canceled after the date of his line award will be treated as follows:
      1) A reserve pilot will be assigned to a specially created reserve line.
2) A regular pilot will be assigned, at pilot option, to a:
   a) specially created reserve line covering the period of his scheduled training, or
   b) blank regular line covering the period of his scheduled training.
3) a pilot who is assigned to a:
   a) blank regular line under Section 11 B. 1. d. 2) b) will:
      i. be permitted to construct a line from open time available at the time of
         assignment, without regard to Section 23 P. 4.
      ii. not be guaranteed pay and credit for the value of his originally shown
          period of his scheduled training.
   b) specially created reserve line under Section 11 B. 1. d. 1) or 2) a) will be
      guaranteed pay and credit for no less than the value of his originally shown
      period of his scheduled training.

2. Continuing Qualification Training
a. A pilot, while assigned to CQ training that was scheduled prior to initial line awards,
   will receive pay, no credit of 3:15 for each training day.
   Note: A reserve pilot’s guarantee will be reduced pro rata (1/30th in a 30 day bid
   period and 1/31st in a 31 day bid period) for each CQ training day.
   b. A pilot, while assigned to CQ training that was scheduled after initial line awards,
   will receive, pay no credit for the greater of:
      1) 3:15 for each training day, or
      2) rotations removed during periods of continuous training to:
         a) accommodate travel between his base and his training location when such
            training is conducted away from his base, and/or
         b) accommodate such training, and/or
         c) eliminate an FAR or PWA conflict that arises because of such training.
   Note: The projection and/or guarantee of a pilot scheduled for CQ training after
   initial line awards will be adjusted as follows:
      1) A regular pilot’s projection and line guarantee will be reduced by the value of
         a rotation(s) that is removed from his line to accommodate scheduled CQ
         training.
      2) A reserve pilot’s guarantee will be reduced pro rata (1/30th in a 30 day bid
         period and 1/31st in a 31 day bid period) for each on-call day removed from
         his line to accommodate scheduled CQ training.
   c. Without pilot consent, the Company will not:
      1) schedule a pilot to undergo CQ on his CQ golden days.
      2) extend a pilot’s CQ into his CQ golden days.
   d. The CQ of a pilot who declines an extension into his CQ golden days will be
      rescheduled.
   e. A pilot whose scheduled CQ training days are extended or rescheduled due to his
      failure to successfully complete training will not receive CQ training pay (i.e., 3:15
      per day or rotations removed) for such additional training day(s) and associated
      evaluation (see Section 11 B. 6. and 7.).
   f. A pilot who completes a rotation on the day in which he commenced training or
      originates a rotation on the day he completes CQ training will be paid and credited for
      such flying in addition to pay and credit under Section 11 B. 2. a.
3. Recency
   a. A regular pilot on his day(s)-off or a reserve pilot who is designated by the Company
to satisfy his recency of experience requirement:
      1) in a simulator, will receive pay, no credit of 3:15 per day.
      Note: Recency can extend into a second day if the simulator period and travel are
      not both scheduled to occur within the maximum scheduled duty time under
      Section 12 D. 1., based on a 30 minute report and block-in.
      2) on a rotation, will receive pay, no credit of 3:15 regardless of the number of duty
      periods involved.
   b. The reserve guarantee of a pilot who is designated to satisfy his recency of experience
      requirement on an on-call day will be reduced pro rata for each on-call day for which
      he receives recency of experience pay.
   c. A regular pilot who is designated to satisfy his recency of experience requirement on
      a rotation that conflicts with a rotation on his line will be removed from such
      conflicting rotation:
      1) will be subject to Section 4 F. (Rotation Guarantee), and
      2) may be required to fly the balance of such removed rotation.
   d. While away from base, a pilot who is designated by the Company to satisfy his
      recency of experience requirement in a simulator will receive:
      1) per diem (based on a 30 minute report and block-in at base),
      2) lodging, only if the simulator period and travel are not both scheduled to occur
      within the maximum scheduled duty time under Section 12 D. 1., and
      3) positive space transportation to and from the simulator facility and any Company
      station.

4. Reestablishment of Recency
   a. A pilot who has lost his recency due to his illness, or facility or equipment
      unavailability, and who is designated by the Company for training to reestablish his
      recency will receive:
      1) if he is a reserve pilot, pay, no credit of 3:15 for each day of such training, and
      will have his reserve guarantee reduced pro rata for each day of such training on
      his on-call day(s),
      2) if he is a regular pilot who is returning from illness or has elected to receive such
      training on his day(s)-off, pay, no credit of 3:15 for each day of such training on
      his day(s)-off, or
      3) if he is a regular pilot, a rotation guarantee under Section 4 F. for any rotation (or
      portion thereof) removed from his line due to his loss of recency or that conflicts
      with such training. Such pilot may be required to fly the balance of such
      conflicting removed rotation.
   b. A pilot who has lost his recency due to his unavailability for any reason other than his
      illness, and who is designated by the Company for training to reestablish his recency,
      will receive pay, no credit of 3:15 for each day of such training, and:
      1) if he is a reserve pilot, will have his reserve guarantee reduced pro rata for each
      on-call day(s) during the period beginning on the day he lost his recency and
      ending on the day it was reestablished, or
2) if he is a regular pilot, will not receive a rotation guarantee under Section 4 F. for any rotation removed from his line that originates during the period of time beginning on the day he lost his recency and ending at the time it was reestablished.

5. Operating Experience

a. A pilot who is assigned to OE will, at his election, be paid and credited the value of:
   1) his OE rotation(s) flown at the rate applicable to the aircraft model(s) flown, or
   2) the rotation(s) removed to accommodate his OE, at the rate applicable to the aircraft model(s) flown.

   Note: Such pilot will be paid and credited the greater of Section 11 B. 5. a. 1) or 2) if he does not make an election.

b. The reserve guarantee of a pilot assigned to OE who has not yet converted to his new category will be based upon the category he held at the time of his OE.

c. A pilot who has been converted into his new category, completed simulator training, but has not completed OE, will:
   1) not be eligible to submit or be awarded a white slip, GS, GSWC or yellow slip.
   2) receive an OE look-back guarantee that is equivalent to a pro rata portion of the ALV under Section 11 B. 5. d., during:
      a) the regular line portion of his line in the bid period in which he completes simulator training, and
      b) each subsequent bid period in which he holds a regular line until the end of the bid period in which he completes OE.

d. The OE look-back guarantee under Section 11 B. 5. c. 2) will be applied as follows:
   1) At the end of the bid period, for each day prior to the completion of his OE, a pilot will receive the greater of:
      a) pay and credit equivalent to a pro rata portion of the ALV, as adjusted in Section 11 B. 5. d. 2), or
      b) his accumulated pay and credit.
   2) Such pilot will not receive a pro rata portion of the ALV for a day that is a personal drop(s), vacation day(s) or unpaid leave(s) of absence.
   3) The OE look-back guarantee will not cause a pilot’s total pay and credit for the bid period to exceed the ALV, as adjusted.

e. Example 1.

   1) Assumptions:
      a) The pilot is an MD-88A who undergoes qualification training for B-767A.
      b) The pilot was not converted into the B-767A category before June 1st.
      c) The pilot begins B-767A training on May 16th.
      d) The pilot is scheduled to complete simulator training on June 10th.

   2) Results:
      a) Because the pilot remains in the MD-88A category for the May bid period, he bids an MD-88A line; he is awarded a regular line. For the period May 1st – May 15th the pilot is paid for rotations flown. For the period May 16th – May 31st the pilot is paid the pro rata portion of the ALV.
b) Because the pilot is scheduled to complete simulator training before June 16th, he converts to B-767A on June 1st, under Section 22 E. 6. a. 1).

c) Because the pilot was not scheduled to complete simulator training prior to the first day of the June bid period, he could not bid a B-767A line for the June bid period, under Section 23 A. 3.

d) Because he was not bid qualified as B-767A for the June bid period, he is assigned to a specially created reserve line under Section 23 D. 19, when he completes simulator training.

Note: Prior to completion of OE, the pilot will have no reserve obligation.

e) Because he was not bid qualified as B-767A for the June bid period, the pilot had no rotations to be removed in June. He is paid and credited a pro rata portion of the ALV for the period June 01-10, under Section 11 B. 1.

f) Because the pilot had no rotations removed to accommodate OE, he is paid and credited for rotations flown during OE under Section 11 B. 5. a.

g) Prior to completion of OE on June 19th, the pilot may opt to begin a blank regular line upon completion of OE under the Exception to Section 23 D. 19.

Example 2.

1) Assumptions:
   a) The pilot is an MD-88A who undergoes qualification training for B-767A.
   b) The pilot was not converted into the B-767A category before June 1st.
   c) The pilot is scheduled to complete simulator training on June 18th.
   d) The pilot is awarded a regular B-767A line in July.

2) Results:
   a) Because the pilot is scheduled to complete simulator training after June 16th, he remains MD-88A in the June bid period and converts to B-767A on July 1st under Section 22 E. 6. a. 1).
   b) Because he held MD-88A for the June bid period, he bid a June MD-88A line; he was awarded a regular line.
   c) During the period from June 1st through June 18th, he is paid a pro rata portion of the ALV under Section 11 B. 1.
   d) During the period from June 19th through June 30th, he is paid and credited the value of the MD-88A rotations removed.

Note: If the pilot was awarded a MD-88A reserve line, he would have no reserve obligation.

   e) Because he is projected to complete simulator training prior to July 1st, he can bid a July B-767A line.
   f) From July 1st through July 13th, the B-767A rotations on his line are removed.
   g) The pilot is paid and credited for the removed rotations.
   h) During OE, he is paid and credited the greater of the B-767A rotations removed to accommodate OE or the rotations flown during OE under Section 11 B. 5. a.
   i) Because the pilot did not convert to B-767A until July 1st, the OE look-back guarantee does not apply to the June bid period.
   j) At the end of the July bid period, the OE look-back guarantee will be applied for the period from July 1st through July 18th under Section 11 B. 5. d. 3).
Section 11 - Training

6. A pilot who fails to satisfactorily complete a proficiency check/OE will be paid and credited his line guarantee (excluding sick leave) until the completion of the proficiency check/OE or 30 days, whichever occurs first. Note: The 30-day period will be extended to the date of disposition of the pilot’s case by the Company, if such disposition occurs more than 30 days after the failure to complete the proficiency check/OE.

7. A pilot who needs additional training to achieve proficiency following a maneuvers validation and LOE will be paid and credited his line guarantee (excluding sick leave) until the completion of such training/evaluation.

8. A volunteer line pilot who serves as a part of a crew complement in a flight simulator and/or level five or higher FTD training/evaluations will receive:
   a. 3:15 pay, no credit, for each simulator and/or FTD period on a regular line day-off or reserve X-day, and
   b. 5:00 pay and credit for each simulator and/or FTD period on a reserve on-call day.

9. A pilot will receive one minute of pay for every three minutes (as determined by run time) of distributed training. In the event run time cannot be determined by starting the program and running it to completion, the run time will be established by a panel of five pilots who are mutually acceptable to the Company and the MEC Training Committee Chairman. The panel will be timed as they complete the distributed training material and after discarding the high and the low completion time, the remaining three completion times will be averaged to determine the run time. Note: A pilot who does not complete his assigned distributed training prior to commencement of non-distributed training will not receive training pay under Section 11. B. until he has completed such distributed training and commences such non-distributed training. Such pilot will be paid and credited his line guarantee until he commences such non-distributed training.

10. A pilot who is scheduled for and attends an In-Command Seminar or LCP Symposium will be paid 3:15 pay, no credit for each day of attendance and related travel.

11. A pilot (excluding an LCP, PCP, or administrative pilot) who attends any scheduled training that does not have a corresponding pay treatment under Section 11 B. (e.g., mountain flying training that is not part of CQ or qualification training) will be paid and credited in the same manner as CQ.
Section 11 - Training

12. Conversion after training/OE pay and credit examples
   a. Example 1

<table>
<thead>
<tr>
<th>Date</th>
<th>Rotations removed</th>
<th>Event</th>
<th>Effect</th>
</tr>
</thead>
<tbody>
<tr>
<td>3-18</td>
<td></td>
<td>Sim</td>
<td>Check Pilot paid and credited under Section 11 B. 1.</td>
</tr>
<tr>
<td>3-19</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-20</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-21</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-22</td>
<td>3202A</td>
<td></td>
<td>Pilot paid and credited under Section 4 E.</td>
</tr>
<tr>
<td>3-23</td>
<td>3202B</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-24</td>
<td>3202C</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-25</td>
<td>3202D</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-26</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-27</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-28</td>
<td>3203A</td>
<td>OE</td>
<td>Pilot paid and credited under Section 11 B. 5.</td>
</tr>
<tr>
<td>3-29</td>
<td>3203B</td>
<td>OE</td>
<td></td>
</tr>
<tr>
<td>3-30</td>
<td></td>
<td>OE</td>
<td></td>
</tr>
<tr>
<td>3-31</td>
<td></td>
<td>OE</td>
<td></td>
</tr>
<tr>
<td>4-1</td>
<td>4201A</td>
<td></td>
<td>See Note 2 below</td>
</tr>
<tr>
<td>4-2</td>
<td>4201B</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4-3</td>
<td>4201C</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4-4</td>
<td>4201D</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Notes:
1) The pilot converts to his new category on April 1st.
2) If OE was scheduled:
   a) before April line bidding, rotation 4201 would be removed due to an FAR conflict. The pilot would not be paid and credited for rotation 4201.
   b) after April line bidding, rotation 4201 would be removed to accommodate OE. The pilot would be paid and credited for rotation 4201 under Section 11 B. 5.
b. Example 2

<table>
<thead>
<tr>
<th>Date</th>
<th>Rotations removed</th>
<th>Event</th>
<th>Effect</th>
</tr>
</thead>
<tbody>
<tr>
<td>3-18</td>
<td></td>
<td>Sim Check</td>
<td>Pilot paid and credited under Section 11 B. 1.</td>
</tr>
<tr>
<td>3-19</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-20</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-21</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-22</td>
<td>3202A</td>
<td></td>
<td>Pilot paid and credited under Section 11 B. 5.</td>
</tr>
<tr>
<td>3-23</td>
<td>3202B</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-24</td>
<td>3202C</td>
<td>OE</td>
<td></td>
</tr>
<tr>
<td>3-25</td>
<td>3202D</td>
<td>OE</td>
<td></td>
</tr>
<tr>
<td>3-26</td>
<td></td>
<td>OE</td>
<td></td>
</tr>
<tr>
<td>3-27</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-28</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-29</td>
<td>3203A</td>
<td></td>
<td>Pilot paid and credited under Section 4 E.</td>
</tr>
<tr>
<td>3-30</td>
<td>3203B</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-31</td>
<td>3203C</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4-1</td>
<td>3203D</td>
<td></td>
<td>Pilot is not paid or credited for D day of rotation 3203</td>
</tr>
</tbody>
</table>

Note: The pilot converts to his new category on April 1st.

c. Example 3

<table>
<thead>
<tr>
<th>Date</th>
<th>Rotations removed</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>3-19</td>
<td></td>
<td>Training</td>
</tr>
<tr>
<td>3-20</td>
<td></td>
<td>Training</td>
</tr>
<tr>
<td>3-21</td>
<td></td>
<td>Sim check</td>
</tr>
<tr>
<td>3-22</td>
<td>3202A</td>
<td></td>
</tr>
<tr>
<td>3-23</td>
<td>3202B</td>
<td></td>
</tr>
<tr>
<td>3-24</td>
<td>3202C</td>
<td></td>
</tr>
<tr>
<td>3-25</td>
<td>3202D</td>
<td></td>
</tr>
</tbody>
</table>

Notes:
1) The pilot converts to his new category on April 1st.
2) The pilot would not have been “legal to fly” rotation 3202 due to an FAR 24-in-7 conflict.
3) The pilot will be paid and credited the greater of:
   a) a pro rata portion of the ALV for the period 3-1 through 3-21 or,
   b) the rotations removed during the period 3-1 through 3-25.
Section 11 - Training

C. Seniority List Instructors and Line Check Pilots

1. An SLI will:
   a. perform evaluations of Captains and First Officers.
      Exception: Personnel employed or contracted by an aircraft manufacturer may perform evaluations in connection with the introduction of a new aircraft type or aircraft model during a period ending on the 180th day after the in-service date of such new aircraft type or aircraft model.
   b. perform all training and checking of pilots in an aircraft.
      Exception: Personnel employed or contracted by an aircraft manufacturer may perform aircraft training and checking in connection with the introduction of a new aircraft type or aircraft model during a period ending on the 180th day after the in-service date of such new aircraft type or aircraft model.
   c. while assigned to active duty in the Training Department:
      1) not be eligible to submit and be awarded a white slip.
      2) be eligible to submit and be awarded a GS to fly as:
         a) Captain in a category that includes the aircraft type on which he instructs if he can hold Captain on such aircraft type, and
         b) First Officer in a category that includes the aircraft type on which he instructs.

2. During each vacation year (April 1st – March 31st), each qualified SLI will return to line flying for a minimum of three full bid periods (prorated*) and must fly at least 120 credit hours (prorated*) on the aircraft type in which he is an SLI.

   *Proration Schedule:

<table>
<thead>
<tr>
<th>Projected bid periods as QSLI in vacation year</th>
<th>Minimum bid periods returned</th>
<th>Minimum Annual Credit Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-2</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>3-6</td>
<td>1</td>
<td>40</td>
</tr>
<tr>
<td>7-10</td>
<td>2</td>
<td>80</td>
</tr>
<tr>
<td>11-12</td>
<td>3</td>
<td>120</td>
</tr>
</tbody>
</table>

3. When returning to the line under Section 11 C. 2.:
   a. a Captain SLI whose seniority permits him to hold:
      1) Captain (on the aircraft type in which he is an SLI at any base) will fly as Captain at the base of his choice.
      2) First Officer, but not Captain (on the aircraft type in which he is an SLI) will fly as First Officer at the base of his choice.
   b. a First Officer SLI whose seniority permits him to hold:
      1) Captain (on the aircraft type in which he is an SLI) will fly as Captain or First Officer at the base of his choice.
      2) First Officer, but not Captain (on the aircraft type in which he is an SLI) will fly as First Officer at the base of his choice.
c. an SLI whose seniority does not permit him to hold First Officer (on the aircraft type in which he is an SLI at any base) will fly as the junior First Officer at the base of his choice.

d. the provisions of the PWA will apply to an SLI.
   Exceptions: When returned to the line under Section 11 C. 2., an SLI:
   1) will be paid at his hourly SLI rate.
   2) will be permitted to use his full service bank to be paid up to 85 hours flight pay in a bid period.
   3) may be proffered the opportunity to work up to seven days in the Training Department.

e. an SLI who works in the Training Department under Section 11 C. 3. d. 3) will be paid the greater of:
   1) 5:00 for each such day, or
   2) the value of the rotation(s) removed.
   Note: An SLI paid the value of rotations removed under Section 11 C. 3. e. 2) will be credited with the scheduled time of the rotation(s) removed for all purposes of the PWA except the minimum annual credit hours requirement under Section 11 C. 2.

f. An SLI may be placed on a rotation that was awarded or assigned to another pilot for the purpose of satisfying the minimum annual credit hour requirement under Section 11 C. 2.

4. An SLI will not train or evaluate unless he has satisfied the minimum annual credit hour requirement under Section 11 C. 2.
   Exception: This provision will not apply if the reason for an SLI’s non-compliance with the minimum annual credit requirement arises out of his sickness.

5. An SLI will not train or evaluate unless he has satisfied the minimum bid period requirement under Section 11 C. 2.
   Exception: This provision will not apply if the reason for an SLI’s non-compliance with the minimum bid period requirement arises out of:
   a. his sickness, or
   b. the inability of the Training Department to meet training requirements.

6. When the Company utilizes an SLI to fly a rotation, or portion thereof, that was awarded or assigned to another pilot:
   a. the Company will pay and credit the pilot(s) who would otherwise have performed such flying.
      Exception: The Company will not pay and credit the pilot(s) who would otherwise have performed such flying, if it was a rotation described under Section 23 I. 12.
   b. while the SLI is assigned to the Training Department, such utilization may be to buy a Captain rotation for a First Officer SLI or to buy a First Officer rotation for a Captain SLI.
      Note: The provisions of Section 11 C. 6. do not apply to an SLI who is awarded a GS under Section 11 C. 1. c. 2).

7. An SLI must give the Company at least 60 days advance written notice before the first day of the bid period in which he desires to return to the line on a permanent basis (i.e., other than to comply with Section 11 C. 2.). The Company may return an SLI to the line on a permanent basis at any time, without prior notice. In either case, the SLI will be afforded the following options to return to the line:
An SLI may enter a category in which a junior pilot has either been converted or received an advance entitlement while the SLI was assigned to the Training Department and incur a category freeze under Section 22 G. If the SLI returns to a category in which a junior pilot:

1) was converted, the SLI will immediately be converted into that category.
2) holds an advance entitlement, the SLI will:
   a) return to the category he held immediately prior to entering the Training Department, and
   b) be converted in seniority order among other pilots being converted under the bid award.

An SLI who is senior to at least one pilot in the category he held immediately prior to entering the Training Department may return to such category without incurring a category freeze.

An SLI who is unable to exercise the options in Section 11 C. 7. a. or b., may enter a category in which there is a junior pilot without incurring a category freeze.

An SLI will not train Captains or First Officers unless he has a minimum of 1000 hours of FAR 121 PIC or SIC experience, of which 750 hours is PIC or SIC experience at the Company.

Exception: The above requirements will not apply to a pilot who was an SLI on June 21, 2001.

A minimum of 30% of SLIs who train Captains or First Officers will have at least 500 hours of PIC experience at the Company.

The Company will replace an aircraft or simulator instructor upon a pilot’s verbal request. The pilot will, as soon as possible thereafter, submit a written confirmation of the request that explains the basis of the request.

The Company will grant a pilot’s request to replace an LCP conducting his OE, if the request is made after his OE begins.

Line check pilot and proficiency check pilot.

An LCP will not conduct a PIC line check and/or proficiency check unless he has a minimum of:

1) 1000 hours of flight experience as PIC for the Company, or
2) 1000 hours of flight experience as PIC and/or SIC on the aircraft type.

Exception: LCP minimum requirements may be waived or modified in specific instances by mutual agreement between the Company and the MEC Chairman.

An LCP:

1) will be paid at 115% of the rate applicable to the position he holds for the greater of the actual or scheduled block time of flight segment(s) when he performs LCP duties on such segment(s) in a rotation:
   a) on which he was scheduled to be an operating crewmember, or
   b) which occurred during a reserve on-call day.
2) who is removed from a rotation(s) on which he was scheduled to be an operating crewmember to perform LCP duties will be paid the greater of the dollar value of the:
   a) scheduled credit of the rotation(s) removed, or
b) actual credit of the rotation(s) flown, with the block time of the flight segment(s) on which he performs LCP duties computed at 115% of the rate applicable to the position he holds.

Note: An LCP removed from his line to perform line checks will be paid under Section 11 C. 12. b. 2) a) or b).

3) who on a voluntary basis, by mutual agreement between the pilot and the Company, performs LCP duties on his day(s)-off (as indicated on his line) will be paid for his duty period no less than the dollar value of the greater of the actual or scheduled block time of the flight segment(s) on which he performs LCP duties, computed at 115% of the rate applicable to the position he holds.

4) may perform LCP duties in a position other than the position he holds. At the Company’s discretion, a pilot who has volunteered and was an LCP in his previous position, may serve as an LCP in his previous position. Such LCP will not be considered when determining the Company’s compliance with Section 22 C. for the previous position in which he is performing LCP duties. In such a circumstance, the LCP will be paid under Section 11 C. 12. b. 1), 2) or 3) (whichever is applicable) based on the greater of the rate applicable to the position he holds, or the rate applicable to the position in which he performs LCP duties.

c. A pilot will not serve as a PCP for Captains or First Officers unless he has a minimum of 1000 total hours of FAR 121 PIC and/or SIC experience, of which 750 hours are PIC and/or SIC experience at the Company (500 hours for a pilot who was a PCP on June 21, 2001).

13. While assigned to active duty in the Training Department:

a. a Captain SLI will be paid at the applicable composite hourly rate in the highest paying position he can hold, capped at the applicable B-767-300 domestic Captain composite hourly rate.

b. a First Officer SLI will be paid at the applicable composite hourly rate in the highest paying position he can hold, capped at the applicable B-767-400 domestic First Officer composite hourly rate.

c. an SLI will:

1) receive a 75 hour pay guarantee.

2) not be required to perform more than 22 SLI duty periods in a bid period.

3) be afforded the opportunity to designate his preference for up to four consecutive golden days in each bid period, which will be granted if the needs of the Training Department permit.

4) not be required to work on his golden day(s).

5) receive 5:00 pay in addition to his guarantee for each SLI duty period in excess of 15 in a bid period.
D. Non-Seniority List Instructors

1. An NSLI:
   a. will not perform:
      1) flight duty as a crewmember,
      2) pilot evaluations, or
      3) as part of a crew complement during an evaluation.
   b. will not participate in the training of a pilot, unless he has:
      1) at least 2000 hours of experience as an airman (for NSLIs hired after June 21, 2001, at least 2000 hours of experience as an airman in Part 121 operations or equivalent commercial air carrier experience).
      2) an ATP Certificate.
      3) FAA qualifications to provide simulator instruction on the pertinent aircraft.
   c. may serve as part of a crew complement in a flight simulator and/or level five or higher FTD training, including service as part of the crew complement in an AQP quality assurance module (or equivalent non-jeopardy module).
      Exception: An NSLI may not serve as part of a crew complement during an evaluation.
   d. may not serve as PCP for a pilot.

Exception one: The requirements of Section 11 D. 1. b. will not apply to a furloughed pilot.

Exception two: NSLIs who have at least 500 hours as a Captain for the Company may perform all items above except service as a crewmember during an evaluation and performance of APD duties.

E. Training Committee

1. The MEC Training Committee will have the right to meet with the Senior Vice President-Flight Operations, or his designee, for the purpose of advice or consultation concerning any matter relative to training and checking.

2. If recurring difficulties with a particular SLI or LCP are identified, the Senior Vice President - Flight Operations, the MEC Chairman and the MEC Training Committee Chairman will meet for the purpose of identifying the nature of the recurring difficulties, the number of such occurrences and suggested corrective action. Corrective action may range from counseling to removal from SLI or LCP duties. The choice of corrective action taken, if any, will be at the sole discretion of the Senior Vice President - Flight Operations, or his designee.

Note: If recurring difficulties with a particular NSLI are identified and provided to the Senior Vice President – Flight Operations by the Association, the Senior Vice President - Flight Operations and the MEC Chairman (or their designees) will meet for the purpose of identifying the nature of the recurring difficulties, the number of such occurrences and suggested corrective action. Corrective action may range from counseling to removal from instructor duties. The choice of corrective action taken, if any, will be by mutual consent of the MEC Chairman and the Senior Vice President - Flight Operations, or their designees.

3. Distributed training, including examinations, will be developed with the input of the MEC Training Committee who will be invited to attend the first meeting concerning
Section 11 - Training

course development for the following CQ cycle. The course materials will be provided to
the MEC Training Committee Chairman allowing sufficient time for review prior to
Company initial submission to the FAA for approval.

4. Upon request, the MEC Training Committee Chairman will be given access to training
critiques submitted under Section 11 I. 12. (with the name of the pilot submitting the
critique redacted).

F. Scheduling Rules

1. A pilot will be removed from scheduled flying and reserve obligations on each day of his
continuous training.

2. The minimum time between the posting of qualification training in DBMS and
commencement of such training will be:
   a. 15 days if the training is a result of an AE or VD award.
   b. 25 days if the training is a result of an MD award.
   Note: The following types of training are not subject to such pre-posting requirement.
   Training:
      1) to reestablish recency or aircraft model currency.
      2) that is required by the FAA for a pilot who has not completed consolidation
         requirements.
      3) recommended or required by the Company or the FAA, on a case by case basis, to
         enable a pilot to demonstrate or attain proficiency.
      4) for a pilot who accepted a proffer of a training slot.
      5) for a pilot who is returning from a leave of absence under Section 13, sick leave
         under Section 14 or furlough under Section 21.
      6) that is:
         a) distributed training.
         b) CQ.
         c) an In-Command Seminar.
         d) an LCP Symposium.
         e) without a corresponding pay treatment under Section 11 B. (e.g., mountain
            flying training that is not part of CQ or qualification training).

3. Prior to a bid period in which a pilot may be scheduled for CQ training, the pilot may, via
DBMS, designate CQ golden day(s) by the date and time specified in Section 23 B. A
pilot will not be scheduled for CQ on a CQ golden day(s).

4. A CQ training assignment will be placed on a pilot’s line by the date and time specified
in Section 23 B. for the bid period in which the training is scheduled to occur.

5. A training slot that is vacated after the posting of awards in DBMS will be proffered to
available AE holders in order of seniority.

6. Normally, pilots who are awarded:
   a. VDs will be scheduled for training in seniority order prior to pilots awarded MDs.
   b. MDs will be trained in inverse seniority order.

7. CQ Training
   a. A pilot will be notified via DBMS at least 60 days before the commencement of the
      first bid period in which he is eligible for CQ training.
b. Under Section 23 B., a pilot will advise Crew Scheduling of any leave of absence or other known period in which he will be unavailable for training.

c. A pilot will not take any steps within his control that restrict his availability for CQ training during a period beginning 30 days before he is eligible for CQ training and ending with the posting of his CQ training schedule.

d. Upon being scheduled for CQ training, and absent a personal emergency, a pilot will not engage in activity within his control that interferes with the training schedule.

e. A pilot will not be assigned to ground or flight simulator training, including briefing and debriefing, between 0100 and 0500 (pilot’s base time).

f. The Company may extend CQ training due to facility or equipment unavailability.
   Exception: The Company will not extend CQ training into a pilot’s CQ golden day(s) without his consent. If the pilot does not agree to such an extension, he will be released from training and may be reassigned to another CQ training day(s) at the discretion of the Company in order to avoid a lapse of qualifications. If reassigned, the pilot will receive pay and credit under Section 11 B.1.

8. Intentionally left blank

9. Aircraft flight training will be wholly conducted during daylight hours.
   Exception one: Briefing and debriefing may be conducted during non-daylight hours.
   Exception two: Aircraft flight training may be conducted during non-daylight hours if the pilot has received simulator training in the same aircraft type.

10. A pilot will receive:
   a. a duty-free period of at least ten hours before commencement of training at his base.
   b. a duty-free period of at least ten hours between each training period.
   c. at least one day free of duty in each consecutive seven-day period during ground, simulator or flight training.
   d. a duty-free period of at least nine hours after his completion of training.

11. A regular pilot will not be inversely assigned to a rotation that reports before he has received a duty-free period of at least 11 hours after his completion of training.

12. A reserve pilot will not be required to be contactable before he has received a duty-free period of at least nine hours after his completion of training.

13. A pilot will not be:
   a. assigned to:
      1) a training period that exceeds the maximum scheduled duty times under Section 12 D.1.
      2) ground or flight simulator training, including briefing and debriefing, between 0100 and 0500 (local time) during qualification training.
      Exception: An entry level pilot may be so assigned during such 0100 - 0500 period.
   b. required to:
      1) report for training away from his base less than ten hours after block-in at the airport of the training location.
      Exception: A pilot may be scheduled to travel to and attend ground training within the same duty period provided all of the following conditions are met:
         a) The training is conducted in no more than five consecutive hours.
         b) Duty time, including travel and training, does not exceed ten hours.
         c) The pilot:
Section 11 - Training

1. is not required to depart his base earlier than 0800 (pilot’s base time).
2. is not required to remain in training that day beyond 1800 (pilot’s base time).
3. does not undergo flight simulator training, aircraft training or a proficiency check within the duty period.
4. advance to a simulator period that is more than one simulator period earlier (e.g., C to B) in a 24-hour period
5. scheduled for:
   1) more than eight hours of training in a day.
   2) a flight simulator period or level five or higher FTD period that exceeds four hours (exclusive of brief, debrief and break) in a day.

14. Flight simulator training is:
   a. duty time under Section 12 D. 1. (Maximum Scheduled Duty Time) and Section 12 G. (Break-in-Duty).
   b. not considered flight time.

15. Ground School
   a. The classroom schedule for qualification training will not exceed:
      1) eight hours (excluding lunch break) per day.
      2) five days during any consecutive seven day period.
   b. The classroom schedule for CQ will not exceed:
      1) eight hours (excluding lunch break) per day.
      2) five days during any consecutive seven day period.
   c. Ground training curriculum will be designed to be presented within the classroom schedule.
   d. CQ training curriculum will be designed to adequately cover aircraft systems without the need for after hours voluntary aircraft systems training.
   e. Upon request, a pilot will be afforded an opportunity to review aircraft systems and operation specifications with an instructor.

16. A pilot who has completed training but has not been converted into his new category will be granted additional OE, upon request to his base Chief Pilot, provided 30 days have elapsed since the completion of his most recent OE. The additional OE will be scheduled to be conducted as soon as practical and within 30 days of the request.

17. A pilot who is undergoing training as a result of a MD will not be scheduled for OE on his golden X-day(s) without his consent.

18. Recency and Reestablishment of Recency
   a. A pilot will be provided at least 45 days notice via DBMS of the pending expiration of his recency. The notice will advise the pilot to contact his Chief Pilot to schedule recency of experience.
   b. A pilot who has been notified of the pending expiration of recency will contact his Chief Pilot at least 21 days before such expiration and designate 14 days in which he may be scheduled recency of experience.
   c. Recency of experience will consist of at least three takeoffs and three landings in an aircraft or simulator.
   d. A pilot undergoing recency of experience in a simulator away from his base may be scheduled to travel to and from the simulator location and conduct the landings and takeoffs within a single duty period.
Section 11 - Training

e. A pilot undergoing recency of experience will not be required to exceed the
maximum scheduled duty time under Section 12 D. 1. (based on a 30 minute report
and a 30 minute release).
f. If the pilot becomes unavailable during his designated 14 days of availability, the
Company may reschedule the pilot as soon as possible upon return to availability,
prior to expiration of recency.
g. If as a result of facility or equipment unavailability the pilot does not complete his
recency of experience within his designated 14 days of availability, then with mutual
consent, he may be rescheduled on an off-day or X-day after the 14 days of
availability. The Company may reschedule recency of experience during the
timeframe of the pilot’s next rotation or reserve on-call day.
h. Recency of experience will not be posted in DBMS.

19. A pilot who is scheduled for qualification training days in excess of 19 in a 30 day bid
period, or 20 in a 31 day bid period (“an excess training day”), may elect to receive:
a. 3:00 pay, no credit (in addition to other pay for the bid period) for each excess
   training day, or
b. a compensatory day off for each excess training day.
   Note: A pilot who has more than one excess training day must select the same option for
   all such excess training days.
   Exception: Section 11 F. 19. does not apply to entry level pilots.

20. A pilot who is eligible for a compensatory day(s) off under Section 11 F. 19. will:
a. take such day(s) off in the current or a future bid period, by mutual agreement with
   Crew Scheduling,
b. have such day(s) added to a current year vacation period(s), by mutual agreement
   with Vacation Planning, or
c. have such day(s) added to his earned vacation for the next vacation year if not used in
   the current vacation year.

G. Training Opportunities

1. A pilot who fails to successfully complete any initial, transition, upgrade, or
requalification training will:
a. return to the category he held prior to entering training, provided:
   1) such previous category exists,
   2) he is senior to a pilot in such previous category, and
   3) he successfully requalifies for his previous position.
or
b. displace into any category for which his seniority is sufficient, provided he:
   1) is not senior to a pilot in his previous category or his previous category no longer
      exists, and
   2) he successfully completes training for such position.
c. be unqualified to fly in any category if he does not successfully:
   1) requalify under Section 11 G. 1. a. 3), or
   2) complete training under Section 11 G. 1. b. 2).
Section 11 - Training

2. A pilot under Section 11 G. 1. a. 3) or b. 2), who later fails to successfully complete any initial, transition, upgrade or requalification training will:
   a. return or displace under Section 11 G. 1., and
   b. be ineligible to be awarded any other position for the duration of his career.
   Exception: If the pilot is involuntarily displaced, he will, if his seniority is sufficient, be permitted an additional training opportunity (initial, transition, upgrade or requalification). If he fails to successfully complete such training opportunity, he will be unqualified to fly in any category.

3. Section 11 G. does not apply to line evaluations and CQ.

H. Requalification

A pilot who has remained unqualified in an aircraft model for six months or longer will, at pilot option, be assigned to a full initial ground school.
Exception: A pilot who requalifies in an AQP program will be trained to proficiency in accordance with Special FAR 58 governing AQP.

I. General

1. A pilot will receive positive space coach on-line transportation, or a space available pass with a priority of SA-1 for travel on Comair (so long as it is a wholly owned subsidiary), to travel between the training location and any Company station:
   a. before and after training.
   b. at his request during each duty-free period of 48 hours or more, if sales are authorized at the time of his attempted booking.

2. A pilot’s initial reservation will be made to and from the pilot’s base. He may change this routing to be between the training location and any Company station if sales are authorized at the time of his attempted booking by coordinating with JSA/XCM.

3. A pilot who travels to training away from base will be considered to have traveled between his base and the training location in accordance with his initial reservation for purposes of determining PWA and FAR compliance, training pay, and expenses.

4. During an evaluation (e.g., proficiency check, rating ride, LOE), the Company will not simultaneously train another pilot in the simulator.

5. During aircraft flight training, no person will be onboard other than the pilot trainees and the instructors and evaluators then engaged in instruction.
   Exception: This restriction does not apply to:
   a. the ferry of an aircraft to or from the airport at which training is conducted.
   b. aircraft training out of an airport where deplaning facilities are not available.
   c. a pilot who remains onboard at his request.

6. A pilot will be advised and, upon request, provided a copy of any unsatisfactory written report prepared during any phase of a training program.

7. The Company will grant the request of a pilot undergoing proficiency training or evaluation to allow another pilot to be present as an observer. The observer will be:
   a. selected by the pilot undergoing training,
   b. a Captain, and
   c. bid-qualified on the aircraft type.
Section 11 - Training

8. A pilot will not be required to pay for training or checking.
9. A pilot who serves as a volunteer to complete a crew complement during simulator training, level five or higher FTD training and/or evaluations will not be evaluated during such events. No formal record of the volunteer’s performance will be produced or maintained by Flight Training.
10. A First Officer may be required to complete an FAR 121 or AQP type rating during qualification training.
11. The Company is not required to maintain a pilot’s qualifications on an aircraft model or in a status outside his position.
12. The Company will provide an electronic training feedback form for voluntary completion by a pilot at the end of his training.
Section 11 - Training

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SECTION 12
HOURS OF SERVICE

A. Definitions

1. “Average Line Value” (ALV) means a number of hours established by the Company that is the projected average of all regular line values, for a position, for a bid period.

2. “Attrition” means the number of pilots who leave the active service of the Company due to retirement, medical leave, any leave in excess of 30 days, disability, death, or termination.

3. “Break-in-duty” means a rest period (measured from release to report) that is sufficient to break a pilot’s duty period under Section 12 G.

4. “Carry-over rate” means the dollar value of a pilot’s accumulated credit for a bid period divided by such accumulated credit, expressed in dollars per minute.

5. “Co-terminal” means the following airport combinations:
   a. DCA/IAD
   b. DFW/DAL
   c. IAH/HOU
   d. JFK/EWR/LGA
   e. LAX/BUR/LGB/ONT/SNA
   f. MIA/FLL
   g. ORD/MDW
   h. SFO/OAK/SJC

6. “Crew Scheduling assigned X-day” means an X-day placed on a pilot’s schedule in accordance with Section 12 N. 2. and/or Section 12 N. 7.

7. “Domestic category pilot” means a regular or reserve pilot who is not an international category pilot.

8. “Duty period” means the elapsed time from report to release (for a break-in-duty).

9. “Full service bank” or bank means an individual account maintained in DBMS for each pilot into which he may deposit and from which he may withdraw or borrow credit on a minute basis.

10. “International category pilot” means a regular or reserve pilot holding a position for which qualification for trans-oceanic navigation procedures is required.

11. “International operation” means a flight segment to or from an airport, or between airports, located outside the contiguous 48 states of the United States.

   Exception: A flight segment to or from an airport located in Canada or Alaska will not be considered an international operation.

12. “Intra-theatre flying” means a flight segment(s) flown by international category pilots between airports located outside the contiguous 48 states of the United States.

   Exception: An ocean crossing flight segment is not intra-theatre flying.

13. “Ocean crossing” means a flight segment:
   a. across the Atlantic Ocean, or
   b. across the Pacific Ocean, as follows:
      1) between the North American continent and the Hawaiian Islands,
      2) between the Hawaiian Islands and any point west of the 160 degree meridian,
Section 12 – Hours of Service

3) from the North American continent to a point west of the 160 degree meridian,
4) from a Pacific Rim airport to Australia and/or New Zealand,
or,
c. to or from an airport in South America, as follows:
  1) between the United States and any point south of the equator on the South
     American continent, and
  2) any flight segment scheduled for greater than eight hours to, within or from the
     South American continent,
or,
d. to or from an airport in Europe that crosses latitude 36°N. and/or longitude 45°E.

14. “Operational crewmember” means a pilot who operates the controls of the aircraft, assists
in the operation or control of the aircraft, and/or serves as a relief Captain or relief First
Officer.

15. “Release” means:
   a. for purposes of determining a pilot’s break-in-duty, the later of:
      1) 30 minutes after the block-in of his last flight segment, or
      2) the actual time he is released by the Company (after completion of any additional
duty required by the Company) to begin a rest period sufficient to break his duty
      period under Section 12 G.
   b. for purposes of determining a pilot’s duty period credit and rotation credit, the later
      of:
      1) 30 minutes after the actual block-in of his last flight segment,
      2) 30 minutes after the adjusted block-in of his last flight segment determined by
         adding the scheduled block time of such flight segment to the later of the
         scheduled or actual departure time of such flight segment, or
      3) the actual time he is released by the Company (after completion of any additional
duty required by the Company) to begin a rest period sufficient to break his duty
      period under Section 12 G.

16. “Relief Captain” means a Captain who is current in his position and augments a crew.

17. “Relief crew” means a relief Captain and a relief First Officer, collectively.

18. “Relief First Officer” means a type rated First Officer who is current in his position and
     augments a crew.

19. “Report” means the later of the actual or scheduled time that a pilot begins duty. Such
     scheduled time:
     a. in a domestic category is:
        1) one hour before the scheduled departure of the first flying (excluding deadhead)
           segment.
        2) 30 minutes before the scheduled departure of the first on-line deadhead segment.
        3) 90 minutes before the scheduled departure of the first off-line deadhead segment.
     b. in an international category is:
        1) 90 minutes before the scheduled departure of the first:
           a) flight segment (excluding an intra-theatre deadhead flight segment) in a duty
              period containing an ocean crossing, (including an ocean crossing deadhead,
              that originates outside the continental United States).
           b) off-line deadhead segment.
     Exception: Flight segments to/from Hawaii will have a 60-minute report.
Section 12 – Hours of Service

2) one hour before the scheduled departure of an:
   a) intra-theatre flight segment, (including a non-ocean crossing deadhead that
      originates outside the continental United States).
   b) ocean crossing deadhead that originates within the United States.
   c) international category duty period composed solely of domestic flying.

3) 30 minutes before the scheduled departure of a deadhead that originates and
    terminates within the continental United States.

20. “Rotation” means a duty period, or series of duty periods, that is identified by number
    and scheduled to begin and end at a pilot’s base, and all the flight segments contained
    therein. The release of a regular pilot for a break-in-duty at his base that is within such a
    series of duty periods (“in base layover”) will not end his rotation.

21. “Scheduled block times” means the greater of the flight times set forth in the:
    a. Company operating schedules,
    b. bid package.

22. “Trans-oceanic duty period” means a duty period that contains an ocean crossing
    (including deadheading).

23. “Window of circadian low” (WOCL) means 0101 to 0459 (pilot’s base time).

24. “X-day” means a 24-hour duty-free period at a pilot’s base, on a reserve line.

25. “Year” means a calendar year.

B. Block Hour Limit

1. A domestic category pilot’s block hour limit for the subsequent bid period will be
   calculated using the following formula:

   \[ \text{Block hour limit} = 1000 - A - (75 \times B) \]

   A = his block hours accumulated since January 1 of the current year plus his
   scheduled block hours remaining in the current bid period, and
   B = the number of bid periods remaining in the year subsequent to the bid period
   for which the formula is being applied (e.g., B = 11 for the calculation for the
   January bid period and B = 0 for the December bid period).

2. An international category pilot’s block hour limit for the subsequent bid period will be
   calculated using the following formula:

   \[ \text{Block hour limit} = 1000 - C - 75 \]

   C = his block hours accumulated in the previous nine bid periods plus his
   accumulated and remaining scheduled block hours in the current bid period.

   Exception: If the block hours in an international category in the subsequent bid period
   include ten percent or more domestic block hours, the block hour limit for a pilot in such
   category will be the lesser of the limit derived from the formula in Section 12 B. 1. or 2.

3. In the calculation of a pilot’s block hour limit, hours for which a pilot received or is
   scheduled to receive sick leave pay will be included as block hours.
Section 12 – Hours of Service

4. In the current bid period, a pilot will be limited by the block hour limit that was calculated for that bid period at 2359 hours on the last day of the previous bid period.

C. Time Card

The Company will display each pilot’s actual time, scheduled time and pay time in DBMS as expeditiously as possible.

D. Maximum Scheduled Duty Time

1. An international category pilot on a duty period composed solely of domestic or intra-theatre flying, and a domestic category pilot will not be scheduled to be on duty in excess of the duty time in the table below:

<table>
<thead>
<tr>
<th>*Report</th>
<th>Maximum Scheduled Duty Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>0700 - 1259</td>
<td>13 hours</td>
</tr>
<tr>
<td>1300 - 2059</td>
<td>13 hours, reduced by 1 minute for each 2 minutes between 1300 and report</td>
</tr>
<tr>
<td>2100 - 2359</td>
<td>9 hours</td>
</tr>
<tr>
<td>0000 - 0059</td>
<td>9 hours reduced by ½ minute for each minute between 0000 and report</td>
</tr>
<tr>
<td>0100 - 0259</td>
<td>8 hours 30 minutes</td>
</tr>
<tr>
<td>0300 - 0359</td>
<td>8 hours 30 minutes increased by ½ minute for each minute between 0300 and report</td>
</tr>
<tr>
<td>0400 - 0459</td>
<td>9 hours increased 3 minutes for each minute between 0400 and report</td>
</tr>
<tr>
<td>0500 - 0659</td>
<td>12 hours increased by ½ minute for each minute between 0500 and report</td>
</tr>
</tbody>
</table>

a. Fractions of less than one minute will be rounded up to the next higher minute.

b. *Report is referenced to the pilot’s base time.

Exception: *Report is referenced to local time for:

1) an international category pilot when engaged in international operations, and
2) a domestic category pilot when involved in a foreign hub operation(s).

2. A pilot may be scheduled for a duty period up to (and including) 15 hours, provided the duty period is composed of international operations:

a. followed by a deadhead to the pilot’s base, or
b. consisting solely of a deadhead to the pilot’s base.

3. The maximum scheduled duty time of an international category pilot in a trans-oceanic duty period will be:

a. 13 hours if the flight crew is not augmented.
b. 14 hours if the flight crew is augmented with a relief First Officer.
c. 16 hours if:
   1) the flight crew is augmented with a relief crew, and
2) there are one or two scheduled landings.

d. the time from scheduled report to scheduled release if:
   1) the flight crew is augmented with a relief crew, and
   2) the duty period contains only one scheduled landing.

4. The maximum scheduled duty time limitations set forth in Section 12 D. are scheduling limitations only. Maximum scheduled duty time is calculated as of the point in time of initial publication or creation of a duty period. A pilot will not be rerouted or required to be on duty more than two hours beyond his applicable maximum scheduled duty time in Section 12 D. 1. and 3. It is within the sole discretion of each individual pilot to decide in any given situation whether he will remain on duty beyond his maximum scheduled duty time plus two hours. A pilot’s decision not to remain on duty beyond his maximum scheduled duty time plus two hours will be accepted without challenge by Crew Tracking.

E. Flight Time Limitations

1. An international category pilot will not be scheduled for block time in excess of eight hours in a trans-oceanic duty period.

   Exceptions: An international category pilot may be scheduled:
   a. up to 12 hours block time in a trans-oceanic duty period if the flight crew is augmented with a relief First Officer, or
   b. in excess of 12 hours block time in a trans-oceanic duty period if the flight crew is augmented with a relief crew.

2. FAR flight and duty time limitations will be calculated with reference to a pilot’s base time.

F. Maximum Scheduled Landings

1. An international category pilot on a duty period composed solely of domestic or intra-theatre flying and a domestic category pilot will not be scheduled as an operational crewmember for more than eight landings in a duty period.

2. An international category pilot will not be scheduled as an operational crewmember for more than two landings in a trans-oceanic duty period.

   Exceptions: An international category pilot:
   a. may be scheduled as an operational crewmember for up to four landings in a duty period composed of a flight segment from LAX to Hawaii, followed by intra-Hawaii flying.
   b. will not be scheduled as an operational crewmember for more than one landing:
      1) in a trans-oceanic duty period that is scheduled for more than 16 hours, or
      2) following a South American ocean crossing, or
      3) following a Pacific ocean crossing (other than a Hawaii-West Coast ocean crossing in either direction).
      4) following a Pacific ocean crossing in a duty period with scheduled duty time in excess of 14 hours and/or scheduled block time in excess of 12 hours (unless he is part of a required crew complement of two full crews).
Section 12 – Hours of Service

5) following a West Coast-Hawaii ocean crossing (either direction) within a duty period in which the scheduled departure of the first flight segment of the duty period is before 0759, or after 1201, pilot’s base time.

3. The maximum scheduled landing provisions in Section 12 F. are scheduling limitations only. Maximum scheduled landings are determined as of the point in time of initial publication or creation of a duty period. Unforeseen events (e.g., maintenance, fuel, weather, sick crew member or passenger) may result in additional landings in a duty period.

G. Break-in-Duty

1. A pilot’s duty period will continue until he has received a break-in-duty as specified in Section 12 G. 3., 11., and 12.

2. While away from his base, the scheduled break-in-duty of an international category pilot on a duty period composed solely of domestic or intra-theatre flying and a domestic category pilot will be at least:
   a. 9 hours, if his scheduled duty time in the duty periods immediately before and after such break-in-duty totals 20 hours or less.
   b. 10 hours, if his scheduled duty time in the duty periods immediately before and after such break-in-duty totals more than 20 hours.

   Note: If the pilot’s release is at one co-terminal airport and his report is at another, applicable ground travel time under Section 8 B. 3. will be added to his scheduled break-in-duty.

3. While away from his base, the actual break-in-duty of an international category pilot on a duty period composed solely of domestic or intra-theatre flying and a domestic category pilot will be at least:
   a. 8:15 hours, if his scheduled duty time in the duty periods immediately before and after such break-in-duty totals 20 hours or less.
   b. 9 hours, if his scheduled duty time in the duty periods immediately before and after such break-in-duty totals more than 20 hours.

   Note: If the pilot’s release is at one co-terminal airport and his report is at another, applicable ground travel time under Section 8 B. 3. will be added to his actual break-in-duty.

4. When a domestic category pilot (or an international category pilot flying in domestic operations) is at his base, a period of at least nine hours (release to report) is required to constitute a break-in-duty.

   Note: A pilot who completes a rotation may be required to fly the next scheduled rotation on his line, or a portion thereof, without first receiving such break-in-duty, provided that such flying can be accomplished within his maximum scheduled duty time. (see Section 12 D. 4.)

Example:

<table>
<thead>
<tr>
<th>Day</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rotation (4)</td>
<td>A</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rotation (5-7)</td>
<td></td>
<td>A</td>
<td>B</td>
<td>C</td>
</tr>
</tbody>
</table>
Section 12 – Hours of Service

a. Assumption: The pilot is rerouted or delayed on rotation (4) to return to base on the 5th within nine hours of his report for A day of rotation (5-7).
b. Results:
   1) The pilot may be required to fly all or part of A day of rotation (5-7) as originally scheduled even though he did not receive a nine hour break in base.
   2) The pilot remains on duty during the period that extends from block-in from rotation (4) through block-out for rotation (5-7).
   3) The pilot’s maximum scheduled duty time on the 5th is measured from his report following his last break-in-duty.

5. A pilot who does not arrive at his layover hotel at least eight hours before scheduled pickup time will be afforded at least eight hours at such hotel if,
   a. upon arrival at the hotel he informs Crew Tracking that he will be unable to report as scheduled, and
   b. his late arrival at the layover hotel was through no fault of his own.

6. In order to maintain schedule integrity and afford a pilot at least eight hours at his layover hotel, Crew Tracking may:
   a. reduce the scheduled report of the pilot by up to 30 minutes.
   b. remove a scheduled flight segment(s) from the pilot’s line.

7. In order to achieve an FAR-required break in duty, Crew Tracking may reduce the scheduled report of a pilot, with his concurrence, by up to 30 minutes.
   Note: Such pilot’s actual break-in-duty under Section 12 G. 3. will be based on an unreduced report as defined in Section 12 A. 19.

8. The change of a pilot’s report under Section 12 G. 6. a. will not affect his duty period credit.

9. The removal of a flight segment from a pilot’s line under Section 12 G. 6. b. will be considered a reroute.

10. For purposes of line construction only, a pilot will be scheduled for a break-in-duty at base of at least:
   a. 11 hours following a duty period that does not include an ocean crossing.
   b. 18 hours following a duty period that includes an ocean crossing (subject to Section 23 M. 8.).

11. Following a trans-oceanic duty period, an international category pilot will:
   a. be scheduled for a break-in-duty away from base of at least:
      1) 13 hours after a scheduled duty period of 13 hours or less.
      2) 18 hours after a scheduled duty period greater than 13 hours.
   b. receive an actual break-in-duty:
      1) away from base of at least:
         a) 11 hours after a scheduled duty period of 13 hours or less.
         b) 14 hours after a scheduled duty period greater than 13 hours.
      2) at base of at least 13 hours.

12. Prior to a trans-oceanic duty period, an international category pilot will:
   a. be scheduled for a break-in-duty of at least 13 hours.
   b. receive an actual break-in-duty of at least 11 hours.
   Exception: An international category pilot who deadheads on a domestic or intra-theatre flight and is released for a break-in-duty prior to a trans-oceanic duty period will receive an actual break-in-duty of at least eight hours.
13. In order to determine what, if any, assignment has been placed on his schedule for the
period following his release, a reserve pilot is required to check and acknowledge his
schedule via DBMS/VRU after completion of the last flight segment of a rotation and
prior to release. At that time, his schedule may show an assignment:
   a. of a rotation with a report that is at least 12 hours after his release.
   b. to short call duty beginning no earlier than 10 hours after his release. (see
      Section 23 S. 9. b. Exception)
   c. of a rest period beginning as early as his release time.
   d. of a Crew Scheduling assigned X-day.

14. A reserve pilot who arrives at his base on the last flight segment of his rotation may be
assigned additional flying prior to his release. If the additional flying is assigned:
   a. under Section 23 N. or O., the pilot will be scheduled to be released with his
      maximum scheduled duty time.
   b. under Section 23 L. (Reroute), the pilot will be scheduled to be released with his
      maximum scheduled duty time plus two hours.

15. Without his consent, a regular pilot will not be inversely assigned to a rotation with a
report that is within 11 hours of his release at his base.

16. The break-in-duty of a pilot who utilizes an off-rotation deadhead at the end of a rotation
will begin at his originally scheduled release.

17. A pilot who is unable to report for duty as scheduled during his rotation will contact
   Crew Scheduling or Crew Tracking as far in advance as possible and provide notice of
   the fact of and reason for his inability to report for duty as scheduled.

H. Duty Period Average (DPA)

   1. A regular pilot who departs his base on a scheduled flight segment or a pilot on airport
      standby duty (under Section 23 V.) will be guaranteed average pay and credit of not less
      than five hours and fifteen minutes (5:15) for each duty period, including duty periods
      added as a result of reroute.
      Exception one: A pilot will not be entitled to DPA for a duty period in which a landing
      was not made at an airport other than the airport of take-off or its co-terminal (except for
      flight segments scheduled between co-terminals).
      Exception two: A pilot will not be entitled to DPA for a duty period comprised solely of
      deadheading.
   2. A pilot who begins a rotation as a regular pilot will be eligible for DPA.
   3. A pilot who begins a rotation as a reserve pilot will not be eligible for DPA.
      Exception: A reserve pilot who performs an airport standby duty period will receive
      DPA for such duty period.
   4. A pilot who is granted a personal drop for a duty period(s) or portion thereof will not be
      eligible for DPA for such duty period(s).
Section 12 – Hours of Service

I. Duty Period Minimum (DPM)
A pilot who reports for a rotation will receive minimum pay and credit of two hours for each
duty period.
Exception: A pilot who acknowledges his removal from a rotation under Section 4 H. 1. a. is
not eligible for DPM notwithstanding Section 4 F.

J. Reserve Duty Period Average

1. At the end of each bid period, a reserv e pilot will receive the greater of:
   a. his accumulated credit earned in the bid period,
   b. his reserve guarantee, or
   c. 5:15 pay, no credit for each qualifying duty period.
Note: If the value of c. exceeds the greater of a. or b. above, the pilot will receive pay and
credit for the greater of a. or b. and pay, no credit for the difference of the value of c. and
his credit for the bid period.
Examples:
   1) Example 1
      a) Assumptions:
         i. The reserve guarantee is 70 hours.
         ii. The pilot has 16 qualifying duty periods in the bid period.
         iii. The pilot has 76 hours of accumulated credit in the bid period.
      b) Result:
         The pilot receives 76 hours pay and credit and 8:00 hours of pay, no credit.
   2) Example 2
      a) Assumptions:
         i. The reserve guarantee is 70 hours.
         ii. The pilot has 12 qualifying duty periods in the bid period.
         iii. The pilot has 50 hours of accumulated credit in the bid period.
      b) Result:
         The pilot receives 70 hours pay and credit.
   3) Example 3
      a) Assumptions:
         i. The reserve guarantee is 70 hours.
         ii. The pilot has 16 qualifying duty periods in the bid period.
         iii. The pilot has 68 hours of accumulated credit in the bid period.
      b) Result: The pilot receives 70 hours pay and credit and 14 hours pay, no
credit.

2. A reserve duty period will be a qualifying duty period under Section 12 J. 1. c. if the
pilot:
   a. is credited with flight time on an on-call day, or
   b. flies on an X-day for reasons other than a yellow slip or GS award, or
   c. performs an airport standby duty period.
Exception one: A duty period will not be a qualifying duty period under
Section 12 J. 1. c. if a landing was not made at an airport other than the airport of take-
off or its co-terminal (except for flight segments scheduled between co-terminals or
VF/FCFs).
Section 12 – Hours of Service

Exception two: A duty period will not be a qualifying duty period under Section 12 J. 1. c. if it is comprised solely of deadheading.

K. Duty Period Credit (“1 for 2”)

1. A pilot who reports for duty will be guaranteed a minimum duty period credit. Such credit will be calculated on the greater of scheduled or actual duty time, prorated on a minute-by-minute basis, for each duty period, as follows:
   a. one hour credit for every two hours of duty time from 0600 to 2200 (pilot’s base time), and
   b. one hour credit for every one and three quarters hours of duty time,
      1) from 2200 to 0600 (pilot’s base time), or
      2) from 2200 to release from a duty period that includes 0359 (pilot’s base time).

2. A pilot who is granted a personal drop for a duty period(s) or portion thereof, will not be eligible for duty period credit for such duty period(s).

L. Rotation Credit (“1 for 3½”)

1. A pilot will be guaranteed a minimum of one hour rotation credit for every three and one half rotation hours, prorated on a minute-by-minute basis.

2. Rotation hours begin at report at the start of a rotation and end upon release at the pilot’s base at the end of his rotation.

3. A pilot who reports for the last duty period of a rotation, but does not fly, will receive rotation credit calculated at the pay rate applicable to the equipment he was scheduled to fly.

4. A pilot who reports for the last duty period of a rotation and deadheads, but does not fly, will receive rotation credit calculated at the pay rate applicable to the equipment he was scheduled to fly.

M. Rotation Pay and Credit Calculations

1. When a rotation is constructed, the total pay and credit of such rotation is the greater of:
   a. DPA (Section 12 H.),
      Note: A duty period comprised solely of deadheading will have a minimum pay and credit of 2:00 and a maximum pay and credit of 5:15. Such pay and credit will be added to the DPA of a rotation containing such duty period(s).
   b. rotation credit (Section 12 L.), or
   c. the sum, on a duty period basis, of the greater of the duty period credit (Section 12 K.), DPM (Section 12 I.) or scheduled flight time for each duty period in the rotation.

2. At the completion of each rotation, a pilot will receive pay and credit for the greater of:
   a. rotation credit (Section 12 L.),
   b. the sum of his duty period credits (Section 12 K.),
   c. DPA (Section 12 H.), if applicable,
   d. the sum of his DPMs,
   e. his flight time, or
N. Duty-Free Periods

1. A regular pilot will not be required to standby or fly during a duty-free period. Exceptions: A regular pilot may be assigned duty during a duty-free period:
   a. as a result of flying or deadheading from one bid period into the next.
   b. as provided in Section 11 F.
   c. if inversely assigned under Section 23 N. or O.
   d. as the result of a flight delay.
   e. as the result of a reroute.
   f. if he requests such duty.

2. A reserve line will contain:
   a. 11 X-days in a 30-day bid period, and
   b. 12 X-days in a 31-day bid period.
   Note: Reserve pilots with 14 or more reserve days in a bid period will receive one additional X-day in that bid period to be placed by Crew Scheduling at its discretion.

3. Six X-days on each reserve line will be inviolable (golden).

4. Golden days will be:
   a. the earliest X-day(s) of any block that contains them, and
   b. spaced through the bid period (i.e., golden days will not be stacked on the same or mostly the same days, and will not be arranged to exclude placement on a holiday).

5. Each day will be a scheduled X-day on at least 15% of the reserve lines in each category. Exception: This requirement will be reduced to one X-day in a category with less than 15 reserves or two X-days in a category with less than 20 reserves, but more than 14 reserves.

6. X-day(s) will begin at midnight (pilot’s base time). Exception one: X-day(s) may begin at a time other than midnight, by mutual agreement between the Company and the MEC Scheduling Committee Chairman. Exception two: X-day(s) which have been moved under Section 23 S. 11. – 14. may begin at a time other than midnight.
### Section 12 – Hours of Service

#### 7. Reserve line X-day(s) proration table:

<table>
<thead>
<tr>
<th># of reserve days in a 30-day bid period</th>
<th># of X-days in a 30-day bid period</th>
<th># of reserve days in a 31-day bid period</th>
<th># of X-days in a 31-day bid period</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-2</td>
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<td>14-16</td>
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<td>17-19</td>
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<tr>
<td>29-30</td>
<td>11</td>
<td>29-31</td>
<td>12</td>
</tr>
</tbody>
</table>

Note: Reserve pilots with 14 or more reserve days in a bid period will receive one additional X-day per bid period to be placed by Crew Scheduling at its discretion.

#### 8. A reserve pilot will not be required to fly on an X-day(s).

Exceptions: A reserve pilot may be assigned duty on an X-day(s):

- As a result of flying or deadheading from one bid period into the next.
- As provided in Section 11 F.
- If inversely assigned under Section 23 N. or O., provided:
  1. The X-day(s) is not golden, and
  2. The inverse assignment (as scheduled) would not cause the pilot to exceed the ALV.
- As the result of a flight delay.
- As the result of a reroute.
- If he requests such duty.

#### 9. An X-day(s) may be moved, at pilot request, via PCS, if reserve availability in the category is sufficient (as determined by the application of the reserves-required formula under Section 23 W. 4.), provided the:

- X-day(s) moved are either:
  1. An X-day block (comprised of single or multiple X-days, as originally published or pro-rated), or
  2. The first day and/or the last day of an X-day block as originally published or pro-rated, or
  3. Part of a series of contiguous X-days that includes either the first or last day of an X-day block,
  and
- Movement of the X-day(s) does not cause an FAR violation, and
- X-day(s) are not moved into or out of his scheduled vacation, and
- X-day(s) are moved to be contiguous with:
  1. Another X-day block,
  2. A training day,
  3. A vacation day,
  4. A PD/APD day, or
Section 12 – Hours of Service

5) a jury duty day,

Exception: An X-day block (comprised of single or multiple X-days, as originally published or pro-rated) may be moved to a day(s) that is not contiguous with a day of jury duty, PD/APD day, vacation day, training day, or another X-day block.

and

e. movement of an X-day(s) maintains a minimum separation between X-day blocks, or between an X-day block and a training day(s), or between an X-day block and a vacation day(s), or between an X-day block and a PD/APD day(s), or between an X-day block and a day(s) of jury duty equal to the greater of the number of days in the longest published rotation in the category, but not to exceed three days in a domestic category or four days in an international category, and

f. X-day(s) sought to be moved begins at least 72 hours after the award date of the X-day(s) move.

10. A golden day(s) will lose its status as a golden day if it is moved.

11. A pilot may waive an X-day(s). Such X-day(s) will be forfeited.

O. Full Service Bank

1. A pilot’s bank will have an account balance that is positive, negative or zero.

2. A bank balance is subject to the following limits:
   a. A positive bank balance may not exceed 60 hours.
   b. A negative bank balance may not exceed 30 hours.

3. In each bid period:
   a. a pilot may deposit into his bank account up to 20 hours of credit that is accumulated in excess of 80 hours in such bid period.
   b. the first five hours of credit a pilot accumulates in excess of 80 hours will be automatically applied against a negative bank balance. Such repayment does not constitute a deposit.
   c. a deposit will be applied against a negative bank balance.
   d. a pilot may withdraw all or any portion of his positive bank balance for the purposes set forth in Section 12 O. 4.
   e. a pilot may borrow up to 20 hours of credit from his bank in a bid period for the purposes set forth in Section 12 O. 4.

4. A pilot may withdraw or borrow from his bank account for the following purposes:
   a. to receive additional credit for pay purposes (up to the lesser of the ALV plus five hours or 82 hours) for the current bid period.
      Exception: A pilot may not withdraw more than five hours from his bank in a bid period in which the pilot is awarded a GS.
   b. to purchase up to ten vacation days for use during the subsequent vacation year.
   c. to purchase, by mutual agreement, up to ten vacation days for use during the current vacation year.
      Note: See Sections 7 E. 4.- 6. concerning placement of purchased vacation days.

5. A pilot may not use more than ten purchased vacation days in any vacation year.

6. Bank credit withdrawn or borrowed by a pilot will be paid at his carry-over rate for the bid period in which such transaction occurs.

7. Bank transaction requests must be submitted via DBMS under Section 23 B.
Section 12 – Hours of Service

8. A bank transaction(s) will be processed at the end of a bid period.
9. A pilot’s bank deposit will be processed before any other bank transaction initiated by him.

P. Co-terminal Operations

1. A pilot who is assigned to a base with co-terminal airports:
   a. will report to the airport that is the point of origination for the first flight segment of his rotation.
   b. will be provided parking at the co-terminal airport of his rotation’s origination.
   c. may elect to have his company mail delivered to the co-terminal airport of his choice.
   d. will not be assigned recovery flying under Section 23 K. 1. that originates at a co-terminal airport other than the airport to which he was scheduled to report.

2. A rotation will begin and end at the same co-terminal airport.
   Exception: A holiday, transition or reroute rotation or a rotation created after publication of the bid package, may be scheduled to report at one co-terminal airport and end at another co-terminal airport. In such circumstance, the Company will deadhead the pilot by surface transportation to the co-terminal airport of origination. The pilot’s release will be extended by the applicable ground travel time specified under Section 8 B. 3.

3. When a pilot ends a duty period within a rotation at a co-terminal airport at his base other than the co-terminal airport from which the rotation originated, he will:
   a. be provided lodging under Section 5 E.
   b. begin his next duty period at the co-terminal airport of his release.

Q. Sleep Opportunity Time - Domestic Category Only

1. At the time of publication of the bid package if a duty period is scheduled to intrude into a WOCL, it will:
   a. contain no more than two landings within the WOCL.
   b. not contain a flight segment(s) originating subsequent to the WOCL.

2. An initial line will not contain:
   a. consecutive duty periods that intrude into the WOCL, unless the intervening break-in-duty:
      1) is at least 21 hours, or
      2) includes the period from 0000 to 0759 (pilot’s base time).
   b. a rotation with more than two duty periods that intrude into a WOCL.

3. Exceptions to the rules under Section 12 Q. 1. or 2. may be made with the concurrence of the MEC Scheduling Committee Chairman.
Section 12 – Hours of Service

R. DBMS Display

1. The Company will make available to each pilot via DBMS his block hours flown in the:
   a. previous seven days.
   b. previous 30 days.
   c. previous 90 days.
   d. current calendar month.
   e. current calendar year.
   f. previous 12 months.
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SECTION 13

LEAVES OF ABSENCE

A. Personal Leave

The Company may grant a pilot an unpaid personal leave when operations permit.

B. Medical Leave

1. A pilot who is unable to perform flight duties due to sickness or injury will be granted an unpaid medical leave upon exhaustion of sick leave, or later if the pilot elects to utilize earned vacation. During such leave a pilot may be entitled to benefits under the D&S Plan.

2. A pilot will be eligible to return to active payroll status or to begin training required in order to return to active payroll status within ten years from the beginning of a medical leave.

3. A pilot who does not return to active payroll status, or does not begin training required in order to return to active payroll status, within ten years from the beginning of a medical leave will be removed from the seniority list. A pilot who does not successfully complete such training will not be deemed to have returned to active payroll status for purposes of Section 13 B.

C. Return from Leave

1. A pilot who returns to active payroll status after an unpaid leave of less than six months will return to the category he held at the beginning of his leave, unless a pilot senior to him was involuntarily displaced from that category during his leave. If a pilot senior to him was involuntarily displaced from that category during his leave, or the category no longer exists, the pilot will transfer to the category of his choice that his seniority permits him to hold.

2. A pilot who returns to active payroll status after an unpaid leave of six or more months may:
   a. return to the category he held at the beginning of the leave. Exception: If a pilot senior to him was involuntarily displaced from that category during his leave, or the category no longer exists, the pilot will transfer to the category of his choice that his seniority permits him to hold, or
   b. transfer to a category in which there has been an advance entitlement awarded during his leave that his seniority permits him to hold. Upon such transfer, the pilot will incur a training freeze under Section 22 G.

3. A pilot who requires training and who gives Crew Resources at least 30 days advance written notice of the date of his anticipated return to active payroll status from an unpaid leave of two months or more will be returned to active payroll status upon the conclusion of such leave. A pilot who requires training but has not given such notice, will continue on unpaid leave until the earlier of 1) the date he begins training, or 2) 30 days after he provided written notice to Crew Resources of his availability to return to active payroll.
Section 13 – Leaves of Absence

status. Such training will be scheduled to begin with the earliest training class that has a vacancy.

Exception: This provision will not apply to a pilot who returns from a medical leave of absence during which he is eligible to receive benefits under the D&S Plan. Such pilot will be returned to active payroll status upon presentation of a valid First Class Medical Certificate to his Chief Pilot, unless he is being evaluated under Section 15.

4. An administrative pilot will return to the line under Section 10 B.

5. A pilot who is released from duty for Association business will return to duty under LOA #1 (Release From Duty for Association Business: Option to be Removed From Category & Return to Duty).

6. A pilot who returns from a leave of absence and who has not been awarded a line for the bid period in which he returns will be placed on a specially created reserve line and, if training is required, he will be trained as soon as possible.

D. Military Leave

1. Upon his request, a pilot will be granted an unpaid military leave in accordance with applicable law.

2. Military leaves will expire according to the following (or earlier at the pilot’s request):
   a. Military leaves in excess of 180 days shall expire at the earlier of 90 days after discharge from active service or five years from the start of the leave.
   b. Military leaves in excess of 30 days, but less than 180 days will expire 14 days after the conclusion of uniformed service.
   c. Military leaves of 30 days or less will expire eight hours after the conclusion of uniformed service.

   Exception: If a pilot is interned as a prisoner or hostage of war during a military leave, his military leave will expire 180 days after his release.

3. The Company may:
   a. intervene with the appropriate military or draft board authorities to seek a deferment of military service, or
   b. seek a deferment or cancellation of military training.

E. Jury Duty/Witness Appearance

1. A pilot will be released from duty, and paid and credited as shown on his line, to participate in a legal proceeding as:
   a. a juror, or
   b. a subpoenaed witness in:
      1) criminal litigation, or
      2) legal or administrative proceedings arising out of his employment.

   Exception: This provision does not apply to Section 1, 18, 19 or 27 proceedings.

2. A pilot will immediately notify his Base Chief Pilot upon receipt of a summons or subpoena. A pilot who does not so notify his Base Chief Pilot will not be paid during his absence.

3. The Company may intervene with the appropriate authorities to seek release from or deferral of jury duty or appearance as a witness.
4. A pilot subpoenaed as a witness in a legal or administrative proceeding not arising out of
his employment may, operations permitting, be granted a change of X-day(s) or a
personal drop to accommodate such appearance.

F. Transfer Leave
1. A pilot who transfers to a different base will, upon request, be granted unpaid transfer
leave between his last commitment at his old base and his first commitment at his new
base. Exception: Transfer leave does not apply to a pilot who is entitled to and receives a paid
move under Section 6 B.
2. The length of transfer leave will be determined by the distance between the bases. A
pilot will be afforded one day of transfer leave for every 400 miles, or portion thereof,
between bases. Transfer leave will not be less than three days, nor more than seven days.
3. Transfer leave will be designated in either the bid period before the conversion date, or
the bid period after the conversion date, as follows:

<table>
<thead>
<tr>
<th>Line immediately before conversion</th>
<th>Line immediately after conversion</th>
<th>Bid period when released</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular</td>
<td>Regular</td>
<td>Bid period with least days dropped</td>
</tr>
<tr>
<td>Regular</td>
<td>Reserve</td>
<td>Bid period after conversion</td>
</tr>
<tr>
<td>Reserve</td>
<td>Regular</td>
<td>Bid period before conversion</td>
</tr>
<tr>
<td>Reserve</td>
<td>Reserve</td>
<td>Bid period before conversion</td>
</tr>
</tbody>
</table>

4. The projection and line guarantee of a regular pilot will be reduced by the value of the
rotation(s) dropped.
5. The monthly guarantee of a reserve pilot will be reduced by 1/18\textsuperscript{th} of the reserve
guarantee for each reserve on-call day removed from a pilot's line due to a transfer leave.

G. Maternity Leave
1. Upon confirmation by a physician of pregnancy, a pilot will provide her Chief Pilot with
a letter from her physician confirming pregnancy and indicating an estimated delivery
date.
2. If a pregnant pilot’s physician provides a written release for flight status, the pilot may
continue to fly until the end of the second trimester (26\textsuperscript{th} week) of pregnancy.
3. A pilot who provides medical certification of pregnancy will be released from duty upon
her request, but not later than the end of the second trimester (26\textsuperscript{th} week) of pregnancy.
Such pilot will be eligible to use sick leave and unused earned vacation immediately upon
her release from duty. Such pilot will be granted an unpaid medical leave upon
exhaustion of sick leave, or later if she elects to use earned vacation.
4. A pilot who is medically disabled from performing flight duty on account of pregnancy
will be eligible for disability benefits under the D&S Plan.
5. A pilot who is on medical leave on account of pregnancy who has not lost her First Class
Medical Certificate, but who in the judgment of her physician and the Company’s
Director of Health Services (or his designee) is medically disabled from performing flight
duty, and whose return to active payroll status will be expedited by doing so, will be
deemed to have lost her First Class Medical Certificate for purposes of long term
disability benefit eligibility under the D&S Plan, for a period not to exceed six months.

6. A pilot’s eligibility for sick leave and/or medical leave on account of pregnancy will
expire six weeks following normal delivery, or eight weeks following delivery by
cesarean section.

Exception: Upon medical certification that the pilot’s condition or health prevents her
return to flight duty, her sick leave/medical leave will be extended beyond such dates.

7. A pilot on medical leave on account of pregnancy will continue to receive Company paid
medical/dental coverage and life insurance for herself and her eligible family members
for the first 30 days of such leave and during any period in which she is receiving
benefits under the D&S Plan. A pilot may thereafter continue medical/dental coverage
and life insurance at her cost for the duration of such leave.

8. A pilot on medical leave on account of pregnancy will be responsible for any optional
insurance premiums (including, but not limited to, optional additional life insurance,
dependents life insurance, accidental death and dismemberment insurance, and voluntary
personal insurance).

9. Return to flight status will be contingent upon medical certification from the pilot’s
physician of her fitness to return to flight status without restrictions or limitations.

H. Family Leave

A pilot will be eligible for family leave in accordance with Human Resources Practices

Exception: The threshold 540 hours requirement will be based on pay hours, not flight
hours.

I. Death in the Immediate Family

1. Upon notifying his Chief Pilot or his designee, a pilot will be released from duty when a
death occurs in his immediate family. A pilot’s “immediate family” includes his:

   a. spouse,
   b. children,
   c. parents,
   d. parents-in-law,
   e. grandparents,
   f. grandchildren,
   g. siblings,
   h. stepparents,
   i. brothers-in-law,
   j. sisters-in-law,
   k. sons-in-law,
   l. daughters-in-law,
   m. grandparents-in-law,
   n. stepparents-in-law, and
   o. any wholly dependent relative residing in the employee’s household.
Section 13 – Leaves of Absence

2. Such pilot will be paid and credited as shown on his line for a period of up to four consecutive days beginning with the first duty period or reserve on-call day from which he was released.

3. The remains of a deceased pilot, pilot’s spouse, pilot’s children and the pilot’s parents may be shipped at Company expense over the lines of the Company.

J. General

1. While on a leave of absence, a pilot will not engage in:
   a. aviation employment without prior permission from the Company, or
   b. business activities adverse to the Company’s interest.

2. A pilot on an unpaid leave of absence will be eligible for continued Company medical/dental coverage for the first 30 days of leave. A pilot may thereafter continue medical/dental coverage and life insurance at his cost for the duration of the leave, in accordance with procedures established by the Company.

3. For line construction purposes, the value of an unpaid leave of absence will be 1/30th or 1/31st of the ALV for each day of such unpaid leave.
Section 13 – Leaves of Absence

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SECTION 14
SICK LEAVE

A. Definitions

1. “Doctor” means a medical professional who holds one of the following degrees:
   a. M.D.,
   b. D.O.,
   c. D.D.S., or
   d. D.C.

2. “Employment year” means a one-year period beginning on a pilot’s employment anniversary date.

3. “Personal drop sick” (PDS) means a personal drop request by a pilot to engage in a routine health maintenance procedure. PDS requests will be granted at the discretion of the Chief Pilot’s Office.

4. “Scheduled accident leave” means accident leave in the subsequent bid period that is known by the pilot and reported to the Company before the date for the close of line bidding for such bid period as specified in Section 23 B.

5. “Scheduled sick leave” means sick leave in the subsequent bid period that is known by the pilot and reported to the Company before the date for the close of line bidding for such bid period as specified in Section 23 B.

6. “Sick” means disabled due to sickness, as defined in Section 14 A. 7.

7. “Sickness” means any personal medical condition of a pilot, physical or mental, that disables him from performing duties as a flight crewmember.

8. “Unanticipated accident leave” means accident leave for the current or subsequent bid period that is reported to the Company by a pilot after the line award for the bid period.

9. “Unanticipated sick leave” means sick leave for the current or subsequent bid period that is reported to the Company by a pilot after the line award for the bid period.

B. Dental Conditions

1. With respect to dental conditions, a pilot will be deemed to be sick for purposes of sick leave only for periods of absence:
   a. during which he is hospitalized,
   b. during which he is taking prescription medication that makes him ineligible for flying status,
   c. due to any of the following types of surgery:
      1) Gingivectomy (excision of gum tissue in pyorrhea)
      2) Apicoectomy (amputation of the apex of tooth)
      3) Surgical removal of impacted teeth.
      (Note: Definitions from Taber’s Condensed Medical Dictionary)

2. A pilot will not be deemed sick for purposes of sick leave during absences due to other types of dental care or treatment.
C. Injury on Duty

1. A pilot who is sick due to an injury occurring on duty with the Company, will be eligible for up to 90 days of accident leave for each separate accidental injury. Accident leave must be exhausted prior to using sick leave.

2. While eligible, and to the extent of his available accident leave:
   a. a regular pilot will be paid and credited:
      1) for the scheduled value of his rotation(s) lost due to unanticipated accident leave, or
      2) 1/30\textsuperscript{th} or 1/31\textsuperscript{st} of the ALV for each day of his scheduled accident leave.
   b. a reserve or unassigned pilot will be paid and credited:
      1) 1/18\textsuperscript{th} of the reserve guarantee for each of his on-call day(s) lost due to unanticipated accident leave, or
      2) 1/30\textsuperscript{th} or 1/31\textsuperscript{st} of the reserve guarantee for each day of his scheduled accident leave.

Note: A pilot who flies a portion of a rotation, but is unable to fly the entire rotation due to unanticipated accident leave, will not be paid and credited more than he would have received had he flown the entire rotation.

D. Eligibility for Sick Leave Credit Hours

1. A pilot who:
   a. has completed his initial OE at the Company will be eligible for sick leave credit hours as follows:

<table>
<thead>
<tr>
<th>Year of Employment</th>
<th>Sick Leave Credit Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>1\textsuperscript{st}</td>
<td>50</td>
</tr>
<tr>
<td>2\textsuperscript{nd}</td>
<td>75</td>
</tr>
<tr>
<td>3\textsuperscript{rd}</td>
<td>100</td>
</tr>
<tr>
<td>4\textsuperscript{th}</td>
<td>125</td>
</tr>
<tr>
<td>5\textsuperscript{th}</td>
<td>145</td>
</tr>
<tr>
<td>6\textsuperscript{th}</td>
<td>170</td>
</tr>
<tr>
<td>7\textsuperscript{th}</td>
<td>195</td>
</tr>
<tr>
<td>8\textsuperscript{th}</td>
<td>220</td>
</tr>
<tr>
<td>9\textsuperscript{th} and thereafter</td>
<td>240</td>
</tr>
</tbody>
</table>

   b. exhausts his sick leave credit hours during any employment year, and whose absence due to sickness continues through his anniversary date, will not be eligible for sick leave credit hours in the subsequent year until he returns to active payroll status in the subsequent year.

   c. returns to active payroll status following a medical leave of absence (under \textit{Section 13 B.}) will not be eligible for sick leave credit hours until completion of all training required to return to flight duty, including OE.

   d. is recalled from furlough or is newly employed will be allocated the percentage of annual sick leave credit hours (under \textit{Section 14 D. 1. a.}) for the remainder of that sick leave year as follows:
### Section 14 – Sick Leave

<table>
<thead>
<tr>
<th>Month</th>
<th>Percentage of annual sick leave credit hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>June</td>
<td>100%</td>
</tr>
<tr>
<td>July</td>
<td>91.7%</td>
</tr>
<tr>
<td>August</td>
<td>83.3%</td>
</tr>
<tr>
<td>September</td>
<td>75%</td>
</tr>
<tr>
<td>October</td>
<td>66.7%</td>
</tr>
<tr>
<td>November</td>
<td>58.3%</td>
</tr>
<tr>
<td>December</td>
<td>50%</td>
</tr>
<tr>
<td>January</td>
<td>41.7%</td>
</tr>
<tr>
<td>February</td>
<td>33.3%</td>
</tr>
<tr>
<td>March</td>
<td>25%</td>
</tr>
<tr>
<td>April</td>
<td>16.7%</td>
</tr>
<tr>
<td>May</td>
<td>8.3%</td>
</tr>
</tbody>
</table>

2. Sick leave credit hours (see Section 14 D. 1.) that are not used in an employment year do not carry over to subsequent years.

3. A pilot will be eligible for up to 240 sick leave credit hours at 100% of his composite hourly pay (full pay sick leave hours) during a rolling three year period, to the extent of his available sick leave credit hours.

4. Subject to Section 14 D. 1. b. and c., a pilot who commences a medical leave of absence on or after June 1, 2006 will have his full pay sick leave hours restored when he returns from disability, if he makes a written request to his Chief Pilot within 30 days of his return to active payroll status. A pilot may use this provision once in his career.

### E. Pay And Credit

1. While eligible, and subject to Section 14 E. 4. and 5.:
   a. a regular pilot will be paid and credited:
      1) for the scheduled value of his rotation(s) lost due to unanticipated sick leave, or
      2) 1/30th or 1/31st of the ALV for each day of his scheduled sick leave.
   Exception: A regular pilot who is removed from a rotation due to his unanticipated sickness, and during the period in which such rotation was scheduled to operate advises the Company of the date on which he will be well, will receive sick leave pay and credit, to the extent of his available sick leave credit hours, for each duty period of such rotation that was scheduled to operate prior to the date on which he will be well.
   Example:
   Pilot calls in sick for four day rotation (A, B, C and D)
Pilot advises the Company on B day that he will be well for C day
Pilot paid sick leave for A and B day
Pilot not paid sick leave for C and D day
(Scheduled block time on C and D day from rotation lost due to sick leave will not be applied to his block hour limit.)
Section 14 – Sick Leave

1. A reserve or unassigned pilot will be paid and credited:
   a. 1/18\textsuperscript{th} of the reserve guarantee for each of his on-call day(s) lost due to
      unanticipated sick leave, or
   b. 1/30\textsuperscript{th} or 1/31\textsuperscript{st} of the reserve guarantee for each day of his scheduled sick leave.

   Note: A pilot who flies a portion of a rotation, but is unable to fly the entire rotation due
to unanticipated sick leave, will not be paid and credited more than he would have
received had he flown the entire rotation.

2. A regular pilot who is removed from a rotation due to his unanticipated sickness and
during the period in which such rotation was scheduled to operate, advises the Company
of the date on which he will be well, may white slip, GS or GSWC a rotation(s) that is
scheduled to operate after he is well. If he is awarded such white slip, GS or GSWC, he
will receive sick leave pay and credit (subject to Section 14 E. 4. and 5.) only for the
portion of such removed rotation that operated prior to the day of the report of such white
slip, GS or GSWC rotation.

   Example:
   Pilot calls in sick for four day rotation (A, B, C and D)
   Pilot advises the Company on A day that he will be well for B day
   Pilot white slips a two day rotation on C and D day of original rotation
   Pilot paid sick leave for A day of original rotation
   Pilot not paid sick leave for B, C and D day of original rotation
   (Scheduled block time on B, C and D day from rotation lost due to sick leave will not be
   applied to his block hour limit)
   Pilot paid for white slip rotation and such block time applies to his block hour limit

3. Sick leave credit hours that are paid and credited to a pilot will be simultaneously
deducted from such pilot’s available sick leave credit hours, on a one-for-one basis,
regardless of the percentage at which they are paid (full or 75%).

4. Subject to Section 14 D. 1., a pilot is eligible for up to 240 sick leave credit hours at full
pay during each rolling three year period measured as of the first day of each twelve
month period beginning in June 2006 (rolling three year period), to the extent of his
available sick leave credit hours. Once a pilot has used all of his sick leave credit hours
at full pay in any rolling three year period, any remaining sick leave credit hours used
during the remainder of the rolling three year period will be paid at a rate of 75% of his
composite hourly pay rate. Full pay hours are always used before 75% pay hours.

a. Example one: Pilot in his 2\textsuperscript{nd} year of employment is eligible for 75 sick leave credit
   hours. Therefore, 75 hours is all he is eligible to use in the first year of this rolling
   three year period. All 75 hours will be paid at full pay. If he uses all of his 75 hours
   in the first year, then he would be eligible for 165 (240-75) sick leave credit hours at
   full pay in the remaining two years of the rolling three year period.

b. Example two: Pilot in his 16\textsuperscript{th} year of employment is eligible for 240 sick leave credit
   hours. Therefore, he is eligible for all 240 sick leave credit hours at full pay in the first
   year of his rolling three year period. If he used all 240 sick leave credit hours at full
   pay in the first year of his rolling three year period, he would not have any remaining
   sick leave credit hours at full pay in year two or three of the rolling three year period.
   He would be eligible for 240 sick leave credit hours at 75% of pay in both year two
   and year three.
Section 14 – Sick Leave

c. Example three: Pilot in his 12th year of employment is eligible for 240 sick leave credit hours. Pilot uses 35 sick leave credit hours at full pay in the first year of the rolling three year period, and therefore he is eligible for 205 sick leave credit hours at full pay for the remainder of the rolling three year period. This pilot then uses 180 sick leave credit hours at full pay in year two of the rolling three year period. He then is eligible for 25 sick leave credit hours at full pay in year three. If he exceeds 25 sick leave credit hours at full pay in year three, any additional sick leave will be paid at 75% of his composite hourly pay rate, up to the amount of his remaining sick leave credit hours. As the pilot commences year four, the 35 sick leave credit hours at full pay used in year one will again be available to him at full pay. As he commences year five, the 180 sick leave credit hours at full pay used in year two will again be available to him at full pay.

5. Each pilot’s sick leave year begins on June 1 and ends on the following May 31.

6. When a pilot transitions from full pay to 75% pay for sick leave hours during a rotation and such rotation includes aircraft types that have different composite hourly rates, he will be paid:
   a. for the portion of such rotation for which he has remaining full pay sick leave hours, at the average composite hourly rate of such rotation, and
   b. for the portion of such rotation that exceeds the remaining full pay sick leave hours available, at 75% of the average composite hourly rate of such rotation.

   Note: The average composite hourly rate of the rotation will be calculated by multiplying the total hours scheduled on each aircraft type by the composite hourly rate for that aircraft type and dividing that product by the total credit hours of such rotation.

7. A computer display will be provided to permit a pilot to view his sick leave usage and balance.

8. A pilot who, while engaged in international operations outside the United States, suffers an illness or injury that arises from an occupational condition peculiar to the country(ies) in which he performed services, or living condition(s) peculiar to the country(ies) in which he performed services, will be eligible for sick leave under Section 14. In addition, the following will apply to such pilot:
   a. the sick leave credit hours of a pilot who returns to active payroll status in the same employment year will be restored in an amount equal to the sick leave credit hours paid and credited to him in such employment year on account of such illness or injury.
   b. a pilot who returns to active payroll status in a subsequent employment year will be eligible for sick leave credit hours in such year under Section 14 D. 1.
   c. a pilot who receives a short term disability benefit payment under the D&S Plan, will be paid a supplemental payment equal to the difference between the benefit payment and the ALV for his category.

9. A pilot who is granted a PDS will not receive pay and credit for the rotation or reserve on-call day(s) dropped.

10. Sick leave pay, to the extent that it is paid under Section 26 P. 1., is the obligation of the D&S Plan and not the obligation of the Company.
Section 14 – Sick Leave

F. Verification of Sickness

1. The Company may require that a pilot verify his sickness by providing, at the Company’s option, either:
   a. a doctor’s certificate, or
   b. other proof of illness.

2. Under normal conditions, the Company will not require verification unless the pilot has been absent for more than seven consecutive days.

3. A pilot is not required to state the nature of his sickness to Crew Scheduling. He may be required to describe his sickness in general terms to his Chief Pilot.

G. Medical Release Requirement

A pilot may be required to provide the Company with a written authorization for release of medical information (release), provided the release is limited to:

1. the specific sickness for which the pilot claimed sick leave,

2. the day(s) on which the pilot claimed sick leave and the consecutive day(s)-off immediately preceding and succeeding the day(s) on which a pilot claimed sick leave, and

3. a Company designated doctor or other health care professional(s) and the Company’s Director – Health Services and the Senior Vice-President of Flight Operations.

H. Effect on Monthly Bidding

1. A pilot who:
   a. is bid qualified prior to his unanticipated sickness will be eligible to bid and be awarded a line under Section 23.
   b. is bid qualified prior to his scheduled sickness will be awarded a line that does not contain rotations, X-days, on-call days or training days during such scheduled sickness and that determines, for purposes of Section 14 C. and E., the pilot’s status as a regular or reserve pilot.
   c. exhausts his available sick leave credit hours, and remains unavailable due to sickness, will:
      1) be removed from his line, if applicable, and
      2) not be eligible to bid or be awarded a line until he:
         a) reports that he is able to return to flight duty (at which time he will be placed on a specially created reserve line), and if applicable,
         b) is approved to return to flight status under Section 15 B.

I. Alcohol Rehabilitation Leave (DPAC)

Section 14 – Sick Leave

J. International Operations

1. In addition to the benefits described in Section 14 C. and E., the Company will reimburse a pilot engaged in international operations for:
   a. additional expenses occasioned by his location outside the continental limits of the United States at the time of his sickness.
   b. the complete care of his occupational sickness, and reoccurrences of the same (so long as the pilot remains an employee of the Company), arising from his occupation or due to the living and health conditions peculiar to the countries in which he performed services.
   Note: In such cases, a pilot will assign any worker’s compensation benefits due under applicable law to the Company.

2. The Company will return to the United States a pilot engaged in international operations who becomes sick outside the continental limits of the United States and requires treatment or convalescence in the United States.

3. A pilot engaged in international operations who becomes sick outside the continental limits of the United States will continue to accrue per diem until he returns to his base.

K. Effect on Vacation

1. A pilot who is incapacitated, immobile and confined to a hospital or his home, immediately prior to or while on vacation may be placed on sick leave in lieu of vacation, provided he submits:
   a. a written request to the Senior Vice President-Flight Operations, and
   b. a doctor’s certificate supporting such incapacitation, immobilization and confinement.

2. A pilot who is placed on sick leave in lieu of all or a portion of a vacation period may re-bid such vacation period (or portion thereof) through the vacation move-up process.

L. Early Return From Sick or Accident Leave

1. A pilot who was awarded a line with scheduled sick or accident leave and who subsequently returns from sick or accident leave prior to his anticipated date of return will, if awarded:
   a. a regular line,
      1) be assigned a specially created reserve line covering the balance of his originally shown sick or accident leave, or
      2) by mutual agreement between the pilot and the Company, be assigned a blank regular line covering the balance of his scheduled sick or accident leave.
   b. a reserve line, be assigned a specially created reserve line covering the balance of his originally shown sick or accident leave.

2. A pilot who is assigned to a blank regular line under Section 14 L. 1. a. 2) will be permitted to construct a line from open time available at the time of assignment, without regard to Section 23 P.
3. A pilot who is assigned to a:
   a. specially created reserve line under Section 14 L. 1. a. 1) or 1. b. will be guaranteed
      pay and credit for no less than $\frac{1}{30}^{th}$ or $\frac{1}{31}^{st}$ of the reserve guarantee for each day on
      his specially created reserve line.
   b. blank regular line under Section 14 L. 2. will not be guaranteed pay and credit for the
      value of his originally shown period of sick leave.

4. A regular pilot who is removed from a rotation due to his sickness may, upon his request,
   rejoin his rotation when it passes through his base.
   Exception: Such pilot may not rejoin a rotation that has been awarded/assigned to
   another pilot pursuant to a white slip, GS, GSWC, IA, IAWC or yellow slip unless such
   pilot consents to removal.
   Note: A pilot who consents to removal will not be eligible for a Company removal
   guarantee (Section 4 E.) or rotation guarantee (Section 4 F.).

5. The sick leave bank of a pilot who rejoins his rotation under Section 14 L. 4. will not be
   debited for the portion of the rotation occurring after the pilot rejoined it.

M. Workers Compensation Benefits

When a pilot is absent from work because of a sickness for which he receives workers
compensation payments or payments as provided in the Federal Longshoreman’s and Harbor
Workers Act, such payments will offset compensation received by him under Section 14,
covering the same period of absence, to an equal dollar amount.
SECTION 15

PHYSICAL EXAMINATIONS

A. Definitions

1. “Company Director - Health Services” (DHS), means an Aviation Medical Examiner designated annually by the Company to conduct the medical review of a pilot under Section 14 G. 3. and Section 15 B. If the designated DHS becomes unavailable, the Company will promptly designate another Aviation Medical Examiner as the DHS.

2. “Physical standards” means the standards established by the FAA for the issuance of a First Class Medical Certificate, including the FAA waiver and restriction policy.

3. “Pro rata portion of the ALV” means a share (1/30th in a 30 day bid period or 1/31st in a 31 day bid period) of the ALV.

B. Medical Review

1. Regardless of whether a pilot has a current First Class Medical Certificate, the Company Director - Health Services (DHS) may review the medical records of a pilot:
   a. who receives an FAA special issuance medical certificate,
   b. who seeks to return to flight duty after being absent for at least four months for medical reasons, or
   c. when there is reason to believe he may not meet the physical standards.

2. A pilot undergoing medical review under this section will give the DHS access to all medical records requested by the DHS.

3. The DHS may require additional medical evaluation of a pilot holding a valid First Class Medical Certificate.

4. The DHS and the ALPA Aeromedical Advisor will confer on the choice of medical evaluator prior to sending the pilot for evaluation, if the pilot releases the pertinent information to the ALPA Aeromedical Advisor.

5. The DHS will select a Company medical examiner (CME).

6. Medical information provided by the DHS to the CME will be limited to medically relevant information provided by doctors and treating facilities.

7. The pilot, the Company and the CME will complete the evaluation, and any case review process, as expeditiously as possible.

8. The CME will be instructed to:
   a. provide the pilot with written notice of his determination, and
   b. refrain from reporting his determination to the FAA pending resolution of any challenge under this section.

9. If the CME determines that a pilot does not meet physical standards, the pilot may challenge such determination in the following manner:
   a. Within 30 days of receipt of the written determination, the pilot may request a review.
   b. The pilot may choose a qualified medical examiner (PME) to conduct a medical evaluation for the same purpose as the medical evaluation made by the CME. Employment of the PME will be at the pilot’s expense. However, if the neutral medical examiner (NME) later determines that the pilot meets the physical standards,
the pilot will, upon presentation to his Chief Pilot of an itemized bill from the PME, be reimbursed for such expense.

c. A copy of the PME’s determination will be furnished to the Company. If the PME concurs with the CME that the pilot does not meet the physical standards there will be no further review.

d. If the PME does not concur with the CME, the pilot may initiate further review by making a written request to the Senior Vice President-Flight Operations within 30 days of the PME’s determination. The review will consist of a medical evaluation performed by the NME, preferably a specialist. The NME will be selected by mutual agreement between the CME and the PME.

e. Copies of the NME’s determination will be furnished to the Company and the pilot. This determination will be final and binding on the Company and the pilot.

f. If the NME determines that the pilot meets the physical standards, the expense of employing the NME will be borne entirely by the Company. If the NME determines that the pilot does not meet the physical standards, the expense of employing the NME will be shared equally by the pilot and the Company.

g. This section will not be construed to deny a pilot his rights to normal FAA and NTSB appeal procedures. This section will not be construed to preclude the Company from requiring a pilot to appeal an FAA medical restriction or disqualification.

10. The medical review process set forth in this section is the exclusive procedure to determine whether a pilot seeking to return to flight duty meets the physical standards.

C. Pay and Credit

1. A pilot who is removed from flight duty for an evaluation under this section:
   a. will be paid and credited as shown on his line for the period after such removal and until the CME’s determination.
   b. upon the CME’s determination that he meets the physical standards, will be returned to flight duty.
   c. upon the CME’s determination that he does not meet the physical standards,  
      1) will cease receiving such pay and credit, and 
      2) will become eligible to use his unused sick leave and/or apply for disability benefits.
   d. upon the NME’s determination that he meets the physical standards he will be returned to flight duty, and:
      1) if he is then on sick leave, his sick leave will be replenished to the extent of his usage during the evaluation process, or 
      2) if such pilot exhausted his sick leave during the evaluation process, his sick leave will be replenished to the extent of his usage during such process, and he will be paid and credited a pro rata portion of the ALV for the period beginning on the date his sick leave was exhausted and ending on the date he returns to active payroll status. This pay will be offset by disability benefits covering this same period.
   e. upon the NME’s determination that he does not meet the physical standards, will remain eligible to use his unused sick leave, may continue to receive benefits under the D&S Plan or may apply for disability benefits.
2. A pilot seeking to return to active payroll status from disability or medical leave who is being evaluated under this section:
   a. upon determination by the DHS, CME or NME that he meets the physical standards, will be returned to active payroll status; and will be paid a pro rata portion of the ALV from the date he presented his First Class Medical Certificate to his Chief Pilot, to the date of his return to active payroll status. This pay will be offset by disability benefits covering this same period.
   b. upon determination by the NME that he does not meet the physical standards, may continue to receive benefits under the D&S Plan or remain on medical leave.

3. A pilot seeking to return to flight duty from sick leave, who is being evaluated under this section:
   a. will be paid and credited as shown on his line, commencing on the date he presents himself to his Chief Pilot to return to flight duty and ending on the date of a DHS or CME determination that he meets the physical standards.
   b. upon a determination by the DHS or CME that he meets the physical standards, will be returned to flight duty.
   c. upon the CME’s determination that he does not meet the physical standards,
      1) will cease receiving such pay and credit, and
      2) will become eligible to use his unused sick leave and/or apply for disability benefits.
   d. upon the NME’s determination that he meets the physical standards, will be returned to flight duty, and
      1) if such pilot is then on sick leave, his sick leave will be replenished to the extent of his usage during the evaluation process, or
      2) if such pilot exhausted his sick leave during the evaluation process, his sick leave will be replenished to the extent of his usage during such process and he will be paid and credited a pro rata portion of the ALV for the period beginning on the date his sick leave was exhausted and ending on the date he returns to active payroll status. This pay will be offset by disability benefits covering this same period.
   e. upon the NME’s determination that he does not meet the physical standards, will remain eligible to use his unused sick leave, may continue to receive benefits under the D&S Plan or may apply for disability benefits.
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SECTION 16

CREW AUGMENTATION and INTERNATIONAL OPERATIONS

A. Definitions

1. “International operation” means a flight segment to or from an airport, or between airports, located outside the contiguous 48 states of the United States.
   Exception: A flight segment to or from an airport located in Canada or Alaska will not be considered an international operation.

2. “Ocean crossing” means a flight segment:
   a. across the Atlantic Ocean, or
   b. across the Pacific Ocean, as follows:
      1) between the North American continent and the Hawaiian Islands,
      2) between the Hawaiian Islands and any point west of the 160 degree meridian,
      3) from the North American continent to a point west of the 160 degree meridian,
      4) from a Pacific Rim airport to Australia and/or New Zealand,
      or
   c. to or from an airport in South America, as follows:
      1) between the United States and any point south of the equator on the South American continent, and
      2) any flight segment scheduled for greater than eight hours to, within or from the South American continent,
      or
   d. to or from an airport in Europe that crosses latitude 36°N. and/or longitude 45°E.

3. “Relief Captain” means a Captain who is current in his position and augments a crew.

4. “Relief crew” means a relief Captain and a relief First Officer, collectively.

5. “Relief First Officer” means a type-rated First Officer who is current in his position and augments a crew.

B. Crew Augmentation

1. During operations that require one relief pilot, the relief pilot will be a relief First Officer.

2. During operations that require more than one relief pilot, a relief crew will be utilized.

3. A pilot will not serve as an LCP while serving as a relief pilot.

C. On-Board Crew Rest Accommodations

1. On B-777 flight segments that require a relief crew the aircraft will have a permanent crew rest facility that:
   a. contains two bunk beds and two relief seats,
b. is located:
   1) aft of the cockpit,
   2) in the area above the cabin ceiling, and
   3) in the vicinity of the door 1 cross aisle.

2. A pilot relief seat will be provided on all aircraft that are scheduled to be operated for
more than eight hours but not more than 12 hours, block-to-block.
   a. On B-777 aircraft:
      1) the relief seat will be a standard business class seat for the respective aircraft,
         except that a footrest addition will provide for horizontal extension of the leg
         support forward from the seat cushion.
      2) the horizontal leg extension will be sufficient in length to provide adequate leg
         room for pilots up to and including the 97.5\textsuperscript{th} percentile of the adult male
         population of the U.S.
      3) with a business class configuration, the seat immediately beside (i.e., not
         separated by an aisle) the rest seat will be designated for use as a flight attendant
         rest seat and will not be available for passenger use if there is less distance
         between such seats than the B-777 Business Elite configuration (as of November
         11, 2004) provides.
      4) a standard, floor-length, class-divider curtain will extend on the aisle side of the
         relief seat from:
            a) the headrest of the relief seat (when the seat is in the fully reclined position) to
               the bulkhead forward of the seat, if the relief seat is in the bulkhead position,
               or
            b) the headrest of the relief seat (when the seat is in the fully reclined position) to
               the headrest of the seat forward of the relief seat when the forward seat is in
               the fully reclined position, if the relief seat is in other than the bulkhead
               position.
      5) between the relief seat and the adjacent seat a standard class-divider curtain will
         extend the distance between the headrest (when the relief seat is in the fully
         reclined position) to a point up to but not interfering with the passenger service
         unit for those two seats, and will extend down to at least the level of the arm rest.
         Exception: A pilot relief seat will not be provided on B-777 aircraft in which the
         agreed upon crew rest facility has been installed.
   b. On B-767-300ER aircraft:
      1) the relief seat will be a standard business class seat except that a footrest addition
         will provide for horizontal extension of the leg support forward from the seat
         cushion.
      2) the horizontal leg extension will be sufficient in length to provide adequate leg
         room for pilots up to and including the 97.5\textsuperscript{th} percentile of the adult male
         population of the U.S.
      3) a standard, floor-length, class-divider curtain will extend on the aisle side of the
         relief seat from the bulkhead aft of the seat to the bulkhead forward of the seat.
      4) between the relief seat and the adjacent seat, a standard class-divider curtain will
         extend from the bulkhead aft of the seat to a point up to but not interfering with
         the passenger service unit for those two seats, and will extend down to at least the
         level of the arm rest.
5) with a business class configuration, the seat immediately beside (i.e., not
separated by an aisle) the rest seat will be designated for use as a flight attendant
rest seat and will not be available for passenger use, if there is less distance
between such seats than the B-767-300ER Business Elite configuration (as of
November 11, 2004) provides.

c. On B-767-400 or B-757 aircraft the pilot relief seat will:
1) be a business class or first class seat,
2) include a removable leg rest support that:
a) is adjustable to horizontal,
b) is padded,
c) extends the full width of the seat pan,
d) extends the full distance between the front of the seat and the obstruction
forward of the seat,
3) have a minimum of 46 inches between the seat reference point and the obstruction
in front of the seat,
4) include recline adjustable to a maximum of 143 degrees from horizontal,
5) have a seat pan width of no less than 18.5 inches,
6) include an adjustable headrest extension,
7) the seat(s) immediately beside (i.e., not separated by an aisle) the rest seat will
be designated for use as a flight attendant rest seat and will not be available for
passenger use, and
8) in a single-class configured aircraft the rest seat will be in the first row.

3. Any changes to Section 16 C. 1. and/or 2. a. - c., and for any aircraft scheduled to
operate for more than eight hours, block-to-block, but which is not mentioned in
Section 16 C. 1. and/or 2. a. - c., the location, dimensions and other specifications of the
pilot relief seat or crew rest facility, as appropriate, will be determined as follows:

a. A Crew Rest Optimization Team (the “Team”) will be formed within 14 days of the
Company’s decision to either change the terms of Section 16 C. 1. and/or 2. a.- c., or
begin scheduling operations for more than eight hours, block-to-block, on an aircraft
not covered by those paragraphs. The Team will be comprised of three members
appointed by the Company and three members appointed by the Association.
Association appointed members of the Team will be reimbursed for flight pay loss
under Section 24 J. The Team’s mission will be to make recommendations on the
appropriate crew relief seat or crew rest facility for above-described aircraft.

b. The Team will have no more than two months to exchange information and ideas,
explore alternatives and make its recommendations. This period may be extended by
mutual agreement.

c. The Team will submit its recommendations (joint and/or separate) to a panel
consisting of the MEC Chairman and Delta’s Senior Vice President - Flight
Operations. The panel will consider and act on the recommendations within ten days
of the submission of the recommendations.

d. Panel action on recommendations:
1) Recommendations approved unanimously by the panel will be implemented as
soon as practicable after approval. The implementation process will be initiated
within 30 days after approval. Every reasonable effort will be made to implement
the recommendations within six months after approval.
2) Recommendations unanimously rejected by the panel will not be subject to further review.
3) If all recommendations of the Team are rejected by the panel, the Team will reconvene and develop new recommendations within ten days.
4) Recommendations may, by unanimous decision of the panel, be referred back to the Team for further study and/or modification and re-submission to the panel. Such modifications and re-submissions will be made by the Team within ten days of the referral. The panel will consider and act on the modifications and re-submissions within ten days.

e. Recommendations approved by one panel member but not the other will be submitted directly to a Five Member Board for final and binding determination. The Association and the Company will each select two Board members, who should be knowledgeable about the matters at issue. The neutral member will be an arbitrator selected by mutual agreement within ten days of submission. If the parties do not mutually agree, an arbitrator will be selected in the usual manner employed by the parties. The Board will have jurisdiction to accept the final offer of either the Company or the Association on the appropriate crew relief seat or facility. The Board proceedings will be governed by Section 19. The Board’s award will be issued within 30 days of the date the issue was submitted to the Board for its decision.

4. During the time between the date of signing of the PWA and the date of actual installation of crew rest facilities determined under Section 16 C. 3. on such aircraft flight segments that require a:
   a. relief pilot, a dedicated business class seat will be provided.
   b. relief crew, the following will be provided:
      1) horizontal bunks.
      2) an area appropriate for changing clothes.
      3) a dedicated business class seat for all takeoffs and landings.

D. International Deadhead

1. A pilot who deadheads on an ocean crossing flight segment, as scheduled or rerouted, will be provided business class accommodations. If the aircraft is not configured with business class, such pilot will be provided first class accommodations.
2. A pilot who utilizes an off-rotation deadhead on an ocean crossing flight segment at the end of a rotation will be provided positive space on-line transportation under Section 8 E. 9. Such pilot will be provided business class accommodations (or first class if the aircraft is not configured with business class) if sales are authorized at the time of his attempted booking.
3. Except as modified in Section 16 D., deadheading in international operations will be under Section 8.

E. Worker’s Compensation Benefits

A pilot will be provided worker’s compensation benefits in amounts not less than those prescribed in the Longshoremen’s and Harbor Worker’s Compensation Act, as amended, or the Worker’s Compensation Law of the state having jurisdiction, whichever Act provides the
higher benefits. The monetary benefits so paid will be in addition to any monetary benefits paid under Section 16 F. and G.

F. Missing Pilots

1. A pilot will be paid no less than his reserve guarantee if, while engaged in international operations, he:
   a. becomes missing,
   b. is held as a prisoner or hostage of war, or
   c. is held for any reason in the performance of his required flight or ground duties.

2. Such pay will continue until the earlier of the following:
   a. 24 months after the pilot’s disappearance,
   b. the pilot’s death, or
   c. the establishment of a reasonable presumption of the pilot’s death.

3. A missing pilot will maintain and continue to accrue seniority and longevity.

4. The Company will pay or cause to be paid the death benefits under Section 16 E., if:
   a. after 24 months, 
      1) the pilot remains missing, and
      2) his whereabouts remain unknown,
   or
   b. the pilot’s death is established.

G. Benefit Assignments

1. The monthly compensation allowance under Section 16 E. and F. to a pilot who is missing will be:
   a. credited to the pilot, and
   b. disbursed by the Company in accordance with the pilot’s written direction.

2. Prior to engaging in international operations, a pilot may execute and deliver to the Company, written direction in the following form:

   To Delta Air Lines, Inc.

   In the event I become missing or am held as a prisoner of war or hostage or held for any other reason while engaged in international operations for Delta Air Lines, you are hereby instructed to pay all monthly compensation allowable to me as follows:

   $________________________ per month (or _____% per month) to (name(s))
   ___________________ (address) ________________________________________,
   as long as he/she is living, and thereafter to (name(s)) _______________________,
   (address) __________________________________________________ as long as he/she is living.
The balance, if any, and any amounts accruing after the death of all persons named in the above designations will be held for me, or, in the event of my death while missing or held, will be paid to the legal representative of my estate. I may modify the foregoing written direction from time to time by submitting a new written direction, and any such modification will become effective upon receipt of such written direction by you. Payments made by the Company pursuant to this written direction will fully release the Company from further obligations with respect to such payments.

___________________________________
Pilot's Printed Name and Employee Number
_______________________________________ ___________________
(Pilot's Signature)      (Date)

3. Any payments due to any pilot under Section 16 which are not covered by a written direction under Section 16 G. 2. will be held by the Company for such pilot and, in the event of his death, will be paid to the legal representative of his estate.

H. Foreign Pilot Base

Prior to establishing a foreign pilot base, written notice will be sent to the Association in accordance with Section 6, Title II of the Railway Labor Act for the purpose of determining what, if any, foreign station allowance is appropriate. For purposes of determining a foreign station allowance, Hawaii is excluded.

I. Document Requirements

1. If required by the Company, a pilot will have a valid passport and visa(s) in his possession prior to departing on his rotation. The passport and required visa(s) will be renewed in sufficient time to preclude a lapse of validity.

2. Unless passport and required visa(s) are valid, and correctly documented in DBMS, a pilot will not be:
   a. awarded a line,
   b. eligible for a swap, yellow slip, white slip or GS, or
   c. paid or credited for any rotation or guarantee.

Exception: A pilot’s Chief Pilot, the System Manager - Flight Operations, or the Director - Flight Operations may waive these requirements if the pilot is involved in an extraordinary situation.

J. International Health Care

The Company will maintain a health care protocol at each station outside the United States that provides for the expeditious treatment of pilots who are injured or become ill while abroad in the service of the Company and require acute care. Such protocol will include the involvement of English speaking physicians and a method of payment that does not require a pilot to pay for health care prior to treatment.
K. Crew Luggage

During international operations, to the extent permitted by law or regulation, the Company will permit a pilot, while an operating crewmember, to gate check his luggage. During international operations utilizing B-767-300ER, B-767-400ER, or B-777 aircraft with an international seating configuration, a pilot will be provided an area on board an aircraft for storage of one piece of his luggage (dimensions not to exceed 9” x 14” x 27”) that is secure and inaccessible by passengers.
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SECTION 17

WITNESSES AND REPRESENTATIVES

A. Transportation

A pilot appearing as a witness or representative on behalf of the Company will be provided transportation to and from the hearing.

Exception: This provision does not apply to Sections 18 and 19.

B. Pay and Credit

A pilot appearing as a witness or representative at the Company’s request will receive pay and credit during the period of such appearance as follows:

1. A regular pilot will be paid and credited for all rotations missed as a result of the appearance.
2. A reserve or unassigned pilot will be paid and credited 1/18th of the reserve guarantee for each on-call day missed.
3. A salaried pilot will be paid his regular salary.

Exception: This provision does not apply to Sections 18 and 19.
Section 17 – Witnesses and Representatives

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SECTION 18

GRIEVANCES

A. Definitions

1. “Aggregate service” means all time starting from a pilot’s date of employment with the Company as a pilot, with the exception of the following:
   a. periods of furlough, or
   b. unpaid leave in excess of 60 cumulative days.

2. “Board” means the Delta Pilots’ System Board of Adjustment.

3. “Business day” means each day from Monday through Friday, except for Company holidays.

4. “Day” means calendar day.

5. “Hearing officer” means a Company-designated senior operating official.

B. Non-Disciplinary Grievances

A pilot or group of pilots who have a dispute concerning any action of the Company affecting them (except matters involving discipline and discharge) will be entitled to have such dispute considered in accordance with the following:

1. Pre-Grievance
   The pilot(s) and/or an ALPA representative will contact the Base Chief Pilot, or his designee, when a dispute arises. The Company and the ALPA representative and/or the pilot will assemble the facts and make an effort to resolve the dispute.
   Exception: The MEC Chairman or his designee will contact the Manager – Labor Relations, or his designee, in lieu of contacting the Base Chief Pilot when a dispute arises that may become the subject of an MEC grievance.

2. Grievance
   a. If the dispute is not resolved under Section 18 B. 1., the pilot(s) or the MEC Contract Administration Committee Chairman may, within 120 days of the incident or occurrence giving rise to the dispute, file a grievance in the form of a written request for a hearing to the Senior Vice President - Flight Operations. The request will include a statement of all known facts (e.g., names, dates, rotation numbers) and a description of the relief sought.
      Exception: The 120 day limit does not apply to claims for adjustment arising out of bookkeeping errors.
   b. A hearing will be held before a hearing officer, or his designee, in the office of the Base Chief Pilot within 20 business days of receipt of the grievance.
   c. The hearing officer, or his designee, will issue a written decision within 15 business days of the close of the hearing.
   d. The Company will issue all hearing notices and decisions to the grievant(s) in writing. In all cases, copies will be sent to the MEC Chairman, and the MEC Contract Administration Committee Chairman.
Section 18 - Grievances

3. Appeal to the Board
If the grievance is not resolved under Section 18 B. 1. or 2., the Association may appeal
the decision of the hearing officer to the Board, provided:
a. the appeal is made within 30 business days of the grievant(s)’ receipt of the written
decision of the hearing officer, and
b. the submission to the Board conforms with Section 19 D.

C. Discipline/Discharge Grievances

1. Pre-Discipline/Discharge
Before disciplining/discharging a pilot, the Company will comply with the following
procedures:
a. The Company may hold a pilot out of service with pay during the investigation of the
alleged incident or problem.
b. The Base Chief Pilot, or his designee, will investigate and discuss with the pilot the
alleged incident or problem. Prior to such discussion, the pilot will be afforded the
opportunity to obtain ALPA representation.
c. The pilot will be given written notification of the precise charge(s) and the discipline
to be imposed. The written notification will advise the pilot that he is entitled to
contact his ALPA representative. A copy of such written notification will be sent to
the MEC Contract Administration Committee Chairman.
d. The pilot will be given the opportunity to acknowledge receipt of such written
notification.
e. The discharge of a pilot will be conducted in person by a representative of the Senior
Vice President - Flight Operations, provided the pilot makes himself reasonably
available. If the pilot is not reasonably available, a letter of discharge will be mailed
by registered letter-return receipt requested to his mailing address listed in DBMS. A
copy of such letter will be sent to the MEC Contract Administration Committee
Chairman.
f. A pilot will not be disciplined/discharged prior to a hearing, provided the pilot makes
a written request for a hearing under Section 18 C. 2.

2. Grievance
A pilot who desires to contest the discipline/discharge may do so by filing a grievance in
the form of a written request for a hearing to the Senior Vice President - Flight
Operations according to the following:
a. The pilot will file the written request within seven business days of receipt of the
written notification of charges.
b. The hearing will be held before a hearing officer within seven business days of
receipt of the grievance.
c. The pilot will not be required to give testimony or furnish evidence prior to the actual
time of the initial hearing.
d. The pilot will be given sufficient time to prepare and secure the presence of witnesses
for the hearing.
e. The pilot may be represented by a Company employee of his choice or an ALPA
representative.
Section 18 - Grievances

f. The Company will issue a written decision to the grievant within seven business days of the hearing. Copies will be furnished to the MEC Chairman and the MEC Contract Administration Committee Chairman.

3. Appeal to the Board
If the grievance is not resolved under Section 18 C. 2., the Association may appeal the Company’s written decision to the Chairman of the Board provided the appeal:
   a. conforms with Section 19 D.,
   b. is copied to the Senior Vice President - Flight Operations, and
   c. is made within 15 business days of the pilot’s receipt of the written decision.

D. General

1. A pilot who has completed probation will not be disciplined/discharged without just cause.
2. A probationary pilot who has completed his IOE will not be disciplined/discharged without a rational basis (i.e., in an arbitrary or capricious manner). A probationary pilot who has not completed his IOE may be disciplined/discharged for any reason without recourse to Sections 18 or 19.
3. If a written decision of the Company at any step of the grievance procedure is not appealed by the affected pilot(s) within the time limits in Section 18, or any mutually agreed extension, the Company’s decision will become final and binding.
4. If a hearing or written decision of the Company is not provided within the time limits in Section 18, or any mutually agreed extension, the pilot(s) may appeal the grievance to the next step in the grievance procedure.
5. Time limits in this section may be extended by agreement between the Company and the affected pilot(s) or the Association. Written confirmation of such agreement must be received before the end of the business day following the day in which such agreement has been reached.
6. The personnel record of a pilot whose discipline/discharge dispute has been resolved under Section 18 will reflect the agreed upon resolution of the matter.
7. Either party may make a certified transcript of any proceedings, provided that a copy of such transcript is furnished to the other party upon request, in which case the cost will be borne equally by the parties.

E. Critical Correspondence

1. A pilot will be furnished with copies of all correspondence placed in his file pertaining to him that may be of a critical nature. He will be given the opportunity to acknowledge receipt and to make a responsive statement. Such responsive statement will be placed in his base personnel file. A pilot may also file a grievance challenging any such correspondence in his file. Correspondence that a pilot is not given an opportunity to acknowledge may not be used against him in an investigation or discipline/discharge case.
2. Upon reasonable advance request and during normal office hours, a pilot will be:
   a. allowed to review all Company files pertaining to him, including:
      1) the base file.
Section 18 - Grievances

2) the Atlanta Flight Operations file.
3) records maintained in accordance with FARs.

b. provided a copy of any document contained in the Company’s files pertaining to him.
c. upon his request, all correspondence of a critical nature that he has not been given the
   opportunity to acknowledge, will be removed from his file.

3. Prior discipline and/or correspondence of a critical nature will not be admissible at a
   Board hearing involving subsequent discipline provided:
a. the prior discipline consisted of a warning, reprimand or suspension of less than 30
days, and
b. the pilot has completed three years of aggregate service since the issuance of the prior
discipline without being disciplined in any manner.

F. Compensation, Insurance and Sick Leave

1. A pilot who is held out of service with pay during a disciplinary/discharge investigation
   will be eligible for insurance benefits and sick leave.
2. A pilot who is suspended without pay for 60 days or less will be eligible for medical and
dental benefits under Section 25 and basic life insurance under Section 26.
3. A pilot who is suspended without pay for more than 60 days may continue medical
   insurance benefits during the period of suspension in excess of 60 days at his expense
   under Section 25 B. 2. or 3.
SECTION 19

SYSTEM BOARD OF ADJUSTMENT

A. Definitions

1. “Board” means the Delta Pilots’ System Board of Adjustment.
2. “Five Member Board” means the System Board of Adjustment when comprised of two
   members appointed by the Company, two members appointed by the Association and a
   neutral member selected by the parties, to decide a specific dispute.
3. “Four Member Board” means the System Board of Adjustment when comprised of two
   members appointed by the Company and two members appointed by the Association, to
   decide a specific dispute.

B. Establishment

The Board has been established in compliance with Section 204, Title II of the Railway
Labor Act, as amended, for the purpose of adjusting and deciding properly submitted
disputes that may arise under the terms of the PWA.

C. Composition

1. The parties will each appoint up to eight persons to serve as Board members. A Board
   member will serve until a successor has been appointed. Each party will promptly
   notify the other in writing of any change of members.
2. Each party will endeavor to appoint the same Board members to hear all disputes in a
   particular monthly session.
3. A Company appointed Board member may not be appointed to hear a dispute if he:
   a. served as the hearing officer on the grievance.
   b. initiated the action that is a subject of the grievance.
4. Each Four Member Board will have a Chairman and a Vice Chairman. Chairmanship of
   the Board will alternate between the Association and the Company on a yearly basis.
   When an Association member is Chairman, a Company member will be Vice Chairman,
   and vice versa.
5. Each Five Member Board will have a Chairman, who will be its neutral member.
6. In discipline and discharge cases, at least one member of the Board from each party will
   be a pilot.

D. Jurisdiction

1. The Board will have jurisdiction over disputes growing out of grievances or out of the
   interpretation or application of any of the terms of the PWA. In addition, the Bankruptcy
   Court will retain jurisdiction as specified in paragraph 13 of LOA #7 (Bankruptcy
   Protection Covenant).
   Exception one: The Board’s jurisdiction will not extend to changes in rates of pay, work
   rules or working conditions covered by the PWA.
Section 19 – System Board of Adjustment

Exception two: The Board’s jurisdiction will not extend to disputes arising out of
Section 1 L.

2. The Board will consider any dispute properly submitted to it by the President of the
Association or by the Senior Vice President - Flight Operations provided that the dispute
has not previously been settled.

3. The Board will not consider any dispute submitted by the President of the Association
unless it has been handled under Section 18.

4. Upon a finding by the Board in the dispute before it, that the Company repeatedly or
intentionally violated a previous decision of the Board which held that the Company
breached its contractual obligation(s) on the same or a substantially similar issue(s), the
Board may order the Company to pay the full cost of the neutral member’s and court
reporter’s fees and expenses and the expenses (including flight pay loss, hotel, per diem)
of the Association Board Members, grievant(s) and witnesses in the dispute before it.

5. Upon a finding by the Board in the dispute before it, that the Association has submitted a
frivolous grievance, the Board may order the Association to pay the full cost of the
neutral member’s and court reporter’s fees and expenses and the expenses (including time
loss, hotel, per diem) of the Company Board Members and witnesses in the dispute
before it.

E. Submission of Disputes

1. Disputes will be referred to the Board by the filing of a submission with the Company’s
Manager – Labor Relations and the Association’s MEC Contract Administration
Committee Chairman.

2. The submission will include:
   a. the question(s) at issue,
   b. a statement of facts,
   c. the position of the pilot(s) and the relief sought, and
   d. the position of the Company.

F. Deadlock - Four Member Board

1. A deadlock of a Four Member Board will exist in any dispute if:
   a. two members of the Board declare a deadlock, or
   b. the Board does not reach a decision within 60 days (30 days in a discipline/discharge
dispute) of the conclusion of the hearing.

2. The Chairman will notify the other Board Members, the Association’s MEC Contract
Administration Committee Chairman and the Company’s Manager - Labor Relations, in
writing, of the fact that a deadlock exists.

G. Scheduling and Procedures

1. Scheduling - Four Member Board
   a. Unless otherwise agreed, hearings before the Four Member Board will be conducted
      on the third Wednesday and Thursday of each month in the city where the General
      Offices of Delta Air Lines, Inc. are maintained.
Section 19 – System Board of Adjustment

Exception one: The November and December hearings will be held on the second Wednesday and Thursday of those months.

Exception two: A dispute that is expected to take more than two days to hear will be scheduled for a hearing of sufficient length.

Exception three: The monthly hearings may be shorter than two days if the caseload warrants.

b. A discipline/discharge dispute will be heard at the first monthly hearing of the Four Member Board that is at least 30 days after the date of the filing of the submission.

Exception: A discharge dispute will proceed directly to a Five Member Board if such request is made by the Association in its submission to the Board.

c. A non-disciplinary dispute will be jointly scheduled for hearing before the Four Member Board by the parties. The parties will provide written notice to each other of the specific dispute(s) each party wishes to be heard, at least 45 days in advance of the regularly scheduled monthly hearing. Such hearing schedule will be finalized at least 30 days in advance of the monthly hearing.

d. Unless otherwise agreed in writing, Company and Association representatives will meet on the first Wednesday of each month to attempt resolution of the disputes scheduled for the next monthly hearing. Such representatives will come to this meeting with knowledge of the facts and circumstances of the dispute and authority to settle the dispute.

2. Scheduling - Five Member Board

a. The parties will establish and maintain a standing list of seven neutral members to serve on a Five Member Board in the event of a deadlock of a Four Member Board.

b. The parties will select a neutral member from the standing list, utilizing the alternate strike-off method. The parties will alternately strike first in successive disputes.

c. Following a deadlock or the filing of a submission directly to the Five Member Board under Section 19 G. 1. b., the party desiring to schedule the dispute for hearing will make a written request to the other party that a neutral member be selected. Within 30 days of receipt of the request, the parties will select a neutral member. The hearing will be scheduled as soon as possible, depending upon the neutral member’s availability.

d. If the neutral member is not available within six months of the deadlock or the filing of a submission to the Board under Section 19 G. 1. b., the parties will select another neutral member.

3. Procedures

a. A pilot may be represented at a Board hearing by any person(s) he selects. The Company may be represented by any person(s) it selects. Evidence may be presented either orally, in writing or both.

b. On the business day before a Five Member Board hearing, Company and Association attorneys will:

1) exchange documents expected to be introduced into evidence, and

2) inform each other of expected motions.

c. The Board will summon any witness employed by the Company or the Association at the request of a majority of the Board members appointed to decide the dispute or an Association or Company attorney. The number of witnesses summoned at any one
time will not be greater than the number that can be spared from the operation of the
Company or the Association.

d. Decisions of the Board will be made by majority vote, and will be final and binding
upon the parties.
e. A Chairman will have a vote in all actions taken and will preside at all meetings and
hearings of the Board.
f. The parties will conduct at least one and up to two Five Member Board hearings in a
month that have been scheduled under Section 19 G. 2.
g. Decisions of the Five Member Board will be rendered within 90 days after the neutral
member receives the briefs of the parties.
   Exception: If the Five Member Board is unable to meet this time limit, the neutral
   member will, prior to expiration of the 90-day period, notify the parties of an
   anticipated date for the rendering of a decision.
h. Except as provided in Section 19 D. 4. and 5., the cost of the reasonable expenses and
   compensation of the neutral member will be shared equally by the Association and
   the Company.

H. General

1. Nothing herein will be construed to limit, restrict or abridge the rights or privileges
   accorded either to the pilots or to the Company, or to their duly accredited representatives
   under the provisions of the Railway Labor Act, as amended.
2. The Company and the Association will each maintain a complete record of all matters
   submitted to the Board and of all findings and decisions.
3. Except as provided in Section 19 D. 4. and 5., each party will assume the costs of the
   compensation and expenses of its appointed Board members and summoned witnesses.
   Board members and grievants will be provided positive space passes to attend meetings
   and hearings of the Board.
4. Expenses of the Board that are jointly authorized by the Chairman and the Vice Chairman
   will be shared equally by the Association and the Company.
5. Board members will be released from duty to attend hearings of the Board and meetings
   of the Board and, when jointly authorized by the Chairman and Vice Chairman, to
   perform other Board duties.
6. A Board member will be free to discharge his duty in an independent manner, without
   fear that his individual relations with the Company, the Association or their employees
   may be affected in any manner or by any action taken by him in good faith.
7. A witness will be free to testify without fear that his individual relations with the
   Company, the Association or their employees may be affected in any manner by his
   testimony in good faith.
8. The Board will have the authority for the administration and interpretation of Section 19.
9. The time limits specified in Section 19 may be extended by agreement between the
   parties. Written confirmation of such agreement must be received before the end of the
   business day following the day in which such agreement has been reached.
SECTION 20

SENIORITY

A. Definitions

1. “Seniority” means a pilot’s number on the seniority list.
2. “Seniority date” means the date of a pilot’s seniority as shown on the seniority list.
3. “Seniority list” means the Delta Air Lines Pilots’ system seniority list.
4. “Sufficient qualifications” means the requirements imposed by law and this PWA to enter training or serve as a pilot for Delta Air Lines, Inc.

B. Accrual and Retention

1. A pilot will accrue and retain seniority until the earlier of his termination, resignation, retirement, death or attainment of the latest age under Part 121 of the FARs that he can serve as a PIC or SIC, at which time he will be removed from the seniority list. A pilot will also cease accruing and retaining seniority on the date he is removed from the seniority list under Section 13 B. 3.
2. Seniority numbers will be assigned to individuals on the first day of their new-hire training in the following order:
   a. Company transferees will be assigned the lowest seniority numbers within the class, in order of their most recent date of employment with the Company, then
   b. New-hires will be assigned seniority numbers on the basis of the last four digits of each individual’s social security number. Individuals with the higher numbers will be assigned the lowest seniority numbers.
   Note: New-hires with identical last four digits of their social security numbers, and transferees with identical employment dates, will determine their relative placement by drawing numbers.

C. Rights

1. Among pilots with sufficient qualifications, seniority will govern:
   a. promotion and demotion,
   b. awarding of vacancies and displacements,
   c. assignment or reassignment due to expansion or reduction of schedules,
   d. retention in case of furlough, and
   e. recall from furlough.
2. A pilot who is denied a position for lack of sufficient qualifications will immediately be furnished with written notice detailing the specific deficiencies.

D. Seniority List

1. The seniority list contains the names of all active and inactive pilots in order of their seniority numbers.
Section 20 - Seniority

2. Each month, the seniority list will be:
   a. updated,
   b. posted on the Flight Operations website, and
   c. provided to the Association in an electronic format for posting on the Delta MEC website.

3. If a pilot’s date of employment with the Company as a pilot differs from his seniority date, it will appear in parentheses on the seniority list. This date of hire listing will not affect a pilot’s seniority number.

4. Pilot seniority numbers displayed in DBMS will be updated concurrent with the updating of the seniority list.

E. Protest

1. A pilot may file a protest regarding an omission or incorrect placement on the seniority list.

2. A protest must be filed with the Senior Vice President - Flight Operations within 120 days of the posting of the pertinent list.
   Exception one: A pilot who was on probation at the time of posting may file a protest within 120 days after completion of probation.
   Exception two: A pilot who was on leave of absence or furlough at the time of posting may file a protest within 120 days from his return to active duty.

F. Probation

1. A pilot will be on probation until the earlier of:
   a. 400 hours of block time (inclusive of O.E.),
   b. completion of 12 months of aggregate service, or
   c. conversion to a Captain position.

2. Aggregate service includes all time starting from a pilot’s date of employment with the Company as a pilot with the exception of the following:
   a. periods of furlough, or
   b. unpaid leave in excess of 60 cumulative days.
SECTION 21

FURLOUGH AND RECALL

A. Definitions

1. “Date of furlough” means the date on which a pilot’s furlough begins.
2. “Date of recall” means the date a pilot is scheduled to report to duty in conjunction with a recall.
3. “Entry level position” means any position listed in Section 22 B.
4. “Furlough base” means the base to which a pilot was assigned on his date of furlough.
5. “Longevity” means all time beginning at date of employment as a pilot, and ending at termination of employment as a pilot, retirement as a pilot, or death.
   Exception one: For purposes of vacation, sick leave and pass benefits, the longevity of a pilot who transferred from another Company department will begin on his most recent date of employment with the Company.
   Exception two: Longevity does not include periods during which a pilot remains on furlough due to his decision to bypass recall.
6. “Recalled-medical hold” means the status of a pilot who is unable to present the Company with a First Class Medical Certificate within 30 days of receipt of his notice of recall.

B. Furlough

1. A pilot will be notified in writing of his pending furlough at least 30 days in advance of his date of furlough.
2. Within 30 days of his date of furlough, a pilot will be paid for all the vacation he has accrued and earned (but not used) as of his date of furlough.
3. A furloughed pilot will receive furlough pay at regular semimonthly pay periods in accordance with the following schedule:

<table>
<thead>
<tr>
<th>Completed longevity on date of furlough</th>
<th>Furlough pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 year</td>
<td>½ month</td>
</tr>
<tr>
<td>1 year</td>
<td>1 month</td>
</tr>
<tr>
<td>2 years</td>
<td>2 months</td>
</tr>
<tr>
<td>3 years</td>
<td>3 months</td>
</tr>
<tr>
<td>4 years</td>
<td>4 months</td>
</tr>
<tr>
<td>5 years</td>
<td>5 months</td>
</tr>
<tr>
<td>6 years</td>
<td>6 months</td>
</tr>
</tbody>
</table>
4. A pilot will receive pass benefits, life insurance, medical insurance and dental insurance during the period in which he is eligible for furlough pay (or during the period in which he would have been eligible for furlough pay in the absence of Section 21 B. 9.).
5. A furloughed pilot (other than a pilot who has bypassed recall) will be afforded use of the cockpit jumpseat, unless superseded by law or regulation.
6. A recalled pilot will not be eligible for furlough pay after his date of recall.
Section 21 – Furlough and Recall

7. Furlough pay will equal 65 hours flight pay per month at the rate applicable to a furloughed pilot’s longevity year and the lowest paying position for any aircraft in revenue service listed in Section 22 B.

8. If the Company furloughs any pilot after November 11, 2004, the TLV for each position will not exceed the TLV for such position at the time of such furlough until all pilots who were furloughed after November 11, 2004 are offered recall. For purposes of this provision, the TLV for positions from which pilots were furloughed will be measured on the first day of the 6th bid period after the date of such furlough, and on the first day of each 6th bid period thereafter. The TLV for positions from which pilots were not furloughed will be measured on the first day of the 13th bid period after the date of the first such furlough, and on the first day each 12th bid period thereafter.

9. a. The Company will be excused from compliance with the provisions of Section 21 B. 1., 3., and 8. in the event that a circumstance over which the Company does not have control substantially affects the Company’s operations and was the cause of such noncompliance. If such event is an event other than a labor dispute (strike) within the Company, a furloughed pilot will receive furlough pay at regular semimonthly pay periods in accordance with the following schedule:

<table>
<thead>
<tr>
<th>Completed longevity on date of furlough</th>
<th>Furlough pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 2 years</td>
<td>1 month</td>
</tr>
<tr>
<td>2 years</td>
<td>2 months</td>
</tr>
</tbody>
</table>

b. The term “circumstance over which the Company does not have control” includes, but is not limited to, a natural disaster; labor dispute (strike); grounding of a substantial number of the Company’s aircraft by a government agency; reduction in flying operations because of a decrease in available fuel supply or other critical materials due to either governmental action or commercial suppliers being unable to provide sufficient fuel or other critical materials for the Company’s operations; revocation of the Company’s operating certificate(s); war emergency; owner’s delay in delivery of aircraft scheduled for delivery or manufacturer’s delay in delivery of new aircraft scheduled for delivery. The term “circumstance over which the Company does not have control” shall not include the price of fuel or other supplies, the price of aircraft, the state of the economy, the financial state of the Company, or the relative profitability or unprofitability of the Company’s then-current operations.

C. Recall

1. The Company will notify a furloughed pilot of his recall by overnight delivery or “Registered Letter-Return Receipt Requested” to his mailing address listed in DBMS. A furloughed pilot may update his DBMS mailing address at any time via written notice to the Manager – Crew Resources, Department 028, 1010 Delta Blvd., Atlanta, GA 30320.

2. Within 30 days of delivery of a recall notice to a pilot’s mailing address, a pilot will notify the Company of his intent to return to duty or to bypass recall. The employment of a pilot who does not so notify the Company will be terminated.

3. After 30 but within 60 days of the date of delivery of his recall notice, a pilot who has indicated his intent to return to duty will report at a location and date specified by the...
Company. The employment of a pilot who does not so report may be terminated if, in the
judgment of the Senior Vice President – Flight Operations, which will be reasonably
exercised, the pilot’s failure to report was unwarranted under the circumstances.

4. A recalled pilot who returns to duty at a base other than his furlough base will be
reimbursed for moving expenses under Section 6.

Note: These moving expenses will be calculated from the pilot’s furlough base or
permanent residence, whichever is closest to the base to which he is assigned upon recall.

5. A furloughed pilot may bypass recall for a period not to exceed ten years from his date of
furlough.

6. A recalled pilot who returns to duty and is furloughed again may bypass recall for a
period not to exceed ten years from the date of his subsequent furlough.

7. A pilot who has bypassed recall will be subject to the following:
   a. he will be ineligible to receive furlough pay,
   b. he may only return to duty:
      1) in conjunction with a subsequent recall or new hire class, and
      2) if he has notified the Company in writing of his desire to accept recall at least 30
days in advance of the class date on which he wishes to return.
   Note one: The Company is not required to recall pilots in numbers greater than it
deems necessary in a new-hire or recall class.
   Note two: If there are more pilots who have bypassed recall that seek to return to
   duty than the Company has determined is required, such pilots will be returned to
duty, in seniority order and prior to any new hire, in conjunction with Company
   scheduled new hire or recall classes,
   and
   c. his employment will be terminated if he does not return to duty within ten years from
   his date of furlough.

8. A recalled pilot:
   a. will return to an entry level position (or by mutual agreement between the pilot and
   the Company, to a position his seniority would entitle him to hold),
   b. may be required to complete training for that position, and
   c. will be entitled to bid and be awarded an advance entitlement(s) during training.

9. The Company may extend the time periods outlined in Section 21 C. when extraordinary
   conditions exist.

10. A pilot will be eligible for recall for ten years from his date of furlough. The
   employment of a pilot who does not return from furlough within ten years from his date
   of furlough will be terminated.

11. A recalled pilot will not be eligible for return to duty if he does not possess a valid FAA
    First Class Medical Certificate. Such pilot will be placed in recalled-medical hold status.

12. A pilot in recalled-medical hold status will:
    a. receive furlough pay, medical/dental/life insurance benefits, and pass benefits during
    the period in which he would have been eligible for furlough pay if he had not been
    recalled,
    b. not receive cockpit jumpseat privileges, and
    c. not receive compensation, medical/dental/life insurance benefits or pass benefits
    beyond the period in which he would have been eligible for furlough pay if he had not
    been recalled.
13. A pilot in recalled-medical hold status who presents a First Class Medical Certificate to the Senior Vice President-Flight Operations within ten years from his date of furlough will be returned to duty with the Company, subject to the provisions of Section 15. Such pilot’s return will not be required to be in conjunction with a recall or new hire class.
SECTION 22

FILLING OF VACANCIES

A. Definitions

1. “Advance entitlement” (AE) means an award (or, with respect to an entry level pilot, an award or assignment) to a category that is anticipated to become effective on a subsequent conversion date.

2. “Aircraft model” means an aircraft (e.g., B-737-800, MD-88) within an aircraft type.

3. “Aircraft type” means one of the following groupings:

<table>
<thead>
<tr>
<th>a. B-777</th>
<th>e. MD-90/MD-88</th>
</tr>
</thead>
<tbody>
<tr>
<td>b. B-767-400ER</td>
<td>f. B-737-300/200</td>
</tr>
<tr>
<td>c. B-767 (all except B-767-400ER)/B-757</td>
<td>g. EMB-190/195</td>
</tr>
<tr>
<td>d. B-737-900/800/700/600</td>
<td>h. CRJ-900</td>
</tr>
</tbody>
</table>

4. “Average line value” (ALV) means a number of hours established by the Company that is the projected average of all regular line values, for a position, for a bid period.

5. “Base” means a location to which a pilot is assigned.

6. “Bid-qualified pilot” means a pilot who has completed or is projected to complete all training, except for OE, prior to the first day of the bid period.

7. “Category” means the combination of a pilot’s position and base.

8. “Category freeze” means a period of time
   a. that is determined under Section 22 G.,
   b. that commences on the date of a pilot’s award of an AE or VD for which qualification training is required, and
   c. during which the pilot will (unless declared eligible by the Company) be ineligible to be awarded another AE with an award date falling within the freeze period (other than to a new or reestablished category) for which qualification training is required.

9. “Contingent displacement” means a displacement from a pilot’s new category that is caused by his displacement into that category.

10. “Contingent vacancy” means a vacancy in a pilot’s former category that is caused by his award to a different category pursuant to an advance entitlement.

11. “Conversion date” means the date on which the award or assignment of a pilot to a different category becomes effective.

12. “Displacement” means an award (voluntary displacement or VD) or assignment (mandatory displacement or MD) that is anticipated to become effective on a later conversion date to eliminate a surplus from a category.

13. “Entry level pilot” means a pilot who has not completed his initial OE at the Company.

14. “New or reestablished category” means, for the purposes of Section 22, a category that has not been in existence for 60 days since the date of the first opportunity for the first conversion.

15. “Position” means the combination of a pilot’s aircraft type, status, and classification as domestic or international.

17. “Standing bid” means a pilot’s order of category preferences, as they exist in DBMS, for AEs, MDs, and VDs. A pilot’s category preferences may include:
   a. a minimum acceptable relative seniority ranking (by number or percentage) in the category (including his own category),
   b. a specification for “regular line only”, or
   c. his willingness to be displaced in lieu of a pilot who is junior to him and in his category.

18. “Status” means a pilot’s rank as Captain or First Officer.

19. “Targeted line value” (TLV) means a 12 bid period rolling average of the ALV.

20. “Unassigned pilot” means a pilot in excess of PWA staffing requirements who is assigned to an aircraft type and base but does not currently hold a status.

B. Order of Positions

1. B-777 (International) Captain
2. B-777 Captain
3. B-767-400ER (International) Captain
4. B-767-400ER Captain
5. B-767/B-757 (International) Captain
6. B-767/B-757 Captain
7. B-737-900/800/700/600 Captain
8. MD-90/MD-88 Captain
9. B-737-300/200 Captain
10. B-777 (International) First Officer
11. B-777 First Officer
12. B-767-400ER (International) First Officer
13. B-767-400ER First Officer
14. EMB-195/190 Captain
15. B-767/B-757 (International) First Officer
16. B-767/B-757 First Officer
17. B-737-900/800/700/600 First Officer
18. MD-90/MD-88 First Officer
19. CRJ-900 Captain
20. B-737-300/200 First Officer
21. EMB-195/EMB-190 First Officer
22. CRJ-900 First Officer
C. PBS Staffing Formula

1. Formulae values for the bid period at issue:
   A = scheduled block and credit hours for such position
   B = total vacation hours for such position, where vacation hours = # of projected vacation
days x (ALV/30)
   C = total training hours for such position, where training hours = # of projected training
days x (ALV/30)
   D = ALV for such position
   E = 12 bid period rolling average of block and credit hours flown by reserve pilots for
   such position + H for such position
   F = 12 bid period rolling average of reserve duty periods worked for such position
   G = 12 bid period rolling average of scheduled block and credit hours for such position
   H = 12 bid period rolling average GS/GSWC/IA/IAWC hours flown, minus one standard
deviation for such position
   Note one: In determining a 12 bid period rolling average, the Company will use the least
   recent 12 of the previous 14 bid periods.
   Note two: The ALV for a position will be between 72 and 82 hours (inclusive).

2. For each position in each bid period:
   a. Regular pilots = (A + B + C)/D
   b. Domestic reserve pilots = [(E /60) x 0.6 + (F /14) x 0.4] x (A/G)
   c. International reserve pilots = [(E /60) x 0.8 + (F/14) x 0.2] x (A/ G)

3. For each position in each bid period, the total pilots required will be determined as
   follows:
   a. Total pilots for a domestic position = regular pilots + domestic reserve pilots.
   b. Total pilots for an international position = regular pilots + international reserve pilots.

D. Posting and Bidding of Category Vacancies

1. Each bid period and at each base, the Company will post a complete list of pilots by
category and seniority number.

2. On or before the first day of February, May, August and November, the Company will
post, at each base, a six month forecast of pilot requirements for each position at each
base.
   Exception: When the Company posts an advance entitlement or displacement bid with an
effective date more than 210 days from date of posting, the Company will concurrently
publish a 12 month forecast of pilot requirements for each position at each base.

3. An advance entitlement or displacement bid posting will include a forecast of pilot
staffing by category at the end of the conversion window.

4. A vacancy notice will be posted at each base as far in advance as possible, but not more
than 210 days before the last date on which it could become effective.
   Exception: There is no requirement to post a vacancy that is filled by a pilot who is
   reinstated to such position within 180 days of his MD.

5. A vacancy notice will include the following:
   a. each category where a vacancy exists or is expected to exist,
   b. the number of such vacancies,
Section 22 – Filling of Vacancies

c. the reason for such vacancies,
d. the highest and lowest seniority number of the pilots in the category(ies),
e. the last date upon which such vacancy can be filled, which will not be more than 210 days after posting, and
f. the closing date and time, which will:
   1) be at least 10 days after the posting of the notice, and
   2) be the deadline after which a change in a pilot’s standing bid will not be considered for the bid award.

6. The last date upon which a vacancy can be filled may be extended beyond 210 days from its date of posting by mutual agreement between the Company and the pilot who is awarded/assigned the vacancy.

7. A pilot will be forwarded copies of vacancy notices posted during his absence if:
   a. such absence is due to his vacation, sick leave, or leave of absence, and
   b. the pilot delivers to his Chief Pilot’s office:
      1) a written request for copies of vacancy notices, and
      2) a stamped self-addressed envelope(s).

8. The Company’s decision to award or deny an AE/MD/VD in accordance with a standing bid preference that specifies “regular line only” will be based upon its best estimate of where the cutoff of regular lines will be upon conversion. A preference that specifies “regular line only” does not guarantee that:
   a. the pilot will be a regular pilot upon his conversion, or
   b. a junior pilot awarded the vacancy will not be a regular pilot upon his conversion.

9. A pilot’s standing bid (in its entirety):
   a. can be removed by the pilot prior to a bid closing, or
   b. will be removed by the Company at the time the pilot is awarded a:
      1) AE,
      2) MD,
      3) reinstatement, or
      4) VD.

10. For the purposes of Section 22 D. 4., 5., and 6., the Company may, at its discretion, extend the 210 day effective date of a bid to 365 days, once per calendar year.

E. Advance Entitlements and Voluntary Displacements

1. The following vacancies will be awarded simultaneously and in seniority order among pilots whose standing bid, in DBMS at the closing date and time, contains a preference for the category(ies) involved:
   a. AE,
   b. VD,
   c. contingent vacancies, and
   d. other vacancies that:
      1) first became known during the period of the posting of the vacancy notice, and
      2) are caused by termination, resignation, or an absence whose anticipated duration is greater than 120 days.
Exception: A standing bid preference for an AE will not be awarded if such award, together with any VD/MD(s) for the same category, would create a surplus that would cause a displacement in the category.

2. A pilot who has commenced training pursuant to an AE, VD or MD, but has not yet been converted to his new category, will not be required to fly in his current category.

Exception one: This provision will not apply until the 181st day following the in-service date of a new aircraft type, or until the 91st day following the first date of a new or reestablished category.

Exception two: This provision will not apply to such pilot if his training is cancelled.

3. Pilots who hold an AE from the same posting and to the same category will (subject to Section 22 E. 6. b. and E. 9.) be converted in seniority order.

4. Pilots who hold a VD from the same posting and from the same category will (subject to Section 22 E. 6. b. and E. 9.) be converted in seniority order.

5. When pilots described in Section 22 E. 3. and/or 4., are competing for a vacancy in, or a displacement to, the same category, the Company will have the right to choose the group (AE or VD) from which each conversion will be made.

6. Conversion Date. A pilot who:
   a. at the start of training required for his AE, VD or MD, is projected to complete such training, exclusive of OE:
      1) on or before the 16th day of a bid period, will be converted no later than the first day of such bid period, or
      2) after the 16th day of a bid period, will be converted no later than the first day of the following bid period.

   Exception: Section 22 E. 6. a. 1) and 2) will not apply until the 181st day following the in-service date of a new aircraft type, or until the 91st day following the first date of a new or reestablished category.

   b. holds an AE or VD and does not require training may be converted (in seniority order among other pilots not requiring training) in advance of a senior pilot who requires training.

7. A pilot who is not bid qualified on his conversion date will be placed on an RQ line until he begins training, and
   a. paid under Section 4 C. 1. Exception four, and
   b. trained as soon as possible.

8. Subject to Section 22 E. 9., pilots who hold:
   a. an AE from the same posting and to the same category will be scheduled for training in seniority order.
   b. a VD from the same posting and from the same category will be scheduled for training in seniority order.

9. If a junior pilot, who holds an AE or VD from the same posting and to the same category as a senior pilot, is converted before the senior pilot, the senior pilot will be pay protected at the rate applicable to the higher paying position for the hours paid to him in his current category. Such pay protection will commence on the first day of the second bid period after the conversion date of the junior pilot.

Exception: Such senior pilot who is converted after such junior pilot will not be pay protected if:
   a. he required training and the junior pilot did not,
b. his conversion was delayed due to his failure to complete training, or

c. his training is delayed:
   1) at his request, or
   2) due to his:
       a) sick leave,
       b) military leave of absence, or
       c) disability.

10. If no pilot bids on a First Officer category vacancy, the Company may assign an entry
level pilot to fill the vacancy.
   a. Such pilot will be selected among the pilots in the most recent new hire class. If no
entry level pilot is available, such pilot will be selected from the subsequent new hire
class.
   b. The vacancy will be proffered to entry level pilots in seniority order. If no pilot
accepts the proffer, the selection will be made by assignment in inverse seniority
order.
   c. An entry level pilot who accepts a proffer or is inversely assigned under
   Section 22 E. 10. a. or b. will not be subject to a category freeze.

11. Prior to transferring unassigned pilots, the Company will proffer transfer opportunities to
such pilots in seniority order. Assignments that remain unfilled after such proffers will
be filled in inverse seniority order.

12. A pilot who is awarded an AE or VD will forfeit his former category on the date of
conversion to his new category.

13. A pilot will not be displaced during a bid period in which another pilot is converted into
his category as a result of an AE.

14. Bypass. A Captain or First Officer who is awarded an AE or VD may be bypassed, and
pay protected at the higher composite hourly rate for the hours paid to him in his current
category, as of the date he would otherwise have been converted, if the commencement
of his qualification training (pursuant to the AE or VD) would be within:
   a. three years of the date he reaches the regulatory age limit for pilots, and the pilot and
the Company mutually agree to the bypass, or
   b. one year of the date he reaches the regulatory age limit for pilots and the Company
exercises its discretion to bypass.
   Exception: The Company may not bypass a pilot within one year of the date he
reaches the regulatory age limit for pilots unless the Company has bypassed all pilots
holding an AE to the same category with:
       1) the same award date,
       2) the same training requirements, and
       3) earlier normal retirement dates.

15. If an AE is terminated at a pilot’s request with the agreement of the Company, the pilot
will have no rights under Section 22 E. 16.

16. If an AE is canceled by the Company, the pilot may:
   a. displace any junior pilot who holds an unconverted AE,
   b. displace a junior pilot from a category the junior pilot converted into pursuant to an
AE awarded concurrent with or after the canceled AE, or
   c. by mutual agreement between the pilot and the Company, extend the effective date of
the AE up to 31 days.
17. If an AE is canceled by the Company, the pilot will give the Company written notice of
his selection from the options provided in Section 22 E. 16. within ten days of his receipt
of the cancellation notice. If the pilot does not give the Company such notice within such
ten day period, he will be ineligible to exercise any such option.

F. Surplus and Displacement

1. A surplus notice will be posted at each base as far in advance as possible, but not more
than 210 days before the last date on which it could become effective.

2. A pilot in a category with a surplus, who is projected to be displaced, will be notified of
his projected displacement as far in advance as possible, but not more than 210 days
before the last date on which his displacement could become effective.

3. A surplus notice will include the following:
   a. each category where a surplus of pilots exists or is expected to exist,
   b. number of such pilots in each such category,
   c. the last date upon which a projected displacement(s) can become effective, which will
      be not more than 210 days after the posting of such notice, and
   d. the closing date and time, which will:
      1) be at least ten days after the posting of the notice, and
      2) be the deadline after which a change in a pilot’s standing bid will not be
         considered for the VD or MD.

4. The last date upon which a displacement can become effective may be extended beyond
210 days from its date of posting by mutual agreement between the Company and the
pilot who holds the VD or MD.

5. The Company will forward to a pilot copies of surplus notices posted during his absence
if:
   a. such absence is due to his vacation, sick leave, or leave of absence, and
   b. the pilot delivers to his Chief Pilot’s office:
      1) a written request for copies of surplus notices, and
      2) a stamped self-addressed envelope(s).

6. Pilots in a category with a surplus will be displaced in inverse seniority order.
   Exception: A senior pilot (excluding a pilot who has been bypassed under
   Section 22 E. 14.), may volunteer to be displaced (i.e., via a VD) in lieu of a junior pilot
   in the same category. A pilot who holds a VD may:
   a. displace into a category to fill an existing vacancy that his seniority entitles him to
      hold,
   b. displace a pilot junior to him in the same position in a different base, or
   c. displace a pilot in any category who:
      1) was in such category on the award date of the pilot who holds the VD, and
      2) is junior to the pilot whose displacement he volunteered to take.

7. Displacement(s) will be processed on the basis of standing bids existing in DBMS as of
the closing date and time of the posting and will become effective at 0001E on the
conversion date.

8. Contingent displacements will be processed simultaneously.
Section 22 – Filling of Vacancies

9. Normally, pilots who hold:
   a. VDs will be scheduled for training in seniority order prior to pilots who hold MDs
      from the same posting and from the same category.
   b. MDs from the same posting and from the same category will be scheduled for
      training in inverse seniority order.

10. A pilot will receive at least 30 days advance notice from the Company of the conversion
date of his displacement.

11. The Company will not rescind a displacement within the 30 days before its conversion
date without the consent of the pilot.

12. A pilot who holds an MD will, without regard to the standing bids of senior pilots, be
reinstated to the category from which he was displaced if:
   a. a vacancy is posted in such category and the earliest conversion date stated in the
      posting is within the 180 day period following the conversion date of his MD,
   b. his standing bid indicates a request for such reinstatement, and
   c. such vacancy has not been filled by reinstatement of a pilot senior to him who was
      also awarded an MD from such category.

13. A pilot who holds an MD may displace a pilot in any category who is junior to him and
who was in such category on the award date of his MD.

14. A pilot whose standing bid does not contain sufficient MD preferences as of the closing
date and time of the posting and is displaced will be assigned the next lower position at
his base. If such pilot lacks sufficient seniority to hold a lower position at his base, he
will, at Company option, be assigned into any position at another base that his seniority
would permit him to hold.

15. If, prior to the conversion date, a posting of multiple VDs or MDs for the same category
is partially canceled, such cancellations will be proffered and then assigned in the
following order:
   a. proffered in seniority order among pilots who hold MDs,
   b. proffered in seniority order among pilots who hold VDs,
   c. assigned in seniority order among pilots who hold MDs,
   d. assigned in inverse seniority order among pilots who hold VDs.

16. For the purposes of Section 22 F. 1., 2., 3., and 4., the Company may, at its discretion,
extend the 210 day effective date of a bid to 365 days, once per calendar year.

G. Category Freeze

1. A pilot who is awarded an AE or VD will incur a 24-month category freeze.
   Exception one: A domestic category pilot will incur a 9-month category freeze if:
      a. the award is an AE or VD for the same position in an international category, and
      b. he requires no qualification training, other than transoceanic ground school
   Exception two: Subject to Section 22 G. 1. Exception one b., a pilot currently under a
category freeze may be awarded an AE or VD to the same position at a different base.

2. A category freeze applies to a pilot who is awarded an AE or VD whether or not he is
bypassed under Section 22 E. 14. A pilot who has been bypassed will be deemed to hold
the category to which he is being pay protected to determine his eligibility for another
AE or VD.
3. A pilot who, during his category freeze, is awarded a subsequent AE to the same position at another base may be held in the category of his freeze until a replacement is trained and converted. When such replacement is trained and converted, the pilot will be converted in accordance with the subsequent AE.

H. Targeted Line Value

Beginning April 1, 2007, the TLV of a position will be between 74 and 79 hours (inclusive).
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SECTION 23

SCHEDULING

A. Definitions

1. “Asterisk rotation” means a rotation that:
   a. is published in the bid package,
   b. is scheduled to begin in one bid period and end in another,
   c. includes:
      1) a duty period that begins in the second bid period, and/or
      2) a flight segment in the second bid period with a different flight number than the
         last flight segment in the first bid period,
   d. is subject to change or removal from a pilot’s line, and
   e. is designated with an *.

2. “Average line value” (ALV) means a number of hours established by the Company that is
   the projected average of all regular line values, for a position, for a bid period.

3. “Bid period” means one of the following time periods:
   a. January 1st through January 30th (the “January bid period”)
   b. January 31st through March 1st (the “February bid period”)
   c. March 2nd through March 31st (the “March bid period”)
   d. April 1st through April 30th (the “April bid period”)
   e. May 1st through May 31st (the “May bid period”)
   f. June 1st through June 30th (the “June bid period”)
   g. July 1st through July 31st (the “July bid period”)
   h. August 1st through August 31st (the “August bid period”)
   i. September 1st through September 30th (the “September bid period”)
   j. October 1st through October 31st (the “October bid period”)
   k. November 1st through November 30th (the “November bid period”)
   l. December 1st through December 31st (the “December bid period”)

4. “Bid-qualified pilot” means a pilot who has completed or is projected to complete all
   training, except for OE, prior to the first day of the bid period.

5. “Block time” means the time beginning when an aircraft first moves for the purpose of
   flight or repositioning and ending when the aircraft comes to a stop at the next destination
   or at the point of departure.

6. “Break-in-duty” means a rest period (measured from release to report) that is sufficient to
   break a pilot’s duty period under Section 12 G.

7. “Credit” means the time attributed to a pilot for PWA flight time limitations purposes.

8. “Credited reserve on-call day” (CROC day) means a day on which a reserve pilot:
   a. is on a rotation,
   b. receives pay and credit under Section 4 H.,
   c. is on airport standby duty, or
   d. is on sick leave on an on-call day.

9. “Crew Scheduling assigned X-day” means an X-day placed on a pilot’s schedule under
   Section 12 N. 2. and/or Section 12 N. 7.

10. “DBMS” means a computerized crew scheduling system operated by Flight Operations.

12. “FARs” means the Federal Aviation Regulations.

13. “Flying”, “flown”, “flies” and “fly” for purposes of Sections 4, 12, and 23, means:
   a. operation of a flight as a cockpit crewmember, and/or
   b. a deadhead by air.

14. “Green slip” (GS) means a request by a pilot to be assigned same-day/next-day open time
   that may generate premium pay:
   a. on his regular line days-off,
   b. on his reserve line X-day(s),
   c. on reserve line on-call days, while on long-call, with less than 12 hours notice, or
   d. on his remaining reserve line on-call days in the current bid period after he has
      accumulated credit equivalent to the ALV in such bid period.

15. “Green slip with conflict” (GSWC) means a request by a regular pilot to be assigned
   same-day/next-day open time that may generate premium pay, and:
   a. overlaps a scheduled rotation(s) remaining to be flown, or
   b. creates an FAR or PWA conflict with a scheduled rotation(s) remaining to be flown.

16. “International small-category” means an international category containing fewer than
   1,500 scheduled credit hours in a bid period.

17. “Inverse assignment” (IA) means the assignment of open time in inverse seniority order
   under Section 23 N. or O.
   Exception: An assignment to a reserve pilot who is among a group of reserve pilots
   whose RAW values are equal under Section 23 A. 35. is not an IA.

18. “Inverse assignment with conflict” (IAWC) means an IA that:
   a. overlaps a scheduled rotation(s) remaining to be flown, or
   b. creates an FAR or PWA conflict with a scheduled rotation(s) remaining to be flown.

19. “Irregular operations” (IROPS) means an event(s) in the system (e.g., sickness, fatigue or
    no-show of another pilot, weather, mechanical, aircraft type substitution, substitution of
    one aircraft model for another aircraft model on which the pilot is not qualified,
    diversion, cancellation, overflight, misconnect, application of the FARs) that causes a
    pilot to be removed from his scheduled rotation or portion thereof.

    a. “Initial line” means the line awarded/assigned to a pilot via PBS or DBMS.
    b. “Adjusted line” means a pilot’s initial line as modified by the line adjustment process.
    c. “Regular line” means a line composed of training, vacation, leaves, rotations and/or
       days-off.
    d. “Reserve line” means a line composed of training, vacation, leaves, reserve on-call
       days and X-days.
    f. “Blank regular line” means a regular line that is constructed without rotations.
    g. “Specially created reserve line” means a reserve line that was not awarded/assigned in
       the initial line awards.
    h. “Requires qualification line” (RQ line) means a line created for a pilot who converted
       into a category, but was not qualified to bid.

21. “Line adjustment” means the process by which the Company removes a rotation(s) from
    a regular pilot’s line for the next bid period, which would otherwise create an FAR and/or
    PWA conflict(s).
22. “Line construction window” (LCW) means a range of hours that is seven and one half hours above and below the ALV for each position in each bid period. The LCW will not extend below 65 hours without mutual agreement between the Director - Crew Resources and the MEC Scheduling Committee Chairman.

23. “Low-time pilot” means a Captain or First Officer who has not flown (excluding deadhead) 75 hours of block time as a Captain or First Officer in his aircraft type.

24. “Non-consolidated pilot” means a pilot who has not completed consolidation requirements as set forth in the FARs (currently Section 121.434(g) or a pilot who has flown (excluding deadhead) less than 100 block hours, including OE, in his aircraft type).

25. “Open time” means a rotation(s) not awarded on a regular line in the initial line awards, or that otherwise becomes available.


27. “Pilot change schedule” (PCS) means a process for the submission of requests for:
   a. military leave of absence (see Section 13 D.)
   b. personal drop (PD), qualified personal drop (QPD) and authorized personal drop (APD) (see Section 23 I.)
   c. swap with the pot (see Section 23 H.)
   d. white slip (see Section 23 P.)
   e. yellow slip (see Section 23 T.)
   f. GS and GSWC (see Section 23 O.)
   g. X-day move (see Section 12 N. 9.)
   h. additional day off (see Section 23 S. 16.)

28. “Pilot-to-pilot swap board” means an electronic system through which a pilot offers and/or executes a rotation drop, swap and/or pickup with another pilot under Section 23 F.

29. “Premium pay” means pay as set forth in Section 23 U. applicable to:
   a. an inversely assigned rotation or flight segment(s).
   b. a GS rotation.
   c. a GSWC rotation.
   d. a domestic category rotation assigned/awarded to an international category pilot under Section 23 N. 28. or Section 23 O. 25.

30. “Projection” means the sum of a pilot’s accumulated credit and remaining scheduled credit within the bid period.

31. “Regular pilot” means a pilot who holds a regular line.

32. “Release” means:
   a. for purposes of determining a pilot’s break-in-duty, the later of:
      1) 30 minutes after the block-in of his last flight segment, or
      2) the actual time he is released by the Company (after completion of any additional duty required by the Company) to begin a rest period sufficient to break his duty period under Section 12 G.
   b. for purposes of determining a pilot’s duty period credit and rotation credit, the later of:
      1) 30 minutes after the actual block-in of his last flight segment,
      2) 30 minutes after the adjusted block-in of his last flight segment determined by adding the scheduled block time of such flight segment to the later of the scheduled or actual departure time of such flight segment, or...
Section 23 - Scheduling

3) the actual time he is released by the Company (after completion of any additional duty required by the Company) to begin a rest period sufficient to break his duty period under Section 12 G.

33. “Report” means the later of the actual or scheduled time that a pilot begins duty. Such scheduled time:
   a. in a domestic category is:
      1) one hour before the scheduled departure of the first flying (excluding deadhead) segment.
      2) 30 minutes before the scheduled departure of the first on-line deadhead segment.
      3) 90 minutes before the scheduled departure of the first off-line deadhead segment.
   b. in an international category is:
      1) 90 minutes before the scheduled departure of the first:
         a) flight segment (excluding an intra-theatre deadhead flight segment) in a duty period containing an ocean crossing, (including an ocean crossing deadhead that originates outside the continental United States).
         b) off-line deadhead segment.
      Exception: Flight segments to/from Hawaii will have a 60-minute report.
      2) one hour before the scheduled departure of an:
         a) intra-theatre flight segment, (including a non-ocean crossing deadhead that originates outside the continental United States).
         b) ocean crossing deadhead that originates within the United States.
         c) international category duty period composed solely of domestic flying.
      3) 30 minutes before the scheduled departure of a deadhead that originates and terminates within the continental United States.

34. “Reroute” means:
   a. alteration of a pilot’s rotation or portion thereof due to irregular operations to:
      1) delete a previously scheduled flight segment(s), and/or
      2) add a flight segment(s) that is not open time (including flying removed from open time),
      or
   b. alteration of a pilot’s rotation or portion thereof to:
      1) delete a previously scheduled flight segment(s), and/or
      2) add a flight segment(s) under Section 23 N. 20, or O. 15.;
      and
   c. notification to the pilot, after the airborne departure of his first flight segment, of such alteration.

   Note: An alteration in the departure, enroute or arrival time of a scheduled flight segment does not constitute a reroute.

35. “Reserve assignment weighting” (RAW) means a value assigned to a reserve pilot that is based on his accumulated credit in a bid period and his CROC days in a bid period. A reserve pilot’s RAW is used to sequence him for assignment to open time. Such value will be calculated using the following formula, rounded to the nearest integer:

\[
\text{Reserve assignment weighting} = [(A \div C) \times 75] + [(B \div D) \times 100],
\]

where:

A = the reserve pilot’s credit hours accumulated in the bid period plus prorated credit hours associated with his period of unpaid absence and/or vacation and/or training (other than qualification or distributed training), if any. The number of prorated
hours associated with his period of unpaid absence and/or vacation and/or training (other than qualification or distributed training) will be determined by multiplying the number of days of his unpaid absence and/or vacation and/or training (other than qualification or distributed training) by the reserve guarantee and then dividing that product by 30 or 31 (days of the bid period).

\[ B = \text{the reserve pilot’s CROC days plus prorated CROC days associated with his period of absence other than sick leave, if any (e.g., vacation, training, MLOA, PLOA).} \]

\[ C = \text{the reserve guarantee.} \]

\[ D = \text{number of on-call days in a full month of reserve.} \]

36. “Reserve day” means a day on which a reserve pilot is scheduled to be on either an on-call day or an X-day.

37. “Reserve pilot” means a pilot who holds a reserve line.

38. “Reserve utilization order” (RUO) means an order of assigning open time to reserve pilots, within days-of-availability groupings, that is based upon a comparison of theirRAW values.

39. “Rotation” means a duty period, or series of duty periods, that is identified by number and scheduled to begin and end at a pilot’s base, and all the flight segments contained therein. The release of a regular pilot for a break-in-duty at his base that is within such a series of duty periods (“in base layover”) will not end his rotation.

40. “White slip” means a request by a regular pilot to be awarded open time under

**Section 23 P.**

41. “Within days-of-availability groupings” means an order of assigning open time under **Section 23 N.** or **O.** to reserve pilots based upon a comparison between each pilot’s days-of-availability and the length of the rotation.

42. “Within least disruption groupings” means an order of assigning open time to reserve pilots for whom such assignment would extend into their regular line and conflict with a rotation(s). Such pilots will be sequenced for assignment by least number of rotation days to be dropped.

43. “Within least intrusion groupings” means an order of assigning open time to reserve pilots for whom such assignment would extend into their regular line days-off, but would not extend into a rotation(s). Such pilots will be sequenced for assignment by least number of days interrupted.

44. “X-day” means a 24-hour duty-free period at a pilot’s base, on a reserve line.

45. “Yellow slip” means a request by a reserve pilot to:
   a. lower his RAW value by 15 points,
   b. become first in sequence for conversion, at the discretion of the Company, to short call, (in seniority order among pilots submitting yellow slips for conversion to short call), or
   c. waive his X-day(s) contingent on being awarded a rotation.
## Section 23 - Scheduling

### B. Timing of Scheduling Events

#### 1. Current Month Events Affecting Subsequent Bid Period Scheduling

<table>
<thead>
<tr>
<th>Day of Calendar Month</th>
<th>Event</th>
</tr>
</thead>
</table>
| Before the first day of the bid period prior to the bid period in which a pilot may be scheduled for CQ | Pilot designates CQ Golden Day preference  
Pilot advises Crew Resources (via DBMS) of training unavailability in subsequent bid period |
| On the 1st | Vacation move-ups close |
| On or before the 5th | Bid packages distributed electronically  
Vacation move-ups posted  
Qualification training posted  
CQ training posted  
Asterisk rotation changes posted |
| Before 0800E on the 12th | Pilot advises Crew Scheduling of known absence (e.g., MLOA, scheduled accident leave, scheduled sick leave) in subsequent bid period |
| On the 12th @ 0800E | Line bidding closes |
| On or before the 17th @ 1800E | FAR and PWA time and duty adjustments completed (line adjustment)  
Adjusted lines made available for viewing in DBMS |
| On the 18th @ 1800E (and through the end of bid period at all PCS run times from table in Section 23 B. 2.) | Daily next bid period PCS process begins |
| On or before the last day of the bid period | Deadline for submitting bank transactions |
Section 23 - Scheduling

2. Daily Events Affecting Current Bid Period

<table>
<thead>
<tr>
<th>Time of day</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>@ 0700E</td>
<td>PCS submission deadline for next day APD or PD awards</td>
</tr>
<tr>
<td>@ 0700E and @ 1800E</td>
<td>PCS submission deadline for same day/next day flying (white slip, yellow slip, GS, GSWC)</td>
</tr>
<tr>
<td>@ 0700E, @ 1200E and @ 1800E</td>
<td>PCS submission deadline for beyond next day flying (white slip, military leave, drop, X-day move, swap with the pot, additional day off)</td>
</tr>
<tr>
<td>Between 0800 Base time and 2400 Base time</td>
<td>Next day rotation coverage</td>
</tr>
<tr>
<td>0001E and 1300E</td>
<td>Automated RAW value update</td>
</tr>
<tr>
<td>1500 Base time</td>
<td>Deadline for placing assignment on the line of a reserve on the last non-fly day (that ends at 2400) prior to an on-call day. (Section 23 S. 1. d. 2) and Section 23 S. 6. b.)</td>
</tr>
</tbody>
</table>

3. The sequence of events set forth in Section 23 B. 1. and 2. may be altered by mutual agreement between the Director – Crew Resources and the MEC Scheduling Committee Chairman.

C. Preferential Bidding System (PBS)

The Company will provide a preferential bidding system (PBS) which will allow each pilot in a category to bid for and be awarded an initial line, based upon MOU #2 (PBS) and:
1. his bid preferences,
2. his seniority,
3. his known absences,
4. programmed award logic,
5. FARs,
6. Company policy, and
7. the PWA.

D. Line Award Process

1. The Company will make a bid package available to each pilot for his category for each bid period. The bid package may be distributed electronically under terms and conditions approved by the Director – Crew Resources and the MEC Scheduling Committee Chairman.

2. A bid package will include:
   a. the date and time of bid closing,
   b. reserve line descriptions (if applicable),
   c. rotation descriptions, and
3. A rotation description will include:
   a. rotation pairing by days,
   b. aircraft model(s),
   c. stations,
   d. origination and termination times,
   e. total scheduled block time and credit,
   f. daily scheduled block time and credit,
   g. layover times, cities, and lodging,
   h. designation of types of credit,
   i. exceptions and schedule change descriptions,
   j. maximum allowable on-duty time,
   k. scheduled on-duty time,
   l. scheduled time away from base, and
   m. break-in-duty times based on release to report.

4. Initial line bidding will close at 0800E on the 12th day of each month.
   Exception: Under unusual and extenuating circumstances, the Company may close initial
   line bidding on a day subsequent to the 12th day of a month. In all cases, bid packages
   will be made available at least seven days before bid closing.

5. Prior to the close of initial line bidding, a bid-qualified pilot may enter his bid preferences
   via PBS and/or DBMS.
   Exception: A pilot performing international operations from the 5th to the 12th of the
   month may enter his preferences by telephone contact with Crew Scheduling if he is out
   of the United States from the 5th to the 12th of the month and unable to access PBS.
   Note: PBS will be accessible through an internet connection that does not require a
   virtual private network. PBS will be compatible with the following operating systems, as
   a minimum: Windows™, Mac™, and Linux™.

6. Initial line awards will be made in seniority order among pilots in the category.
   Exception: A low-time First Officer who is projected to be a low-time pilot on the first
   day of the bid period will not be awarded a rotation that was awarded to a low-time
   Captain, unless the FAA permits the pairing of low-time pilots.

7. Initial Captain lines will be awarded before initial First Officer lines.

8. A regular line will be constructed from published rotations to achieve a credit value
   within the LCW, including a value, if any, for a known period of absence.
   Exception: In the event a pilot's block hour limit (plus the value, if any, for a known
   period of absence) is lower than the upper limit of the LCW for his category for the bid
   period, the lower limit of his LCW for the bid period will be his block hour limit (plus the
   value, if any, for a known period of absence) minus the difference between the upper
   limit and the lower limit of the LCW for his category for the bid period.
   Note: In the event a satisfactory PBS solution (e.g., within one +/- hour of the published
   ALV) is not achievable, an adjustment to the LCW may be made by mutual agreement
   between the Director - Crew Resources and the MEC Scheduling Committee Chairman.

9. A pilot will not be awarded a regular line that:
   a. exceeds 18 days in which a pilot is on a rotation.
      Note one: A pilot may state a preference (waive rule) for a regular line award which
      exceeds 18 days in which he is on a rotation.
Note two: For line construction purposes, a pilot will not be considered to be on a rotation on a day that he is released at his base at or before 0300 base time and does not thereafter report for duty on the same calendar day.

b. creates, or is within one hour of creating, an FAR or PWA conflict,
Exception: This one hour limitation does not apply to the pilot’s block hour limit.

c. exceeds the pilot’s block hour limit.

10. A pilot who cannot be awarded a regular line within his LCW will be awarded a reserve line.

Exception: If a pilot within a number (such number to be determined by dividing the total scheduled block and credit hours in a category by the ALV for that category) of the most senior pilots in a category is awarded a reserve line because he cannot be awarded a regular line within his LCW due to conflicts with rotations or known absences, including those in the prior or subsequent bid periods, he may elect to be awarded a blank regular line.

11. A domestic category rotation will not be constructed to contain an ocean crossing other than a deadhead.

12. A domestic category regular line will be constructed to contain at least 12 hours free of duty between rotations.

13. An international category regular line will be constructed to contain at least:
   a. 48 hours free of duty between all different direction (Europe/Pacific/South America) ocean crossing rotations.
   b. 13 hours free of duty prior to a trans-oceanic duty period.
   c. 18 hours free of duty following a trans-oceanic duty period.
   d. 12 hours free of duty between rotations.

14. A reserve line will be constructed to contain 11 X-days in a 30-day bid period and 12 X-days in a 31-day bid period, prorated for any known period of absence. (see Section 12 N. 7.)

15. A pilot who, in the initial line bid, fails to bid will be awarded a line based on his default bid.

   Note: If a pilot does not submit a default bid, he will be awarded a line based on the PBS default bid (“award trips” or “award line reserve”).

16. A pilot’s adjusted line for the following bid period will be available to him via DBMS on or before the 17th of the month at 1800E.

17. A rotation(s) that becomes known after distribution of bid packages will be open time.

18. Rotations that have not been placed on regular lines will be open time.

19. A pilot who has converted into a category, but is not bid-qualified, will be assigned an RQ line.

   Exception: Such pilot may, at his option, be awarded a blank regular line commencing on the day following the scheduled completion of his OE, provided he notifies Crew Scheduling after completion of his training but before completion of his OE.

20. A pilot holding a blank regular line may submit white slips and GSs for open time originating during that line. Such pilot will not receive:
   a. a regular line guarantee, or
   b. a rotation guarantee for a rotation that is removed due to a conflict with, or failure to complete, his OE(s).
21. The Company may deviate from the line award process in Section 23 D. if necessary because of an unforeseen change of rotations after the distribution of the bid package. In such cases:
   a. the line award will be conducted as expeditiously as possible, and
   b. seniority will govern the awarding of lines within a category.

Note: In cases of temporary reduction in the number of lines in a category not accompanied by a comparable reduction in positions, a sufficient number of reserve lines will be created to ensure a line for each pilot in the category.

E. Pilot Change Schedule

1. Pilots will be afforded the opportunity to submit requests for the following forms of schedule alterations through DBMS:
   a. MLOA,
   b. PD and APD,
   c. swap with the pot,
   d. X-day moves,
   e. white slips,
   f. yellow slips,
   g. reserve rotation preference if needed to fly (see Section 23 S. 18.),
   h. GS and GSWCs,
   i. additional day(s) off (see Section 23 S. 16.), and/or
   j. preference for recovery flying rotations (see Section 23 K.)

Note: A pilot will input PCS preferences via templates in DBMS. Such templates may be modified by mutual agreement between the Director – Crew Resources and the MEC Scheduling Committee Chairman.

2. Requests for the following schedule alterations will be processed in the following order:
   a. MLOA (see Section 13 D.),
   b. APD (see Section 23 I.),
   c. PD and X-day moves (see Section 23 I. and Section 12 N. 9.),
   d. white slip (see Section 23 P.), and
   e. swap with the pot (see Section 23 H.)

3. A pilot who submits a PCS request for a beyond next day rotation is responsible for ascertaining whether his request has been granted and acknowledging his award. Crew Scheduling is not required to notify a pilot of his PCS result for a beyond next day rotation.

4. PCS will not process a request:
   a. that is submitted after the start of each PCS run, or
   b. for a same-day or next-day rotation.

5. PCS Deadline Examples
   a. Example 1
      1) Assumption: The pilot desires to swap a rotation with a scheduled report of 1400 on the 12th day of the month.
      2) Result: The pilot must enter the swap request into PCS no later than 1800E on the 10th day of the month.
b. Example 2

1) Assumption: The pilot submits a white slip for a rotation with a report of 0745 on the 18th of the month.

2) Result: If the white slip is entered into PCS at or before 1800E on the 16th, it will be processed in a PCS run. If the white slip is entered after 1800E on the 16th, it will be processed under Section 23 N.

F. Pilot-to-Pilot Swap Board

1. The Company will maintain an automated system (the swap board) that permits a regular pilot to:
   a. exchange (swap) a rotation with another regular pilot, and/or
   b. allow another regular pilot to pick up a rotation from his line.

2. Swap board transactions will be processed on a first-come, first-served basis and the results will appear in DBMS upon execution.

3. A pilot who submits a swap board request is responsible for ascertaining whether his request has been granted and acknowledging his award. Crew Scheduling is not required to notify a pilot of the result of a swap board transaction. Note: The swap board system will generate an e-mail notification to the pilot when a swap or drop transaction occurs, provided the pilot has entered a valid e-mail address.

4. Once a pilot-to-pilot swap request is executed:
   a. the added rotation will be part of the pilot’s line, and
   b. the dropped rotation will no longer be a part of the pilot’s line.

5. A rotation swap or drop request must indicate:
   a. the rotation to be swapped or dropped,
   b. whether the rotation is available either for swap, pick-up or both,
   c. an expiration time and date,
   d. the report date(s) and the length of the rotation(s) for which the pilot is willing to swap, and
   e. whether the pilot wishes:
      1) to be contacted by the other pilot, via phone or email, before he executes the transaction (a "contact me first" request), or
      2) to allow another pilot to execute the swap or pick-up if it meets the specified criteria (a "just put through" request).
      Exception: A “just put through” request will not be executed within 48 hours of report of the rotation to be dropped or added.

6. The Company will provide an area within a swap request for a pilot to include comments to further describe the rotation(s) for which he is willing to swap.

7. A regular pilot may execute a rotation swap or drop request via the swap board, provided:
   a. the transaction complies with the stipulations in the request,
   b. the transaction will not create, or be within one hour of creating, an FAR or PWA conflict,
      Exception: This one hour limitation does not apply to the pilot’s block hour limit.
   c. the transaction does not conflict with any restrictive status code (e.g., MLOA, LCA, OE) on either pilot’s line,
d. any added rotation originates more than 72 hours after the time of execution of the
   swap, if such pilot lacks special airport/route qualification for such rotation, and

e. any added rotation will not pair pilots who are both projected to be low-time pilots at
   the origination of the added rotation,

f. both pilots have completed OE,

g. the transaction does not include a GS, IA, GSWC, IAWC or recovery flying assigned
   under Section 23 K., and

h. the swap will not drop a rotation within 96 hours of report on which a line check or
   SAQ is scheduled.

Note: During the PBS bid award process, a pilot may not execute a request involving a
rotation that contains any duty period, or portion thereof, that is within the last six days of
the current bid period.

8. A rotation swap or drop request will remain active for processing until:
   a. it is executed by a pilot.
   b. two hours prior to report of the rotation to be swapped or dropped.
   c. it is withdrawn by the pilot.
   d. the rotation is no longer a part of the pilot’s line.
   e. the expiration date and time have passed.

   Note: When within two hours of report, a pilot may call Crew Scheduling to request
   manual processing of a swap which will be processed, if practicable.

9. Rotation swap requests involving next bid period rotations may be posted following
   completion of the line adjustment process.

G. Rotation Changes and Removal

1. Changes to the posted schedule will be shown in DBMS. The affected pilots will be
   notified as soon as practicable.

2. The Company may remove a pilot from a rotation or portion thereof.

3. If the Company advances the scheduled departure time of the first flight segment of a
   non-charter rotation by 15 minutes or less:
   a. a pilot assigned to such flight will not be considered to be removed or rescheduled,
   b. the Company will attempt to contact a pilot of such advancement prior to his
      originally scheduled report,
   c. whether or not the pilot is contacted, his report (for pay, credit and duty time limit
      purposes) will be deemed to have been advanced by the same amount of time, and
   d. a pilot who does not receive notice of such advancement will not be liable for a late
      show.

4. The Company may alter the report, departure, and arrival times and intermediate stops of
   charter flight segments. The pilot(s) assigned to such flight segments will not be
   considered to be removed or rescheduled.

5. An LCP may remove a First Officer from a rotation or any portion thereof for the purpose
   of conducting OE.
   a. If the First Officer is removed from his entire rotation, he will be guaranteed pay and
      credit for the scheduled credit of such rotation, and will be subject to recovery under
      Section 23 K. 1.
   b. If the First Officer is removed after flying a portion of such rotation, he:
1. If the First Officer is removed from a portion of his rotation beginning with the first flight segment, he:
   a. will be guaranteed pay and credit for the greater of:
      i. the scheduled credit of such rotation, or
      ii. his accumulated credit for the portion of such rotation flown.
   b. may be assigned to:
      i. deadhead to any portion of such rotation, or
      ii. fly any portion of such rotation.

2. If a First Officer is so removed from an augmented crew, the senior First Officer will have the option of being removed or flying the rotation, provided he notifies the Company of his choice at the time of the first attempted contact to advise of the removal. If the senior First Officer is unavailable for contact, he will be the First Officer who is removed unless he has indicated a preference in DBMS to not be removed.

6. A pilot who is removed from a rotation(s) may be eligible for a guarantee under other provisions of the PWA (e.g., Section 4 E., Section 4 F., Section 4 H.). A pilot will not receive pay and credit for any rotation(s) that is removed during the line adjustment process due to an FAR, block hour limit or PWA conflict.

7. A reserve pilot who is removed from a rotation(s) will not be eligible for a rotation guarantee under Section 4 F., and will remain on-call as scheduled.

8. The Company may modify or remove an asterisk rotation.

9. Rotations will not be split during the line adjustment process.

10. A reserve pilot who is assigned a rotation that begins in one bid period and ends in the next, and who is either a regular pilot, or a reserve pilot in a different category in the next bid period, will be removed from such rotation the first time he transits his base in the next bid period.

H. Swap With The Pot

1. The Company will maintain and operate an automated PCS system that affords a regular pilot the ability to exchange a scheduled rotation(s) for open time (see Section 23 E.).

2. A regular pilot may submit a swap request via PCS two days prior to the earliest scheduled rotation(s) or open time affected by the request.

3. A swap request will indicate (in order of preference of drop/add combinations):
   a. the scheduled rotation(s) to be dropped, and
   b. in order of preference:
      i. the specific rotation(s) on a specific date(s) to be added, and/or
      ii. a rotation(s) of a specific length(s) originating on a specific date(s) to be added.

4. A regular pilot may submit as many swap requests as he desires on any day, within the limitations of the swap with the pot template.
5. A swap request will be granted at the time of processing provided:
   a. reserve availability within the category is sufficient (as determined by application of
      the reserves required formula under Section 23 W., and indicated in DBMS),
   b. the swap will not create, or be within 30 minutes of creating, an FAR or PWA
      conflict,
      Exception: This 30 minute limitation does not apply to the pilot’s block hour limit.
   c. it does not conflict with any restrictive status code (e.g., MLOA, LCA, OE) on his
      line,
   d. the added rotation(s) originates more than 72 hours after the time of processing, if the
      pilot lacks special airport/route qualification for such rotation(s),
   e. the added rotation(s) will not pair pilots who are both projected to be low-time pilots
      at the origination of the added rotation(s),
   f. the pilot has completed OE,
   g. the swap will not drop a rotation within 96 hours of report on which a line check or
      SAQ is scheduled, and
   h. the swap will not cause a pilot to exceed his block hour limit.

Note: During the PBS bid award process, a swap involving a rotation that contains any
   duty period, or portion thereof, that is within the last six days of the current bid period
   will not be granted.

6. Swap requests will be processed by category, in seniority order. Captain swap requests
   will be processed before First Officer swap requests.

7. Swap requests involving next bid period rotations will be processed on a daily basis
   beginning on the 21st day of each month.

8. A swap request will be processed in conjunction with each PCS run (or more often, as
   agreed to by the Director – Crew Resources and the MEC Scheduling Committee
   Chairman).

9. PCS will not “loop back” a swap request, thereby removing a previously awarded
   rotation before completion of an iteration. PCS will, however, conduct two iterations (or
   more, as agreed to by the Director – Crew Resources and the MEC Scheduling
   Committee Chairman), thereby permitting a swap with a rotation(s) that was added to
   open time during an earlier iteration of the same PCS run.

10. A swap request will remain active for processing until:
    a. it is granted.
    b. the originating date of the scheduled rotation to be dropped passes.
    c. the originating dates of all preferences for rotation(s) to be added pass.
    d. it is withdrawn by the pilot.
    e. the pilot’s “process until date” has passed.

I. Personal Drop

1. A pilot may, via DBMS, submit one of the following requests to drop a rotation(s) or
   reserve on-call day(s) that begins no earlier than the next day (see Section 23 E.):
   a. PD, or
   b. APD.

2. Next-day APD requests will be processed (before PD requests) each day, by category, in
   seniority order among pilots who have submitted requests by 0700E on such day.
3. Next-day PD requests will be processed each day, by position, in seniority order among pilots who have submitted requests by 0700E on such day.

4. A pilot may, via DBMS, submit a PD or APD request for a beyond-next-day rotation or beyond-next-day reserve on-call day(s).

5. Beyond-next-day APD requests will be processed (before beyond-next-day PD requests) daily in DBMS, by category, in seniority order among pilots who have submitted requests by 0700E, 1200E and 1800E on such day.

6. Beyond-next-day PD requests will be processed daily in DBMS, by position, in seniority order among pilots who have submitted requests by 0700E, 1200E and 1800E on such day.

7. A PD request will be granted if, at the time of processing, reserve availability is sufficient (as determined by the reserves required formula under Section 23 W., and as shown in DBMS).

8. An APD request will be granted if, at the time of processing, the:
   a. number of reserves available in the category is at least 25% of the number of reserves required (as determined by the reserves required formula under Section 23 W., and as shown in DBMS),
   b. pilot has not been granted an APD since the first day of the bid period containing the last anniversary of his date of hire, and
   c. pilot has requested to drop:
      1) a single rotation of any length,
      2) multiple rotations totaling no more than four consecutive days,
      3) no more than four consecutive reserve on-call days, or
      4) a combination of rotations and reserve on-call days totaling no more than four consecutive days.

9. A pilot will not be awarded a white slip, GS, GSWC, IA, IAWC, yellow slip or swap for a rotation that is scheduled to operate on a day on which APD appears on his schedule.

10. A reserve pilot will not be awarded a GS, IA or yellow slip for a rotation that is scheduled to operate during a day of his PD.

11. DBMS will convert a denied PD or APD request to a qualified personal drop (QPD) request. A rotation within a QPD request will be available to be awarded via a white slip or swap with the pot as if it were open time.
Section 23 - Scheduling

Note: If such rotation is not awarded to another pilot prior to 48 hours before its report time, the pilot denied the PD or APD will remain obligated to fly it.

12. A QPD request will be granted if the rotation(s) is awarded to another pilot via an advance white slip or swap with the pot, or utilized by the Company under Section 23 I. 13.

13. A rotation(s) within a QPD request that remains in open time for more than 48 hours may be utilized by the Company for a line check, OE, instructor or administrative pilot flying. Such utilization will not generate a Company removal guarantee under Section 4 E.

14. PD requests and APD requests for the next bid period will be processed on a daily basis, by category in seniority order beginning on the 21st day of the month.

15. A pilot may, at his request, recover pay and credit for rotations and reserve on-call days dropped pursuant to a PD, QPD or APD, by utilizing:
   a. vacation bank time, as follows:
      1) A regular pilot will receive pay and credit for the scheduled value of rotation(s) dropped.
      2) A reserve or unassigned pilot will receive pay and credit for a pro rata share of the reserve guarantee for each reserve on-call day dropped.
      3) A pilot may not be paid and credited for a PD, QPD or APD in an amount in excess of his vacation bank hours.
   b. full service bank withdrawal in an amount not to exceed the lesser of ALV plus five hours or 82 hours, minus his accumulated credit for the bid period. Exception: In no case will a pilot withdraw more than five hours from his bank in a bid period in which the pilot flies a GS or portion thereof (see Section 12 O.).

16. A pilot may contact his Chief Pilot for approval for a personal drop sick (PDS) if he is unable to adjust his schedule to accommodate an appointment for a routine health procedure. The Chief Pilot may require documentation of such appointment.

17. A pilot’s line guarantee under Section 4 will be reduced by the scheduled credit that is dropped due to the PD, APD, QPD or PDS.

J. Intentionally left blank

K. Rotation Guarantee Recovery

1. A regular pilot who is removed from a rotation due to IROPS affecting his rotation (other than an FAR 30-in-7 conflict) or under Section 23 G. 5. a. and is notified of the change to such rotation before the airborne departure of its first flight segment, will remain available and may be assigned and report for recovery flying as follows:
   a. The pilot will report at the scheduled report for his recovery flying if:
      1) the removal is from his first flight segment, and
      2) prior to his originally scheduled report he is:
         a) notified of such removal, and
         b) assigned recovery flying.
   b. If the removal is from his first flight segment, and he is notified of such removal prior to his originally scheduled report, but has not been assigned recovery flying as of such report, the pilot:
1) will be promptly available for contact by Crew Scheduling from such report until the earlier of:
   a) six hours after such report,
   b) his assignment to recovery flying, or
   c) his release by Crew Scheduling from recovery obligations,
   and
   2) will be prepared to report promptly for his recovery flying.

   c. If the removal is from his first flight segment, and he is notified of such removal after he has reported for his original rotation, the pilot:
      1) will be immediately available for contact by Crew Scheduling until the earlier of:
         a) six hours after such report,
         b) his assignment to recovery flying, or
         c) his release by Crew Scheduling from recovery obligations,
         and
      2) will be prepared to depart immediately on his recovery flying.
      Note: Such pilot will be on duty from report until release.

   d. A pilot described in Section 23 K. 1. a., b., or c. may be assigned any recovery flying provided:
      1) the assignment is made no later than six hours after the pilot’s originally scheduled report,
      2) the recovery flying originates on any day of the originally scheduled rotation, and
      3) the pilot is scheduled to be released no later than four hours from the scheduled release of his original rotation, or the same calendar day, whichever is later.
      Exception: An international category pilot may be assigned recovery flying scheduled to release no more than 30 hours from the scheduled release of his original rotation provided the last duty period of the recovery flying is a transoceanic duty period.
      Note: Such pilot may be entitled to lodging at his base under Section 5 E.

   e. If the removal is from a flight segment other than his first, and occurs at a station other than his base, the pilot may be assigned any recovery flying provided:
      1) he is scheduled to be released no later than four hours from the scheduled release of his original rotation, or the same calendar day, whichever is later, and
      2) the recovery flying starts at the station where the removal occurs.
      Exception: If necessary to ensure a pilot’s release within four hours of his originally scheduled release, or the same calendar day, whichever is later, the pilot may be assigned recovery flying starting earlier in the rotation.

   f. If the removal is from a flight segment other than his first, and is at his base, the pilot may be assigned to deadhead to and/or fly the balance of his originally scheduled rotation. Such assignment may be made before or after the pilot receives a break-in-duty at his base.

   g. A pilot will be released from required availability under Section 23 K. 1. if:
      1) Crew Scheduling agrees to release him, and
      2) he waives his rotation guarantee.

   2. A pilot who is removed from a white slip, GS, GSWC, IA, or IAWC rotation will have standby and recovery obligations under Section 23 K. 1.
3. If, prior to the origination of a rotation, a pilot is projected to exceed the FAR 30-in-7 limitation, the Company, prior to report, will remove:
   a. a rotation(s) from his line,
   b. him from a portion of a rotation when he passes through his base,
   c. him from a portion of a rotation, beginning with its first flight segment, and may deadhead him to fly the balance of his rotation, or
   d. him from a portion of a rotation beginning with its last flight segment and proceeding toward the first flight segment to the extent necessary to achieve compliance, provided:
      1) the rotation does not pass through his base, and
      2) reserve coverage is not sufficient to cover the first part of the rotation.
   Note: Removal under Section 23 K. 3. d. should be avoided when possible, especially when it would result in deadheading the pilot home on the flight segment(s) he would otherwise have flown.

4. A regular pilot who, after departure of the first flight segment of a rotation, is removed from such rotation due to an FAR 30-in-7 conflict or is removed from such rotation at his base due to his decision to decline to fly past his maximum scheduled duty hours plus two and who is entitled to a rotation guarantee, may be assigned to:
   a. deadhead to, from or on any portion of such rotation, and/or
   b. fly any portion of such rotation.

5. A regular pilot who is subject to recovery flying under Section 23 K. may enter his preferences for such recovery flying in the PCS template in DBMS. He will be assigned rotations based on his preferences for such flying, in seniority order, within days-of-availability groupings, unless he is the only such pilot available to fly another rotation within the same days-of-availability grouping.

L. Reroute

1. A pilot is subject to reroute as defined in Section 23 A. 34.

2. A regular pilot may not be rerouted:
   a. prior to the airborne departure of the first flight segment of his rotation.
   b. into a flight segment(s) that commences after arrival of the last flight segment of his rotation, (i.e., a tag-on flight segment) as the rotation then exists.
   Exception: A pilot may be rerouted into flying that was previously removed from his rotation due to a reroute. See Examples 1 and 2 below:

Example 1:
   1) Assumption: An ATL-based pilot currently holds the following rotation, (either from his line or a previous reroute):

<table>
<thead>
<tr>
<th>A Day</th>
<th>B Day</th>
<th>C Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATL-MSY</td>
<td>LGA-ORD</td>
<td>MCO-ATL</td>
</tr>
<tr>
<td>MSY-ATL</td>
<td>ORD-CVG</td>
<td></td>
</tr>
<tr>
<td>ATL-LGA</td>
<td>CVG-MCO</td>
<td></td>
</tr>
</tbody>
</table>
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2) Result: A reroute may:
   a) not commence in ATL on C day.

<table>
<thead>
<tr>
<th>A Day</th>
<th>B Day</th>
<th>C Day (Not OK)</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATL-MSY</td>
<td>LGA-ORD</td>
<td>MCO-ATL</td>
</tr>
<tr>
<td>MSY-ATL</td>
<td>ORD-CVG</td>
<td>*ATL-SAV</td>
</tr>
<tr>
<td>ATL-LGA</td>
<td>CVG-MCO</td>
<td>*SAV-ATL</td>
</tr>
</tbody>
</table>

b) include flying that transits ATL on C day, provided the reroute altered the last flight segment of the pilot’s rotation (i.e., MCO-ATL)

<table>
<thead>
<tr>
<th>A Day</th>
<th>B Day</th>
<th>C Day (OK)</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATL-MSY</td>
<td>LGA-ORD</td>
<td>*MCO-DFW</td>
</tr>
<tr>
<td>MSY-ATL</td>
<td>ORD-CVG</td>
<td>*DFW-ATL</td>
</tr>
<tr>
<td>ATL-LGA</td>
<td>CVG-MCO</td>
<td>*ATL-SAV</td>
</tr>
<tr>
<td></td>
<td></td>
<td>*SAV-ATL</td>
</tr>
</tbody>
</table>

Example 2:

1) Assumption:
   a) An ATL-based pilot currently holds the following rotation, (either from his line or a previous reroute):

<table>
<thead>
<tr>
<th>A Day</th>
<th>B Day</th>
<th>C Day</th>
</tr>
</thead>
<tbody>
<tr>
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<td>LGA-ORD</td>
<td>MCO-ATL</td>
</tr>
<tr>
<td>MSY-ATL</td>
<td>ORD-CVG</td>
<td>ATL-SAV</td>
</tr>
<tr>
<td>ATL-LGA</td>
<td>CVG-MCO</td>
<td>SAV-ATL</td>
</tr>
</tbody>
</table>

b) On arrival in CVG on B day, the pilot is notified of a reroute, removing the last two flight segments (ATL-SAV-ATL) from his rotation.

<table>
<thead>
<tr>
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<th>C Day</th>
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<tbody>
<tr>
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<td>ORD-CVG</td>
<td></td>
</tr>
<tr>
<td>ATL-LGA</td>
<td>CVG-MCO</td>
<td></td>
</tr>
</tbody>
</table>

2) Result: A subsequent reroute may not commence in ATL on C day, except to return the original flight segments to his rotation.

<table>
<thead>
<tr>
<th>A Day</th>
<th>B Day</th>
<th>C Day (Not OK)</th>
<th>C Day (OK)</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATL-MSY</td>
<td>LGA-ORD</td>
<td>MCO-ATL</td>
<td>MCO-ATL</td>
</tr>
<tr>
<td>MSY-ATL</td>
<td>ORD-CVG</td>
<td>*ATL-CAE</td>
<td>ATL-SAV</td>
</tr>
<tr>
<td>ATL-LGA</td>
<td>CVG-MCO</td>
<td>*CAE-ATL</td>
<td>SAV-ATL</td>
</tr>
</tbody>
</table>

3. A reserve pilot who is rerouted into a rotation that contains a break-in-duty at his base will be removed from such rotation upon such break-in-duty.
4. In rerouting pilots, circumstances permitting, Crew Tracking will endeavor to cause the least disruption to the smallest number of pilots and to return the rerouted pilots to their original rotation.

5. Once a rotation is placed in open time, such rotation or portion thereof will only be removed and utilized for a reroute under Section 23 N. 20. or O. 15.
Exception: This provision will not apply if the open time is being returned to the rotation from which it was removed.

6. A regular pilot who is assigned a break-in-duty in base as part of a reroute will be afforded lodging under Section 5 E., provided he requests such lodging at the time he is notified of the reroute. The Company will reimburse a pilot for the actual reasonable expenses of lodging if Company arranged lodging is not available.

7. Crew Scheduling will make every reasonable effort to resolve any conflict between a reroute and a pilot’s scheduled vacation or other hard non-fly day (e.g. military leave, jury duty) provided the pilot notifies Crew Scheduling of the conflict.

8. A rerouted regular pilot who is not scheduled to release within four hours of the scheduled release of the last duty period of his original rotation, or within the same calendar day of the last duty period of his original rotation, whichever is later, (the “time limitation”) will receive single pay and credit (or the applicable pay, no credit for a GS, GSWC, IA or IAWC) for the rotation as flown, plus half pay no credit for any duty period(s) that extends beyond such time limitation.
Exception one: If such rerouted pilot is not scheduled to release at his base within such time limitation due to a circumstance over which the Company does not have control (e.g., pilot’s origin or destination airport closed, weather on pilot’s routing, mechanical on pilot’s assigned aircraft) he will receive only single pay and credit (or the applicable pay, no credit for a GS, GSWC, IA or IAWC) for the rotation as flown.
Exception two: The time limitation will be 30 hours for an international category pilot when rerouted into, or while in, trans-oceanic operations.
Exception three: A rerouted pilot who is scheduled to be released at his base beyond the time limitation will not be entitled to premium pay if he is again rerouted for the purpose of releasing him at his base within the time limitation.

9. A rerouted reserve pilot who is not scheduled to release within four hours of the scheduled release of the last duty period of his original rotation will receive single pay and credit (or the applicable pay, no credit for a GS, GSWC, IA or IAWC) for the rotation as flown, plus half pay no credit (in addition to any other form of pay for the bid period) for any duty period that extends beyond such four hour limitation and into either:
   a. an X-day, or
   b. a regular line day-off.
Exception one: If such rerouted pilot is not scheduled to release at his base within such four hour time limitation due to a circumstance over which the Company does not have control (e.g., pilot’s origin or destination airport closed, weather on pilot’s routing, mechanical on pilot’s assigned aircraft) he will receive only single pay and credit (or the applicable pay, no credit for a GS, GSWC, IA or IAWC) for the rotation as flown.
Exception two: The time limitation will be 30 hours for an international category pilot when rerouted into, or while in, trans-oceanic operations.
Exception three: A rerouted pilot who is scheduled to be released at his base beyond the
time limitation will not be entitled to premium pay if he is again rerouted for the purpose
of releasing him at his base within the time limitation.

10. A pilot will not be rerouted into more than one duty period that originates after the end of
his originally scheduled rotation.

Exceptions: A pilot may be rerouted into more than one duty period originating after the
end of his originally scheduled rotation (“additional duty period(s)”) because of the
Company’s:

a. inability to return him to his base (on-line) due to a circumstance over which the
   Company does not have control (e.g., pilot’s origin or destination airport closed,
   weather on pilot’s routing, mechanical on pilot’s assigned aircraft). Such pilot:
   1) will be returned to base, by a direct routing.
   2) may fly or deadhead.
   3) will be released upon arrival at his base.
   4) will receive single pay and credit for such additional duty period(s).

b. decision (within the Company’s control) to cancel the pilot’s flight segment (e.g., use
   of his assigned aircraft on another routing). Such pilot will:
   1) be returned to his base, on the first available on-line or off-line scheduled flight.
   2) be released upon arrival at his base.
   3) receive single pay and credit plus single pay, no credit for the additional duty
      period(s).

11. Crew Tracking will use:

   a. times shown in the Company operating schedule on published city pairs regardless of
      flight number,
   b. reasonable flight times on unpublished city pairs, and
   c. reasonable taxi and turn times.

12. A reroute must be in compliance with FAR and PWA limitations at the time the pilot is
notified.

Note: Crew Tracking will use the following times in constructing or altering rotations:

a. For a flight segment that has already been flown, actual block time will be used.

b. For a flight segment currently being flown, the block time will include known delays
   forwarded by Flight Control to Crew Tracking.

   c. For future flight segments, published block times will be used.

13. Crew Tracking and pilots will comply with the following procedures for in-flight
notification and acknowledgment of a reroute:

   a. Crew Tracking will send the crew a complete revised rotation via ACARS when such
      rotation is created.

   b. A crew on an aircraft without an operative ACARS will be notified via radio and
      provided the following information:
      1) next flight segment,
      2) total block time of the affected duty period,
      3) total duty time of the affected duty period,
      4) block out/block in times of all flight segments remaining to be flown in the
         current duty period,
      5) block out time of the first flight segment of the next duty period, and
      6) the location of a paper copy of the rerouted rotation (at the next Delta station).
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c. A crew will be expected to acknowledge an in-flight reroute notification (via ACARS or radio) promptly upon receipt. If the crew does not acknowledge an in-flight reroute notification (via ACARS or radio) Crew Tracking will assume that the crew has not received the reroute information. If the crew’s operating duties preclude such prompt acknowledgement, a crewmember will contact Crew Tracking before departing the cockpit after arrival at the gate.

d. A crew that is unable to accept a reroute due to an FAR or PWA conflict will contact the Company via ACARS or radio and so advise.

e. ACARS transmissions that are sent within 20 minutes of scheduled arrival time will be sent without activating a chime.

14. Reroute Examples:
   a. Example 1.
      1) Original Rotation
         
         | A Day  | B Day  | C Day  |
         |--------|--------|--------|
         | ATL-SAV| CVG-ATL| CVG-ATL|
         | SAV-ATL| ATL-MIA| ATL-DFW|
         | ATL-CVG| MIA-CVG| DFW-ATL|

         scheduled release @ 1400E

   2) * Reroute

         | A Day  | B Day  | C Day  |
         |--------|--------|--------|
         | ATL-SAV| CVG-ATL| *CVG-DCA|
         | SAV-ATL| ATL-MIA| *DCA-CVG|
         | ATL-CVG| MIA-CVG| *CVG-ATL|

   3) Result: Single pay and credit for entire rotation because release was scheduled to occur within the same calendar day as originally scheduled.

   b. Example 2.
      1) Original Rotation

         | A Day  | B Day  | C Day  |
         |--------|--------|--------|
         | ATL-SAV| CVG-ATL| CVG-ATL|
         | SAV-ATL| ATL-MIA| ATL-DFW|
         | ATL-CVG| MIA-CVG| DFW-ATL|

         scheduled release @ 2200E

   2) * Reroute

         | A Day  | B Day  | C Day  |
         |--------|--------|--------|
         | ATL-SAV| CVG-ATL| *CVG-DCA|
         | SAV-ATL| ATL-MIA| *DCA-CVG|
         | ATL-CVG| MIA-CVG| *CVG-ATL|

   *reroute scheduled release @ 0100E
3) Result: Single pay and credit for entire rotation because release was scheduled to occur within four hours of the originally scheduled release.

c. Example 3.
1) Original Rotation

<table>
<thead>
<tr>
<th>A Day</th>
<th>B Day</th>
<th>C Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATL-SAV</td>
<td>CVG-ATL</td>
<td>CVG-ATL</td>
</tr>
<tr>
<td>SAV-ATL</td>
<td>ATL-MIA</td>
<td>ATL-DFW</td>
</tr>
<tr>
<td>ATL-CVG</td>
<td>MIA-CVG</td>
<td>DFW-ATL</td>
</tr>
</tbody>
</table>

scheduled release @ 1900E

2) * Reroute

<table>
<thead>
<tr>
<th>A Day</th>
<th>B Day</th>
<th>C Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATL-SAV</td>
<td>CVG-ATL</td>
<td>*CVG-DCA</td>
</tr>
<tr>
<td>SAV-ATL</td>
<td>ATL-MIA</td>
<td>*DCA-CVG</td>
</tr>
<tr>
<td>ATL-CVG</td>
<td>MIA-CVG</td>
<td>*CVG-ATL</td>
</tr>
</tbody>
</table>

*reroute scheduled release @ 0100E

3) Result: Single pay and credit for entire rotation, plus one-half pay, no credit for C day because release was scheduled to occur on the next calendar day and the scheduled release is more than four hours after the originally scheduled release.

d. Example 4.
1) Original Rotation

<table>
<thead>
<tr>
<th>A Day</th>
<th>B Day</th>
<th>C Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATL-SAV</td>
<td>CVG-ATL</td>
<td>CVG-ATL</td>
</tr>
<tr>
<td>SAV-ATL</td>
<td>ATL-MIA</td>
<td>ATL-DFW</td>
</tr>
<tr>
<td>ATL-CVG</td>
<td>MIA-CVG</td>
<td>DFW-ATL</td>
</tr>
</tbody>
</table>

scheduled release @ 1900E

2) * Reroute

<table>
<thead>
<tr>
<th>A Day</th>
<th>B Day</th>
<th>C Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATL-SAV</td>
<td>CVG-ATL</td>
<td>*CVG-DCA</td>
</tr>
<tr>
<td>SAV-ATL</td>
<td>ATL-MIA</td>
<td>*DCA-CVG</td>
</tr>
<tr>
<td>ATL-CVG</td>
<td>MIA-CVG</td>
<td>*CVG-ATL</td>
</tr>
</tbody>
</table>

* reroute scheduled release @ 2200E
actual release due to creeping delay @ 0100E

3) Result: Single pay and credit for entire rotation because reroute was scheduled to release within four hours of originally scheduled release.
Section 23 - Scheduling

e. Example 5.

1) Original Rotation

<table>
<thead>
<tr>
<th>A Day</th>
<th>B Day</th>
<th>C Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATL-SAV</td>
<td>CVG-ATL</td>
<td>CVG-ATL</td>
</tr>
<tr>
<td>SAV-ATL</td>
<td>ATL-MIA</td>
<td>ATL-DFW</td>
</tr>
<tr>
<td>ATL-CVG</td>
<td>MIA-CVG</td>
<td>DFW-ATL</td>
</tr>
</tbody>
</table>

scheduled release @ 1900E

2) *Reroute

<table>
<thead>
<tr>
<th>A Day</th>
<th>B Day</th>
<th>C Day</th>
<th>*D Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATL-SAV</td>
<td>CVG-ATL</td>
<td>CVG-ATL</td>
<td>*MSY-ATL</td>
</tr>
<tr>
<td>SAV-ATL</td>
<td>ATL-MIA</td>
<td>ATL-DFW</td>
<td>*DFW-MSY</td>
</tr>
<tr>
<td>ATL-CVG</td>
<td>MIA-CVG</td>
<td>*MSY-ATL</td>
<td>*ATL-MSY</td>
</tr>
</tbody>
</table>

3) Result: Single pay and credit for entire rotation, plus one-half pay, no credit for C and D days because release was scheduled to occur on the next calendar day and the scheduled release is more than four hours after the originally scheduled release.

g. Example 6.

1) Original Rotation

<table>
<thead>
<tr>
<th>A Day</th>
<th>B Day</th>
<th>C Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATL-SAV</td>
<td>CVG-ATL</td>
<td>CVG-ATL</td>
</tr>
<tr>
<td>SAV-ATL</td>
<td>ATL-MIA</td>
<td>ATL-DFW</td>
</tr>
<tr>
<td>ATL-CVG</td>
<td>MIA-CVG</td>
<td>DFW-ATL</td>
</tr>
</tbody>
</table>

scheduled release @ 1900E

2) *Reroute

<table>
<thead>
<tr>
<th>A Day</th>
<th>B Day</th>
<th>C Day</th>
<th>*D Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATL-SAV</td>
<td>CVG-ATL</td>
<td>CVG-ATL</td>
<td>*DFW-ATL</td>
</tr>
<tr>
<td>SAV-ATL</td>
<td>ATL-MIA</td>
<td>ATL-DFW</td>
<td>xDFW-ATL</td>
</tr>
<tr>
<td>ATL-CVG</td>
<td>MIA-CVG</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*DFW-ATL flight segment on C day canceled due to weather in ATL, causing reroute into D day.

3) Result: Single pay and credit for entire rotation because scheduled release time is beyond the control of the Company.

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Section 23 - Scheduling

<table>
<thead>
<tr>
<th>A Day</th>
<th>B Day</th>
<th>C Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATL-SAV</td>
<td>CVG-ATL</td>
<td>CVG-ATL</td>
</tr>
<tr>
<td>SAV-ATL</td>
<td>ATL-MIA</td>
<td>ATL-DFW</td>
</tr>
<tr>
<td>ATL-CVG</td>
<td>MIA-CVG</td>
<td>DFW-ATL</td>
</tr>
</tbody>
</table>

scheduled release @ 1900E

2) *Reroute

<table>
<thead>
<tr>
<th>A Day</th>
<th>B Day</th>
<th>C Day</th>
<th>D Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATL-SAV</td>
<td>CVG-ATL</td>
<td>CVG-ATL</td>
<td>DFW-ATL</td>
</tr>
<tr>
<td>SAV-ATL</td>
<td>ATL-MIA</td>
<td>ATL-DFW</td>
<td></td>
</tr>
<tr>
<td>ATL-CVG</td>
<td>MIA-CVG</td>
<td></td>
<td>DFW-ATL</td>
</tr>
</tbody>
</table>

DFW-ATL flight segment on C day canceled due to Company decision to use pilot’s aircraft on a different route, causing reroute into D day.

3) Result: Single pay and credit for entire rotation, plus one-half pay no credit for C and D days because scheduled release is beyond the time limitation and within the control of the Company.

h. Example 8.
1) Original Rotation

<table>
<thead>
<tr>
<th>A Day</th>
<th>B Day</th>
<th>C Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATL-SAV</td>
<td>CVG-ATL</td>
<td>CVG-ATL</td>
</tr>
<tr>
<td>SAV-ATL</td>
<td>ATL-MIA</td>
<td>ATL-DFW</td>
</tr>
<tr>
<td>ATL-CVG</td>
<td>MIA-CVG</td>
<td>DFW-ATL</td>
</tr>
</tbody>
</table>

scheduled release @ 1400E

2) *Reroute

<table>
<thead>
<tr>
<th>A Day</th>
<th>B Day</th>
<th>C Day (OK)</th>
<th>C Day (NOT OK)</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATL-SAV</td>
<td>CVG-MIA</td>
<td>CVG-ATL</td>
<td>CVG-ATL</td>
</tr>
<tr>
<td>SAV-ATL</td>
<td>MIA-LGA</td>
<td>*ATL-SDF</td>
<td>ATL-DFW</td>
</tr>
<tr>
<td>ATL-CVG</td>
<td>LGA-CVG</td>
<td>*SDF-ATL</td>
<td>DFW-ATL</td>
</tr>
</tbody>
</table>

*reroute scheduled release @ 1830E

3) Result: Single pay and credit for entire rotation because release scheduled to occur within the same calendar day as originally scheduled.

Notes:

a) The column labeled “C day (OK)” shows a routing that is permissible under the PWA because the reroute deleted the last flight segment of the rotation that the pilot held (i.e., DFW-ATL).
b) The column labeled “C day (NOT OK)” shows a routing that would be in violation of the PWA because the reroute:
i. did not change the last flight segment of the rotation the pilot held (i.e., DFW-ATL), and
ii. would have added tag-on flight segments that commenced after arrival of the last flight segment of the rotation that the pilot held.

i. Example 9.

1) Original Rotation

<table>
<thead>
<tr>
<th>A Day</th>
<th>B Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATL-SAV</td>
<td>CVG-ATL</td>
</tr>
<tr>
<td>SAV-ATL</td>
<td>ATL-MIA</td>
</tr>
<tr>
<td>ATL-CVG</td>
<td>MIA-ATL</td>
</tr>
</tbody>
</table>

scheduled release @ 1400E

2) * Reroute

<table>
<thead>
<tr>
<th>A Day</th>
<th>B Day</th>
<th>C Day</th>
<th>D Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATL-SAV</td>
<td>CVG-ATL</td>
<td>*DFW-PHX</td>
<td>*PHX-ATL</td>
</tr>
<tr>
<td>SAV-ATL</td>
<td>ATL-MIA</td>
<td>x*PHX-ATL</td>
<td></td>
</tr>
<tr>
<td>ATL-CVG</td>
<td>*MIA-DFW</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*PHX-ATL flight segment on C day canceled due to mechanical on pilot’s aircraft in PHX.
No other on-line flight to return pilot to ATL on C day, causing a 2\textsuperscript{nd} reroute into D day.

3) Result: Single pay and credit for the entire rotation, plus one-half pay no credit for B and C days because original reroute was not scheduled to release within the time limitation.

Notes:

a) A reroute premium does not apply to D day because the pilot’s departure from PHX was delayed due to circumstances beyond the control of the Company.

b) On D day, the pilot may:
   i. fly or deadhead to ATL on a direct routing, and
   ii. not pass through ATL.

j. Example 10.

1) Original Rotation

<table>
<thead>
<tr>
<th>A Day</th>
<th>B Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATL-SAV</td>
<td>CVG-ATL</td>
</tr>
<tr>
<td>SAV-ATL</td>
<td>ATL-MIA</td>
</tr>
<tr>
<td>ATL-CVG</td>
<td>MIA-ATL</td>
</tr>
</tbody>
</table>

scheduled release @ 1400E
Section 23 - Scheduling

1) 2) * Reroute

<table>
<thead>
<tr>
<th>A Day</th>
<th>B Day</th>
<th>C Day</th>
<th>D Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATL-SAV</td>
<td>CVG-ATL</td>
<td>*DFW-PHX</td>
<td>*PHX-ATL</td>
</tr>
<tr>
<td>SAV-ATL</td>
<td>ATL-MIA</td>
<td>x*PHX-ATL</td>
<td></td>
</tr>
<tr>
<td>ATL-CVG</td>
<td>*MIA-DFW</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*PHX-ATL flight segment on C day canceled due to Company decision to use pilot’s aircraft on a different route, no on-line or off-line flight to return pilot to ATL on C day causing 2\textsuperscript{nd} reroute into D day.

3) Result: Single pay and credit for the entire rotation, plus one-half pay no credit for B, C and D days because release was not scheduled to occur within the time limitation.

Notes:

a) A reroute premium applies to D day because this duty period was not caused by the Company’s inability to return the pilot to base as originally rerouted.

b) On D day, the pilot:
   i. will be returned to ATL on the first available on-line or off-line scheduled flight,
   ii. may fly or deadhead, and
   iii. may not pass through ATL.

M. Rotation Coverage Sequence

1. Beyond-next-day open time will be awarded to pilots submitting swap requests and white slips under \textit{Section 23 H.} and \textit{P.}

2. Same-day open time will be sequenced for award/assignment as it becomes known to Crew Scheduling.

3. Next-day open time, will be awarded/assigned each day during the period 0800 through 2400 (pilot’s base time).

4. A rotation that has been designated for OE will be removed from open time immediately prior to rotation coverage under \textit{Section 23 N.} or \textit{O.} A rotation that has been designated for a line check may be removed from open time immediately prior to rotation coverage under \textit{Section 23 N.} or \textit{O.}

Exception: A rotation(s) contained within a QPD request that remains in open time for more than 48 hours may be utilized by the Company for a line check, OE, instructor or administrative pilot flying under \textit{Section 23. I. 13.}

5. Open time with a scheduled report of:
   a. 12 hours or more after award/assignment will be covered under \textit{Section 23 N.}
   b. less than 12 hours after award/assignment will be covered under \textit{Section 23 O.}

6. When awarding/assigning open time to reserve pilots under \textit{Section 23 N.}, Crew Scheduling will attempt to cover rotations in order of their lengths (longest rotation covered first).

7. A Crew Scheduler may deviate from the sequences under \textit{Section 23 N.} or \textit{O.} when, in his judgment, it is necessary to do so in order to maintain schedule integrity. In such
event, the pilot who would otherwise have been awarded/assigned the rotation will receive pay and credit (or if applicable, single pay, no credit) for the scheduled value of the rotation.

8. A pilot will not be awarded/assigned consecutive different direction (i.e., Europe/Pacific/South America) ocean crossing flights without a break-in-duty at his base of at least 24 hours. In addition, the Company will avoid such different direction assignments to a reserve who has had a break-in-duty at his base of less than 48 hours, provided another reserve is available under Section 23 N. or O. to perform the assignment without premium pay.

9. A regular or reserve pilot may not be awarded/assigned flying in a position he does not currently hold. Exception: An international category pilot may be awarded/assigned domestic category open time under Section 23 N. 28. or O. 25. An international category pilot who is awarded/assigned such open time:
   a. as a reserve pilot will receive pay and credit, plus single pay, no credit for the rotation flown.
   b. pursuant to a GS will receive one and one-half pay, no credit for the rotation flown.

N. Open Time Award/Assignment Sequence for Rotations Reporting 12 or More Hours After Initial Attempt to Contact Pilot (Long Notice Ladder)

1. Pilots subject to recovery flying under Section 23 K. 1.
2. Regular pilots who have submitted white slips (in category, in seniority order)
   Note: White slips for same-day open time will be awarded by proffer.
   Exception: A local council officer who drops a rotation to conduct a monthly council meeting will be given first priority to white slip open time during that bid period in order to recover such dropped rotations. (see Section 24 J. 8.)
3. Long call reserve pilots (in category, within RUO)
4. Short call reserve pilots (in category, within RUO)
5. Reserve pilots who are on an X-day or long call reserve pilots for whom the award would interrupt their X-day(s) and who have submitted a yellow slip (in category, within RUO)
6. Out-of-base regular pilots who have submitted white slips (in seniority order)
   Note: White slips for same-day open time will be awarded by proffer.
7. Out-of-base long call reserve pilots (by base, within RUO)
8. Out-of-base short call reserve pilots (by base, within RUO)
9. Long call reserve pilots for whom the assignment would extend into their regular line day(s)-off (in category, within least intrusion groupings, by RAW value)
10. Short call reserve pilots for whom the assignment would extend into their regular line day(s)-off (in category, within least intrusion groupings, by RAW value)
11. Out-of-base long call reserve pilots for whom the assignment would extend into their regular line day(s)-off (by base, within least intrusion groupings, by RAW value)
12. Out-of-base short call reserve pilots for whom the assignment would extend into their regular line day(s)-off (by base, within least intrusion groupings, by RAW value)
13. Long call reserve pilots for whom the assignment would create a conflict with their regular line rotation(s) (in category, within least disruption groupings, by RAW value)
14. Short call reserve pilots for whom the assignment would create a conflict with their 
   regular line rotation(s) (in category, within least disruption groupings, by RAW value) 
15. Out-of-base long call reserve pilots for whom the assignment would create a conflict with 
   their regular line rotation(s) (within least disruption groupings, by RAW value) 
16. Out-of-base short call reserve pilots for whom the assignment would create a conflict 
   with their regular line rotation(s) (within least disruption groupings, by RAW value) 
17. Pilots who have submitted GSs (in category, in seniority order) 
18. Instructors who have submitted GSs without conflict under Section 11 C. 1. c. 2) (in 
   seniority order) 
   Note: Instructors who can hold First Officer, but cannot hold Captain, on the aircraft 
   model on which they instruct, will be afforded priority over instructors who can hold 
   Captain on such aircraft model, for the purpose of GS awards for flying as First Officer. 
19. Out-of-base pilots who have submitted GSs (in seniority order) 
20. Pilots who are currently flying and would be re-routed. 
21. Long call reserve pilots whose X-day(s) would be interrupted (in category, in inverse 
   seniority order) 
22. Short call reserve pilots whose X-day(s) would be interrupted (in category, in inverse 
   seniority order) 
23. Reserve pilots on X-day(s) who can be assigned without conflict (in category, in inverse 
   seniority order) 
24. Regular pilots who can be assigned without conflict (in category, in inverse seniority 
   order) 
25. Reserve pilots on X-day(s) who can be assigned with conflict (in category, in inverse 
   seniority order) 
26. Regular pilots who have submitted GSWCs (in category, in seniority order) 
27. Regular pilots who can be assigned with conflict (in category, in inverse seniority order) 
28. International category pilots (domestic category open time that is converted to 
   international category open time) 
   a. pilots who have submitted GSs (in category, in seniority order) 
   b. out-of-base pilots who have submitted GSs (in position, in seniority order) 
   c. long call reserve pilots (in category, within RUO) 
   d. short call reserve pilots (in category, within RUO) 
   e. out-of-base long call reserve pilots (in position, within RUO) 
   f. out-of-base short call reserve pilots (in position, within RUO) 
29. Available qualified pilots (in position, in inverse seniority order) 

O. Open Time Award/Assignment Sequence for Rotations Reporting Less Than 12 Hours After 
   Initial Attempt to Contact Pilot (Short Notice Ladder) 
   1. Pilots subject to recovery flying under Section 23 K. 1. 
   2. Regular pilots who have submitted white slips (by proffer, in category, in seniority order) 
      Exception: A local council officer who drops a rotation to conduct a monthly council 
      meeting will be given first priority to white slip open time during that bid period in order 
      to recover such dropped rotations. (see Section 24 J. 8.) 
   3. Long call reserve pilots who have submitted yellow slips (provided FAR reserve rest 
      requirements have been met, in category, within RUO)
4. Out-of-base regular pilots who have submitted white slips (by proffer, in seniority order)
5. Short call reserve pilots (in category, within RUO)
6. Out-of-base long call reserve pilots who have submitted yellow slips (provided FAR reserve rest requirements have been met, by base, within RUO)
7. Out-of-base short call reserve pilots (by base, within RUO)
8. Short call reserve pilots for whom the assignment would extend into their regular line day(s)-off (in category, within least intrusion groupings, by RAW value)
9. Out-of-base short call reserve pilots for whom the assignment would extend into their regular line day(s)-off (in category, within least disruption groupings, by RAW value)
10. Short call reserve pilots for whom the assignment would create a conflict with their regular line rotation(s) (in category, within least disruption groupings, by RAW value)
11. Out-of-base short call reserve pilots for whom the assignment would create a conflict with their regular line rotation(s) (in category, within least disruption groupings, by RAW value)
12. Pilots (including long call reserve pilots whose rotation would report within 12 hours of initial attempt to contact) who have submitted GSs (in category, in seniority order)
13. Instructors who have submitted GSs under Section 11 C. 1. c. 2) (in seniority order)
   Note: Instructors who can hold First Officer, but cannot hold Captain, on the aircraft model on which they instruct, will be afforded priority over instructors who can hold Captain on such aircraft model, for the purpose of GS awards for flying as First Officer.
14. Out-of-base pilots who have submitted GSs (in seniority order)
15. Pilots who are currently flying and would be re-routed
16. Long call reserve pilots whose rotation would report within 12 hours of initial attempt to contact (by proffer, in category, in inverse seniority order)
17. Short call reserve pilots whose X-day(s) would be interrupted (in category, in inverse seniority order)
18. Long call reserve pilots whose rotation would report within 12 hours of initial attempt to contact and whose X-day(s) would be interrupted (by proffer, in category, in inverse seniority order)
19. Reserve pilots on X-day(s) who can be assigned without conflict (in category, in inverse seniority order)
20. Regular pilots who can be assigned without conflict (in category, in inverse seniority order)
21. Reserve pilots on X-day(s) who can be assigned with conflict (in category, in inverse seniority order)
22. Regular pilots who have submitted GSWCs (in category, in seniority order)
23. Out-of-base pilots who have submitted GSWCs (in seniority order)
24. Regular pilots who can be assigned with conflict (in category, in inverse seniority order)
25. International category pilots (domestic category open time converted to international category open time):
   a. pilots who have submitted GSs (in base, in position, in seniority order)
   b. out-of-base pilots who have submitted GSs (in position, in seniority order)
   c. short call reserve pilots (in category, within RUO)
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26. Available qualified pilots (in position, in inverse seniority order)

Note: Crew Scheduling may at its discretion bypass a short call pilot for assignment to flying if the assignment would cause him to be released within two hours of a required rest period.

P. White Slips

1. A regular pilot may, via DBMS, submit a white slip for open time:
   a. in category, in the current or next bid period, if he will be in the category of the open time on the day it originates, and
   b. in a different category (i.e., out-of-base) for same-day/next-day open time, if he will be in the position of the open time on the day it originates.

2. A white slip may stipulate specific rotations and/or specific dates, in order of preference and may also include any of the stipulations set forth in the PCS template.

3. White slip lists will be produced for each category each day after 0700E and 1800E.

4. White slips will be processed under Section 23 E., N. or O., subject to the following:
   a. A white slip for open time that is covered between 0800 and 1800 (pilot’s base time) must be submitted before 0700E of the current day.
      Exception: A white slip request submitted after 0700E of the current day will be considered in seniority order after those requests submitted by 0700E.
   b. A white slip for open time that is covered between 1800 of the current day and 0800 of the next day (pilot’s base time) must be submitted before 1800E of the current day.
      Exception: A white slip request submitted after 1800E of the current day will be considered in seniority order after those requests submitted by 1800E.
   c. Open time awards under Section 23 N. or O. will be based on the most recent white slip list.
   d. White slips for beyond-next-day open time will be processed during each PCS run. A rotation award will be placed on a pilot’s schedule. (see Section 23 E.)
   e. A pilot will not be awarded a white slip for same-day/next-day open time that includes special airport/route qualifications for which he is not qualified.
   f. A pilot will not be awarded a white slip for a rotation that originates in the current bid period that would create an FAR and/or PWA conflict with a rotation previously awarded/assigned in the current bid period. (i.e., no loop-back to undo a previously awarded/assigned rotation).

5. When awarding a white slip in a time critical assignment (i.e., a rotation that is scheduled to depart within three hours of attempted contact):
   a. the Company will:
      1) attempt to contact the pilot using at least two telephone numbers listed in DBMS, and
      2) afford the pilot accepting the award the reporting time ability of a short call reserve pilot.
   b. a pilot who cannot be contacted or who declines the award (this is a proffer) will be by-passed without pay protection.
6. A white slip will remain active for processing until:
   a. the stipulations in the white slip have been met,
   b. the time frame specified by the pilot expires, or
   c. the pilot withdraws the white slip.

7. A pilot will not be awarded a white slip if:
   a. the credit of the rotation would cause his projection to exceed the ALV plus 15 hours,
   b. the block time of the rotation would cause his total projected block time for the bid
      period to exceed his block hour limit,
   c. he is a low-time Captain and the rotation was previously awarded to a low-time First
      Officer,
   d. he is a low-time First Officer and the rotation was previously awarded to a low-time
      Captain,
   e. he has not completed OE,
   f. the rotation creates a rotation overlap and/or is within 30 minutes of creating an FAR
      and/or PWA conflict,
      Exception one: This 30 minute limitation does not apply to the pilot’s block hour
      limit. (Section 12 B.)
   g. the open time includes a day on which APD appears on his schedule or a reserve day
      on which PD appears on his schedule,
   h. the rotation does not conform with his stipulations entered under Section 23 P. 2., or
   i. the open time is scheduled to operate during a period(s) of his absence due to sick
      leave.

8. An out-of-base pilot will:
   a. receive pay, credit and per diem for the white slip rotation(s) beginning at his report
      for the rotation at the base at which the rotation originates and ending at his release at
      such base.
   b. not be reimbursed for transportation, lodging, and per diem before his report to and
      after his release from the white slip rotation(s).
   c. not be awarded a white slip for open time that includes special airport/route
      qualifications or an aircraft model for which he is not qualified.
   d. be required to be available at the base where the rotation was scheduled to originate
      in order to satisfy his recovery obligations under Section 23 K.
   e. be considered to be based, for reroute purposes, at the base where the rotation was
      scheduled to originate.

9. Out-of-base white slips will only be considered for same-day/next-day open time.

10. Proffer/Award - A pilot who is:
   a. proffered a white slip for a same-day rotation may decline such proffer.
   b. awarded a white slip for a next-day rotation under Section 23 N.:
      1) will be notified of such award by Crew Scheduling, and
      2) is obligated to fly the rotation(s) if he acknowledges the award.
Section 23 - Scheduling

c. awarded a white slip in a PCS run (beyond-next-day rotation):
   1) will not be notified of such award by Crew Scheduling, and
   2) is obligated to fly the rotation whether or not he acknowledges the award.

11. If Crew Scheduling is unable to contact a pilot to inform him of an award that requires
   Crew Scheduling notification, (i.e., a same-day or a next-day rotation), the pilot will be
   bypassed without pay protection and the rotation(s) will be removed from the pilot’s line
   and returned to open time.
   Note: Crew Scheduling is not required to contact a pilot to inform him of an advance
   white slip.

12. A rotation will be removed from a reserve pilot’s line and awarded to a regular pilot who
   has submitted a white slip for such rotation, if:
   a. the regular pilot was removed from another rotation or portion thereof, after the white
      slip rotation was awarded/assigned to the reserve pilot,
   b. such removal created the regular pilot’s availability for the white slip rotation(s), and
   c. the regular pilot notifies Crew Scheduling of his availability for such rotation(s).
   Exception: A rotation will not be removed from a reserve pilot’s line for the purpose of
   awarding it to the regular pilot described above:
      1) within 12 hours of the report of such rotation, unless the reserve pilot consents, or
      2) if such rotation has been assigned to a reserve under Section 23 S. 17. c. (reserve
         line check).

13. Crew Scheduling may correct errors and omissions in a:
   a. pre-bid period white slip award(s) within 72 hours of the PCS run in which the error
      or omission occurred.
   b. same-day or next-day white slip award(s) within the period ending two hours prior to
      report.
   c. current bid period beyond-next-day white slip award(s) before the PCS run
      immediately following the award.

14. A pilot who is not awarded a rotation because of an error or omission by Crew
    Scheduling will receive pay and credit for no less than the rotation he should have been
    awarded (made whole).

15. A pilot will not be paid or credited for a rotation that is removed from his line under
    Section 23 P. 13. If there was another rotation that the pilot would have been awarded in
    the absence of the error or omission, the pilot will:
    a. be awarded such rotation (without proffer), or
    b. receive pay and credit for no less than the rotation he should have been awarded
       (made whole).

Q. Green Slips (GS) and Green Slips with Conflict (GSWC)

1. A regular or reserve pilot may, via DBMS, submit a GS for same-day/next-day open time
   if he will be in the position of the open time on the day it originates.
2. While he is assigned to active duty in the Training Department, an SLI will be eligible to
   submit and be awarded a GS to fly as:
   a. Captain in a category that includes the aircraft type on which he instructs, if he can
      hold Captain on such aircraft type, and
   b. First Officer in a category that includes the aircraft type on which he instructs.
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3. A regular pilot may also, via DBMS, submit a GSWC if he will be in the position of the open time on the day it originates.

4. An international category pilot may submit a GS for domestic category open time covered under Section 23 N. 28, or O. 25.

5. A GS or GSWC may stipulate specific rotations and/or specific dates, in order of preference and may also include any of the stipulations set forth in the PCS template.

6. A GS list will be produced each day after 0700E and 1800E.

7. A GS or GSWC will remain active for processing until:
   a. the stipulations in the GS or GSWC have been met.
   b. the time frame specified by the pilot expires.
   c. the pilot withdraws the GS or GSWC.

8. GS and GSWC will be awarded under Section 23 N. or O., subject to Section 23 Q. 9. and the following:
   a. A GS or GSWC for open time that is covered between 0800 and 1800 (pilot’s base time) must be submitted before 0700E of the current day.
      Exception: A GS request submitted after 0700E of the current day will be considered in seniority order after those requests submitted by 0700E.
   b. A GS or GSWC for open time that is covered between 1800 of the current day and 0800 of the next day (pilot’s base time) must be submitted before 1800E of the current day.
      Exception: A GS request submitted after 1800E of the current day will be considered in seniority order after those requests submitted by 1800E.
   c. Open time awards will be based on the most recent GS list.
   d. A pilot will not be awarded a GS or GSWC for a rotation that includes special airport/route qualifications for which he is not qualified.
   e. A pilot will not be awarded a GS that would create an FAR and/or PWA conflict with a rotation previously awarded/assigned (i.e., no loop-back to undo a previously awarded/assigned rotation).
      Exception: A GS for a same-day rotation by a pilot who will be a reserve pilot on the next day will be processed without regard to his reserve award/assignment for the next day.
   f. A pilot will not be awarded a GSWC that would create an FAR and/or PWA conflict with a GSWC rotation previously awarded/assigned (i.e., no loop-back to undo a previously awarded/assigned GSWC rotation).
   g. A pilot will not be awarded a GSWC for a rotation that would create an FAR and/or PWA conflict with a rotation on his line that originates on the same day.

9. A pilot will not be awarded a GS or GSWC if:
   a. the block time of the rotation would cause his total projected block time to exceed his block hour limit.
   b. he is a low-time Captain and the rotation was previously awarded to a low-time First Officer.
   c. he is a low-time First Officer and the rotation was previously awarded to a low-time Captain.
   d. he has not completed OE.
   e. the rotation creates an FAR and/or PWA conflict with a rotation already flown.
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1. the rotation includes a day on which APD appears on his schedule or a reserve day on which PD appears on his schedule.

2. the rotation does not conform with the stipulations entered by the pilot under Section 23 Q. 5.

3. the open time is scheduled to operate during a period(s) of his absence due to sick leave.

10. A pilot will be obligated to fly a GS or GSWC rotation if he is notified of and acknowledges the award.

11. If Crew Scheduling is unable to contact a pilot to inform him of the GS or GSWC award, the pilot will be bypassed without pay protection and the rotation(s) will be removed from the pilot's line and returned to open time.

12. A pilot who is awarded a GSWC will be removed from the entire conflicting rotation.

13. When awarding a GS or GSWC the Company will:

a. attempt to contact the pilot using at least two telephone numbers listed in DBMS,

b. allow a pilot in a non-time critical assignment (i.e., a rotation that is scheduled to depart three hours or more after attempted contact) no less than ten minutes to respond from the first attempted contact, and

c. afford the pilot accepting the award the reporting time ability of a short call reserve pilot.

Note: A pilot who cannot be contacted will be bypassed without pay protection.

14. Crew Scheduling may correct errors and omissions in a same-day or next-day GS or GSWC award(s) following the award of the rotation and ending two hours prior to report.

a. Such corrections will not generate a rotation guarantee for the rotation removed.

b. If there was another rotation that the pilot would have been awarded in the absence of the error or omission, the pilot will:

  1) be awarded such rotation, or
  2) receive single pay, no credit for no less than the scheduled value of the rotation he should have been awarded (made whole).

c. A pilot who is not awarded a rotation because of an error or omission by Crew Scheduling will receive pay, no credit for no less than the rotation he should have been awarded (made whole).

15. An out-of-base pilot will:

a. receive pay, credit and per diem for a GS rotation(s) beginning at his report for the rotation at the base at which the rotation originates and ending at his release at such base,

b. not be reimbursed for transportation, lodging, and per diem before his report to and after his release from a GS rotation(s),

c. not be awarded a GS unless he is able to report by the scheduled report or such later time as may be determined by Crew Scheduling,

d. not be awarded a GS for open time that includes special airport/route qualifications or an aircraft model for which he is not qualified,

e. have rotation guarantee recovery obligations at the base where the rotation was scheduled to originate under Section 23 K. 2., and

f. be considered to be based, for reroute purposes, at the base where the rotation was scheduled to originate.
16. A pilot who has flown a rotation(s) pursuant to a GS will not be awarded another rotation
in the same bid period pursuant to a GS unless:
   a. all other eligible pilots (i.e. pilots who can be contacted and are able to fly such
       rotation without a PWA/FAR violation) in his category who have submitted GSs have
       flown a like number of rotations pursuant to a GS in such bid period, or
   b. no other eligible pilot is available.

17. A pilot who has flown a rotation(s) pursuant to a GSWC will not be awarded another
rotation in the same bid period pursuant to a GSWC, unless:
   a. all other eligible pilots (i.e. pilots who can be contacted and are able to fly such
       rotation without a PWA/FAR violation) in his category who have submitted GSWCs
       have flown a like number of rotations pursuant to a GSWC in such bid period, or
   b. no other eligible pilot is available.

R. Inverse Assignment (IA) and Inverse Assignment With Conflict (IAWC)

1. A pilot who has been assigned a rotation pursuant to an IA or IAWC, will not be awarded
another rotation in the same bid period pursuant to an IA or IAWC, unless:
   a. all other eligible pilots in his category have been awarded a like number of rotations
       pursuant to an IA or IAWC in such bid period, or
   b. no other pilot in his category is available.

2. An IA or IAWC will be assigned in inverse seniority order without regard to the length of
the rotation.

3. A pilot who is assigned an IAWC will be removed from the entire conflicting rotation.

4. A pilot will not be assigned an IA or IAWC if the block time of the rotation would cause
his total projected block time to exceed his block hour limit.

5. A pilot will not be assigned an IAWC that would create an FAR or PWA conflict with a
rotation on his line that originates on the same day.

6. A pilot will not receive an IA or IAWC to open time that is scheduled to operate during a
period(s) of his absence due to sick leave.

7. Without his consent, a regular pilot will not be inversely assigned to a rotation with a
report that is within 11 hours of his release at his base.

8. If Crew Scheduling is unable to contact a pilot to inform him of an IA or IAWC, the pilot
will be bypassed without pay protection and the rotation(s) will be removed from the
pilot’s line and returned to open time.

9. A pilot will not be assigned an IA or IAWC if the rotation includes a day on which APD
appears on his schedule or a reserve day on which PD appears on his schedule.

10. A pilot will not be assigned an IA if his accumulated credit equals or exceeds the ALV.

S. Reserve Pilots

1. A reserve pilot will:
   a. be awarded/assigned open time under Section 23 N. or O.

   Note one: Open time will be assigned to reserve pilots (within days-of-availability
   groupings) beginning with the reserve pilot with the lowest RAW value and then
   progressing to the reserve pilot with the next higher RAW value.
Note two: Reserve pilots whose RAW values are equal will be assigned open time in inverse seniority order unless one or more of them have submitted a yellow slip, in which case open time will be assigned in seniority order to the reserve pilot(s) who submitted a yellow slip.

Note three: When open time is so assigned, the following order will be used:
1) pilots whose days-of-availability match the length of the rotation (by RUO), then
2) pilots whose days-of-availability exceed the length of the rotation (in least variance order, by RUO).

b. be placed in a days-of-availability groupings within his category as follows:
1) in domestic categories, the groupings will be:
   a) one day of availability,
   b) two days of availability,
   c) three or more days of availability, and
   d) four or more days of availability.
2) in international categories, the groupings will be:
   a) one day of availability,
   b) two days of availability,
   c) three days of availability,
   d) four days of availability, and
   e) five or more days of availability.

c. be on long call on any on-call day on which he is not assigned to short call.
d. be required to check his schedule via DBMS or VRU:
   1) after block-in of the last flight segment of his rotation prior to his release (see Section 12 G. 13. - 14.), and
   2) no later than 0200 base time on his first on-call day following a non-fly day, so as to be able to acknowledge:
      a) any assignment no later than three hours before a scheduled report of the rotation or start of a short call period, or
      b) the start of a rest period or Crew Scheduling assigned X-day. (see Section 12 N. 2. Note)

Exception one: If such last non-fly day ends at a time other than 2400, the pilot will check his schedule no later than two hours after the end of such non-fly day.

Exception two: For purposes of Section 23 S 1. d. 2) a non-fly day will not include a day on which the pilot:
   a) is on vacation.
   b) performs flying for the Company.
   c) is scheduled to perform flying for the Company.
   d) participates in training, other than distributed training (including travel days).
   e) performs an SLI duty period (including a flex day).
   f) is on Company business.
   g) is removed from his scheduled rotation for the convenience of the Company.

Note: On the last day of a bid period, a regular pilot will be required to check his schedule in the manner described in Section 23 S. 1. d. 2) if:
Section 23 - Scheduling

1. he is scheduled for a reserve on-call day on the first day of the next bid period,
2. and
3. b) the last day of the bid period in which he holds a regular line is a non-fly day.
4. e. report and be released at his base, when he is awarded/assigned open time in his
5. category or as an out-of-base reserve.
6. f. be credited with a short call period on his first on-call day following a period of
7. absence, if he is assigned to a rotation reporting between five and 12 hours after his
8. last non-fly day.
9. 2. A reserve pilot will not be:
10. a. assigned a rotation that:
11. 1) will cause his credit to exceed the ALV.
12. 2) will cause his total projected block time to exceed his block hour limit.
13. 3) is scheduled to interrupt a golden day(s).
14. 4) has a report that is less than 12 hours after his release at his base.
15. 5) has a report earlier than five hours from the end of his last non-fly day.
16. Exception: A reserve pilot will not be assigned a rotation that has a report earlier
17. than 1200 (base time) if the non-fly day that preceded the on-call day was a
18. vacation day.
19. Exception: A reserve pilot may be awarded a GS (see Section 23 Q.) or yellow slip
20. (see Section 23 T.) without regard to the Section 23 S. 2. a. limitations.
21. b. removed from a rotation for the purpose of awarding such rotation to a regular pilot,
22. within 12 hours of the report of such rotation, unless the reserve pilot consents.
23. c. converted to short call:
24. 1) on an X-day, or
25. 2) in excess of the number stated in the following chart:

<table>
<thead>
<tr>
<th>Reserve Days in Bid Period</th>
<th>Short Calls</th>
</tr>
</thead>
<tbody>
<tr>
<td>27 - 31</td>
<td>8</td>
</tr>
<tr>
<td>23 - 26</td>
<td>7</td>
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<tr>
<td>19 - 22</td>
<td>6</td>
</tr>
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<td>15 - 18</td>
<td>5</td>
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<td>11 - 14</td>
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<td>7 - 10</td>
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<td>3 - 6</td>
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<tr>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>1</td>
<td>0</td>
</tr>
</tbody>
</table>

Note: “Reserve Days in Bid Period” in the chart in Section 23 S. 2. c. 2) will:
27 a) be calculated as of the beginning of the first day of the bid period, and
28 b) include all personal drop days.
29 Exception one: A reserve pilot may be converted to short call more than eight times
30 in a bid period pursuant to a yellow slip(s) that is awarded after the pilot has already
31 completed eight short call periods.
32 Exception two: A reserve pilot who is unable to complete his short call period due to
33 sickness, will not be credited with a short call period for purposes of
34 Section 23 S. 2. c.
3. A domestic category reserve pilot will not be awarded/assigned an ocean crossing other than a deadhead.

4. An international category reserve pilot will not be awarded/assigned domestic flying that was not contained in an international category as published in the bid package.

   Exceptions: An international category reserve pilot may be awarded/assigned domestic flying that:
   a. was unplanned at the time of bid package publication and is part of an international flight sequence (e.g., ATL-JFK-CDG),
   b. employs an aircraft type for which there is no domestic category,
   c. consists of a ferry flight(s) to support international operations, or
   d. was awarded/assigned under Section 23 N. 28. or Section 23 O. 25.

5. A long call pilot:
   a. must be available for contact by Crew Scheduling at any time while on-call.
   b. must be able to report for an assigned rotation which reports no earlier than 12 hours from the first attempted contact by Crew Scheduling.
   c. must be able to report for a rotation within 12 hours of first attempted contact for conversion to short call.
   d. can be converted to short call no earlier than ten hours from the first attempted contact by Crew Scheduling and will be released from duty during the ten hours immediately preceding the start of his short call period.
   e. will be notified of his assignment to open time under Section 23 N. or O. by one of the following two methods:
      1) telephone contact from Crew Scheduling.
      2) electronic placement of a rotation or conversion to short call that is placed on his schedule prior to:
         a) his release from a rotation, or
         b) nine hours before the end of his last non-fly day (other than a vacation day) before an on-call day.
   f. will not be required to remain available for contact in the 12 hours prior to the scheduled report of an assigned rotation.
   g. who is assigned a rest period or Crew Scheduling assigned X-day:
      1) prior to release from a rotation, must acknowledge such assignment prior to release.
      2) via telephone contact may:
         a) if contacted directly by Crew Scheduling, be placed on rest or his Crew Scheduling assigned X-day immediately, or
         b) if not contacted directly by Crew Scheduling, have such rest period or Crew Scheduling assigned X-day begin no earlier than three hours following the first attempted contact. In such case, the pilot must acknowledge assignment to a rest period or a Crew Scheduling assigned X-day no later than six hours after the start of the rest period or the Crew Scheduling assigned X-day.

6. A long call pilot who is assigned a rotation or converted to short call:
   a. prior to release from a rotation, must acknowledge such assignment or conversion prior to release.
b. via telephone contact or electronic placement on his schedule on his last non-fly day (other than a vacation day) before an on-call day, must acknowledge such assignment or conversion no later than:
   1) three hours before the scheduled report of the rotation, or
   2) one hour before the scheduled start of the short call period.

7. A long call pilot may be released from on-call duty at 1200 base time on his last on-call day prior to a non-fly day (e.g., X-day, regular line day-off) if he contacts Crew Scheduling and requests to be released.

8. A long call pilot will be released from on-call duty at 1200 base time on his last on-call day prior to a “hard” non-fly day (e.g., golden day, MLOA, ALPA drop).

9. A short call pilot:
   a. will remain on short call for a period that:
      1) is designated by Crew Scheduling, and
      2) does not exceed:
         a) 12 hours in domestic categories, or
         b) 24 hours in international categories.
      Note: An international category pilot who has been on short call for 12 hours will not be assigned a domestic rotation with a scheduled report earlier than nine hours after notification.
   b. must be promptly available for contact by Crew Scheduling during his short call period until the earlier of:
      1) the end of the short call period, or
      2) his departure to report for an awarded/assigned rotation.
   Exception: A pilot will not be required to be available for contact during the first two hours of his short call period as follows:
      a) At the time the pilot is notified of his conversion to short call, the pilot will advise Crew Scheduling that he will be:
         i. traveling to his base, and
         ii. unavailable for contact during the first two hours of the short call.
      b) The pilot must be able to report for a rotation with a report as early as two hours after the start of the short call period.
      c) When the pilot arrives at his base, he assumes responsibility for acknowledging any rotation placed on his line by checking his schedule via DBMS or contacting Crew Scheduling.
      d) When the pilot checks his schedule, his line may contain a rotation with a report as early as two hours from the start of the short call period.
   c. who travels to his base under Section 23 S. 9. b. Exception and is assigned to a co-terminal base, will be permitted additional time to reposition from the airport of arrival to the airport at which the rotation originates (if necessary).
   d. must be able to promptly report for an awarded/assigned rotation.
   e. will not be assigned a rotation without an attempted contact by Crew Scheduling.
10. In pilot bases with co-terminal airports, a short call pilot’s availability will be determined as follows:

<table>
<thead>
<tr>
<th>Co-Terminal Airports</th>
<th>Airport Reserve Availability Determined From</th>
</tr>
</thead>
<tbody>
<tr>
<td>LAX, ONT, SNA, BUR, LGB</td>
<td>LAX</td>
</tr>
<tr>
<td>DFW, DAL</td>
<td>DFW</td>
</tr>
<tr>
<td>EWR, JFK, LGA</td>
<td>EWR, JFK or LGA</td>
</tr>
</tbody>
</table>

11. A reserve pilot who flies on an X-day due to an IA, GS or reroute will be given nine hours free of duty upon his release at the completion of his rotation.
   a. His X-day(s) will begin immediately following such nine-hour period and will continue until he has received a period of 24 hours free of duty for each interrupted and remaining X-day in his scheduled X-day block.
   b. If the remaining days in the bid period are insufficient to contain the X-day(s), the pilot will be granted an additional day(s) off under Section 23 S. 16.

Example:

<table>
<thead>
<tr>
<th>Day</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scheduled X-days</td>
<td>Res</td>
<td>Res</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Res</td>
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<tr>
<td>Rotation</td>
<td>A</td>
<td>B</td>
<td>C</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Actual X-days</td>
<td>Res</td>
<td>Res</td>
<td>/</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>/</td>
<td>Res</td>
</tr>
</tbody>
</table>

0900 Release
1800 X-days begin
1800 X-days end

12. An international category reserve pilot who flies an ocean crossing on an X-day due to an IA, GS or reroute will be given 13 hours free of duty upon his release at the completion of his rotation.
   a. His X-day(s) will begin immediately following such 13-hour period and will continue until he has received a period of 24 hours free of duty for each interrupted and remaining X-day in his scheduled X-day block.
   b. If the remaining days in the bid period are insufficient to contain the X-day(s), the pilot will be granted an additional day(s) off under Section 23 S. 16.

13. The X-day(s) of a reserve pilot who reports on an X-day due to an IA or GS, but does not fly, will begin upon his release by Crew Scheduling and will continue until he has received a period of 24 hours free of duty for each interrupted and remaining X-day in his scheduled X-day block. If the remaining days in the bid period are insufficient to contain the X-day(s), the pilot will be granted an additional day(s) off under Section 23 S. 16.
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Example:

Day  1  2  3  4  5  6  7  8
Scheduled X-days  Res Res X X X X Res Res

Rotation (0800 Report)

Actual X-days  Res Res X X X X Res

0900 X-days begin  0900 X-days end

(See Section 23 S. 1., 2., 5. and 6. for a reserve pilot’s acknowledgment obligations on last non-fly day prior to an on-call day)

14. The X-day(s) of a reserve pilot who completes a rotation on an X-day due to late operations, will begin upon his release at the completion of his rotation and will continue until he has received a period of 24 hours free of duty for each interrupted and remaining X-day in his scheduled X-day block. If the remaining days in the bid period are insufficient to contain the X-day(s), the pilot will be granted an additional day(s) off under Section 23 S. 16.

Example:

Day  1  2  3  4  5  6  7  8
Scheduled X-days  Res Res X X X X Res Res

Rotation  A B

2345 sked release  0100 Actual Release

Actual X-days  Res Res X X X X Res

0100 X-days begin  0100 X-days end

(See Section 23 S. 1., 2., 5. and 6. for a reserve pilot’s acknowledgment obligations on last non-fly day prior to an on-call day)

15. The X-day(s) of a reserve pilot, who flies a rotation as a regular pilot into his X-day(s) as a result of a month-to-month transition will, upon his advising Crew Scheduling, be moved so as to begin on the first uninterrupted day.

16. A reserve pilot who is eligible for an additional day(s)-off under Section 23 S. 11. - 14. will:
   a. take such day(s)-off in the current or a future bid period, by mutual agreement with Crew Scheduling, or
b. have such day(s) added to a current year vacation period(s), by mutual agreement with Vacation Planning, or

c. have such day(s) added to his earned vacation for the next vacation year, if not used in the current vacation year.

17. Reserve Line Checks:
   a. A reserve pilot’s schedule, as shown in DBMS, will include the notation “LCS” in a bid period in which the Company intends to conduct a line check for such pilot.
   b. An LCS notation will not affect a reserve pilot’s:
      1) sequencing for assignment, or
      2) his ability to exercise other PWA rights (e.g., yellow slip, PD/APD/PDS, etc.).
   c. A reserve pilot whose schedule bears an LCS notation may receive his line check on a rotation that is:
      1) specially constructed for the purpose of his line check, in which case the reserve pilot cannot be displaced under Section 23 P. 12., or
      2) assigned/awarded to him under Section 23 N. or O.
   d. A reserve pilot will not be displaced under Section 23 P. 12. from a rotation on which he is scheduled for a line check.

18. A reserve pilot may submit his request in the DBMS template “Select Preference Qualifiers If Needed to Fly”. Such request may include a preference for a specific rotation(s) and/or a specific date(s) on which he desires to fly, in order of preference, and may also include any of the stipulations set forth in the request template. The preferences in such request will be considered by Crew Scheduling if the pilot is needed to fly. Such preferences will not affect the pilot’s RAW value.

T. Yellow Slips

1. A reserve pilot may submit a yellow slip via DBMS. Yellow slips will be considered by Crew Scheduling when awarding open time under Section 23 N. and O.

2. A pilot’s yellow slip that indicates he is willing to waive his X-day(s) contingent on being awarded a rotation, may stipulate specific rotations and/or specific dates on which he desires to fly, in order of preference, and may also include any of the stipulations set forth in the PCS “Select Preference Qualifiers for Flying on X-day(s)” template.

3. A pilot will not be awarded a rotation via a yellow slip if:
   a. the rotation to be added:
      1) is within 30 minutes of creating an FAR or PWA conflict.
         Exception one: This 30 minute limitation does not apply to the pilot’s block hour limit (see Section 12 B.).
         Exception two: A pilot may be awarded a rotation via a yellow slip in the current bid period that will create an FAR and/or PWA conflict with a rotation in the next bid period. The conflicting rotation in the next bid period will be removed from the pilot’s line. The pilot’s projection/line guarantee will be reduced by the credit of the removed rotation.
      2) is same-day/next-day open time that would create an FAR and/or PWA conflict with a previously awarded/assigned rotation (i.e., no loop-back to undo a previously awarded/assigned rotation).
   b. the credit of the rotation would cause his projection to exceed the ALV plus 15 hours.
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c. the block time of the rotation would cause his total projected block time for the bid period to exceed his block hour limit.
d. the award would cause the pairing of two low-time pilots on such rotation.
e. he has not completed his OE.
f. the rotation includes a day on which APD appears on his schedule or a reserve day on which PD appears on his schedule.
g. the rotation does not conform with the stipulations entered by the pilot under Section 23 T. 2.

4. A pilot’s yellow slip for conversion to short call will not be awarded if Crew Scheduling denies the requested conversion.

5. A pilot may be awarded open time as a result of a yellow slip for a specific rotation on or into his X-day(s) (including golden days), under Section 23 N. 5. or Section 23 O. 3., subject to the following:
   a. The days-of-availability grouping for a pilot will include the waived X-day(s).
   b. An X-day(s) lost as a result of such yellow slip award will be forfeited.

U. Green Slip (GS), Green Slip with Conflict (GSWC), Inverse Assignment (IA) and Inverse Assignment With Conflict (IAWC)—Pay and Credit/Pay and No Credit

1. GS
   a. A regular pilot who has flown a GS rotation:
      1) will receive single pay and credit for the portion of his GS rotation that brings him to the lesser of:
         a) the ALV plus five hours, or
         b) 82 hours, and
      2) will receive one and one-half pay, no credit for the portion of his GS rotation that exceeds the lesser of:
         a) the ALV plus five hours, or
         b) 82 hours.
      3) may use up to five hours of his bank, prior to accounting for the GS rotation, to bring his projection to the lesser of:
         a) the ALV plus five hours, or
         b) 82 hours.
   b. A reserve pilot who has flown a GS rotation(s) will receive:
      1) single pay and credit for the portion of such rotation(s) flown on his reserve on-call days that occurred before the pilot’s accumulated credit exceeded the ALV (applied against his reserve guarantee), and
2) single pay, no credit (in addition to any other form of pay and credit for the bid period) for the portion of such rotation(s) that:
   a) interrupted his X-day(s), or
   b) occurred after his accumulated credit equaled the ALV,

Note: A reserve pilot who flies a GS rotation into an X-day(s) is entitled to additional time free of duty under Section 23 S. 11.

c. A long call reserve pilot who is awarded a GS rotation with a report that is within 12 hours of the first attempted contact will receive single pay, no credit for the first duty period of the rotation (in addition to any other pay and credit for the bid period).

2. GSWC

A pilot will be removed from a rotation(s) on his regular line that conflicts with a GSWC rotation(s). Such pilot will receive single pay and credit plus one-half pay, no credit for the greater of the flown or removed rotation(s).

3. IA

a. A regular pilot who has flown an inversely assigned rotation(s) or portion thereof will receive double pay, no credit for such flying.

b. A reserve pilot who has flown an inversely assigned rotation(s) will receive:
   1) single pay and credit for the portion of such rotation(s) flown on his reserve on-call days (applied against his reserve guarantee), and
   2) single pay, no credit for the portion of such rotation(s) that interrupted his X-day(s) (in addition to any other pay and credit for the bid period).

Note: A reserve pilot who flies an inverse assignment rotation into an X-day(s) is entitled to additional time free of duty under Section 23 S. 11.

c. A long call reserve pilot who is inversely assigned a rotation with a report that is within 12 hours of the first attempted contact will receive single pay, no credit for the first duty period of the rotation (in addition to any other pay and credit for the bid period).

Note: Inverse assignment of a long call reserve pilot within 12 hours of report will be by proffer.

d. A pilot will not be eligible for sick leave pay and credit for an IA if he is unable to fly the rotation due to sickness at the time of the notification of the assignment.

4. IAWC

a. A pilot will be removed from a rotation(s) on his regular line that conflicts with an IAWC rotation(s). Such pilot will receive:
   1) single pay and credit for the removed rotation(s), and
   2) single pay, no credit for the IAWC rotation(s) flown.

b. A pilot will not be eligible for sick leave pay and credit for an IAWC if he is unable to fly the rotation due to sickness at the time of the notification of the assignment.

5. A GS, GSWC, IA or IAWC will be accounted for at the end of the bid period and will have no impact on a pilot’s projection.

6. GS pay and/or credit examples:

The GS rotation is referred to as rotation #1; any other rotation that is subsequently awarded/assigned is referred to as rotation #2.

a. Example 1.
   Rotation #1 cancels; pilot does not report.
   Results:
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1) Regular pilot – single pay and credit for rotation #1.
2) Reserve pilot – no pay or credit

b. Example 2.
Rotation #1 cancels; pilot reports but does not fly.
Results:
1) Regular pilot – single pay and credit for rotation #1.
2) Reserve pilot - suit up pay and credit, and additional time free of duty under Section 23 S. 11.

c. Example 3.
Rotation #1 cancels; pilot reports or does not report; flies rotation #2.
Results:
1) Regular pilot—
a) If rotation #2 is recovery flying under Section 23 K. 2. ---single pay and credit for greater of rotation #1 or #2, plus one-half pay, no credit for rotation #2.
b) If rotation #2 is an IA under Section 23 N. or O. ---single pay and credit for rotation #1 and double pay, no credit for rotation #2.
2) Reserve pilot – single pay, no credit (above guarantee) for each interrupted X-day(s), and additional time free of duty under Section 23 S. 11.

d. Example 4.
Prior to or after his report for rotation #1, pilot is inversely assigned to rotation #2; both rotations operate.
Results:
1) Regular pilot—
a) If rotation #2 is recovery flying under Section 23 K. 2. ---single pay and credit for greater of rotation #1 or #2, plus one-half pay, no credit for rotation #2.
b) If rotation #2 is an IA under Section 23 N. or O. ---single pay and credit for rotation #1 and double pay, no credit for rotation #2.
2) Reserve pilot – single pay (above guarantee), no credit for each interrupted X-day(s), and additional time free of duty under Section 23 S. 11.

e. Example 5.
Rotation #1 operates; pilot removed for Company convenience (see Section 4 E.).
Results:
1) Regular pilot – single pay and credit for rotation #1.
2) Reserve pilot – no pay or credit other than suit-up pay, if applicable (see Section 4 H.).

f. Example 6.
Rotation #1 operates; pilot removed due to white/yellow slip by another pilot.
Results:
1) Regular pilot removed (only with his consent) -- no pay or credit.
2) Reserve pilot removed (only with his consent if removal is within 12 hours of report) – no pay or credit.

g. Example 7.
Rotation #1 operates or cancels; pilot sick.
Result: Pilot eligible for sick leave (see Section 14).

7. IA pay and/or credit examples:
The IA rotation is referred to as rotation #1; any other rotation that is subsequently awarded/assigned is referred to as rotation #2.
a. Example 1.
Rotation #1 cancels; pilot does not report.

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Results:
1) Regular pilot – single pay and credit for rotation #1.
2) Reserve pilot – no pay or credit.

b. Example 2.
Rotation #1 cancels; pilot reports but does not fly.
Results:
1) Regular pilot – single pay and credit for rotation #1.
2) Reserve pilot - suit up pay and credit, and additional time free of duty under
Section 23 S. 11.

c. Example 3.
Rotation #1 cancels; pilot reports or does not report; flies rotation #2.
Results:
1) Regular pilot –
   a) If rotation #2 is recovery flying under Section 23 K. 2. ---single pay and credit
      for greater of rotation #1 or #2, plus single pay, no credit for rotation #2.
   b) If rotation #2 is an IA under Section 23 N. or O.---single pay and credit for
      rotation #1 and double pay, no credit for rotation #2.
2) Reserve pilot – single pay (above guarantee), no credit for each interrupted X-
   day(s), and additional time free of duty under Section 23 S. 11.

d. Example 4.
Prior to or after his report for rotation #1, pilot is inversely assigned to rotation #2;
both rotations operate.
Results:
1) Regular pilot –
   a) If rotation #2 is recovery flying under Section 23 K. 2. ---single pay and credit
      for greater of rotation #1 or #2, plus single pay, no credit for rotation #2.
   b) If rotation #2 is an IA under Section 23 N. or O.---single pay and credit for
      rotation #1 and double pay, no credit for rotation #2.
2) Reserve pilot – single pay (above guarantee), no credit for each interrupted X-
   day(s), and additional time free of duty under Section 23 S. 11.

e. Example 5.
Rotation #1 operates; pilot removed for Company convenience (Section 4 E.).
Results:
1) Regular pilot – single pay and credit for rotation #1.
2) Reserve pilot—no pay or credit (other than suit-up pay, if applicable, see
   Section 4H.).

f. Example 6.
Rotation #1 operates; pilot removed due to white/yellow slip by another pilot.
Results:
1) Regular pilot removed (only with his consent) - no pay or credit.
2) Reserve pilot removed (only with his consent if removal is within 12 hours of
   report) – no pay or credit.

g. Example 7.
Rotation #1 operates or cancels; pilot sick.
Result: Pilot eligible for sick leave (see Section 14)

8. GSWC pay and/or credit examples
The rotation on a pilot’s line that is removed due to conflict is referred to as rotation #1;
the GSWC rotation is referred to as rotation #2; any other rotation that is subsequently
awarded/assigned is referred to as rotation #3.
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a. Example 1.
   Rotation #2 cancels; pilot reports or does not report.
   Result: Single pay and credit for the greater of rotation #1 or #2. If rotation #1 has
   not been awarded to another regular pilot, it will be reinstated on his line, in which
   case the pilot will receive single pay and credit for rotation #1 as flown.

b. Example 2.
   Rotation #2 cancels; pilot reports or does not report; flies rotation #3.
   Results:
   1) If rotation #3 is recovery flying under Section 23 K. 2.—single pay and credit for
      rotation #1 plus single pay and credit for the greater of rotation #2 or #3, plus one-
      half pay, no credit for rotation #3.
   2) If rotation #3 is an IA under Section 23 N. or O., – single pay and credit for the
      greater of rotation #1 or #2, plus double pay, no credit for rotation #3.

c. Example 3.
   Prior to or after his report for rotation #2, pilot is inversely assigned with conflict to
   rotation #3; both rotations operate.
   Results:
   1) One and one-half pay and credit for greater of rotation #1 or #2, plus
   2) Rotation #3 – double pay, no credit.

d. Example 4.
   Rotation #2 operates; pilot removed for Company convenience (see Section 4 E.).
   Result: Single pay and credit and one-half pay, no credit for greater of rotation #1 or
   #2. The pilot will not be reinstated on rotation #1.

e. Example 5.
   Rotation #2 operates; pilot removed due to white/yellow slip by another pilot (only
   with the pilot’s consent).
   Results:
   1) Rotation #1 – single pay and credit as flown if reinstated to his line.
   2) Rotation #2 – no pay or credit.

f. Example 6.
   Rotation #2 operates or cancels; pilot sick.
   Result: Eligibility for sick leave (see Section 14) at single pay and credit for the
   greater of rotation #1 or rotation #2.

9. IAWC pay and/or credit examples
   The rotation on a pilot’s line that is removed due to conflict is referred to as rotation #1;
   the inversely assigned rotation is referred to as rotation #2; any other rotation that is
   subsequently awarded/assigned is referred to as rotation #3.
   a. Example 1.
      Rotation #2 cancels; pilot reports or does not report.
      Result: Single pay and credit for the greater of rotation #1 or #2. If rotation #1 has
      not been awarded to another regular pilot, it will be reinstated on his line, in which
      case the pilot will receive single pay and credit for rotation #1 as flown.
   b. Example 2.
      Rotation #2 cancels; pilot reports or does not report; flies rotation #3.
      Results:
      1) Rotation #1 – single pay and credit, and
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2) If rotation #3 is recovery flying under Section 23 K. 2. – single pay and credit for the greater of rotation #2 or #3, plus single pay no credit for rotation #3 as flown.

3) If rotation #3 is an IA under Section 23 N. or O. - single pay and credit for rotation #2, plus double pay no credit for rotation #3.

c. Example 3.
Prior to or after his report for rotation #2, pilot is inversely assigned with conflict to rotation #3; both rotations operate.
Results:
1) Rotation #1 - single pay and credit, plus
2) Rotation #2 – single pay and credit, plus
3) Rotation #3 – double pay, no credit.

d. Example 4.
Rotation #2 operates; pilot removed for Company convenience (see Section 4 E.).
Result: Single pay and credit for rotation #1, plus single pay, no credit for rotation #2. The pilot will not be reinstated on rotation #1.

e. Example 5.
Rotation #2 operates; pilot removed due to white/yellow slip by another pilot (only with the pilot’s consent).
Results:
1) Rotation #1 – single pay and credit as flown if reinstated to his line.
2) Rotation #2 – no pay or credit.

f. Example 6.
Rotation #2 operates or cancels; pilot sick.
Result: Eligibility for sick leave (see Section 14) at single pay and credit for the greater of rotation #1 or rotation #2.

V. Shuttle Operations

1. Only a NYC Shuttle aircraft type category pilot may be awarded/assigned or rerouted to airport standby duty.

2. An airport standby duty period:
a. will not include a Shuttle flight segment when published in the bid package.
   Exception: An airport standby duty period in BOS or DCA may include a deadhead to or from LGA.
b. known at the time of line construction, will be
   1) published in the bid package, and
   2) considered as credit for purposes of PBS staffing calculations.
c. will have a report and release.
d. will not be scheduled to exceed 12 hours, including deadhead.
e. will not be extended for any reason.
f. will be considered a rotation if it reports and releases at LGA.
g. may be included as part of a rotation that includes non-standby duty period(s) if it does not report and release at LGA.
h. may be canceled if it becomes open time.
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3. While on airport standby duty, a pilot:
   a. will not be provided lodging.
   b. will be provided with a quiet, clean area furnished with reclining chairs, away from
      the operations area, at or near the airport.
   c. is eligible to receive DPA, reserve duty period average, duty period credit, and
      rotation credit under Section 12 H., J., K., and L.
   d. who is assigned a Shuttle flight segment(s) which concludes within his airport
      standby period will return to standby status until the conclusion of his standby period,
      unless he is released from duty by the Company.
   e. will not be utilized to fly a non-Shuttle flight segment(s) unless:
      1) the need for a pilot becomes known less than three hours before departure of the
         flight segment to be protected, and
      2) no other pilot is available to fly such flight segment(s).
   f. will not be required to operate a flight from his base that is scheduled to depart after
      the conclusion of his airport standby duty period.

4. A pilot who deadheads on or operates a Shuttle flight segment(s) that is scheduled to
   block out before the end of an airport standby duty period and extends beyond such
   period will not be scheduled to exceed the maximum duty time in Section 12 D.

5. The Company will attempt to return a pilot on airport standby duty, who has been
   assigned or rerouted to non-Shuttle flight segments, to his airport standby duty period.

6. When a pilot on airport standby duty is assigned non-Shuttle flight segment(s), the
   maximum scheduled duty time contained in Section 12 D. will apply starting with the
   report for his airport standby duty period.

7. A pilot with scheduled back-to-back airport standby duty periods, who cannot report at
   the start of his second airport standby duty period because of a reroute, FAR/PWA
   conflict, late operation or assignment to non-Shuttle flying will be pay protected under
   Section 4 F. The Company may assign recovery flying to such pilot under Section 23 K.,
   or return him to his original airport standby duty period.

8. An out-of-base pilot who is rerouted to fly a Shuttle flight segment(s) will be scheduled
   for an intervening layover immediately prior to the first Shuttle segment.
   Exception: A pilot who is physically in NYC/BOS/DCA at the time of the reroute may
   not be scheduled for an intervening layover.

9. An out-of-base pilot may be awarded/assigned a rotation that includes a Shuttle flight
   segment(s) under the coverage process in Section 23 N. or O. Such pilot may be
   deadheaded from his base to begin flying such flight segment(s) in the same duty period
   (without an intervening layover), if there is insufficient time to pre-position the pilot.
   Such deadhead will not be considered a non-Shuttle flight segment.

10. A pilot who is not on airport standby duty cannot operate a Shuttle flight segment(s) and
    then perform airport standby duty within the same duty period.

11. A NYC Shuttle aircraft type category pilot on a Shuttle rotation may be rerouted through
    or out of his base to other Shuttle flight segments, in which case:
    a. the least number of pilots possible will be rerouted,
    b. the Company will attempt to return the rerouted pilot to his original rotation, and
    c. the reroute will not extend beyond the last day of the pilot’s original rotation.

12. A NYC Shuttle aircraft type category pilot on a Shuttle rotation will be provided free
    parking at LGA in the vicinity of the Marine Air Terminal.
W. Reserves Required

1. For each category, the number of reserves required (R) will not exceed the number calculated under the following formula:
   a. Determine the average number of reserve duty periods worked (including duty periods flown under GS/GSWC/IA/IAWC) by day of week over the least recent 12 of the last 13 months.
   b. Apply one standard deviation to each day of week average.
      Exception: Apply two standard deviations to the average for each day of the week that falls within a three day period beginning the day before the following days:
      1) New Year’s Day,
      2) Super Bowl Sunday,
      3) Easter Sunday,
      4) Memorial Day,
      5) Independence Day,
      6) Labor Day,
      7) Thanksgiving, and
      8) Christmas.
   c. Multiply this average by the total scheduled block and credit hours for the category for the bid period divided by the average of the total scheduled block and credit hours for the category for the least recent 12 of the last 13 months.
      Exception one: At any time, Crew Scheduling may substitute a value for reserves required (R) that is lower than the value created by the application of the formula.
      Exception two: Within eight days of the date for which the formula is applied, Crew Scheduling may substitute a value for reserves required (R) that is higher than the value created by the application of the formula.
      Note: The Company and the Association will meet and confer quarterly to mutually review the application of the formula to ensure it provides realistic operational reserve coverage.

2. Formulae values and definitions:
   a. D = date for which the formula is applied
   b. A = number of reserves available in category on D
   c. R = number of reserves required in category on D, as determined by Section 23 W. 1.
   d. M = a multiplier determined by the Company which will not exceed 1.5
   e. “Day to be dropped” means:
      1) a day on which a regular pilot is scheduled to be on a rotation and on which, if his requested swap is granted, he will not be scheduled to be on a rotation.
      2) a day to which a reserve pilot is requesting to move an X-day.
   f. “Day to be added” means:
      1) a day on which a regular pilot is not scheduled to be on a rotation and on which, if his requested swap is granted, he will be scheduled to be on a rotation.
      2) a day from which a reserve pilot is requesting to move an X-day.

3. A request to swap with the pot under Section 23 H. that meets the conditions set forth in Section 23 H. 5. will be granted if:
   a. the number of reserves available in the category (A) on the day(s) to be dropped is greater than the number of reserves required (R) on such days, or
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4. A request to move an X-day(s) that otherwise meets the eligibility requirements of Section 12 N. 9. will be granted if:
   a. the number or reserves available in the category (A) on the day(s) to be dropped is greater than the number of reserves required (R) on such days, or
   b. application of the formula described in Section 23 W. 5. allows the X-day(s) move request to be granted.

5. Formula:
   a. Non-holiday application: A swap or X-day move request in which no day to be dropped falls within an APD holiday period as described in Section 23 I. 8. a. Exception will be granted if the sum of the negative differences of A-R on the days to be dropped times M (taken to the next lowest integer) ≥ the sum of the negative differences of A-R on the days to be added.
   
   Example: Assume a pilot is scheduled to fly rotation 4027 and wishes to swap it for rotation 4029. Assume further that the days to be dropped (13-15) do not lie within an APD holiday period and that a multiplier (M) of 1.5 is being used. The swap would be granted because the sum of the negative differences A-R times M (-3 x 1.5 taken to next lowest integer = -5) for the days to be dropped (13-15) is ≥ the sum of the negative differences A-R (-5) for the days to be added (17-19). (The differences A-R on the 13th and 18th are not used in the calculation because they are positive, not negative, differences.)

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<thead>
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<th>13</th>
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<td>-2</td>
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</table>

   b. Holiday application: A swap or X-day move request in which a day to be dropped falls within an APD holiday period as described in Section 23 I. 8. a. Exception will be granted if, for each day to be dropped on which A is less than R, there is a day to be added on which the negative difference of A-R ≤ the negative difference of A-R times M on the day to be dropped.

   Note: If A-R on a day to be dropped equals zero, the result will be considered negative one (-1).
Example: Assume a pilot is scheduled to fly rotation 4027 and wishes to swap it for rotation 4029. Assume further that one or more of the days to be dropped (13-15) falls within an APD holiday period and that a multiplier (M) of 1.5 is being used. The swap would be denied because on the 15th, A is less than R and there is no day to be added (17 – 19) on which the negative difference A-R ≤ the negative difference A-R times M (-3 x 1.5 taken to next lowest integer = -5).

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<th>Day</th>
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6. A request for a personal drop under Section 23 I. 7. will be granted if at the time of processing, the application of the reserves required formula yields a result wherein the number of reserves available in the category (A) on the dates of the dropped rotation(s) or reserve on-call day(s) is greater than the number of reserves required (R) on such days.

X. Scheduling Committee

1. The MEC Scheduling Committee will:
   a. have the right to meet with the Company prior to posting of bids to advise and consult on:
      1) proposed schedule changes,
      2) the allocation and reallocation of flying time among bases,
      3) other scheduling problems as they arise from time to time, and
      4) other matters as otherwise provided in the PWA.
   b. be notified of proposed schedule changes as far in advance as practicable.
   c. be provided access to OSS data necessary to administer and enforce the PWA, (i.e., specific rotation and FAM histories). Such data will be provided to the Scheduling Committee in an electronic format (if practicable) within two business days of an Association request. Alternately, and at Company option, the Scheduling Committee may be provided access to a computer terminal at the Company headquarters.
   Exception: OSS data from a bid period that is prior to the previous bid period will be provided to the Scheduling Committee as soon as practicable.
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2. Access to Planning Data
   The Company will provide the MEC Chairman or his designee with regular and timely
   access to information that is required to monitor the administration of staffing and
   planning provisions of the PWA and the daily assignment of rotations, including:
   a. copy of rotations - monthly
   b. TP base statistical printout (pilots/credit hours) - monthly
   c. GS/GSWC/IA/IAWC assignments (duty periods)
   d. Pilots purged from seniority list
   e. Seniority list
   f. Category list
   g. Position cancellations and results
   h. Conversion list
   i. Monthly staffing spread sheet
   j. XCM list - monthly
   k. Pilot schedules
   l. Alphabetical list of pilots
   m. White slip, GS, yellow slip, pilot request history and award information
   n. Instructor line rotation schedule

3. The Company will provide either batch-print capability or print to file capability, at its
   option, for the DBMS information required under Section 23 X. 2.

4. PBS Audit Data
   The Company will provide the MEC Chairman or his designee with regular and timely
   access to information that is required to monitor the PBS line award process, including
   for each category the following reports generated by PBS:
   a. the Stats Report.
   b. the Roster Report.
   c. the Unstacking Report.
   d. the Wide Report.

Y. Commuting Policy

1. A commuting pilot is expected to arrive at his base with sufficient time and with adequate
   rest prior to beginning scheduled duty.

2. A commuting pilot who is unable to report to his base as scheduled, due to an
   interruption to his travel plans, will notify Crew Scheduling of his inability to report as
   soon as possible. Crew Scheduling may, at its discretion:
   a. deadhead the pilot (without pay or credit) to join his rotation,
   b. place the pilot on his rotation when it transits his base (without a rotation guarantee),
   c. remove the pilot from the rotation without pay, or
   d. remove the reserve pilot from his on-call day without pay.
   Note: Such day will be considered a non-fly day for purposes of
   Section 23 S. 5. e. and 6. b.

3. A commuting pilot who travels to his base by air will not be eligible for treatment under
   Section 23 Y. 2. unless he has attempted to travel on at least two flights (on and/or off
   line) that:
Section 23 - Scheduling

1. show adequate actual seat availability within 24 hours of the departure, considering the pilot’s seniority and the normal load factor of the flight; or, on which the pilot has a jumpseat reservation,

2. are scheduled to arrive at his base at a reasonable time before his scheduled report, and

3. are separated by at least two hours.

4. It is expected that a pilot will avail himself of Section 23 Y. 2. on a rare basis.

5. A pilot who has demonstrated a pattern of inability to report as scheduled will be subject to progressive disciplinary action.

6. If the FAA amends its policies to treat commuting time as a break in a pilot’s rest period:
   a. this commuting policy will be canceled, and
   b. the Company and Association will seek agreement on a suitable replacement for this commuting policy.

Z. Miscellaneous, PBS Pay and Scheduling Examples

1. Daily rates for absences used in the examples below:
   a. Vacation: 3:15 pay, no credit (3:00, effective with the 2007-2008 vacation year) (see Section 7 G. 1.)
   b. CQ Training: 3:15 pay, no credit (see Section 11 B. 2. a. 1).
   c. Qualification training: pro rata portion of the ALV, pay and credit (see Section 11 B. 1. a. and b.)
   d. Known sick leave: pro rata portion of the ALV for regular pilots and pro rata portion of the reserve guarantee for reserve pilots, pay and credit (see Section 14 E. 1. a. and b.)
   e. Unpaid leave of absence: pro rata portion of the ALV (for line construction purposes only) (see Section 13 J. 3.)

2. When a regular pilot is scheduled for a known period of absence in the upcoming bid period, his line is built within his LCW, including the value of the absence. Assume a 30-day bid period, with ALV = 75:00 and LCW = 67:30 to 82:30 in the following examples.
   a. Example 1 – Pilot is scheduled for seven days of vacation.
      Result:
      1) The value of the pilot’s vacation is 7 x 3:15 = 22:45. (7 x 3:00 = 21:00, effective with the 2007-2008 vacation year)
      2) Pilot is awarded a line with a value between 67:30 and 82:30 (including the value of his vacation).
      3) Pilot receives pay and credit for rotations flown and pay, no credit for the value of his vacation.
   b. Example 2 – Pilot is scheduled for four days of CQ training.
      Results:
      1) The value of the CQ training is 4 x 3:15 = 13:00.
      2) Pilot is awarded a line with a value between 67:30 and 82:30 (including the value of the CQ).
      3) Pilot receives pay and credit for rotations flown and pay, no credit for the value of his CQ training.
c. Example 3 – Pilot is scheduled for 16 days of qualification training.

Results:
1) The value of the qualification training is 16 x 2:30 (75:00 / 30) = 40:00.
2) Pilot is awarded a line with a value between 67:30 and 82:30 (including the value of the qualification training).
3) Pilot receives pay and credit for rotations flown prior to his training, his qualification training and the greater of the value of rotations awarded subsequent to his scheduled training or OE trips flown.

d. Example 4 – Pilot has 15 days of scheduled sick leave.

Results:
1) The value of the pilot’s scheduled sick leave is 15 x 2:30 (75:00 / 30) = 37:30.
2) Pilot is awarded a line with a value between 67:30 and 82:30 (including the value of his scheduled sick leave).
3) Pilot receives pay and credit for rotations flown and the value of his scheduled sick leave.

e. Example 5 – Pilot is scheduled for ten days of military leave.

Results:
1) The value (for line construction purposes only) of the unpaid leave is 10 x 2:30 (75:00 / 30) = 25:00.
2) Pilot is awarded a line with a value between 67:30 and 82:30 (including credit for the value of his unpaid leave of absence).
3) Pilot receives pay and credit for rotations flown.

3. Before implementation of PBS reserve bidding, a pilot who is awarded or assigned to reserve in PBS will be awarded a reserve line in DBMS by seniority and bid preferences.

a. A reserve on-call day(s) that conflicts with a reserve pilot's vacation period will be removed from his line.

1) Notwithstanding Section 7 G. 2., the reserve guarantee of such a pilot will be reduced by 3:53 for each on-call day removed.
2) Such pilot will receive 3:15 (3:00 effective April 1, 2007) pay, no credit for each day of his vacation (in addition to any other form of pay for the bid period).
3) Notwithstanding Section 12 N. 9. c., prior to the first day of the bid period, a pilot may move an X-day(s), subject to Section 12 N. 9. a., b., d. - f., into his vacation provided the number of reserves available is less than the number of reserves required on each day(s) from which the X-day(s) is to be moved.

b. A reserve pilot’s guarantee will be reduced by 1/30th or 1/31st for each on-call day removed from his line to accommodate scheduled CQ training.

1) Such pilot will receive 3:15 pay, no credit for each day of his CQ training (in addition to any other form of pay for the bid period).
2) Subject to Section 12 N. 9., such pilot may move an X-day(s) into or out of his period of CQ training.

4. Upon implementation of PBS reserve bidding, when a reserve pilot is scheduled for a known period of absence in the upcoming bid period, his X-days will be pro-rated for the absence under the chart in Section 12 N. 7. His reserve guarantee will be reduced by 1/30th or 1/31st for each day of the absence, and he will be paid the value of the absence in addition to any other pay for the bid period. Assume a 30-day bid period, with ALV = 75:00 and a reserve guarantee of 70:00 hours in the examples below.
Section 23 - Scheduling

a. Example 1 – Pilot has seven days of vacation in the bid period.
   Results:
   1) Pilot receives nine X-days plus one Crew Scheduling assigned X-day.
   2) Pilot’s reserve guarantee is reduced by 1/30\textsuperscript{th} for each day of his vacation
      (70:00 – [7 x 2:20]) = 53:40 adjusted reserve guarantee for the bid period.
   3) Pilot is paid 7 x 3:15 = 22:45 (7 x 3:00 = 21:00, effective with the 2007-2008
      vacation year) for the vacation in addition to any other pay for the bid period.

b. Example 2 – Pilot is scheduled for four days of CQ training.
   Results:
   1) Pilot receives ten X-days plus one Crew Scheduling assigned X-day.
   2) Pilot’s reserve guarantee is reduced by 1/30\textsuperscript{th} for each day of his CQ training
      (70:00 – [4 x 2:20]) = 60:40 adjusted reserve guarantee for the bid period.
   3) Pilot is paid 4 x 3:15 = 13:00 for the CQ training in addition to any other pay for
      the bid period.

c. Example 3 – Pilot is scheduled for 16 days of qualification training.
   Results:
   1) Pilot receives five X-days plus one Crew Scheduling assigned X-day.
   2) Pilot’s reserve guarantee is reduced by 1/30\textsuperscript{th} for each day of his qualification
      training (70:00 – [16 x 2:20]) = 32:40 adjusted reserve guarantee for the bid
      period.
   3) Pilot is paid 16 x 2:30 = 40:00 for the qualification training in addition to any
      other pay for the bid period.

d. Example 4 – Pilot has 15 days of scheduled sick leave.
   Results:
   1) Pilot receives five X-days plus one Crew Scheduling assigned X-day.
   2) Pilot’s reserve guarantee is reduced by 1/30\textsuperscript{th} for each day of his scheduled sick
      leave (70:00 – [15 x 2:20]) = 35:00 adjusted reserve guarantee for the bid period.
   3) Pilot is paid 15 x 2:20 = 35:00 for the scheduled sick leave in addition to any
      other pay for the bid period.

e. Example 5 – Pilot is scheduled for ten days of military leave.
   Results:
   1) Pilot receives seven X-days plus one Crew Scheduling assigned X-day.
   2) Pilot’s reserve guarantee is reduced by 1/30\textsuperscript{th} for each day of his military leave
      (70:00 – [10 x 2:20]) = 46:40 adjusted reserve guarantee for the bid period.
   3) Pilot receives no pay for the period of military leave.
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SECTION 24

GENERAL

A. Non-Discrimination

The provisions of the PWA will apply equally to all pilots regardless of race, creed, color, national origin or sex.

B. Insurance Against Suits

The Company will provide liability insurance coverage protecting a pilot and his estate, to the extent permitted by law, against suits by fellow employees and third parties arising out of any alleged acts or omissions occurring within the course and scope of the pilot’s employment with the Company. Such insurance will be in an amount not less than one billion dollars.

C. Notification of Changes

An order to a pilot involving a change in pilot base, promotion, demotion, furlough, or leave of absence will be confirmed in writing and mailed to him.

D. Jumpseat

1. A pilot on active payroll status, a furloughed pilot (other than a pilot who has bypassed recall), and an airman employed by an airline with whom the Company maintains a reciprocal jumpseat usage arrangement will be afforded use of the cockpit jumpseat for personal travel in accordance with rules and procedures established by the Company, unless superseded by law or regulation.

2. The jumpseat booking window will be the same for all pilots for personal travel. An expanded booking window will be available for SLIs and LCPs when traveling to perform their SLI and LCP duties.

3. The recommendations of the MEC Jumpseat Committee will be considered in the Company’s establishment of jumpseat rules and procedures.

4. The Company will commence discussions with Alaska, Continental and Northwest Airlines with the goal of achieving a reciprocal “Jumpseat Flow Back” program with each such airline. Not later than January 1, 2007, the Company will commence discussions with US Airways and United Airlines with the goal of achieving a reciprocal “Jumpseat Flow Back” program with each such airline.

5. The Company will implement and maintain a Cockpit Access Security System (CASS) no later than August 11, 2005.

6. On a flight on which a flight attendant jumpseat will not be occupied by a Delta flight attendant (working or not), a pilot may occupy that jumpseat if no other seats are available onboard the aircraft.
E. Changes in Uniforms

The Company will consider the recommendations of the MEC Chairman or his designee before making any change in the style, color, or material of uniforms. Any such change will not become effective until six months after notification to the pilots.

F. Copies of Agreement

The Company will make a copy of this PWA available to each pilot within 90 days after its date of signing and to each entry level pilot at the time he is employed. The Company will publish and maintain the PWA on the Flight Operations website within 90 days after its date of signing.

G. Company Identification Card

The Company will issue a pilot a Company identification card.

H. Insurance for Training, Check, and Test Flights

The Company will provide a pilot $1,000,000 accidental death and dismemberment insurance coverage while he is on board Company training flights, check flights, or test flights. The pilot’s beneficiary for such coverage will be the same as the beneficiary he designated for his Company provided life insurance coverage.

I. Denial of Pay or Expenses

A pilot will be notified of the reason whenever the Company denies any item of pay or expenses.

J. Association Business

1. A pilot may request to drop a rotation, a reserve on-call day or an SLI duty period to conduct Association business when authorized by the MEC Chairman or his designee. The Association will notify Crew Scheduling at the earliest opportunity of the pilot’s request. Such request will be granted unless doing so would cause a flight not to operate or a training event not to be accomplished.

2. The Company will pay a pilot for financial loss incurred while on authorized Association business as if such pilot had remained on regular duty with the Company.

3. Payments made under Section 24 J. 2. plus a 35.75% benefit/salary related expense override will be reimbursed to the Company by the Association. Exception: The Association will not be liable for flight pay and benefit override reimbursement to the Company for payments made to the following elected and appointed officials of the Delta Master Executive Council when conducting Association business related to the Company:
   a. Chairman
   b. Vice Chairman
c. Executive Administrator

d. Secretary/Treasurer

e. Association-appointed member of the Company’s Board of Directors

f. MEC members excluding LEC non-voting Secretary/Treasurers

g. Central Air Safety Chairman

h. Scheduling Committee Chairman

i. Retirement & Insurance Committee Chairman

j. Hotel Committee Chairman

k. DPAC Committee Chairman

l. Negotiating Committee (up to three members)
m. Crew Rest Optimization Team members (as provided in Section 16 C. 3. a.)

n. Pilot members of the Flight Operations Quality Assurance (FOQA) monitoring team

while participating on the FOQA monitoring team.

4. The Company and Association will agree upon a method and procedure for compliance

with Section 24 J. 2. and 3.

5. The Association will reimburse the Company for the amount of premium pay that results

from an open time assignment (i.e., green slip, green slip with conflict, inverse

assignment, inverse assignment with conflict) that covered:

a. a rotation that a pilot dropped under Section 24 J. 1.,

b. one other rotation that originated on the same day as a rotation that a pilot dropped

under Section 24 J. 1., or

c. one rotation that originated and released during each period of consecutive reserve

on-call days that a pilot dropped under Section 24 J. 1.

Note: Section 24 J. 5. will not apply to ALPA FOQA monitoring team members.

6. A rotation that a pilot dropped under Section 24 J. 1. that is awarded to another pilot via

a white slip or swap, and subsequently returned to open time for a reason other than an

ALPA drop, will not be subject to reimbursement to the Company under Section 24 J. 3.

7. Positive space coach on-line transportation will be provided to a pilot engaged in

approved Association business that is certified by the MEC Chairman.

a. The following pilots are eligible for such positive space coach on-line transportation:

1) a pilot serving ALPA in a national capacity as:

a) President, First Vice President, Vice President – Administration/Secretary,

   Vice President – Finance/Treasurer or Executive Administrator, or

b) Executive Vice President.

2) an LEC:

   a) Chairman

   b) Vice Chairman

   c) Secretary/Treasurer

3) the MEC:

   a) Chairman

   b) Vice Chairman

   c) Executive Administrator

   d) Secretary/Treasurer

   e) Association-appointed member of the Company’s Board of Directors

   f) Negotiating Committee Members

   g) System Board Members
h) Air Safety Representatives
i) Merger Representatives
j) Scheduling Committee Members
k) Hotel Committee Members
l) Jumpseat Committee Chairman
m) Code Share Committee Chairman
n) Professional Standards Committee Chairman
o) Aeromedical Committee Chairman
p) Communications Committee Chairman
q) Membership Committee Chairman
r) Aviation Security Committee Chairman
s) SPC Chairman
t) DPAC Chairman
u) International Flying Committee Chairman
v) Communications Technology Committee Chairman
w) Stock Advisory Committee Chairman
x) Retirement and Insurance Committee Chairman
y) Training Committee Chairman
z) Strategic Planning Committee Chairman
aa) Legislative Affairs Committee Chairman.

b. The MEC Chairman will provide a standing positive space authorization list to the XCM desk. This list will be updated monthly and:
   1) contain the names of all pilots specified in Section 24 J. 7. a., and
   2) be kept on file at the XCM desk.

c. A pilot who is not on the standing positive space authorization list, but is required to travel occasionally on ALPA business, may be placed on a temporary positive space authorization list by the MEC Chairman. This list will be provided to the XCM desk and updated monthly.

d. A pilot on the standing or temporary positive space authorization list may reserve a seat by calling the XCM desk no earlier than three days prior to the date of travel. A reservation will be confirmed if current sales do not exceed the aircraft’s capacity.
e. In the event of an overbooked situation at departure time, unless the ALPA business is critical, the member should release his seat and rebook on an alternative flight.

8. An LEC Chairman, Vice Chairman and Secretary/Treasurer may drop a rotation or reschedule reserve X-day(s) in order to conduct a monthly council meeting. If such LEC Officers are regular pilots, they will be given first priority to white slip open time (by telephoning Crew Scheduling) during that bid period to recover such dropped rotations.

9. The MEC Chairman, Vice Chairman, Executive Administrator/Secretary, Secretary/Treasurer and three MEC Negotiating Committee members (“designated pilots”) will be paid as follows:
   a. A designated pilot who chooses to be removed from his category (under LOA # 1 (Release from Duty for Association Business), paragraph 2. a. 1) or 2. b.) will be paid to the ALV plus 5 hours, not to exceed 82 hours, at the rate of pay for the highest position his seniority permits him to hold.
   b. A designated pilot who chooses to remain in his category (under LOA # 1 (Release from Duty for Association Business), paragraph 2. a. 2)) will be paid at the rate of
pay of the highest position his seniority permits him to hold. This rate will be applied
to the hours shown on his line at the completion of the bid period.

K. Roster of Pilots’ Earnings

Prior to March 1st each year, the Company will furnish the Association a roster of pilots’
earnings for the previous calendar year, for the purpose of aiding the Association in
determining members’ annual dues. The names listed on the roster shall be limited to pilots
who received earnings under the provisions of the PWA during the previous calendar year. A
pilot’s earnings, as listed on the roster, will be the earnings reported on his W-2 form for
Federal income tax purposes.

L. Free and Reduced Rate Transportation

1. Free and reduced rate transportation privileges granted by Company policy to non-
contract personnel now or in the future, will be extended to pilots.
2. There will be no substantial reduction in on-line transportation privileges as a whole, for
pilots during the term of this PWA.
Note: The Company may charge a yearly pass usage fee that will be the same charge as for
other employees, but will not exceed $50 per year per primary pass rider.

M. Central Air Safety Committee

The MEC Central Air Safety Committee will have the right to meet with the Company
concerning safety and operational matters.

N. Direct Paycheck Deposit

A pilot may direct the Company to electronically deposit his paychecks directly in the
domestic bank of his choice capable of processing such a deposit.

O. Recording Devices

1. The Company has no plans to utilize any recording system or device currently aboard the
aircraft or to be added to its aircraft for any purpose other than the maintenance and
accident investigation purposes for which such equipment is intended.
2. If installation of any recording system or device is required which might be used for a
purpose other than that stated herein, the Delta MEC Chairman will be advised and
conferences will be scheduled within 90 days.
3. Information from FOQA devices, cockpit voice recorder (CVR) devices, or cockpit video
recordings will not be used against a pilot in any manner in a disciplinary case.
4. The Company will give notice to the MEC Chairman prior to responding to litigation
discovery seeking recording device information.
5. Unless mandated by law:
a. there will be no video recordings in the cockpit.
b. the Company will not install recording devices not currently on the aircraft for the 
sole purpose of monitoring pilot performance.

c. new aircraft will not be equipped with recording devices, not currently in the fleet, for 
the sole purpose of monitoring pilot performance.

P. ALPA Access to Pilot Mailboxes

The Association retains the right to use the pilot mailboxes for ALPA communications 
consistent with established past practice.

Q. Drug and Alcohol Screening

1. A pilot will not be subject to drug or alcohol screening, other than “return to duty” and 
“follow-up testing”, unless required by law or regulation.

Exception: A pilot will be subject to “reasonable cause” drug and alcohol testing in 
accordance with the following: When reasonable cause exists, based on observable and 
objective criteria (e.g., articulable observation of the pilot’s appearance, behavior, 
speech, or body odors) of probable drug or alcohol use by a pilot, a Flight Operations 
management pilot (Base Flight Operations Manager or above) may direct that the pilot be 
required to submit to drug and/or alcohol testing. Reasonable cause must be established 
by direct observation by at least one management official in consultation with another 
management official who is trained in detecting the indications of drug and alcohol use. 
Such officials must concur in the decision to recommend that the pilot be tested. Once 
the determination is made, the testing will be accomplished as soon as practicable. The 
reason for any delay will be documented. Reports and observations will be documented.

2. Unless prohibited by law or regulation, in the event that the laboratory conducting the 
initial testing of a pilot’s urine sample reports to the Company’s Medical Review Officer 
(MRO) that the sample has been substituted or adulterated, the pilot will be given the 
opportunity to:

a. provide any information he believes is relevant to the MRO, before the MRO makes 
a final determination as to whether the sample will be reported to the Company and 
the DOT as substituted or adulterated.

b. direct that his split sample be sent to a second laboratory for analysis. If the second 
laboratory does not confirm that the sample is substituted or adulterated, the initial 
test results will be disregarded and no action will be taken against the pilot.

3. Drug and alcohol testing screening methodology will comply with DOT regulations.

4. No blood screening or other invasive tests (i.e., a procedure that includes piercing of the 
skin, or insertion of an instrument into a body cavity) unless required by law or 
regulation.

5. A pilot will be supplied with the laboratory report concerning his positive test as soon as 
reasonably possible.

6. Upon his request, a pilot will be provided information concerning his positive test result 
including:

a. the drug/alcohol equipment calibration records pertaining to his test.

b. the quality control data pertaining to his test.

c. the actual test results.
7. The Company will give the Association 90 days notice of any proposed material change
to any drug or alcohol testing program, unless the change is mandated by law or
regulation to occur sooner than 90 days.
8. The Company’s Director of Health Services and the ALPA Aeromedical Director will
jointly agree upon an independent laboratory inspector, to be contracted at Company
expense, to inspect any laboratory utilized by the Company for drug and/or alcohol
testing. The ALPA Aeromedical Director will be given access to:
   a. such independent laboratory inspector;
   b. the HHS designated “responsible person” for any laboratory used by the Company for
drug screening;
   c. current National Laboratory Certification Program (NLCP) certification
documentation for such laboratory.
9. The Company will provide ALPA with statistical information contained in the
   Company’s required annual report to the FAA on the number of pilot:
   a. negative tests.
   b. positive tests.
   c. refusals to test.
10. Due consideration will be given to the recommendations of the ALPA Aeromedical
    Director in the selection and retention of the Company’s MRO.
R. Recording of Telephone Conversations
1. Provided such recordings are not inconsistent with applicable legal or regulatory
   requirements, the Company will create and maintain tape recordings of telephone voice
communications between a pilot and the following offices of the Company:
   a. Crew Scheduling.
   b. Crew Tracking.
2. A pilot who makes a telephone call to, or receives a telephone call from Crew Scheduling
   or Crew Tracking will be notified at the beginning of the call that a tape recording of the
   communication is being created. This notification may be conveyed in a recorded
   message or via periodic beeps.
3. Once a tape recording has begun, it will run continuously, with no ability to selectively
   start and stop such recording.
4. The Company will maintain such tape recordings for a period of not less than six months
   from the date of the conversation.
5. Upon written request, the Association will be granted access to, and copies of tape
   recordings between a specific pilot and a specific scheduler or Crew Tracking
   coordinator. The request will designate the pilot’s name, date and approximate time of
   the call, and the name of the Crew Scheduler or Crew Tracking coordinator on the call.
S. Parking
The Company will provide free parking while a pilot is on duty, for one vehicle at one pilot
or Company flight attendant base, of the pilot’s choice.
T. Association Access to New Hire Pilots

The Association will be allowed at least 90 minutes during the Company new hire pilot indoctrination training, at the end of a day (excluding Friday), to address new hire pilots.

U. E-mail Address

The Company will provide a Company email address for each pilot. Such email address will not be used by the Company for any communication that the pilot is required to acknowledge or for which he will be held accountable for knowing.
SECTION 25

MEDICAL, DENTAL, OPTIONAL LIFE AND ACCIDENT INSURANCE BENEFITS

A. Definitions

1. "150% cap" means the cap that limits the Company’s obligation to fund or provide the medical and dental benefits of retirees, their dependents and survivors to 150% of the Company’s cost of providing such coverage as of the end of 1993. For purposes of determining whether the Company’s obligation is limited by the 150% cap, the Company’s cost will be determined net of all participant contributions. No earlier than January 1, 2008, the 150% cap will apply to pilot retirees, their dependents and survivors enrolled in the DPMP.

2. “Active payroll status” means the status of a pilot who is not on inactive payroll status.

3. "Base premium" means the premium developed each year separately for the DPMP and for each option offered under the DFCMP excluding HMOs and fully insured options, for retirees and survivors, from the combined experience of a population composed of all retirees and survivors (pilot retirees and survivors and other retirees and survivors) participating in DPMP and the DFCMP excluding HMOs and fully insured options. In the case of the premium attributable to children of pilot retirees, such base premium will be based on the combined experience of all dependents participating in the DPMP and the DFCMP excluding HMOs and fully insured options. Such base premium will be developed by the Company’s actuary using reasonable actuarial assumptions and methods that are designed to determine such base premium in the actuary's best professional judgment. The Company’s calculation of the DPMP base premium will be subject to review by the Association. The Company will provide to the Association by June 15th of each year, data, assumptions and methodologies used to determine such costs and base premium. The Association may provide comments on such analysis under the DPMP by July 7th, and the Company's actuary will consider such comments in making its final determination of the base premium. The methodology for determining the base premium will be applied separately to develop pre-Medicare and post-Medicare premiums.

4. “Delta Family Care Medical Plan” (DFCMP) means the non-collectively bargained medical and dental plan offered to flight attendants and ground employees (including HMOs and the no coverage option).

5. “Delta Pilots Medical Plan” (DPMP) means the collectively bargained medical and dental plan available to pilots and pilot retirees under Section 25.

6. “Disability status,” “disability” or “disablement” means being eligible for and receiving disability benefits from the D&S Plan.

7. “Eligible family member” for the purposes of Section 25, means eligible family member as defined in the DPMP.

8. “HMO above composite premium” means the amount charged by the HMO in excess of the composite amount the Company contributes to the cost of the DFCMP (other than an HMO).
9. “Inactive payroll status” means the status of a pilot who is furloughed, receiving benefits under the D&S Plan, military leave that exceeds 30 consecutive days, medical leave, personal leave, family leave, maternity leave, or a pilot on a disciplinary suspension.


13. “Retired” means the termination of the pilot’s employment under circumstances that enable him to receive an early, normal or deferred retirement benefit under the Delta Pilots Retirement Plan or the DC Plan.

14. “Retirement date” means retirement date as defined in the Delta Pilots Retirement Plan or the DC Plan.

15. “Survivor” or “eligible survivor” means an individual who is entitled to receive monthly income survivor benefits under the D&S Plan, but only for so long as such person is eligible for such benefits. After January 1, 2008 “survivor” or “eligible survivor” means the spouse or child of the deceased pilot/pilot retiree, who would be eligible for benefits under the D&S Plan in effect on June 1, 2006.

16. “Total projected costs” for the DPMP for each calendar year will be determined by an actuary selected by the Company and will be developed from the combined experience of a population composed of all of the Company's active employees participating in medical and dental plans excluding HMOs and fully insured options. The Company's actuary will use reasonable actuarial assumptions and methods that are designed to determine such total projected costs in the actuary's best professional judgment. By June 15th of each year, the Company will provide to the Association the actuary's detailed preliminary determination of what the total projected costs will be for the following calendar year. The Association may provide comments on such analysis by July 7th, and the Company's actuary will consider such comments in making its final determination of total projected costs.

B. Pre-Retirement Medical and Dental Benefits

1. Each pilot will be eligible to annually elect for himself and his eligible family members either the DPMP or the DFCMP.

   Exception one: A furloughed pilot who is not receiving furlough pay is not eligible for such election unless he was furloughed prior to July 1, 2003, in which case he will be entitled to make such election for up to five years from his date of furlough.

   Exception two: A pilot who is removed from the seniority list under Section 13 B. 3. will be permitted to make such election so long as he remains eligible for benefits under the D&S Plan.
2. The monthly premium for the medical and dental coverage under the DPMP will be as set forth in the following charts:

| DPMP Out-Of-Area Medical Option (including Comprehensive Dental Option) |
|------------------|------------------|
| 2006             | 25% of total projected costs for 2006 |
| 2007             | 28% of total projected costs for 2007 |
| 2008 and thereafter | 31% of total projected costs for 2008 |

| DPMP Enhanced Medical Option (including Comprehensive Dental Option) |
|------------------|------------------|
| 2006             | 34% of total projected costs for 2006 |
| 2007             | 37% of total projected costs for 2007 |
| 2008 and thereafter | 40% of total projected costs for 2008 |

Exception: A pilot who is on a leave of absence that exceeds 30 days, a pilot on suspension without pay that exceeds 60 days, or a pilot who was furloughed prior to July 1, 2003 must pay a monthly premium equal to the full cost of such coverage, in accordance with procedures established by the Company.

3. The premium for the DFCMP will be determined by the Company. The premium paid by pilots will be the same as it is for all other active Delta employees who have such coverage, based on the options selected, including any additional HMO above composite premium in the case of a pilot enrolled in an HMO.

Note: A pilot who is on a leave of absence that exceeds 30 days, a pilot on suspension without pay that exceeds 60 days, and a pilot who was furloughed prior to July 1, 2003 may continue coverage by making payment to the plan of a monthly premium equal to the full cost of such coverage, in accordance with procedures established by the Company.

4. The Company will pay the cost of reasonable and necessary hospital and medical expenses incurred as a result of occupational injury or illness.

5. It is recognized that the Company will have the right to select the claims processors, plan administrators, trustees, plan record keepers, plan named fiduciaries and plan carriers for the DPMP and may change such entities at any time and for any reason.

6. The Company will establish flexible spending account plans (FSA Plans) in which pilots may participate while on active payroll status.

   a. The FSA Plans will be designed by the Company and may be modified from time to time at the Company’s discretion, including modification of the maximum contributions to such FSA Plans.

   b. The FSA Plans will consist of two accounts, one for the payment of the pilot’s health/vision care expenses and the other for payment of the pilot’s dependent care expenses. The maximum amount a pilot may contribute to the health/vision care account per year will be limited to $9,984. The maximum amount a pilot may contribute to the dependent care account will be limited to the maximum allowed by law that is evenly divisible by 24, to a whole dollar ($4,992 in 2006). Pilots
will be permitted to contribute a portion of their salary through payroll deductions into one or both accounts on a pre-tax basis. These payroll deductions will not reduce pay-related benefits provided by the Company.

c. Money contributed by a pilot to an FSA account during a calendar year that is not used by the following March 31st for reimbursement of eligible expenses incurred during such calendar year will be forfeited.

d. The FSA Plans will allow a pilot to make mid-year changes (up or down) to his dependent care account contribution level, if the pilot experiences a “change in family status” event, to the full extent allowed by applicable law.

e. The FSA Plans will allow a pilot to make mid-year changes to increase his health/vision care account contribution level, if the pilot experiences a “change in family status” event (as set forth in the most recent Pilot Handbook, Status Change Section, but no less than as set forth in the 01/01/01 Pilot Handbook Benefit Updates, to the extent permitted by applicable law.)

7. Any premiums required to be paid by a pilot on active payroll status for medical and/or dental coverage may be paid on a pre-tax basis through a vehicle determined by the Company to be appropriate to achieve such purposes, including a premium conversion plan or cafeteria plan. Premiums may not be paid from a pilot’s FSA.

8. The medical and dental coverages under Section 25 B. 1. and the FSA Plans under Section 25 B. 6. may, at the Company’s discretion, be provided to pilots on active payroll status through a cafeteria plan(s) as defined in Section 125 of the Internal Revenue Code of 1986, as amended.

C. Medical and Dental Benefits for Pilot Retirees who were hired on or before November 11, 2004

1. Normal (age 60+) pilot retiree with ten or more years of service
   a. Each pilot who retires from active service or disability on or after age 60 with ten or more years of continuous service will be eligible annually to elect for himself and his eligible family members either the DPMP then in effect for pilots or the DFCMP. The pilot retiree may also be eligible to elect the COBRA option and, upon expiration of the maximum COBRA period, enroll in retiree coverage under the DPMP or DFCMP under Section 25 S.
   b. For the DPMP, the premium is as follows:
      1) Once the pilot retiree reaches age 60 until eligibility for Medicare: 51% of the base premium plus any additional premium as a result of the 150% cap.
      2) Upon and after the pilot retiree’s eligibility for Medicare: 100% of the base premium.
   c. The premium for the DFCMP will be determined by the Company. The premium paid by such pilot retiree will be the same premium required of other similarly situated (e.g., age, retirement date) retired Delta employees who did not retire under an early retirement incentive program. Such premium will be based on the options selected, including any additional HMO above composite premium in the case of a pilot retiree enrolled in an HMO.
2. Normal (age 60+) pilot retirees with less than ten years of service
   a. Each pilot who retires from active service or disability on or after age 60 with less
      than ten years of continuous service will be eligible annually to elect for himself
      and his eligible family members either the DPMP then in effect for pilots or the
      DFCMP. The pilot retiree may also be eligible to elect the COBRA option and,
      upon expiration of the maximum COBRA period, enroll in retiree coverage under
      the DPMP or DFCMP under Section 25 S.
   b. For the DPMP, the premium is as follows:
      1) Once the pilot retiree reaches age 60 until eligibility for Medicare: 51% of the
      base premium plus any additional premium as a result of the 150% cap.
      2) Upon and after the pilot retiree’s eligibility for Medicare: 100% of the base
         premium.
   c. The premium for the DFCMP will be determined by the Company. The premium
      paid by such pilot retiree will be the same premium required of other similarly
      situated (e.g., age, retirement date) retired Delta employees who did not retire
      under an early retirement incentive program. Such premium will be based on the
      options selected, including any additional HMO above composite premium in the
      case of a pilot retiree enrolled in an HMO.

3. Early pilot retirees with 25 or more years of service
   a. Each pilot who elects voluntary early retirement on or after age 50 and before age
      60 and who has 25 or more years of continuous service as of his retirement date
      will be eligible annually to elect for himself and his eligible family members either
      the DPMP then in effect for pilots or the DFCMP. The pilot retiree may also be
      eligible to elect the COBRA option and, upon expiration of the maximum COBRA
      period, enroll in retiree coverage under the DPMP or DFCMP under Section 25 S.
   b. For the DPMP, until the pilot retiree reaches age 60, such pilot retiree will pay
      100% of the base premium.
   c. For the DPMP, after the pilot retiree reaches age 60, such pilot retiree will pay the
      following:
      1) Once the pilot retiree reaches age 60 until eligibility for Medicare: 51% of the
         base premium, plus any additional premium as a result of the 150% cap.
      2) Upon and after the pilot retiree’s eligibility for Medicare: 100% of the base
         premium.
   d. The premium for the DFCMP will be determined by the Company. The premium
      paid by such pilot retiree will be the same premium required of other similarly
      situated (e.g., age, retirement date) retired Delta employees who did not retire
      under an early retirement incentive program. Such premium will be based on the
      options selected, including any additional HMO above composite premium in the
      case of a pilot retiree enrolled in an HMO.

4. Early pilot retirees with less than 25 years of service
   a. Each pilot who elects voluntary early retirement on or after age 50 and before age
      60 and who has less than 25 years of continuous service as of his retirement date
      will be eligible annually to elect for himself and his eligible family members either
      the DPMP then in effect for pilots or the DFCMP. The pilot retiree may also be
      eligible to elect the COBRA option and, upon expiration of the maximum COBRA
      period, enroll in retiree coverage under the DPMP or DFCMP under Section 25 S.
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b. For the DPMP, until the pilot retiree reaches age 60, such pilot retiree will pay 100% of the base premium.

c. For the DPMP, once the pilot retiree reaches age 60, such pilot retiree will pay the following:
   1) Once the pilot retiree reaches age 60 until eligibility for Medicare: 51% of the base premium plus any additional premium as a result of the 150% cap.
   2) Upon and after the pilot retiree’s eligibility for Medicare: 100% of the base premium.

d. The premium for the DFCMP will be determined by the Company. The premium paid by such pilot retiree will be the same premium required of other similarly situated (e.g., age, retirement date) retired Delta employees who did not retire under an early retirement incentive program. Such premium will be based on the options selected, including any additional HMO above composite premium in the case of a pilot retiree enrolled in an HMO.

5. No earlier than January 1, 2008, the 150% cap will apply to pilot retirees, their dependents and survivors enrolled in the DPMP. Prior to the date of implementation of the 150% cap with respect to DPMP enrollees, the Company and the Association will meet and confer to agree upon any DPMP design changes and/or premium charge necessary to ensure that the Company’s liability will not exceed the 150% cap. In the absence of such agreement by April 1st of the year before the year of implementation of the 150% cap, such design changes and/or premium charge will be no less favorable than that for the retirees, their dependents and survivors enrolled in the DFCMP.

6. In no case will the pilot retiree premium exceed 100% of the base premium.

D. Survivors Medical and Dental Insurance Coverage for Survivors of Pilots Who Were Hired on or before November 11, 2004

1. Survivors of pilots who die while on active payroll status or while on disability status
   a. The eligible survivors of pilots who die on or after January 1, 1997 while in the active service of the Company, or die following disability that occurs on or after January 1, 1997, will be eligible annually to elect either the DPMP then in effect for pilots or the DFCMP. The survivors may also be eligible to elect the COBRA option and, upon expiration of the maximum COBRA period, enroll in survivor coverage under the DPMP or DFCMP under Section 25 S.
   b. The premium for the DPMP, until the deceased pilot would have reached age 60, will be the same premium a pilot would have paid until the deceased pilot would have reached age 60.
   c. The premium for the DPMP, after the deceased pilot would have reached age 60, will be as follows:
      1) From the date the deceased pilot would have reached age 60 until the date the deceased pilot would have been eligible for Medicare: 51% of the base premium plus any additional premium as a result of the 150% cap.
      2) Upon and after the date the deceased pilot would have been eligible for Medicare: 100% of the base premium.
   d. The premium for the DFCMP will be determined by the Company. The premium
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paid by such survivor will be the same premium required of other similarly
situated (e.g., age of survivor, date of death) survivors. Such premium will be
based on the options selected, including any additional HMO above composite
premium in the case of a survivor enrolled in an HMO.

2. Survivors of a deceased pilot retiree
   a. The eligible survivors of a deceased pilot retiree will be eligible annually to elect
either the DPMP then in effect for pilots or the DFCMP.
   b. The premium for the DPMP, until the deceased pilot retiree would have reached
age 60, will be the 100% early retirement premium that the deceased pilot retiree
would have been required to pay, while living, to maintain such eligible family
member coverage.
   c. The premium for the DPMP, after the deceased pilot retiree would have reached
age 60, (or if the deceased pilot retiree dies after age 60) will be as follows:
   1) From the date the deceased pilot retiree would have reached age 60 until the
date the deceased pilot retiree would have been eligible for Medicare: 51% of
the base premium plus any additional premium as a result of the 150% cap.
   2) Upon and after the date the deceased pilot retiree would have been eligible for
Medicare: 100% of the base premium.
   d. The premium for the DFCMP will be determined by the Company. The premium
paid by such survivor will be the same premium required of other similarly
situated (e.g., age of survivor, retirement date, date of death) survivors of retired
Delta employees who did not retire under an early retirement incentive program.
Such premium will be based on the options selected, including any additional
HMO above composite premium in the case of a survivor enrolled in an HMO.

3. Eligible survivors who are dependent children who reside in the household of the
deceased pilot’s/pilot retiree’s spouse (if also an eligible survivor) will not be given an
independent election hereunder but the spouse of the deceased pilot/pilot retiree must
elect the coverage on behalf of all eligible survivors. An eligible survivor who is a
dependent child who does not reside in the household of the deceased pilot’s/pilot
retiree’s spouse (who is considered a survivor of the pilot/pilot retiree) will be given
an independent election as to the medical and dental coverage he desires hereunder.

4. In no case will the survivor premium exceed 100% of the base premium.

E. Post-Retirement Medical and Dental Benefits for Post - November 11, 2004-Hired Pilot
Retirees

A pilot hired after November 11, 2004 will, upon his retirement, continue to be eligible to
elect medical and dental coverage under Section 25 B. 1. until he is eligible for Medicare.
Upon eligibility for Medicare, such retiree will be provided “access only” post-retirement
medical and dental coverage, with premiums paid throughout retirement, with no
subsidies or Company contribution. When such retiree becomes eligible for Medicare, his
eligible family member(s) will be eligible for “access only” post-retirement medical and
dental coverage, with no subsidies or Company contribution. In the case of such retiree
who dies prior to becoming eligible for Medicare, his surviving eligible family members
will continue to be eligible to elect medical and dental coverage under Section 25 B. 1.
until such retiree would have been eligible for Medicare, at which time his surviving
eligible family members will be eligible for “access only” post-retirement medical and
dental coverage, with premiums paid by the eligible family members, with no subsidies or
Company contribution.

F. Vision Program

1. The Company will provide administrative services, including payroll deduction, for an
optional vision program under which a pilot, a pilot retiree and a survivor and his
eligible family members described in Sections 25 B., C., D. and E. will be eligible to
participate as elected on an annual basis during the enrollment period. The vision
program will be a standard network vision care plan selected by the Company that will
contain the following terms:
a. Eye exam by a network provider every 12 months, $10 copayment.
b. Lenses (spectacle), every 12 months, $15 copayment (purchased at a network
facility).
c. Frames, every 24 months, up to a maximum of $120.
d. Contact lenses (instead of spectacle lenses and frames), every 12 months, up to a
   maximum of $105; provided however, that if spectacle lenses cannot correct
   vision (e.g. contact lenses are medically necessary) then such coverage will be
   100% after a $15 copayment.
e. 20% discounts off the usual and customary cost of additional pairs of complete
   prescription glasses purchased at a participating vision facility.
f. 15% discount off a network provider’s professional services associated with the
   purchase of all prescription contact lenses (other than copayment amounts).

2. Pilots, pilot retirees and survivors who elect the coverage under Section 25 F. 1. will
be required to pay the following monthly premiums for coverage under the vision
program:

<table>
<thead>
<tr>
<th></th>
<th>2006 - 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participant Only</td>
<td>$11.58</td>
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<tr>
<td>Participant &amp; Spouse</td>
<td>$23.15</td>
</tr>
<tr>
<td>Participant &amp; Children</td>
<td>$23.15</td>
</tr>
<tr>
<td>Participant &amp; Family</td>
<td>$34.73</td>
</tr>
</tbody>
</table>

3. Any premiums required to be paid by a pilot on active payroll status for the vision
program under Section 25 F. may be paid on a pre-tax basis through a vehicle
determined by the Company to be appropriate to achieve such purposes, including a
premium conversion plan or cafeteria plan.

G. DPMP Benefits and Terms

1. The DPMP will be:
a. the Enhanced Medical Option of the DFCMP that is in effect on January 1, 2005,
b. the Out-of-Area Medical Option of the DFCMP in effect on January 1, 2005 if the
   zip code for the pilot’s or pilot retiree’s permanent residence is in an area in which
   the network is not available, or
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c. the Out-of-Area Medical Option of the DFCMP in effect on January 1, 2005 in the case of a pilot/pilot retiree who is eligible for Medicare, for the pilot/pilot retiree and the pilot’s/pilot retiree’s eligible family members.

2. The DPMP will include all of the medical benefits (network/non-network or out-of-area, if applicable), pharmacy drug benefits and all of the dental benefits as set forth in the Company’s 2005 Enhanced Medical Option or 2005 Out-of-Area Medical Option, and 2005 Comprehensive Dental Option, plus wellness benefits no less favorable than those published in the Guide to Clinical Preventive Services: Report of the United States Preventive Services Task Force published in 1996, as updated or amended from time to time.

3. Subject to Section 25 G. 4., if the Company adopts a modification to the Enhanced Medical Option or the Out-of-Area Medical Option or the Comprehensive Dental Option of the DFCMP, the Company will present that modification to the Association. If the Association provides its written consent to such modification by July 7th, such change consented to by the Association will be effective no earlier than the following January 1st, unless an earlier date is agreed upon by the Company and the Association. The total projected costs of the DPMP will be adjusted to reflect the modification. If the Association does not provide its written consent to such modification, the DPMP will not be modified.

4. Section 25 G. 3. will not apply to the following types of administrative modifications that are originated and implemented by the third party administrator, and not as a result of the Company’s direction, and the Company may implement such modifications without the Association’s consent:
   a. Care coordination processes such as disease management and trial programs such as cancer clinical trials.
   b. Procedures that require notification or pre-certification.
   c. Clinical guidelines and medical policies (e.g., status of procedures as experimental or accepted treatment).
   d. Network composition (i.e. network providers, labs, ancillary providers) and provider fees.
   e. Retail pharmacy network composition.
   f. Preferred drug list.
   g. Reasonable and customary fee application (not percentile).
   h. Changes required as a result of mandatory state and federal legislation or regulation.
   i. Voluntary health management programs.

H. Pre-Retirement Optional Life Insurance Program

The Company will provide administrative services, including payroll deduction, for an optional life insurance program under which its pilots, while in the active service of the Company as pilots, may purchase additional amounts of group life insurance coverage as follows:

1. Each pilot may purchase any amount of optional additional group life insurance desired in multiples of $25,000 up to a maximum amount of $1 million.
2. The full cost of such optional additional group life insurance will be paid by each
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3. Pilots who were purchasing optional additional life insurance while in the active service of the Company as pilots may continue such coverage while on disability benefit status prior to age 60 by making appropriate arrangements with the Company to pay the premiums. If such coverage is discontinued during a disability benefit period, it may not be resumed during such period.

4. Requests for optional additional group life insurance coverage, and any subsequent request for cancellation or changes in the amount of such coverage, must be submitted by each participating pilot to the Company in accordance with the procedures established by the Company. A request for coverage must be made before the end of the pilot’s enrollment period. A participating pilot may, increase or decrease the amount of his coverage during annual enrollments and due to a family status change, if notice of the family status change is received by the Company within 30 days of the event creating the family status change. If a participating pilot desires to increase the amount of his coverage by more than one $25,000 increment, satisfactory evidence of insurability must be submitted before coverage can become effective.

I. General

1. Eligibility for the insurance coverages included in this PWA will begin on the date that a pilot is employed or reemployed as a pilot or on the date that he is transferred to pilot status.

2. The Company will provide each pilot/pilot retiree with suitable evidence of coverage under the DPMP or the DFCMP.

3. When a pilot, pilot retiree or survivor is given the opportunity to make a medical, dental or vision coverage election under Section 25 and fails to do so in a timely manner, the pilot/pilot retiree and his eligible family members or the survivors of a deceased pilot/pilot retiree will receive the medical, dental, and/or vision coverage in effect for the prior calendar year and will be treated in all respects as if the pilot/pilot retiree/survivor had made an affirmative election for such coverage. When a pilot fails to make a timely medical or dental election for initial coverage upon being hired by the Company, or for a year in which the pilot’s/pilot retiree’s/survivor’s prior year's election is no longer available, the pilot/pilot retiree/survivor and the pilot’s/pilot retiree’s eligible family members will receive the lowest premium option of the DFCMP for the calendar year (other than the no coverage option) and will be treated in all respects as if the pilot/pilot retiree/survivor had made an affirmative election for such coverage.

4. Notwithstanding anything to the contrary in Section 25, any pilot on inactive payroll status who in any year (including the year of commencement of inactive payroll status) elects (or is deemed to have elected) not to maintain any of the medical or vision coverages offered to such individual hereunder will, thereafter, not be offered the right to elect medical or vision coverage for the pilot and the pilot’s eligible family members in any subsequent year during which he is on inactive payroll status (until he returns to active payroll status). Likewise, such individual who in any year (including the year of commencement of inactive payroll status) elects (or is deemed to have elected) not to maintain any of the dental coverages offered to such individual...
hereunder will, thereafter, not be offered the right to elect dental coverage for the pilot and the pilot’s eligible family members in any subsequent year during which he is on inactive payroll status (until he returns to active payroll status).

5. Pilots who retired on or prior to January 1, 1997, and their survivors, the survivors of active or disabled deceased pilots who died prior to January 1, 1997 and pilots disabled prior to January 1, 1997 will annually be offered the DFCMP. If such retiree, survivor or disabled pilot elects the DFCMP, he may in any subsequent enrollment period again elect to be covered under the DPMP, as it existed at the time of his retirement or disablement (or at the time of the deceased pilot’s death in the case of a survivor).

6. The Company provided portion of the post-retirement medical and dental claims will be paid through one or a combination of the following, as elected by the Company:
   a. through the accumulated surplus funds (using part or all of such surplus) in the Delta Pilots Disability and Survivorship Trust (“D&S Trust”); or
   b. future contributions to a 501(c)(9) trust fund; or
   c. direct payment of such claims by the Company.
   Note: The D&S Trust surplus for this purpose is the excess of the plan assets over 110% of the present value of the D&S Plan benefits for current and future expected beneficiaries of the D&S Plan. The present value of benefits for this purpose will be determined on a basis to be established and agreed upon by the Company and the Association.

7. The Company and the Association agree that the DPMP will be amended to the extent necessary to reflect the terms of Section 25.

8. The DPMP will remain without change unless agreed to by both the Company and the Association.

9. Applicable provisions of Section 25 will remain effective provided that the DPMP remains approved by the United States Department of Treasury, the United States Department of Labor, and any other governmental agency with jurisdiction over such plan. The Company will make every reasonable effort to maintain the approval of this plan by any agency with jurisdiction thereover.

J. Accident Insurance for Private Flying

1. To the extent available from a commercial insurance company, the Company will continue to provide a separate group accident insurance program to cover the employee only while he is operating or performing the duties of an aircraft flight crewmember in any properly licensed private aircraft or military aircraft provided the employee is properly licensed and currently qualified to fly such private or military aircraft.

2. Cost of this coverage will be borne entirely by the employee. Cost of this coverage may increase or decrease depending upon actual experience.

3. To be eligible for this coverage, the employee must be a participant in the Voluntary Delta Group Accident Insurance program.

4. The employee may elect an amount of coverage up to 50 times the number of logbook pilot hours, rounded to the next $15,000 increment, or the amount of coverage
enrolled for under the Voluntary Delta Group Accident Insurance program, whichever is the lesser amount.

5. In addition to the regular policy exclusions the following exclusions will also apply:
   a. flying in an aircraft certified by the FAA as experimental, restricted, or limited, or prototype aircraft, or
   b. waivered flying, crop dusting, stunt flying (other than legal aerobatic flying in an aircraft specifically approved by the FAA for such purposes and in an area and at an altitude approved by the FAA), test flying, flight instruction or while participating in speed and/or endurance contests.

6. The indemnity payable under this option will be reduced by the amounts paid or payable under any other provision of the Voluntary Delta Group Accident Insurance program for loss sustained as a result of the same accident.

7. The pilot may continue this coverage at retirement. At retirement, coverage reduces to 50% of the insurance amount in effect before retirement, rounded to the next highest $15,000 increment. At age 80, the coverage is further reduced by 50% (rounded to the next highest $15,000 increment) to a minimum of $15,000. Premiums are reduced proportionally whenever coverage reduces.

K. FAA Required Physical Examinations

For a pilot enrolled in any option of the DFCMP or the DPMP, other than an HMO, any expense incurred for his physical examinations for his First Class Medical Certificate (routine physicals and evaluations required for recertification) is a covered expense not subject to a deductible. If the DFCMP is amended to provide that the expense a pilot incurs for his physical examination for his First Class Medical Certificate is subject to a deductible, then the Company will reimburse the pilot for such deductible. The pilot remains obligated to meet his deductible with expenses not related to such examination. The portion of any such expense that is not reimbursed will apply toward the pilot's out-of-pocket limit.

L. Medical and Dental Plan Claims and Appeals

1. For enrollees in the DPMP, the claims review and appeal procedures of the DPMP’s applicable third party administrator (medical, dental, pharmacy or behavioral) will apply to the DPMP benefits, as such procedures exist from time to time.

2. For enrollees in either the DPMP or the DFCMP (but not in an HMO), after a participant has pursued the applicable claims review and appeal procedures under the DPMP or the DFCMP, as applicable, the participant will have the right to grieve a denied claim in excess of $1,000 under LOA #10 (Benefit Review Board).

M. Association Retirement and Insurance Committee

1. A Retirement and Insurance Committee consisting of two regular members plus one alternate member will be established by the Association, the membership of the Committee being drawn from members of the Association.
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2. The Committee will collect and evaluate the data described in the chart in Section 25, which will be furnished to the Committee by the Company by the dates so indicated. In no case will a copy of any report made to a government department or agency be due to the Committee prior to 30 days after the deadline set by such department or agency for that report, including extensions:

<table>
<thead>
<tr>
<th>Data To Be Provided:</th>
<th>To Be Provided By:</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Actuarial Report of D&amp;S Plan</td>
<td>December 7</td>
</tr>
<tr>
<td>b. Quarterly Trustee Report of Contributions, Benefits and Investment</td>
<td>60 days following the end of the quarter.</td>
</tr>
<tr>
<td>c. Quarterly reports relative to each advisor involved in the investment of assets of the D&amp;S Plan</td>
<td>60 days following the end of the quarter.</td>
</tr>
<tr>
<td>d. Annual Return/Report of Employee Benefit Plan (Form 5500)</td>
<td>May 1 following the end of the Plan year</td>
</tr>
<tr>
<td>e. IRS (Form 990)</td>
<td>March 1 following the end of the Plan year</td>
</tr>
</tbody>
</table>

3. The Committee will meet quarterly (at Committee request) to advise the Company of problems in regard to administration of the plans subject to bargaining under Section 25, and to work with the Company toward resolving such problems within the framework of the Agreement between the Company and the Association. Additionally, the Committee Chairman may review the portfolio and related information once each year.

4. For the DPMP and the DFCMP (excluding HMO’s), the Company will determine the full cost of COBRA continuation coverage and pilot retiree and survivor coverage, and will provide the Committee the documentation upon which those determinations are based.

5. The Company will provide to the Committee, upon its request, accompanied by an appropriate release from the affected pilot, the calculations (including worksheets, if any) used in determining such pilot’s benefits under the D&S Plan.

6. The Company will provide to the Committee, upon its request, the following for the plans subject to bargaining under Section 25:
   a. Summary Plan Description.
   b. Announcements and informational communications to participants in general.
   c. Forms to be completed by participants.
   d. Benefit statements (if accompanied by an appropriate release from the affected pilot(s)).

N. Pilot Retiree Premiums and Expenses Payable on Pre-tax Basis, Subject to IRS Approval

1. If, when and so long as approved by the IRS, the Company will allow pilot retirees to pay medical, dental and vision premiums, deductibles and expenses with pre-tax dollars (under a premium conversion plan and/or a cafeteria plan, possibly including the Delta Pilots Cafeteria Plan) by reducing their monthly non-qualified retirement payments. The Association will propose a design for such plan to the Company,
including an explanation of (and a proposed treatment for) any FICA and income tax liability. If the Company determines that such proposal will not result in any increased cost to the Company (excluding the cost of administering the plan), the Company will, within 120 days from the date that the Association provides the proposal to the Company, submit a request to the IRS for formal approval of the plan (i.e. that such proposed plan and the proposed tax treatment is permitted by law and that the tax treatment of such payments is as proposed in the plan and/or in the submission to the IRS). The Company and the Association will cooperate with respect to such submission and the Company will use reasonable efforts to advance arguments in favor of IRS approval.

2. Notwithstanding the foregoing, the Company agrees to meet with the Association to discuss whether any future IRS developments may permit the Company to implement such a program.

O. Procedure to Amend DPMP

1. The Company will provide to the Association a draft amendment to the DPMP within 120 days following the parties’ agreement to modify it (e.g., through an amended PWA or a LOA). The draft amendment will include all modifications to the DPMP that the Company determines are required by the parties’ agreement. The Association will provide the Company its written comments on the language in the draft amendment that reflects the specific modification resulting from the parties’ agreement (the “modified language”) within 60 days following its receipt of the draft amendment. The Company and the Association will, if necessary, within 30 days following the Company’s receipt of the Association’s comments, meet and confer to reach agreement on final wording of the modified language. The parties will continue to meet, over a period of up to 90 days, as frequently as necessary to reach agreement on the final wording of the modified language.

2. Either the Company or the Association, with the approval of the other party, may waive any time limit provided in Section 25 O. 1.

3. Notwithstanding Section 25 O. 1. and 2., the Company will timely amend the DPMP to the extent necessary to maintain such Plan’s tax-favored or legal status, and the Association maintains its right to file a grievance with respect to any such amendment that it determines violates the PWA.

P. Domestic Partner Benefits

Pilots, former pilots removed from the seniority list on or after July 1, 2001 under Section 13 B. 3., and pilot retirees, and their dependents and survivors, will be provided with domestic partner benefits no less favorable than the domestic partner benefits provided to any other employee of the Company.

Q. ALPA-Sponsored Member Benefit Plans

The Company will automatically deduct from a pilot’s paycheck and remit to the Association, an amount identified in the electronic invoice from the Association to Delta
Section 25 – Medical, Dental, Optional Life and Accident Insurance Benefits

for any of the following Association sponsored member benefits: Group Term Life Insurance; 10-Year Level Term Life Insurance; Accidental Death & Dismemberment Insurance; Short-Term Disability; Long-Term Disability; Long-Term Care; Lump Sum Loss of License; and Monthly Loss of License. The Association agrees to indemnify the Company for any liability that any pilot may assert against the Company, its officers, directors or employees, as the result of the pilot’s participation in any ALPA-sponsored plans, other than liability arising from the Company’s willful failure to perform the function of deducting amounts from the pilot’s pay and forwarding such amounts to the Association. The Association will provide to the Company an electronic invoice in a mutually acceptable form.

R. Substance Abuse Treatment

The Company will pay for 100% of the cost of Company-approved inpatient residential substance abuse treatment incurred by a pilot regardless of his medical plan election.

S. COBRA Option for Pilots who Retire after June 1, 2006 and for Survivors of Pilots who Die after June 1, 2006

The Company will provide a COBRA election upon retirement to a pilot and his eligible family members who are enrolled in coverage at that time. The Company will also provide a COBRA election to a survivor of a deceased pilot who dies prior to retirement at the time the deceased pilot would have reached age 60, if such survivor is enrolled in coverage at that time. Such COBRA election will provide the pilot retiree, eligible family members and survivors with the coverage options that are then currently available under the DPMP and DFCMP. If COBRA coverage is elected, the pilot retiree or survivor will pay the full COBRA premium. At the end of the maximum COBRA period, if enrolled in coverage at that time, such pilot retiree or survivor will be extended an election to enroll in retiree or survivor coverage under the DPMP or DFCMP (including the no coverage option) based on his benefit zip code and age (pre- or post-Medicare) and will pay the applicable retiree or survivor premium for such coverage under Section 25 C. or D. as if he had never elected COBRA coverage.

T. Health Coverage Tax Credit

In the event the Delta Pilots Retirement Plan terminates and the regulations governing the Health Coverage Tax Credit (HCTC) under Section 35 of the Internal Revenue Code (or the interpretation thereof) changes, the Company and the Association will meet to discuss necessary modifications, if any, to such COBRA continuation coverage or retiree medical and dental coverage that are designed to achieve additional savings for the Company, at no additional cost to pilot retirees, and survivors, through application of the HCTC. Such modifications will comply with all applicable law and regulation.
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SECTION 26

RETIREMENT, BASIC LIFE INSURANCE, DISABILITY AND SURVIVOR BENEFITS

A. Definitions

1. “Active payroll status” means the status of a pilot who is not on inactive payroll status.
4. “D&S Plan participant” means a person who is receiving or is entitled to receive benefits under the D&S Plan.
6. “DC Plan participant” means a person who is receiving or is entitled to receive benefits under the DC Plan.
8. “Defined Benefit Plan participant” means a person who is receiving or is entitled to receive benefits under a Defined Benefit Plan.
10. “Disability status,” “disability” or “disablement” means being eligible for and receiving disability benefits from the D&S Plan.
11. “Inactive payroll status” means the status of a pilot who is furloughed, receiving benefits under the D&S Plan, military leave that exceeds 30 consecutive days, medical leave, personal leave, family leave, maternity leave, or a pilot on a disciplinary suspension.
12. “MPPP” means the Money Purchase Pension Plan as Amended and Restated, Effective July 1, 1996, as amended.
16. “Retired” means the termination of the pilot’s employment under circumstances that enable him to receive an early, normal or deferred retirement benefit under the Delta Pilots Retirement Plan or the DC Plan.
17. “Retired pilot” means a pilot retiree (including a post-November 11, 2004-hired pilot retiree) and a person who retired from the Company as a pilot on or before January 1, 1997.
18. “Retirement date” means retirement date as defined in the Delta Pilots Retirement Plan.

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19. “Savings Plan” means the Delta Family-Care Savings Plan As Amended and Restated, Effective April 1, 2003, as amended through the Thirteenth Amendment thereto.

20. “Savings Plan participant” means a person who is receiving or is entitled to receive benefits under the Savings Plan.


22. “Western D-Plan” means the Western Air Lines Pilots Defined Benefit Plan (D Plan), as amended.

B. Plan Benefits, Costs and Guarantees

1. The Company will pay the full cost of providing benefits under the D&S Plan.

2. The Company will pay the entire cost of providing retirement benefits derived from the contribution formula under the DC Plan.

3. The Company has established a separate trust for the D&S Plan under Section 501(c)(9) of the Internal Revenue Code, as amended.

C. Savings Plan

Pilots will be eligible to participate in the Savings Plan, as amended to incorporate the provisions of Section 26 L., including a cash or deferred arrangement, which is intended to qualify under Section 401(k) of the Internal Revenue Code of 1986, as amended. The cash or deferred arrangement will not have the effect of reducing other pay-related benefits provided by the Company. Savings Plan participants who are pilots will be governed by the same administrative procedures and guidelines that apply to all other participants in the Savings Plan, such as service charges, loan fees, etc.

D. General

1. Irrespective of any contrary provisions of the D&S Plan and the DC Plan, the Company agrees that such Plans will not be amended, changed, varied, modified, or voluntarily discontinued during the term of the PWA and thereafter until the date the parties have been released to exercise self-help after exhaustion of the dispute resolution procedure of the Railway Labor Act, except as agreed by the Association and the Company, or except as otherwise required by law.

2. It is recognized that the Company will have the right to select the claims processors, plan administrators, trustees, plan record keepers, plan named fiduciaries and plan carriers for the D&S Plan, the DC Plan and the Savings Plan, and may change such entities at any time and for any reason.

E. Plan Amendment Procedure

1. a. The Company will provide to the Association a draft amendment to any of the following benefit plans within 120 days following the parties’ agreement to modify such plan (e.g., through an amended PWA or a Letter of Agreement):
Section 26 – Retirement, Basic Life Insurance, Disability and Survivor Benefits

1) the D&S Plan
2) the Savings Plan, as it relates to pilots’ participation therein
3) the DC Plan.

b. The draft amendment will include all modifications to the Plan(s) that the Company determines are required by the parties’ agreement. The Association will provide the Company its written comments on the language in the draft amendment that reflects the specific modification resulting from the parties’ agreement (the “modified language”) within 60 days following its receipt of the draft amendment. The Company and the Association will, if necessary, within 30 days following the Company’s receipt of the Association’s comments, meet and confer to reach agreement on final wording of the modified language. The parties will continue to meet, over a period of up to 90 days, as frequently as necessary to reach agreement on the final wording of the modified language.

2. Either the Company or the Association, with the approval of the other party, may waive any time limit provided in Section 26 E.1.

3. Notwithstanding the foregoing, the Company will timely amend any Plan to the extent necessary to maintain such Plan’s tax-favored or legal status, and the Association maintains its right to file a grievance with respect to any such amendment that it determines violates the PWA.

F. Governmental Approval

Applicable provisions of Section 26 will remain effective provided that the D&S Plan and the DC Plan remain approved by the United States Department of Treasury, the United States Department of Labor, and any other governmental agency with jurisdiction over such plans. The Company will make every reasonable effort to maintain the approval of these plans by any agency with jurisdiction thereover.

G. Increases in Certain DC and Savings Plan Limits

If Internal Revenue Code Section 401(a)(17), 415(b), or 415(c) (the “qualified plan limits”) are amended to increase the limitations therein, then any such increase will be effective for the DC Plan and Savings Plan as of the earliest date that the increased qualified plan limits could have become legally effective for that Plan, had that Plan not been collectively bargained, or, in the case of the Savings Plan, had pilot participation in that Plan not been collectively bargained.

H. Association Retirement and Insurance Committee

1. The Retirement and Insurance Committee will collect and evaluate the data described below which will be furnished to the Committee by the Company by the dates so indicated. In no case will a copy of any report made to a government department or agency be due to the Committee prior to 30 days after the deadline set by such department or agency for that report, including extensions:
Section 26 – Retirement, Basic Life Insurance, Disability and Survivor Benefits

<table>
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<tr>
<th>Data To Be Provided:</th>
<th>To Be Provided By:</th>
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<tbody>
<tr>
<td>b. Quarterly Trust Report of the D&amp;S Plan and the Quarterly Report for the DC Plan.</td>
<td>60 days following the end of the quarter.</td>
</tr>
<tr>
<td>c. Quarterly reports relative to each advisor involved in the investment of assets of the D&amp;S Plan.</td>
<td>60 days following the end of the quarter.</td>
</tr>
<tr>
<td>d. Annual Return/Report of Employee Benefit Plan (Form 5500) for the D&amp;S Plan and the DC Plan.</td>
<td>May 15th following the end of the Plan year</td>
</tr>
<tr>
<td>e. IRS (Form 990) for the D&amp;S Trust.</td>
<td>March 15th following the end of the Plan year</td>
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2. The Committee will meet quarterly (at the Committee’s request) to advise the Company of problems in regard to administration of the DC Plan and D&S Plan, and to work with the Company toward resolving such problems within the framework of the PWA. Additionally, the Committee Chairman may review the portfolio and related information once each year.

3. The Company will provide to the Committee, upon its request, accompanied by an appropriate release from the DC Plan participant, the calculations (including worksheets, if any) used in determining such participant’s benefits under the DC Plan.

4. The Company will provide to the Committee, upon its request, the following for the DC Plan:
   a. Summary Plan Description.
   b. General announcements and informational communications to DC Plan participants.
   c. Forms to be completed by DC Plan participants.
   d. Benefit statements (if accompanied by an appropriate release from the pilot(s)).

I. Incorporation of Plans by Reference

1. The following plans are incorporated by reference into this Agreement:
   a. The D&S Plan.
   b. The DC Plan.

2. The terms of the D&S and DC Plans, as amended, will control in the event of any conflict or difference between Section 26 and such Plan terms.

J. Modifications to Defined Benefit Plans and MPPP

The Defined Benefit Plans and the MPPP will be amended to reflect the following, as applicable:

1. All benefits under the Defined Benefit Plans not yet frozen will be frozen effective July 31, 2006.
2. The Delta Pilots Retirement Plan will be amended to clarify that on the date of
termination of such Plan, the MPPP offset (if any) to the calculated qualified
benefit will be determined as if the Bridge Plan and Supplemental Annuity Plan
continue to exist.

3. The MPPP will be terminated and the assets of the terminated Plan will be
distributed under LOA #10 (Money Purchase Pension Plan Termination).

K. Modifications to D&S Plan

1. Monthly survivor benefits and basic life insurance will be replaced by term life
insurance in accordance with the following:
   a. This change will apply to:
      1) a pilot who dies on or after January 1, 2008.
      2) a pilot who retires on or after January 1, 2008.
      3) a person who was a pilot on or after January 1, 2008, but who, due to
         Section 13 B. 3., is not a pilot at the time of his death and who is receiving
disability benefits at the time of his death.
      4) a person who was a pilot on June 1, 2006, but who is not a pilot due to
         Section 13 B. 3. at the time of his death which occurs after January 1,
         2008, and who is receiving disability benefits at the time of his death.
   b. This change does not apply to:
      1) a pilot who dies before January 1, 2008.
      2) a pilot or a retired pilot who retires before January 1, 2008.
      3) a person who is not a pilot due to being removed from the seniority list
         under Section 13 B. 3. prior to June 1, 2006.
   c. The amount of life insurance will be the greater of:
      1) $500,000, or
      2) 2500 times the 12 year captain hourly rate on the highest paying aircraft
         type outlined in the PWA in effect on January 1st of each year.
   d. Upon the insured’s retirement, the amount of his term life insurance will be
      reduced to $250,000 and on each successive anniversary of his retirement will
      be reduced by $50,000. The final reduction will be to $10,000 and will
      remain $10,000 for the remainder of his lifetime.
   e. The insured may designate any individual(s) or trust(s) as beneficiary of his
      life insurance. The designation of a beneficiary for the term life insurance
      will not cause that person to be deemed a survivor under Section 25 or for any
      other Company provided benefit.
   f. The life insurance will provide for guaranteed insurability of all pilots on
      January 1, 2008, and all future pilots at date of hire, and will contain no
      exclusions from coverage, except the exclusion in Section 12.02 of the D&S
      Plan.

2. To be eligible to continue receiving long term disability benefits, a pilot or a D&S
   Plan participant must not meet the standards to hold a First Class Medical
   Certificate, as determined by the plan administrator, subject to MOU #3 (D&S
   Review Process).
3. No disability benefits will be payable to a pilot or D&S Plan participant in respect of a period after he reaches the FAA mandatory retirement age.

4. Long term disability benefits will be offset by the following: workers compensation payments and state disability income benefits whether or not payment of such benefits is forfeited because of failure to apply; Social Security disability benefits of the disabled pilot (not his family’s Social Security benefits); and income from employment that exceeds the calculated disability benefit amount (before application of other offsets).

5. Proof of continuing eligibility for disability benefits may be required whenever a pilot or D&S Plan participant is receiving benefits, as follows:
   a. Amend the D&S Plan to incorporate Section 15 B. medical review procedure, to apply to all D&S Plan participants receiving disability benefits if the plan administrator has a good faith belief that the D&S Plan participant may not continue to qualify for benefits under the D&S Plan. Such review will not be made more than once per year.
   b. Upon notification by the NME that the pilot meets the standards to hold a First Class Medical Certificate, the pilot must apply for a First Class Medical Certificate with an AME of the NME’s choosing, as soon as possible, but no later than 30 days from the date of such notification. While the pilot’s application is pending, he will remain on disability. If the AME or the FAA declines to issue a First Class Medical Certificate to such pilot, he must appeal such decision, during which period he will remain on disability. If the AME or the FAA issues him a First Class Medical Certificate, he must present such certificate to his Chief Pilot immediately, at which time he will be returned to active payroll status.

6. Amend the D&S Plan to clarify the application of the Plan disability benefit offset provisions for each retired pilot (whether the retirement occurred before or after date of signing) in the event of termination of a Defined Benefit Plan as follows:
   a. In such event, the offset to the retired pilot’s disability benefit with respect to the terminated Defined Benefit Plan will be calculated based on the amount of the retired pilot’s retirement benefit that would have been paid under the terminated Defined Benefit Plan, had such Defined Benefit Plan not been terminated, rather than on the amount of retirement benefit actually paid to the retired pilot under the terminated Defined Benefit Plan.
   b. The variable benefit feature and future adjustments in the retirement benefits under a Defined Benefit Plan will be ignored in computing the above offset. Once the offset with respect to a Defined Benefit Plan is calculated and adjusted to reflect the termination of that Defined Benefit Plan, the calculated offset with respect to that Defined Benefit Plan will be frozen.
   c. There will be no change to the timing of the offset for calculated Defined Benefit Plan benefits (i.e. calculated retirement benefit is offset at the time benefits are actually paid to the retiree under the terminated Delta Pilots Retirement Plan or at the time benefits would have been paid to the retired pilot under the terminated Bridge Plan and Supplemental Annuity Plan).
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7. Amend Sections 10.03 and 10.05 of the D&S Plan, as follows:

“10.03 Benefit Fund: The Company shall establish and maintain a Benefit Fund into which the contributions of each Employing Company under this Plan shall be paid. The Benefit Fund may comprise any combination of trust funds and insurance contracts. The Benefit Fund shall be allocated among Employing Companies under the direction of the Committee. Where an Employee transfers from one Employing Company to another he shall be treated to the extent practical and consistent with his accumulated credits as having always been with the new Employing Company for the purpose of allocated assets and liabilities.”

“10.05 Source of Benefit Payments: Benefit payments shall be paid directly to the Participant or Beneficiary from the Benefit Fund, including any insurance policies entered into by the Plan or from contributions made directly to the Plan by an Employing Company to provide such benefit payments. Such payments shall be made upon the order of the Administrative Committee or its delegate. Sources for benefit payments include the Benefit Fund, any insurance policies owned by the Benefit Fund and contributions made directly to the Plan by an Employing Company. Each Employing Company is obligated to make contributions to the Plan in an amount sufficient to allow the Plan to make all benefit payments.”

L. Modifications to Savings Plan

The Savings Plan will be amended to reflect the following in an amendment to the Savings Plan agreed to by the Company and the Association and the terms of the Plan, as so amended, will control in the event of any conflict or difference between Section 26 and the Savings Plan:

1. While in disability status, a pilot, and a former pilot who has been removed from the seniority list under Section 13 B. 3, after June 1, 2006 (due to exceeding ten years on disability), will receive Company contributions to the Savings Plan, on the same basis as a pilot on active payroll status, but using as earnings the amount of the disability benefit less income from employment that exceeds the calculated disability benefit amount, if any, the result of which will be multiplied by two. In no event will contributions be made beyond the FAA mandatory retirement age and in no event will contributions, once suspended due to reaching the FAA mandatory retirement age, be resumed.

2. Pilots will be allowed to designate contributions as Roth 401(k) contributions to the maximum extent allowed by law beginning no later than January 1, 2007.

3. Pilots will be permitted to make contributions up to the limit under Section 415(c) of the Internal Revenue Code beginning no later than January 1, 2007. The parties will meet and agree on a method(s) to allow these contributions.
M. Overpayments from Plans

In the event of an overpayment from the D&S Plan or DC Plan, a Plan participant will be notified in writing of the circumstances resulting in the overpayment and the amount of the overpayment. Such Plan participant will be informed that he has 45 days from the date of the letter to contact the Company to make arrangements for repayment. The letter will advise such Plan participant that if contact is not made within the 45 day period the Company will recoup the overpayment in equal installments over the next six months from payments due from the applicable Plan, without interest. If requested by the Plan participant during the 45 day period, an alternate arrangement will be made to permit repayment in equal monthly installments over a period of up to 48 months, without interest. In the event there are insufficient future monthly payments due from the applicable Plan, repayments will be made by the Plan participant in equal monthly installments over the established repayment period (six months or up to 48 months), without interest. In the event of default in payment of one or more installments, the entire amount will become immediately due and the Plan Administrator may pursue collection of such amount (including interest and collection fees) to the full extent permitted by law. This procedure will apply to overpayments with respect to which the Plan initiates the repayment and/or recoupment process on or after September 1, 2001.

N. Modifications to the DC Plan

The DC Plan will be amended to reflect the following:

While in disability status, a pilot, and a former pilot who has been removed from the seniority list under \textit{Section 13 B. 3.} after June 1, 2006 (due to exceeding ten years on disability), will receive Company contributions to the DC Plan, on the same basis as a pilot on active payroll status, but using as earnings the amount of the disability benefit less income from employment that exceeds the calculated disability benefit amount, if any, the result of which will be multiplied by two. In no event will contributions be made beyond the FAA mandatory retirement age and in no event will contributions, once suspended due to reaching the FAA mandatory retirement age, be resumed.

O. Possible Termination of Defined Benefit Plans

If the Company determines that either the Delta Pilots Retirement Plan or the Western D-Plan satisfy the ERISA standard for distress or voluntary termination and the Plan Administrator and/or the Company initiate proceedings to seek a distress or voluntary termination for such Plan(s), the initiation and pursuit of such proceedings will not violate the PWA and will not require any waiver, relief, consent, action or approval under the PWA. The Association will not oppose such proposed Plan termination. In addition, as of or after the effective date of the termination of the Delta Pilots Retirement Plan 1) the Company may terminate the Bridge Plan and Supplemental Annuity Plan in its sole discretion and the Association agrees not to oppose 2) the Company...
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will have no further obligation to maintain the Bridge Plan or the Supplemental Annuity Plan. In addition, the parties will have the rights and obligations with respect to termination of any of the foregoing Plans as stated in paragraph 6. of LOA #7 (Bankruptcy Protection Covenant).

P. D&S Plan Benefits and Funding

1. Amend the D&S Plan to permit payment from the D&S Trust (VEBA) of pilot sick leave benefits and other legally permissible benefits in addition to the other benefits payable pursuant to the Plan without regard to such amendment, in an amount not to exceed $60 million for 2006 and $60 million per year thereafter. Provide that the D&S Plan, not the Company, will have the obligation to provide such benefits in such amounts.
   Note: The amount of any sick, vacation and other permissible benefits paid to a pilot from the D&S Trust pursuant to this provision will be included for purposes of determining benefits or contributions to other Company benefit plans, if such amount would have been included, had the Company (and not the D&S Trust) paid such amounts directly to the pilot.

2. On April 15, 2011 and on each April 15 thereafter, the Company will make a funding payment (the “VEBA payment”) to the VEBA equal to the lesser of:
   a. 4% of the consolidated free cash flow of the Company, as determined under United States Generally Accepted Accounting Principles, for the prior calendar year and reported in the Company’s public securities filings, or
   b. $60 million.
   Exception: A VEBA payment will not be required on any April 15th if the net asset balance of the VEBA on the immediately preceding December 31st exceeded $1.2 billion.

3. Amend all applicable VEBA plan documents in accordance with the following, to provide irrevocably that the VEBA can never be used for any purpose other than providing benefits to pilots, former pilots and their beneficiaries and survivors:
   a. Amend D&S Plan to add new Section 2.07, as follows:
      “Notwithstanding any provision of this Plan to the contrary, and notwithstanding any agreement between Delta Air Lines, or its successors and the Association to the contrary, the class of individuals eligible to participate in this Plan shall not be amended to include any individual who was never listed on the pilot seniority list of Delta Air Lines, Inc.”
   b. Restate Section 12.10(b) of the D&S Plan, as follows:
      “(b) At any time and from time to time, an Employing Company may amend the Plan in whole or in part, or may suspend contributions, provided that in no event and under no circumstances shall any amendment to the Plan become effective unless under the Plan as amended:
         (1) no part of the net earnings of the Plan may inure to the benefit of the Company or any shareholder of the Company except through the payment of benefits otherwise payable under the Plan; and
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(2) the class of individuals eligible to participate in the Plan is not expanded in violation of the provisions of Section 2.07.”

c. Restate Section 2.6 of the VEBA Trust, as follows:

“No portion of the principal or income of the Trust shall revert to or be recoverable by the Company or any Employer or ever be used or diverted to any purpose other than for the expenses of administering the Plan or the Trust Fund or for the exclusive benefit of Participants in the Plan and Persons claiming under or through them pursuant to the Plan. Notwithstanding any provisions of the Plan or Trust to the contrary and notwithstanding any agreement between the Company or its successors and the Association, in no event and under no circumstances shall any amendment to the Plan or Trust become effective if the effect of the amendment is to expand the class of individuals eligible to participate in the Plan in violation of the provisions of Section 2.07 of the Plan.

Notwithstanding any provision herein to the contrary, if a contribution or any portion thereof is made by the Company or an Employer by a mistake of fact, the Trustee shall, upon written request of the Company or such Employer, return such amounts as may be permitted by law to the Company or such Employer, as appropriate, within one year after the date of payment to the Trustee and assets may be returned to the Employer to the extent that the law permits such transfer. The Trustee shall be under no obligation to return any part of the Trust Fund as provided in this Section 2.6 until the Trustee has received a written certification from the Administrative Committee or its designee that such return is in compliance with this Section 2.6, the Plan, and the requirements of Applicable Law. The Trustee shall rely conclusively on such written certification and shall be under no obligation to investigate or otherwise determine its propriety. Notwithstanding the foregoing, excess insurance premiums, based upon the actuarial experience of the insured, may be rebated to the Company.”

d. Restate Section 13.2 of the VEBA Trust, as follows:

“This Agreement, together with any fee agreement between the parties, sets out the entire agreement between the parties in connection with the subject matter, and this Agreement supersedes any prior agreement, statement, or representation relating to the obligations of the Trustee, whether oral or written. This Agreement may be amended by written agreement between the Trustee and the Company at any time and from time to time, and the provisions of such amendment may be applicable to the Trust Fund as constituted at the time of the amendment as well as to the part of the Trust Fund subsequently acquired, provided, however, that in no event and under no circumstances shall any amendment to the Plan or Trust become effective if the effect of the amendment is to expand the class of individuals eligible to participate in the Plan in violation of the provisions of Section 2.07 of the Plan.”

e. The SPD for the D&S Plan and VEBA Trust will be amended to reflect the above amendments to the Plan and Trust.
Q. Provisions Effective In Event of Termination of Delta Pilots Retirement Plan

In the event of termination of the Delta Pilots Retirement Plan, the following provisions will become effective:

1. The DC Plan will be amended to provide a single Company contribution rate equal to a flat 9% of earnings (as defined in the Plan) for each participant.

2. For purposes of the limitation under Section 415(c) of the Internal Revenue Code, the order of abatement of annual additions under the defined contribution plans will be as follows:
   a. Savings Plan participant after-tax contributions
   b. Savings Plan participant non-Roth 401(k) contributions
   c. Company contributions attributable to the Notes
   d. Company contributions attributable to the ALPA Claim
   e. Savings Plan participant Roth 401(k) contributions
   f. other Company contributions to the Savings Plan
   g. other Company contributions to the DC Plan

   Note: The order of abatement above will be modified as necessary to prevent the refund to Savings Plan participants of any 401(k) contributions that were made in a prior calendar year.

3. In any year in which there is a Company contribution as the result of the Notes or the ALPA claim, once the Section 415(c) limit is reached for that year, the 2% contribution to the Savings Plan and the 9% contribution to the DC Plan that cannot be made to such Plans as the result of the contribution attributable to the Notes or the ALPA claim will be paid, for the remainder of that calendar year only, in cash at the same time as the Savings Plan contribution or DC Plan contribution would have been made but for the Section 415(c) limit. These cash payments will not be considered earnings under any pilot benefit plan.

4. When the Bridge Plan and Supplemental Annuity Plans are terminated, the Company will promptly seek reimbursement to the maximum extent allowed by law and within the applicable statute of limitations period, for any FICA taxes that were prepaid by the Company and Bridge Plan and Supplement Annuity Plan participants, on nonqualified benefits that will not be received, provided that such pilot gives his written consent to seeking such reimbursement.

R. Beneficiary Designations

The DC Plan and the D&S Plan will provide that a participant’s designation of a beneficiary under such Plan applies only to benefits under that Plan.

S. Defined Benefit Plan Provisions

1. The provisions of Section 26 S. apply to each of the Delta Pilots Retirement Plan, the Bridge Plan and the Supplemental Annuity Plan unless such Plans are terminated pursuant to Section 26 Q. and/or LOA #7, paragraph 6 (Bankruptcy Protection Covenant).
2. The Company will pay the entire cost of providing retirement benefits derived from the formulas (as described in Section 26 S. 2. Note) under the Delta Pilots Retirement Plan; provided, however, that for purposes of determining benefits payable under the PWA and derived from such formulas, Earnings (as defined in the Delta Pilots Retirement Plan) will not be limited by the dollar limit specified in Section 401(a)(17) of the Internal Revenue Code of 1986, as amended (the “Code”). The retirement benefit derived from use of such uncapped earnings will hereinafter be referred to as the “formula benefit”. These retirement benefits will be provided first from the Delta Pilots Retirement Plan and the MPPP, applying all offsets described in those Plans. If, due to the limitations imposed by the Code, all of the formula benefit cannot be provided through the Delta Pilots Retirement Plan and the MPPP, that part of the formula benefit that cannot be provided through such Plans will be provided from the Bridge Plan and the Supplemental Annuity Plan or through any other nonqualified benefit plan or plans determined by the Company to be appropriate under the circumstances. Note: The Delta Pilots Retirement Plan formulas applied to determine the formula benefit are the formulas set forth in Section 5 of the Delta Pilots Retirement Plan, Section 8.02(B) of the Delta Pilots Retirement Plan (with respect to a pilot described in Section 8.02), and Section 8.03(G) of the Delta Pilots Retirement Plan (with respect to a pilot described in Section 8.03).

3. The Company’s contributions to the Delta Pilots Retirement Plan will be determined using an actuarial valuation interest assumption not to exceed 8 ½% per annum.

4. Irrespective of any contrary provisions of the Delta Pilots Retirement Plan, Bridge Plan, and Supplemental Annuity Plan, the Company agrees that such Plans will not be amended, changed, varied, modified, or voluntarily discontinued during the term of the PWA and thereafter until the date the parties have been released to exercise self-help after exhaustion of the dispute resolution procedure of the Railway Labor Act, except as agreed by the Association and the Company, or except as otherwise required by law.

5. It is recognized that the Company will have the right to select the claims processors, plan administrators, trustees, plan record keepers, plan named fiduciaries and plan carriers for the Defined Benefit Plans and may change such entities at any time and for any reason.

6. The Company will provide to the Association a draft amendment to any of the Defined Benefit Plans within 120 days following the parties’ agreement to modify such Plan (e.g., through an amended PWA or a Letter of Agreement). The draft amendment will include all modifications to the Defined Benefit Plan(s) that the Company determines are required by the parties’ agreement. The Association will provide the Company its written comments on the language in the draft amendment that reflects the specific modification resulting from the parties’ agreement (the “modified language”) within 60 days following its receipt of the draft amendment. The Company and the Association will, if necessary, within 30 days following the Company’s receipt of the Association’s comments, meet and confer to reach agreement on final wording of the modified language. The parties will continue to meet, over a period of up to 90 days, as frequently as necessary to
reach agreement on the final wording of the modified language. Either the
Company or the Association, with the approval of the other party, may waive any
time limit provided in this paragraph.

7. Notwithstanding the foregoing, the Company will timely amend any Defined
Benefit Plan to the extent necessary to maintain such Plan’s tax-favored or legal
status, and the Association maintains its right to file a grievance with respect to
any such amendment that it determines violates the PWA.

8. **Section 26 S.** will remain effective provided that the Delta Pilots Retirement Plan
remains approved by the United States Department of Treasury, the United States
Department of Labor, and any other governmental agency with jurisdiction over
such plans. The Company will make every reasonable effort to maintain the
approval of these plans by any agency with jurisdiction thereover.

9. If Internal Revenue Code Section 401(a)(17), 415(b), or 415(c) (the “qualified
plan limits”) are amended to increase the limitations therein, then any such
increase will be effective for the Delta Pilots Retirement Plan as of the earliest
date that the increased qualified plan limits could have become legally effective
for the Delta Pilots Retirement Plan, had such Retirement Plan not been
collectively bargained.

10. The Retirement and Insurance Committee will collect and evaluate the data
described below which will be furnished to the Committee by the Company by
the dates so indicated. In no case will a copy of any report made to a government
department or agency be due to the Committee prior to 30 days after the deadline
set by such department or agency for that report, including extensions:

<table>
<thead>
<tr>
<th>Data To Be Provided:</th>
<th>To Be Provided By:</th>
</tr>
</thead>
<tbody>
<tr>
<td>a Actuarial Report of the Delta Pilots Retirement Plan</td>
<td>December 7</td>
</tr>
<tr>
<td>b Quarterly Master Trustee Report of Contributions, Benefits and Investment, for the Delta Pilots Retirement Plan</td>
<td>60 days following the end of the quarter.</td>
</tr>
<tr>
<td>c Quarterly reports relative to each advisor involved in the investment of assets of the Delta Pilots Retirement Plan</td>
<td>60 days following the end of the quarter.</td>
</tr>
<tr>
<td>d Annual Return/Report of Employee Benefit Plan (Form 5500) for the Delta Pilots Retirement Plan</td>
<td>May 15th following the end of the Plan year.</td>
</tr>
<tr>
<td>e IRS (Form 990) for the Master Trust</td>
<td>March 15th following the end of the Plan year.</td>
</tr>
<tr>
<td>f Pension Benefit Guaranty Corp. - PBGC-1 for the Delta Pilots Retirement Plan.</td>
<td>30 days after the due date (including extensions) of the final PBGC-1 filing.</td>
</tr>
</tbody>
</table>
11. The Committee will meet quarterly (at the Committee’s request) to advise the Company of problems in regard to administration of the Delta Pilots Retirement Plan and to work with the Company toward resolving such problems within the framework of the PWA. Additionally, the Committee Chairman may review the portfolio and related information once each year.

12. The Company will provide to the Committee, upon its request, accompanied by an appropriate release from the Defined Benefit plan participant, the calculations (including worksheets, if any) used in determining such Plan participant’s benefits under the Defined Benefit Plans.

13. The Company will provide to the Committee, upon its request, the following for the Defined Benefit Plans:
   a. Summary Plan Description.
   b. General announcements and informational communications to Defined Benefit plan participants.
   c. Forms to be completed by Defined Benefit Plan participants.
   d. Benefit statements (if accompanied by an appropriate release from the pilot(s)).

14. The following plans are incorporated by reference into this Agreement: the Delta Pilots Retirement Plan; the Bridge Plan; the Supplemental Annuity Plan; and any other nonqualified plan or plans determined to be appropriate by the Company, pursuant to Section 26 S. 2., to provide the amount of the Formula Benefit in excess of the amounts that can be provided by the Delta Pilots Retirement Plan and the MPPP. The terms of the Defined Benefit Plans, as amended, will control in the event of any conflict or difference between Section 26 and the Defined Benefit Plan terms.

T. Western D-Plan

1. The provisions of Section 26 T. 2. - 5. apply to the Western D-Plan unless such Plan is terminated pursuant to Section 26 Q. and/or LOA #7, paragraph 6 (Bankruptcy Protection Covenant).

2. Irrespective of any contrary provisions of the Western D-Plan, the Company agrees that such Plan will not be amended, changed, varied, modified, or voluntarily discontinued during the term of the PWA and thereafter until the date the parties have been released to exercise self-help after exhaustion of the dispute resolution procedure of the Railway Labor Act, except as agreed by the Association and the Company, or except as otherwise required by law.

3. It is recognized that the Company will have the right to select the claims processors, plan administrators, trustees, plan record keepers, plan named fiduciaries and plan carriers for the Western D-Plan and may change such entities at any time and for any reason.

4. The Company will provide to the Association a draft amendment to the Western D-Plan within 120 days following the parties’ agreement to modify such Plan (e.g., through an amended PWA or a Letter of Agreement). The draft amendment will include all modifications to the Western D-Plan that the Company determines are required by the parties’ agreement. The Association will provide the
Company its written comments on the language in the draft amendment that reflects the specific modification resulting from the parties’ agreement (the “modified language”) within 60 days following its receipt of the draft amendment. The Company and the Association will, if necessary, within 30 days following the Company’s receipt of the Association’s comments, meet and confer to reach agreement on final wording of the modified language. The parties will continue to meet, over a period of up to 90 days, as frequently as necessary to reach agreement on the final wording of the modified language. Either the Company or the Association, with the approval of the other party, may waive any time limit provided in this paragraph.

5. Notwithstanding the foregoing, the Company will timely amend the Western D-Plan to the extent necessary to maintain such Plan’s tax-favored or legal status, and the Association maintains its right to file a grievance with respect to any such amendment that it determines violates the PWA.

6. The Western D-Plan is incorporated by reference into the Agreement. The terms of the Plan, as amended, will control in the event of any conflict or difference between Section 26 and such Plan terms.
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SECTION 27

UNION SECURITY AND CHECK-OFF

A. Conditions

1. Each pilot covered by the PWA who fails to voluntarily acquire and maintain membership in the Association, will be required, as a condition of continued employment, beginning 60 days after the completion of his probationary period, to pay to the Association each month a service charge as a contribution for the administration of the PWA and the representation of such employee. The service charge will be an amount equal to the Association’s regular dues and periodic assessments, including both assessments by the Association and the Delta MEC. In calculation of each non-member’s monthly obligation, the Association will allocate and adjust charges in the same manner it followed with respect to its members.

2. The provisions of this section will not apply to any pilot covered by the PWA to whom membership in the Association is not available upon the same terms and conditions as are generally applicable to any other pilot, or to any pilot to whom membership in the Association was denied or terminated for any reason other than the failure of the pilot to pay an initiation (or reinstatement) fee, dues and assessments uniformly required.

3. If a pilot covered by this Agreement is delinquent, or becomes delinquent in the payment of fees, dues and assessments or the service charge as stated in Section 27 A.1., the Association will notify him by certified mail, return receipt requested, copy to the Senior Vice President - Flight Operations, or his designee, that he is delinquent and is subject to discharge. Such letter will also notify the pilot that he must remit the required payment within a period of 15 days or be discharged. The notice of delinquency required under this paragraph will be deemed to be received by the pilot, whether or not it is personally received by him, on the fifth day after its postmark date of mailing, when mailed by the Association by certified mail, return receipt requested, postage prepaid to the pilot’s last known address or to any other address which has been designated by the pilot. It will be the duty of every pilot covered by this agreement to notify the Association’s Membership Services Department of every change in his home address or of an address where the notice required by this paragraph can be sent and received by the pilot, if the pilot’s home address is at any time unacceptable for this purpose.

4. If, upon the expiration of the 15 day period, the pilot remains delinquent, the following procedure will be employed:
   a. The Association will give written notification to the Senior Vice President - Flight Operations, or his designee, with a copy to the pilot, that the pilot has failed to remit payment within the grace period allowed and ordering his termination of employment as a pilot.
   b. Within five days of receipt of such notification the Senior Vice President - Flight Operations or his designee will give the pilot written notification of the immediate termination of his employment as a pilot. This notification will be provided by certified mail, return receipt requested, and first class mail; additionally, the Company may also deliver the notification by hand delivery. The termination will automatically be held in abeyance for ten days from the postmark date of mailing of...
the notification. If the pilot submits an appeal under *Section 27 A. 4. c. 1)*, the
termination will be further held in abeyance pending the exhaustion of the appeal
process in this section.

c. A pilot who receives notification of termination in accordance with the provisions of
this section will be subject to the following procedure, which will be exclusive of the
provisions of *Sections 18 and 19*.

1) A pilot who believes that the provisions of *Section 27* have not been properly
interpreted or applied, as they pertain to him, may submit a written appeal to the
Senior Vice President – Flight Operations, or his designee, (copy to the Vice
President – Finance/Treasurer of the Association) within ten days after the
postmark date of mailing of notification from the Company of his termination of
employment as a pilot.

2) The Senior Vice President – Flight Operations, or his designee, will review the
appeal and render a decision in writing with respect thereto not later than five
days following the receipt of the appeal.

3) The Senior Vice President – Flight Operations, or his designee, will provide the
pilot with a written decision, with a copy to the Association’s Vice President –
Finance/Treasurer and Director – Legal Department. Said decision will be final
and binding on all interested parties unless appealed as hereinafter provided.

4) If the decision is not satisfactory to either the pilot or the Association’s Vice
President – Finance/Treasurer, either may appeal the decision by filing a notice
of appeal. Such notice will be sent to the Company, to the other party and to the
National Mediation Board within ten days of the receipt of the decision and must
contain a request for the National Mediation Board to provide a list of five neutral
referees.

5) A neutral referee may be agreed upon by the pilot and the Association’s Director
– Legal Department within ten days after receipt of the list of neutral referees. If
the parties cannot agree on a neutral referee, a referee will be chosen from the
panel supplied by the National Mediation Board. The alternate strike method will
be used to select a neutral referee with the pilot initiating the first rejection. Such
final selection of a neutral referee will be accomplished within ten days after
receipt of the list of neutral referees. If the parties have not reached agreement by
the alternate strike method with the aforementioned ten day period, the first name
listed on the five name panel provided by the National Mediation Board will be
designated the neutral referee.

6) The decision of the neutral referee will be requested within 30 days after the
hearing of the appeal unless otherwise agreed by the pilot and the Association’s
Director – Legal Department and will be final and binding on all parties to the
dispute. The fees, charges and other reasonable expenses of such neutral referee
will be paid equally by the pilot and the Association.

5. A pilot discharged by the Company under the provisions of this section will be deemed to
have been “discharged for just cause” within the meaning of the terms and provisions of
the PWA.
B. Check-Off of Dues, Service Charges and Assessments

1. Check-Off
   a. The Company agrees to deduct from the pay of each employee covered by the PWA, and remit to the Association promptly upon such deduction, membership dues, assessments by the Association, assessments by the Delta MEC, and service charges uniformly levied, in accordance with the Constitution and By-Laws of the Association, all as prescribed by the Railway Labor Act, as amended, provided such employee voluntarily executes authorization on a form, to be supplied by the Association, herein called “Check-Off Form”. Check-off forms duly executed will be delivered to the Base Chief Pilot.

   b. The Company will promptly provide the Association with a computerized statement in suitable electronic form at the time of each deduction under a check-off form, detailing for each pilot who executed a check-off form for his deductions dues, separately showing dues, service charges and specific assessments.

2. Deductions authorized by check-off forms will begin on the first day of the month following receipt of such check-off forms. An example of such check-off form is as follows:

   FORM FOR CHECK-OFF OF DUES, ASSESSMENTS BY THE ASSOCIATION AND THE DELTA MEC, AND SERVICE CHARGES

   To Delta Air Lines, Inc.
   I, ________________, hereby authorize and direct Delta Air Lines, Inc., to deduct from my pay such monthly dues (1.95% as of June 1, 2006, or such other amount as may be set by the Association), periodic assessments by the Association, periodic assessments by the Delta MEC, and service charges as are now or may hereafter be established in accordance with the Constitution and By-Laws of the Association, and as defined in Section 27 for remittance to the Air Line Pilots Association, International. I agree that this authorization will be irrevocable for one year from the date hereof or until termination of the check-off agreement between Delta Air Lines, Inc., and the Association, whichever occurs sooner. If the check-off agreement is terminated, this authorization will be automatically terminated. In the absence of a termination of the check-off agreement, this authorization may be revoked effective as of any anniversary date of the signing hereof by written notice given by me to Delta Air Lines, Inc., and the Association by registered mail, return receipt requested, during the ten days immediately preceding any such anniversary. This form does not revoke an existing check-off form unless and until it has been duly executed by the employee.

   ALPA Number______________________________________
   Signature of Employee _______________________________
   Address of Employee ________________________________
   Payroll Number ____________  Location ________________
   Date ______________________________________________

3. The PWA will not be construed to revoke or cancel any check-off form executed prior to the effective date of the PWA.

4. No deductions of dues, assessments, or service charges will be made from the wages of any pilot who has executed a “FORM FOR CHECK-OFF OF DUES, ASSESSMENTS BY THE ASSOCIATION AND THE DELTA MEC, AND SERVICE CHARGES” and
who has been transferred to a job not covered by the PWA, who is on furlough, or who is
on leave without pay. Upon return to work within a classification covered by the PWA,
whether by transfer, termination or leave without pay, or recall from furlough, deductions
will be automatically resumed provided the pilot has not revoked the assignment in
accordance with the other appropriate provisions of this section and the Railway Labor
Act, as amended.

5. A pilot who has executed a “FORM FOR CHECK-OFF OF DUES, ASSESSMENTS BY
THE ASSOCIATION AND THE DELTA MEC, AND SERVICE CHARGES” and
whose employment is terminated will be deemed to have automatically revoked the
assignment. If he is reemployed, further deductions of dues and assessments, or service
charges will be made only upon execution and receipt of a new “FORM FOR CHECK-
OFF OF DUES, ASSESSMENTS BY THE ASSOCIATION AND THE DELTA MEC,
AND SERVICE CHARGES.”

6. Collections of any back dues, assessments by the Association and Delta MEC or service
charges owed at the time of starting deductions for any employee and collection of dues
missed because the pilot’s earnings were not sufficient to cover the payment of dues,
assessments by the Association and Delta MEC or service charges for a particular pay
period will be the responsibility of the Air Line Pilots Association and will not be subject
to payroll deductions.

7. Deductions of dues, assessments by the Association and Delta MEC and service charges
will be made from each flight paycheck, provided there is a balance in the paycheck
sufficient to cover the amount after all other deductions authorized by the pilot or
required by law have been satisfied. In the event of termination of employment, the
obligation of the Company to collect dues, assessments by the Association and Delta
MEC and service charges will not extend beyond the monthly period in which his last
day of work occurs.

8. The Company agrees to deduct from the pay of each pilot an amount stipulated on his
signed Delta Pilots’ Furlough/Emergency Relief “Check-off Form”, and remit to the
Association, such contributions. Deductions, changes and cancellations authorized by
check-off forms will begin on the first paycheck issued after receipt and processing of
such check-off forms by the Company.

DELTA PILOTS FURLOUGH/EMERGENCY RELIEF FUND
TO DELTA AIR LINES, INC.
I,_______________________, hereby authorize and direct Delta Air Lines, Inc. to:

☐ Deduct from my semi-monthly pay the following whole-dollar amount $ _____ for
remittance to the Delta Pilots Furlough/Emergency Relief Fund. This authorization
remains in effect until changed or canceled in writing.

☐ Change my semi-monthly contribution to the Delta Pilots Furlough/Emergency Relief
Fund to the following whole-dollar amount $ ______.

☐ Cancel my semi-monthly contribution to the Delta Pilots Furlough/Emergency Relief
Fund.
Section 27 – Union Security and Check-Off

1. Signature of Employee ____________________________________________________

2. Address of Employee ___________________________________________________

3. Payroll Number ____________ Base _______ Department ______ Date ____________

NOTE: This contribution is not tax-deductible.

C. ALPA PAC Check-Off

1. The Company agrees to deduct from the pay of each pilot covered by the PWA, and remit to the Association, ALPA PAC contributions provided such employee voluntarily executes authorization on a form, to be supplied by the Association, herein called ALPA PAC “Check-Off Form”. Each duly executed ALPA PAC “Check-Off Form” will be delivered to the Base Chief Pilot. An example of such “Check-Off Form” is shown below.

   ALPA PAC CHECK-OFF FORM
   ASSIGNMENT AND AUTHORIZATION
   FOR CHECK-OFF OF ALPA PAC CONTRIBUTIONS

   TO DELTA AIR LINES, INC.
   I, ____________________, hereby authorize and direct Delta Air Lines, Inc. to deduct from my pay semimonthly contributions in the amount stated below for remittance to the Air Line Pilots Association Political Action Committee. I agree that this authorization will be irrevocable for one year from the date hereof or until termination of the ALPA PAC check-off agreement between Delta Air Lines, Inc. and the Association, whichever occurs sooner. In the absence of a termination of the ALPA PAC check-off agreement, this authorization may be revoked effective as of any anniversary date of the signing hereof of written notice given by me to Delta Air Lines, Inc., and the Association by registered mail, return receipt requested, during the ten days immediately preceding any such anniversary.

   Amount to be deducted semimonthly __________________

   Signature of Employee _______________________________

   Address of Employee ________________________________

   Payroll Number ______________  Location ______________

   Date ______________________________________________

2. Deductions authorized by ALPA PAC “Check-Off Forms” will begin on the first day of the month following receipt of such check-off forms.

3. The Association will remit to the Company actual reasonable administrative costs of this provision.
D. Indemnification and Cooperation

1. To the extent the Company is acting pursuant to written order by an authorized Association representative under the terms of this section or is acting pursuant to the provisions of Section 27 B. and/or C., the Company will not be liable for and will be held harmless from and be indemnified by the Association for any and all claims, awards or judgments, including court costs, which may result from legal action (including arbitration) by any pilot or pilots by virtue of the application or interpretation of any of the terms of this section.

2. The Company will cooperate with (e.g., provide requested documentation and information) the Association in its defense of such claims, awards and judgments.
SECTION 28

DURATION

A. Effective Date and Duration

1. Except as expressly provided otherwise, this PWA will become effective on June 1, 2006, will continue in full force and effect through December 31, 2009, and will renew itself without change through each succeeding December 31st, unless written notice of intended change is served in accordance with Section 6, Title I, of the Railway Labor Act, as amended, by either party hereto at least 60 days but no more than 270 days prior to December 31, 2009, or December 31st in any year thereafter.

2. Each provision of the Bankruptcy Restructuring Agreement will be implemented June 1, 2006 unless listed therein as having a different implementation date, provided that neither the Bankruptcy Restructuring Agreement nor the Bankruptcy Protection Covenant will be effective until the 363 Order (as defined in the Bankruptcy Protection Covenant) is entered.

B. Delta Waiver

Delta waives its right under the Railway Labor Act to make unilateral changes to the termination and labor disputes provisions of Section 1 N. 15. and 17. and Section 1 O. 14. and 16. during periods of lawful self-help by pilots. The termination and labor disputes provisions of Section 1 N. 15. and 17. and Section 1 O. 14. and 16. will remain in full force and effect unless and until revised in a future written agreement between the Company and the Association, irrespective of whether the pilots are engaged in a lawful strike under the Railway Labor Act.

C. Effect on Other Agreements

This PWA supersedes and cancels all Agreements, Supplemental Agreements, Amendments, Letters of Understanding, Memorandums of Understanding, Memorandums, Summaries and similar related documents executed between the Company and the Association prior to the date of signing of this PWA with the exception of the following Letters of Agreement:

<table>
<thead>
<tr>
<th>LOA #</th>
<th>Letter of Agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Release from Duty for Association Business: Option to be Removed from Category and Return to Duty</td>
</tr>
<tr>
<td>2</td>
<td>Special Incentive Line</td>
</tr>
<tr>
<td>3</td>
<td>Flight Operations Quality Assurance Program</td>
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<tr>
<td>4</td>
<td>Military Airlift Charter</td>
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<td>5</td>
<td>Civil Reserve Air Fleet Operations</td>
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<tr>
<td>6</td>
<td>PWA Carryover Provisions</td>
</tr>
<tr>
<td>7</td>
<td>Bankruptcy Protection Covenant</td>
</tr>
</tbody>
</table>
IN WITNESS WHEREOF, the parties hereto have signed this PWA this 1st day of June 2006.

FOR THE COMPANY

Gerald Grinstein  
Chief Executive Officer

Scott Kruse  
Chief Counsel

FOR THE ASSOCIATION

Captain Duane E. Woerth  
President

Captain Donald L. Moak  
Chairman, Delta MEC
WITNESS:

Geraldine P. Carolan  
Vice President - Labor Relations

David T. Watson  
Director – Pilot Resources

Michael Corbridge  
Director – Operations Finance

Jay D. Milone  
General Attorney

Donald P. Filer  
Manager – Labor Relations

Terry L. Gabbett  
Manager – Labor Relations

WITNESS:

TS O'Malley  
Captain Timothy S. O’Malley  
Chairman, MEC Negotiating Committee

Randy Worrall  
MEC Negotiating Committee

Rick Dominguez  
Captain Rick Dominguez  
MEC Negotiating Committee

William Elliott  
MEC Coordinator
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LETTER OF AGREEMENT

Between

DELTA AIR LINES, INC.

and the Air Line Pilots in the service of

DELTA AIR LINES, INC.

as represented by the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

RELEASE FROM DUTY FOR ASSOCIATION BUSINESS:
OPTION TO BE REMOVED FROM CATEGORY & RETURN TO DUTY

This LETTER OF AGREEMENT is made under the provisions of the Railway Labor Act, as amended, between Delta Air Lines, Inc. (“Company”) and the Air Line Pilots Association, International (“Association”).

WHEREAS, the Company and the Association are parties to a collective bargaining agreement setting forth the rates of pay, rules and working conditions for the Company’s pilots (“Pilot Working Agreement” or “PWA”) signed June 1, 2006; and

WHEREAS the parties desire to amend the PWA to provide specific options and procedures for pilots who are absent due to Association business to maintain currency, be removed from a category, and return to duty.

NOW THEREFORE, it is mutually agreed:

1. Definitions

a. “Designated pilot” for the purposes of this LOA means a pilot elected or appointed to office as an MEC Officer, MEC Executive Administrator or MEC Negotiating Committee Member.

b. “Upgrading pilot” for the purposes of this LOA means a designated pilot who begins an absence due to Association business as a First Officer, and returns with sufficient seniority to hold a position that would allow him to obtain his initial type rating or initial Captain position at the Company.
LOA # 1 – Release From Duty For Association Business

2.

Options to be Removed From Category

a. At the onset of each term of ALPA office, a designated pilot must choose to:
   1) be removed from his category, or
   2) remain in his category.

b. A designated pilot who initially chose to remain in his category may choose thereafter to be removed from such category for the duration of the absence. Such pilot will return to the line under paragraph 3. a. of this LOA.

c. A designated pilot who elected to be removed from his category will continue to accrue vacation under Section 7 B. of the PWA and will be paid unused earned vacation under Section 7 G. 3. of the PWA. Such hours paid, together with the benefits override, will be reimbursed to the Company by the Association.

d. A designated pilot who remains in his category will maintain qualification for his position by:
   1) flying; or
   2) performing duties in a flight simulator.

e. Upon request, a designated pilot maintaining qualification for his position under paragraph 2. d. 1) of this LOA, may fly a rotation(s) on an LCP’s schedule on which no operating experience or line check function has been scheduled.

3.

Return to Duty

a. A designated pilot who was removed from his category:
   1) will return to the category he held at the beginning of his leave,
      Exception: If a pilot senior to him was involuntarily displaced from that category during his leave, or the category no longer exists, the designated pilot will transfer to the category of his choice that his seniority permits him to hold.
   2) will transfer to a category in which there has been an AE awarded during his leave and that his seniority permits him to hold,
      Note: Upon such transfer the designated pilot will incur a category freeze under Section 22 G. of the PWA.
   3) if he is an upgrading pilot who desires to re-acclimate to line operations as a domestic category First Officer, will be permitted to return under paragraph 3. c. of this LOA.

b. A designated pilot who remained in his category for the entire period of his absence and was awarded an AE during such absence:
   1) will be converted into the category of his AE in seniority order, but his conversion will be held in abeyance pending the commencement of his training for such category, and
   2) may:
      a) be converted and commence training for his new category in the bid period of his return, or
b) remain in his former category for up to six bid periods (with pay at the rates applicable to such category) and be converted and commence training for his new category in the seventh bid period.

Exception: At the pilot’s request, and with the Company’s concurrence, he will be converted and commence training earlier than the seventh bid period if a training slot is available.

c. An upgrading pilot who was removed from his category may:

1) designate a domestic First Officer category to which he desires to return for the purpose of re-acclimating himself to line operations. Such category will:

a) be a category his seniority permits him to hold, and

b) include equipment requiring the same or common type rating as required in the category of his AE award under paragraph 3. a. 2) of this LOA,

Exception: If the upgrading pilot was awarded an AE for a category requiring a type rating, he may designate any domestic First Officer category his seniority permits him to hold.

2) be converted and enter training for his designated First Officer category in the first bid period of his return,

3) hold his designated First Officer category for a period of up to six bid periods after completion of training,

   Note: During this period, the pilot will be paid at the rates applicable to his designated First Officer category.

4) be converted and enter training in his upgrade category in the seventh bid period of his return, and

   Exception: At the pilot’s request, and with the Company’s concurrence, he will be converted and commence training earlier than the seventh bid period of his return if a training slot is available.

5) be provided a full training course in his upgrade category if he requests. If not, he will be provided the required training course.

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LETTER OF AGREEMENT

Between

DELTA AIR LINES, INC.

and the Air Line Pilots in the service of

DELTA AIR LINES, INC.

as represented by the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

SPECIAL INCENTIVE LINE

This LETTER OF AGREEMENT is made under the provisions of the Railway Labor Act, as amended, between Delta Air Lines, Inc. ("Company") and the Air Line Pilots Association, International ("Association").

WHEREAS, the Company and the Association are parties to a collective bargaining agreement setting forth the rates of pay, rules and working conditions for the Company’s pilots ("Pilot Working Agreement" or "PWA") signed June 1, 2006; and

WHEREAS the Company and the Association desire to amend the PWA so as to implement a voluntary program to reduce the negative impact of a surplus of pilots.

NOW THEREFORE, it is mutually agreed:

1. Definitions

a. "Excess category" means a category that has been designated by the Company and in which a SIL(s) will be offered to eligible pilots.

b. "Eligible pilot" means a pilot who:

1) holds a position in an excess category,

2) has completed OE for such category,

3) is not a non-consolidated pilot, and

4) is not anticipated or scheduled to be absent in the SIL bid period (e.g., vacation, training, military leave, sick leave, jury duty).

Note: A pilot may be anticipated by the Company to attend training before such training is posted. Such pilot would not be an eligible pilot under this LOA. A pilot who has been denied a SIL award for a bid period because of his anticipated training will be scheduled for training during such bid period.

c. "Special incentive line (SIL)" means a line that does not contain any flying or reserve on-call obligations, and is awarded on a voluntary basis under this LOA.
2. a. The Company will determine:
   1) which categories, if any, will be designated as excess categories for a bid period, and
   2) the number of SILs to be made available for bidding in an excess category for a bid period.

3. The Company may commence awarding SILs in any bid period, following notification and concurrence of the MEC Scheduling Committee Chairman.

4. An eligible pilot may bid and be awarded a SIL under the following schedule:

<table>
<thead>
<tr>
<th>Days Before Start of SIL Bid Period</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>40 days</td>
<td>SILs posted in DBMS</td>
</tr>
<tr>
<td>35 days</td>
<td>SIL Bidding closes</td>
</tr>
<tr>
<td>34 days</td>
<td>SIL Awards posted in DBMS</td>
</tr>
</tbody>
</table>

5. A bid for a SIL will not be valid unless it:
   a. is clearly marked as a “SIL BID”,
   b. is received by Crew Resources not later than 0700E on the date the bid closes, and
   c. includes the following information:
      1) Name
      2) Employee number
      3) Category of the pilot in the SIL bid period.

6. A bid may be submitted by:
   a. hand delivery to Crew Resources,
   b. fax to Crew Resources at (404 715-1165), or
   c. e-mail to Crew Resources at Dewey.Jenkins@delta.com.

7. SILs will be awarded in seniority order among eligible pilots in the excess category who have submitted valid bids under paragraph 5. A pilot will not be awarded or assigned a SIL if he did not submit a valid bid for a SIL.
LOA #2 – Special Incentive Line

8.

A SIL award will be revocable only by mutual agreement between the Company and the pilot.

9.

During a bid period in which he holds a SIL:

a. a pilot will receive a SIL guarantee of 55 hours of pay and credit at his applicable composite hourly rate.

b. a pilot will not be eligible to use sick leave credit hours or accident leave.

c. a pilot will remain on active payroll status.

d. when returned to the line under Section 11 C. 2., an SLI who is awarded a SIL will not be permitted to use his full service bank to be paid over the SIL guarantee (i.e., Exception 2) to Section 11 C. 3. d. will not apply).

10.

A pilot will be relieved of all obligations to fly and obligations to be available to fly during his SIL bid period.

Exception one: A regular pilot will be obligated to fly to completion a rotation that begins in the prior bid period and extends (or is extended) into the SIL bid period.

Note: Such rotation may be modified under paragraph 11. b. 1).

Exception two: A reserve pilot will be obligated to continue a rotation that begins in the prior bid period and extends (or is extended) into his SIL bid period, until such rotation passes through the pilot’s base in his SIL bid period.

11.

The pay associated with a portion of a rotation that began in the prior bid period and occurs in the SIL bid period will:

a. be paid over the SIL guarantee of a pilot who held a reserve line at the start of such rotation.

b. not be paid over the SIL guarantee of a pilot who held a regular line at the start of such rotation unless:

1) no later than the 15th day of the month prior to the SIL bid period, the pilot requested a personal drop of such rotation, and the Company denied such personal drop.

Note one: Such personal drop request will remain active until 0700E on the day prior to the start of the rotation that extends into the SIL bid period.

Note two: The Company may remove a pilot from a portion of a rotation that extends into the SIL bid period. The pilot will not receive pay or credit for the removed portion of such rotation that occurs in the SIL bid period.

or

2) the rotation was not originally scheduled to extend into the SIL bid period and the flying in the SIL bid period was pursuant to a reroute.
A reserve pilot who has been awarded a SIL for the next bid period may:

a. not be awarded open time that extends into his SIL under:
   1) *Section 23 N. 3., 4., 7., 8., or 9.* (Long Notice Ladder).
   2) *Section 23 O. 3., 5., or 8.* (Short Notice Ladder).

b. be awarded open time that extends into his SIL after pilots assigned under:
   1) *Section 23 N. 9. and 10.* (Long Notice Ladder) in the following sequence:
      a) Long call reserve pilots for whom the assignment would extend into their SIL
         bid period (in category, within least intrusion groupings, by RAW value), then
      b) Short call reserve pilots for whom the assignment would extend into their SIL
         bid period (in category, within least intrusion groupings, by RAW value).
   2) *Section 23 O.* (Short Notice Ladder) after pilots assigned under *Section 23 O. 8.* (in
      category, within least intrusion groupings, by RAW value).

A regular pilot who has been awarded a SIL for the next bid period may not:

a. be awarded or assigned open time that extends into his SIL under
   *Section 23 E., N., or O.*, or
b. swap for a rotation that extends into his SIL under *Section 23 H.*

A pilot who has been awarded a SIL may not pick up a pre-bid period white slip that extends
into his SIL.

Note: A pilot who has bid for a SIL may, prior to SIL awards, bid and be awarded a pre-bid
period white slip that extends into the SIL bid period. Pay for such rotation will be under
paragraph 11. b.

This LOA will become effective on its date of signing and will remain in effect
concurrent with the PWA. Notwithstanding the foregoing, either party may cancel this
LOA by serving upon the other party written notice of its desire to cancel this LOA. On
the first day of the first bid period commencing at least 45 days after service of such
written notice, this LOA will be deemed null and void and will have no further effect.
LETTER OF AGREEMENT

Between

DELTA AIR LINES, INC.

and the Air Line Pilots in the service of

DELTA AIR LINES, INC.

as represented by the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

FLIGHT OPERATIONS QUALITY ASSURANCE PROGRAM

This LETTER OF AGREEMENT is made and entered under the provisions of the
Railway Labor Act, as amended, by Delta Air Lines, Inc. (“the Company”) and the Air
Line Pilots Association, International (“the Association”).

WHEREAS, the Company and the Association are parties to a collective bargaining
agreement setting forth the rates of pay, rules and working conditions for the Company’s
pilots (“Pilot Working Agreement” or “PWA”) signed June 1, 2006; and

WHEREAS the parties have met to discuss the implementation of a Flight Operations
Quality Assurance (FOQA) program wherein recorded flight data is collected and
analyzed; and

WHEREAS, the parties intend that the sole purpose of the FOQA program will be to
enhance the safety of flight operations; and

WHEREAS, Federal Aviation Regulations have been issued concerning FOQA that
contain specific protective provisions satisfactory to both the Company and the
Association.

NOW THEREFORE, it is mutually agreed:

1.

Definitions

a. “FOQA program” means a program designed pursuant to this LOA to enhance flight
safety through controlled analysis of recorded flight data information.
b. “FOQA data” means information collected by any means for use in the FOQA program. FOQA data will be used solely for the purpose of FOQA analysis.

c. “Identifying data” means any FOQA data or combination of data that allows collected data to be associated with a specific pilot.

d. “Identified data” means any collected FOQA data prior to removal of all identifying data.

e. “FOQA program information” means any and all FOQA data and the analysis or compilation of such data.

f. “FOQA monitoring team” means a committee composed of three pilots appointed by the Company and three pilots appointed by the Delta MEC Chairman.

g. “Operational exceedance event” means an event in which an aircraft is operated, as determined by FOQA data, outside of mutually agreed upon tolerances. Operational exceedance events may include, but are not limited to, the events included in Appendix I of the Flight Safety Foundation Report to the FAA on Voluntary Air Carrier FOQA program, DOT contract No. DTFA 01-92-C-00010.

h. “Designated ALPA FOQA monitoring team member” means an ALPA member of the FOQA monitoring team who is empowered to identify and telephonically interview a pilot(s) involved in operational exceedance events. A pilot will not be identified or contacted by persons other than the designated ALPA FOQA monitoring team member.

2. FOQA Program

a. The design, implementation, and operation of the FOQA program will be by mutual agreement between the Company and the Association. Any variation from the agreed-upon FOQA program will require the mutual agreement of the parties, in writing, thirty days prior to the effective date of any such change.

b. The Company will notify the Association, in writing, not less than thirty days prior to the installation of any device, equipment or system, on any equipment type, which is capable of monitoring pilot performance for purposes of the FOQA program.

c. The FOQA monitoring team will oversee the day-to-day operation of the FOQA program and establish necessary policies and procedures to ensure compliance with this LOA.

d. The design of the FOQA program will ensure the initial confidentiality and ultimate anonymity of individual pilots.

e. If there is a violation of the requirements of the FOQA program as set forth herein, the ALPA members of the FOQA monitoring team may suspend the FOQA program, pending review by the parties.

f. In the event of termination of the FOQA program or cancellation of this LOA, all identifying data and identified data will be destroyed.

g. The FOQA program will, at a minimum, provide for the monitoring of the parameters set forth in Appendix J of the Flight Safety Foundation Report to the FAA on Voluntary Air Carrier FOQA program DOT contract No. DTFA 01-92-C-00010.
3.

Scope

a. Sufficient de-identified data will be maintained to fulfill the requirements of the agreed-upon FOQA program. All de-identified data, and analysis of such data, will be made available to the parties.

b. There will be continual evaluation of exceedance values by the parties. All changes, additions and deletions will require written approval of the parties.

c. Any special studies or evaluations require mutual agreement by the parties.

d. The Association will be promptly notified of a request by any third party for FOQA program information. Appropriate entities may be afforded access to de-identified FOQA program information, provided the parties give prior approval.

e. The FOQA program is a stand-alone safety program, and is not intended to effect any changes to the existing acquisition and use of flight data.

4.

Data Retention

a. The Company will remove identifying data from identified data as soon as possible but not later than seven days from the date of acquisition of the data.

b. Any employee/agent of either the Company or the Association who has contact with any identified data used in a FOQA program will be prohibited from divulging any identifying data to any individual other than the designated ALPA FOQA monitoring team member.

5.

Data Use

a. No person other than the designated ALPA FOQA monitoring team member will be authorized to identify the individual pilot associated with any specific data.

b. The sole contact with any pilot associated with an operational exceedance event will be through the designated ALPA FOQA monitoring team member.

c. Any notes, memoranda, or other documents used by the designated ALPA FOQA monitoring team member in any contact with any pilot concerning a specific FOQA event will be considered “identified data” for purposes of this agreement and will be “de-identified” under paragraph 4. a.

d. FOQA program information will not be used to substantiate or corroborate information obtained from other sources.

e. The FOQA program will be used for evaluating and improving the following areas in any manner not specifically prohibited herein:

1) Aircraft performance

2) Aircraft systems

3) Pilot performance
4) Operational performance
5) Company procedures
6) Training programs
7) Aircraft design
8) ATC system operation
9) Airport operational issues
10) Meteorological issues
11) Any other area mutually agreed to by the parties.

f. FOQA program information will not be used as a basis, in whole or in part, for a discipline/disciplinary action against a pilot.

1) FOQA program information will be considered inadmissible in any grievance or System Board of Adjustment proceeding.

2) No investigation into alleged pilot misconduct will be initiated by the Company on the basis of FOQA program information.

6.

**FOQA Monitoring Team**

The designated ALPA FOQA monitoring team member will be one of the three ALPA appointed FOQA team members and will be assigned this function by the MEC Chairman.

7.

**Duration**

This LOA will remain in full force and effect concurrent with the Pilot Working Agreement. Notwithstanding the foregoing, either party may cancel this LOA by serving upon the other party written notice of its desire to cancel this LOA. On the 30th day following service of the written notice, this LOA will become null and void and will have no further effect and the FOQA program will cease.
LETTER OF AGREEMENT

Between

DELTA AIR LINES, INC.

and the Air Line Pilots in the service of

DELTA AIR LINES, INC.

as represented by the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

MILITARY AIRLIFT CHARTER

This LETTER OF AGREEMENT is made and entered into under the provisions of the Railway Labor Act, as amended, by Delta Air Lines, Inc., (“the Company”) and the Air Line Pilots Association, International (“the Association”).

WHEREAS the Company and the Association are parties to a collective bargaining agreement setting forth the rates of pay, rules and working conditions for the Company’s pilots (“Pilot Working Agreement” or “PWA”) signed June 1, 2006; and

WHEREAS the Company and the Association desire to provide the Company the ability to operate Military Airlift Charters (“MAC”).

NOW THEREFORE, it is mutually agreed:

1. “Military Airlift Charter” (MAC) means all flight operations conducted under an agreement between the Company and the Department of Defense or any branch of the United States Armed Services, except for Civil Reserve Air Fleet operations.

2. “Military theatre” means a site of military operations and the adjacent region.

3. MAC operations will be performed by pilots under the PWA, as modified by this LOA.
4.

Section 12 D. 1. is amended as follows for domestic or intra-theatre MAC operations.
A pilot will not be:
1) scheduled for a duty period that is in excess of 13 hours, or
2) required to be on duty more than 15 hours, or
3) scheduled for any duty period that would otherwise not comply with
   Section 12 D. 1 unless the crew is augmented with a relief first officer.

5.

Section 12 D. 3. d. 2) and Section 12 F. 2. b. are amended to permit two scheduled landings following a transoceanic MAC operation.

6.

The Company may:
1) alter the report, departure, arrival time, intermediate stops and itinerary of a MAC. The pilot(s) assigned to such MAC will not be considered to be removed or rescheduled.
2) not schedule more than two non-MAC flights, other than ferry (non-revenue) flights, while positioning an aircraft for, or returning from, a MAC.

7.

A pilot who desires to fly in MAC operations will:
1) so notify Crew Scheduling via:
   a) E-mail at Dewey.Jenkins@delta.com,
   b) fax at (404) 714-0481,
   c) telephone call to a Crew Scheduling supervisor, or
   d) a MAC volunteer template on the Flight Operation website.
   Note: A pilot will have access on the Flight Operations website to a list of pilots on the MAC volunteer list.
2) stipulate:
   a) dates on which he desires to fly, and/or
   b) the type of MAC operations acceptable (military theatre, international, domestic or any combination)

8.

A stipulation(s) made by a pilot under paragraph 7. will remain in effect until withdrawn or changed by the pilot.
MAC flying will be awarded in seniority order to qualified pilots who:

1) hold a position on the aircraft type being utilized for the MAC flying, and
2) have notified Crew Scheduling under paragraph 7.

Note: Subject to Exception four below, MAC flying will be awarded without
consideration of a pilot’s monthly projection.

Exception one: A regular pilot will not be awarded MAC flying if:

a. he is a low-time Captain and the rotation was previously awarded to a low-time First
   Officer.

b. he is a low-time First Officer and the rotation was previously awarded to a low-time
   Captain.

c. he has not completed OE.

d. the award creates a rotation overlap and/or is within 30 minutes of creating an FAR
   and/or PWA conflict.

Exception: A pilot may be awarded MAC flying in the current bid period that will
create an FAR and/or PWA conflict with a rotation in the next bid period. The
conflicting rotation in the next bid period will be removed from the pilot’s line. The
pilot’s projection/line guarantee will be reduced by the credit of the removed rotation.

e. the award includes a previously scheduled:
   1) day that the pilot dropped under Section 23 I. 8. (APD).
   2) reserve day that the pilot dropped under Section 23 I. 7. (PD).

f. the MAC flying is scheduled to operate during a period(s) of his absence due to sick
   leave.

g. the award does not conform with the stipulations set forth by the pilot under
   paragraph 7.

Exception two: A reserve pilot will not be awarded MAC flying if:

a. the award creates a rotation overlap and/or is within 30 minutes of creating an FAR
   or PWA conflict.

Exception: A pilot may be awarded MAC flying in the current bid period that will
create an FAR and/or PWA conflict with a rotation in the next bid period. Such
rotation in the next bid period will be removed and his projection/line guarantee will
be reduced by the credit of the rotation removed.

b. the award is same-day/next-day MAC flying that would create an FAR and/or PWA
   conflict with a previously awarded/assigned rotation (i.e., no loop-back to undo a
   previously awarded/assigned rotation).

c. the award would cause the pairing of two low-time pilots on such rotation.

d. he has not completed his OE.

e. during the open time coverage process in Section 23 N. or O., he is the only pilot
   with sufficient days-of-availability to cover a rotation of greater length than that
   requested as MAC flying.

f. the award includes a previously scheduled:
   1) day that the pilot dropped under Section 23 I. 8. (APD).
   2) reserve day that the pilot dropped under Section 23 I. 7. (PD).

g. the award does not conform with the stipulations set forth by the pilot under
   paragraph 7.
Exception three: A pilot will not be awarded MAC flying if:

a. the award would result in the pairing of crew members who do not meet Department of Defense 250 hour combined total line operating experience requirement on the aircraft type utilized for the MAC, and
b. he is junior to the other pilot who was awarded the MAC.

Exception four: An available volunteer whose projection does not equal or exceed the ALV plus 15 hours will be awarded MAC flying before a pilot whose projection equals or exceeds the ALV plus 15 hours.

10.

An international category pilot may be awarded a MAC composed solely of domestic flying.

11.

A domestic category pilot will not be awarded a MAC containing an ocean crossing.

12.

In the event no available line pilot has indicated his interest in a given MAC under paragraph 7., the Company may assign volunteer administrative pilots to such MAC, without incurring pay liability to a line pilot.

13.

A MAC will begin and end at the pilot's base.

1) It will be the pilot’s responsibility to report to his base at the report time designated for the MAC.
2) Upon his request, a pilot will be provided positive space on-line transportation between a domestic airport in the vicinity of his permanent residence and:
   a) the location (other than his base) where he joins his rotation, and/or
   b) the location from where he is scheduled to deadhead back to his base.
3) For pay, expense and maximum scheduled duty time purposes, a MAC will begin and end at the pilot’s base.

14.

A pilot will not be awarded a MAC that conflicts with a rotation on his regular line. If at the time of award of a MAC, a pilot had no FAR and/or PWA conflict with a rotation scheduled to operate after the MAC, but due to an extension of the MAC a conflict does occur, the subsequent rotation will be pay protected under Section 4 F., and the pilot may be assigned to:

1) deadhead to any portion of his rotation, and/or
2) fly any portion of his rotation.
15.
A regular pilot who is removed from a MAC will not be pay protected under Section 4 F.
for the MAC and will not have recovery obligations.

16.
A pilot will not be awarded MAC flying that is scheduled to be conducted over an X-day
on his schedule unless he expressly waived such X-day in his notification to Crew
Scheduling under paragraph 7. An X-day that is so waived will be forfeited by the pilot.
An X-day that is lost due to a MAC operation, but was not expressly waived, will be
repaid under Section 23 S. 14.

17.
The Company will provide $1,000,000 accidental death and dismemberment insurance
coverage for each pilot for death or injury sustained while engaged in MAC flying in a
military theatre.

18.
This LOA may be used for other than MAC flying if the MEC Scheduling Committee
Chairman approves a Company request to operate other flights under the terms of this
agreement. Approval may be granted for a one-time flight or for a series of flights
operating between the same departure point and same destination carrying passengers or
freight.

19.
This LOA will become effective upon its date of signing and remain in effect concurrent
with the PWA.
LETTER OF AGREEMENT

Between

DELTA AIR LINES, INC.

and the Air Line Pilots in the service of

DELTA AIR LINES, INC.

as represented by the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

CIVIL RESERVE AIR FLEET OPERATIONS

This LETTER OF AGREEMENT is made in accordance with the provisions of the Railway Labor Act, as amended, between Delta Air Lines, Inc. (“Company”) and the Air Line Pilots Association, International (“Association”).

WHEREAS, the Company and the Association are parties to a collective bargaining agreement setting forth the rates of pay, rules and working conditions for the Company’s pilots (“Pilot Working Agreement” or “PWA”) signed June 1, 2006.

NOW THEREFORE, it is mutually agreed:

1. For the purpose of this LOA, the term “CRAF operation” means all flight operations conducted in accordance with an agreement between the Company and the Department of Defense (DOD) covering Civil Reserve Air Fleet (CRAF) operations, but does not include the Company's certificated service or commercial charter service or any other government operation.

2. The term “CRAF pilot” means a pilot who is awarded or assigned a CRAF operation position under this LOA.

3. The rates of pay, rules and working conditions applicable to CRAF pilots will be governed by the PWA, except as specifically modified herein.
LOA #5 – Civil Reserve Air Fleet Operations

4.

A CRAF pilot will be treated as an international category pilot for all purposes of the PWA.

5.

During the first 30 days of a CRAF operation, pilots will be assigned to the CRAF operation in the following manner:

a. CRAF operation positions will be proffered to currently qualified pilots on the aircraft activated by the DOD, in seniority order.

b. A position(s) that remains vacant after all currently qualified pilots on the aircraft activated by the DOD have been proffered will be assigned to currently qualified pilots on the aircraft activated by the DOD, in inverse seniority order.

c. A position(s) that remains vacant after all currently qualified pilots on the aircraft activated by the DOD have been inversely assigned will be proffered to pilots in seniority order.

d. A position(s) that remains vacant after all pilots have been proffered will be assigned to pilots in inverse seniority order.

6.

Within 30 days after the implementation of a CRAF operation, all pilot positions in such operation will be:

a. posted for system wide bid and awarded under the PWA, and

b. considered as operating from a newly established base.

7.

At the expiration of the initial 30-day period, a pilot assigned to a CRAF operation will remain in such position until replaced by a pilot who successfully bid such operation under the PWA. Such replacements will be made as soon as practicable under the PWA.

8.

A pilot who is awarded or assigned a CRAF operation position during the first 30 days of such operation and indicates to the Company in writing his desire to return to the category he held prior to his award or assignment to the CRAF operation, will be allowed to do so provided there is a currently qualified pilot who:

a. has expressed his desire to the Company in writing to fill such CRAF position, or

b. is junior to him.
9. A CRAF pilot will be eligible for continued participation in the applicable Company insurance plans. In addition thereto, the Company will provide $1,000,000 accidental death and dismemberment insurance coverage for each pilot while he is assigned to the Company's CRAF operation.

10. A CRAF pilot will be considered as though assigned to the Company's regular operations for retirement plan purposes.

11. This LOA will become effective on its date of signing and will remain in effect concurrent with the PWA.
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LETTER OF AGREEMENT

Between

DELTA AIR LINES, INC.

and the Air Line Pilots in the service of

DELTA AIR LINES, INC.

as represented by the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

PWA CARRYOVER PROVISIONS

This LETTER OF AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by Delta Air Lines, Inc. (“the Company”), and the Air Line Pilots Association, International (“the Association”).

WHEREAS the Company and the Association are parties to a collective bargaining agreement setting forth the rates of pay, rules and working conditions for the Company’s pilots signed June 1, 2006, (“Pilot Working Agreement” or “PWA”); and

WHEREAS the parties have agreed to retain the 2001 PWA Section 6 relocation provisions for pilots based in DFW between August 1, 2004 and August 1, 2005 and for pilots entitled to relocation benefits as of November 11, 2004; and

WHEREAS the parties have also agreed a pilot will remain eligible under the relocation provisions of the Restructuring Changes to the Delta Pilot Working Agreement, signed November 11, 2004, and not forfeited prior to June 1, 2006; and

WHEREAS the parties have agreed to move the provisions of the 2001 PWA Section 14 I. Pre-merger Western Pilots Sick Leave Conversion to this Letter of Agreement; and

WHEREAS the parties have agreed to a modification of the D&S Plan for pilots receiving benefits under the Delta Pilots Disability and Survivorship Plan who returned to work between November 12, 2004 and August 16, 2005; and
WHEREAS the parties have agreed that the Company will continue the indemnification obligations in the Special Provisions for Protection of the Delta Pilots Retirement Plan and for the Emergency Employment of Post-Retirement Pilots signed September 30, 2004, the Restructuring Changes to the Delta Pilot Working Agreement, signed November 11, 2004, the Special Provisions for Cessation of Employment of Post-Retirement Pilots, signed December 11, 2005 and the Bankruptcy Restructuring Agreement signed June 1, 2006; and

WHEREAS the parties have agreed to a method for transitioning to the sick leave provisions agreed to under the Bankruptcy Restructuring Agreement signed June 1, 2006; and

WHEREAS the parties have agreed to terminate the Equity Ownership Plan of the Restructuring Changes to the Delta Pilot Working Agreement, signed November 11, 2004.

NOW THEREFORE, it is mutually agreed:

1. A. An eligible pilot, who was based in DFW between August 1, 2004 and August 1, 2005 who is eligible for relocation benefits under Section 6 A. 3.c., will be paid a relocation incentive bonus of $9,000.00 if:
   1. he actually moves his household goods and personal effects to a new permanent residence that is within a 125 straight-line statute mile radius of the airfield reference point at his new base; and
   2. his current permanent residence is not within such radius; and
   3. his new permanent residence is at least 50 straight-line statute miles closer to the airfield reference point at his new base than is the permanent residence address from which he is relocating; and
   4. he actually establishes his home at his new permanent residence; and
   5. he agrees to repay the Company for such incentive bonus if, within 24 months of the conversion that entitled him to receive such incentive bonus, he:
      a) converts into a position at another base as the result of an AE; or
      b) relocates to another permanent residence outside such radius, without changing bases.

   Note: For the purposes of Section 6 A. 3.c., and this LOA, the closure of the DFW pilot base was August 1, 2005.

B. A pilot will remain eligible under the relocation provisions as they existed prior to the Restructuring Changes to the Delta Pilot Working Agreement, signed November 11, 2004, if he has not forfeited or does not forfeit his eligibility for such relocation benefits, and if, prior to November 11, 2004:
   1. he became an eligible pilot because of his conversion, or recall from furlough, or
   2. he was awarded an AE, VD or MD that upon his conversion would have rendered him eligible for relocation benefits.
C. A pilot will remain eligible under the relocation provisions of the Restructuring Changes to the Delta Pilot Working Agreement, signed November 11, 2004, if he has not forfeited or does not forfeit his eligibility for such relocation benefits, and if, from November 12, 2004 to June 1, 2006:

1. he became an eligible pilot because of his conversion, or recall from furlough, or
2. he was awarded an AE, VD or MD that upon his conversion would have rendered him eligible for relocation benefits.

2.

Pre-merger Western Pilots Sick Leave Conversion

1. A pre-merger Western pilot will be entitled to the number of sick leave credit hours he accrued under the former Western Basic Working Agreement as of January 1, 1988, subject to the following modifications:
   a. Sick leave credit hours used prior to January 1, 1988 will be deducted from the number of hours accrued under the former Western Basic Working Agreement as of January 1, 1988.
   b. A pre-merger Western pilot will:
      1) convert to the sick leave credit hours system set forth in Section 14 D. on any employment anniversary date on which the number of hours accrued under the former Western Basic Working Agreement as of January 1, 1988 is less than or equal to the number of sick leave credit hours that the pilot would be entitled to if all his service had been at the Company.
      2) not convert to the sick leave credit hours system set forth in Section 14 D. on any employment anniversary date on which the number of hours accrued under the former Western Basic Working Agreement as of January 1, 1988 is greater than the number of sick leave credit hours that the pilot would be entitled if all his service had been at the Company.

2. A pre-merger Western pilot who converts to the sick leave credit hours system set forth in Section 14 D. will thereafter accrue the appropriate number of sick leave credit hours on each subsequent anniversary date.

3.

Amend Section 4.03(d) of the D&S Plan to read as follows:

“This Section 4.03(d) will apply in the case of a disabled Employee who, after November 11, 2004, returns to Active Work with a First Class medical certificate.

(i) If during the first 12 months after his return to work the same disability causes him to be removed from flight status, he will be entitled to his original disability benefit. If during the first 12 months after his return to work a new disability causes him to be removed from flight status he will be entitled to the disability benefit determined in accordance with the Plan without regard to this Section 4.03 (d).
(ii) If at any time more than 12 months after his return to work the same or a new disability causes him to be removed from flight status:
   a. If his latest removal from flight status for disability is before August 17, 2005, he shall be entitled to the greater of his original disability benefit or 50% of the average of the highest 12 consecutive months of normal Earnings during the last 36 months of Active Payroll Status.
   b. If his latest removal from flight status for disability is on or after August 17, 2005, he shall be entitled to the disability benefit determined in accordance with the Plan without regard to this Section 4.03(d).”

4.

A. The Company indemnifies and holds harmless the Association, its members, officers, agents, employees, counsel, and representatives (each an “indemnitee”) from any and all claims, lawsuits, or administrative charges of any sort whatsoever including reasonable attorney’s fees and costs arising in connection with such matters, relating to, concerning or connected to the negotiation or implementation of the Special Provisions for Protection of the Delta Pilots Retirement Plan and for the Emergency Employment of Post-Retirement Pilots, signed September 30, 2004 and the Special Provisions for Cessation of Employment of Post-Retirement Pilots, signed December 11, 2005. Provided that such indemnification and hold harmless obligation will not apply to 1) any claim, lawsuit or administrative charge resulting from the willful misconduct of any indemnitee; and 2) any claim, lawsuit or administrative charge asserting that the Association violated its bylaws or other organizational requirements by entering into such agreements. An indemnitee seeking to be indemnified and held harmless pursuant to this paragraph, must provide to the Company prompt written notice of the claim, lawsuit or administrative charge as to which the indemnitee seeks to be indemnified and held harmless. The Company will have the right to conduct the defense of such matter with counsel of the Company’s choosing and enter into a settlement of such matter. The Company will give reasonable consideration to the wishes of the indemnitee in connection with the matters described in the foregoing sentence.

B. The Company will indemnify and hold harmless the Association, its members, officers, agents, employees, counsel, and representatives (each an “indemnitee”) from fifty percent (50%) of any liability, loss damages fines, penalties, excise taxes and costs resulting from any and all claims, lawsuits, or administrative charges of any sort whatsoever, including fifty percent (50%) of the reasonable attorney’s fees and costs, arising in connection with matters relating to, concerning or connected to the negotiation or establishment of (1) the amendment to freeze Credited Service as of December 31, 2004 under the Delta Pilots Retirement Plan, Delta Pilots Supplemental Annuity Plan and Delta Pilots Bridge Plan; (2) the amendment to cease contributions to the Delta Pilots Money Purchase Pension Plan as of January 1, 2005; and (3) the Delta Pilots Defined Contribution Plan (the foregoing three changes hereinafter referred to as the “amendments”). This fifty-percent sharing arrangement will exist until the Association’s financial exposure reaches two and one half million dollars ($2,500,000). Any exposure exceeding two and one half million dollars ($2,500,000) will be the responsibility of the Company. Provided that such indemnification and hold harmless obligation will not apply to (1) any claim, lawsuit or administrative charge
resulting from the willful or intentional conduct of any indemnitee; (2) any claim, lawsuit or administrative charge asserting that the Association violated its By-Laws or other organizational requirements by entering into the amendments; and (3) any claim, lawsuit, or administrative charge resulting from any statement made by any indemnitee to any pilot that incorrectly describes the amendments. An indemnitee seeking to be indemnified and held harmless pursuant to this paragraph, must provide to the Company prompt written notice of the claim, lawsuit or administrative charge as to which the indemnitee seeks to be indemnified and held harmless. The Company will have the right to conduct the defense of such matter with counsel of the Company’s choosing and enter into a settlement of such matter. The Company will give reasonable consideration to the wishes of the indemnitee in connection with the matters described in the foregoing.

5.

All stock options issued to pilots under the Equity Ownership Plan provided in the Restructuring Changes to the Delta Pilot Working Agreement, signed November 11, 2004 are cancelled and the Equity Ownership Plan is terminated.

6.

For the transition year beginning June 1, 2006, a pilot’s sick leave credit hours will be the lesser of:

a. his sick leave credit hours shown in the chart in Section 14 D. 1. a., except that his “year of employment” will be the number of years the pilot will complete on his next employment anniversary that occurs after June 1, 2006, or

b. his sick leave credit hours as determined by the following formula:

\[ A \times (1-B) + A \times C \]

Where:

A = A pilot’s sick leave credit hours determined under this provision.
B = The number of sick leave credit hours used by a pilot in his current employment year as a percentage of the total sick leave credit hours available to that pilot.
C = The number of days from the first day of the pilot’s employment year through June 1, 2006, divided by 365.

7.

This Letter of Agreement will become effective upon its date of signing and remain in effect concurrent with the PWA.
Intentionally left blank
LETTER OF AGREEMENT

Between

DELTA AIR LINES, INC.

and the Air Line Pilots in the service of

DELTA AIR LINES, INC.

as represented by the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

BANKRUPTCY PROTECTION COVENANT

This LETTER OF AGREEMENT is made and entered into under the provisions of the Railway Labor Act, as amended, by Delta Air Lines, Inc., (“the Company”) and the Air Line Pilots Association, International (“the Association” or “ALPA”).

WHEREAS, the Company and the Association are parties to a collective bargaining agreement setting forth the rates of pay, rules and working conditions for the Company’s pilots (“Pilot Working Agreement” or “PWA”) signed June 1, 2006; and

WHEREAS, as part of the PWA signed June 1, 2006, the Company and the Association agreed to a Bankruptcy Protection Covenant (BPC).

NOW THEREFORE, it is mutually agreed:

The modifications to the collective bargaining agreement between Delta Air Lines, Inc. (the “Company”) and the Air Line Pilots Association, International (“ALPA”) (such agreement, the “PWA”, and such modifications, the “Modifications”) reached in connection with the Company’s Bankruptcy Transformation Plan and embodied in the Bankruptcy Restructuring Agreement signed June 1, 2006 (herein described as the “Bankruptcy Restructuring Agreement”) were agreed to in furtherance of the Company’s effort to restructure its capital structure and operations and reorganize through Chapter 11 of Title 11 of the United States Code (the “Bankruptcy Code”), and in consideration of the agreements in this “Bankruptcy Protection Covenant.”

This Bankruptcy Protection Covenant is an essential element of the Modifications and of the Bankruptcy Restructuring Agreement, and shall become effective only if and when the Bankruptcy Restructuring Agreement becomes effective (the “Effective Date”), and shall terminate (other than with respect to the termination consideration specified in paragraph 10(b) hereof) only if and when the Bankruptcy Restructuring Agreement terminates. This Bankruptcy Protection Covenant will be binding on any Chapter 11
trustee appointed in the Company’s present bankruptcy cases *(In re Delta Air Lines, Inc., et al.,* administered under case No. 05-17923 (ASH) (Bankr. S.D.N.Y.) (the “Bankruptcy Cases”)) or other entity operating with the equivalent authority of a Chapter 11 trustee.

The Company and ALPA believe that:

- The Modifications are based on the most complete and reliable information available to the Company;
- The Company has provided ALPA with information reasonably necessary to enable ALPA to evaluate the Company’s proposals and to develop counterproposals;
- The Modifications permit the Company to avoid irreparable harm and provide for the appropriate modifications to the PWA that are necessary, fair, and equitable in order to permit the successful restructuring and reorganization of the Company in Chapter 11 and the continuation of its business;
- Subject to the specific provisions herein, the balance of equities favors the Bankruptcy Restructuring Agreement.

The Company and ALPA agree that:

1) **Assumption and Protection.** The Company will assume the PWA as modified by the Bankruptcy Restructuring Agreement and this Bankruptcy Protection Covenant (but not including any pension plans that may be terminated) under a Plan of Reorganization (a “Plan”).

The Company agrees, during the pendency of the Bankruptcy Cases, that it will not seek relief under section 1113 of the Bankruptcy Code with respect to the PWA unless the Company is in imminent risk of its Debtor-in-Possession financing being accelerated on account of an imminent breach of financial covenants in its Debtor-in-Possession financing, the Company has used its best efforts to seek a waiver of such breach but has been unable to secure such a waiver, and the Company would be unable to remedy the breach without labor cost reductions (such reductions to be sought equitably from pilots and non-pilots). Neither the Bankruptcy Restructuring Agreement nor this Bankruptcy Protection Covenant alters the nature or priority status of any claim under the Bankruptcy Code that might arise in connection with the implementation of this paragraph.

2) **Exculpation.** The Company agrees that it will not propose or support any Plan that does not contain an exculpation or release provision for ALPA, the ALPA Delta Master Executive Council (the “MEC”), and each of their current or former officers, committee members, employees, advisors, attorneys, accountants, actuaries, investment bankers, consultants, agents and other representatives at least as favorable as any exculpation or release provisions provided for the Company’s officers,
3) **Indemnification.** The Company will indemnify and hold harmless ALPA, its officers, agents, employees, counsel, and representatives (each an “indemnitee”) from fifty percent of any liability, loss, damages, fines, penalties and costs (not including any income or excise taxes or similar amounts imposed by any governmental agency) resulting from any and all third party claims, lawsuits, or administrative charges of any sort whatsoever, including fifty percent of the reasonable attorney’s fees and costs, arising in connection with matters relating to, concerning or connected to the negotiation or establishment of (a) the Bankruptcy Restructuring Agreement, including this Bankruptcy Protection Covenant, (b) any amendment of any benefit plan or program concerning pilots or other participants in such plan made pursuant to or as a result of the Bankruptcy Restructuring Agreement, including this Bankruptcy Protection Covenant, and (c) any other document or agreement forming part of the Bankruptcy Restructuring Agreement and/or the Modifications. This fifty-percent sharing arrangement will exist until ALPA’s financial exposure reaches 2.5 million dollars. Any exposure exceeding 2.5 million dollars will be the responsibility of the Company. Such indemnification and hold harmless obligation will not apply to: 1) any claim, lawsuit or administrative charge resulting from the willful or intentional conduct of any indemnitee; 2) any claim, lawsuit or administrative charge asserting that ALPA violated its By-Laws or other organizational requirements by entering into the amendments; 3) any claim, lawsuit or administrative charge resulting from any statement made by any indemnitee that incorrectly describes the Modifications; 4) any claim, lawsuit or administrative charge related to allocation among Delta pilots represented by ALPA of the ALPA Notes, the ALPA Claim (each as defined below) or any proceeds received on account of the ALPA Claim or 5) any claim, lawsuit or administrative charge related to any disposition by ALPA or pilots represented by ALPA to third parties of the ALPA Notes, the ALPA Claim or any proceeds received on account of the ALPA Claim. An indemnitee seeking to be indemnified and held harmless pursuant to this paragraph must provide to the Company written notice within seven business days of the indemnitee learning of the claim, lawsuit or administrative charge as to which the indemnitee seeks to be indemnified and held harmless. The Company will have the right to conduct the defense of such matter with counsel of the Company’s choosing and enter into a settlement of such matter. The Company will give reasonable consideration to the wishes of the indemnitee in connection with the matters described in the foregoing sentence.

4) **ALPA Claim.** (a) Upon the effective date of the Bankruptcy Restructuring Agreement, ALPA will have an allowed general non-priority unsecured claim under section 502 of the Bankruptcy Code in the Bankruptcy Cases in the amount of $2.1 billion (the “ALPA Claim”) that is not subject to reconsideration under section 502 of the Bankruptcy Code or otherwise, in respect of the concessions made by ALPA and savings to the Company resulting from achievement of consensual Modifications to the PWA.

Any transfer of all or any part of the ALPA Claim prior to the Company’s exit from bankruptcy may only be made in compliance with the final order entered December
19, 2005 relating to the preservation of the Company’s net operating losses. The MEC will have the authority to determine the manner of allocation among pilots on account of the ALPA Claim, including the allocation of equity securities on account of the ALPA Claim, provided that: (1) the allocation is reasonable and lawful and (2) the allocation schedule or formula is delivered to the Company no later than thirty (30) days prior to the date of distribution.

At the request of ALPA, the parties will work together to develop a program that allows all or a part of the distribution of cash or equity securities received in respect of the ALPA Claim to be made, to the maximum extent permitted by law (including but not limited to Section 415 of the Internal Revenue Code (the “Code”) and other restrictions on contributions or additions to qualified plans under the Code or ERISA), in the form of a contribution to the Delta Pilots Defined Contribution Plan (the “Pilots DC Plan”) treated as an “employer” contribution for U.S. federal income tax purposes, provided that, if the Company reasonably concludes that such transfers implicate the calculation of “ownership change” under Section 382 of the Code, the amount of such contribution (together with other equity securities of the Company that may be owned by the Pilots DC Plan) does not exceed 4.9% of the equity of the Company at the time of the contribution as computed for purposes of Section 382 of the Code unless the Company and ALPA shall have developed mutually agreed procedures that permit a larger contribution without potentially affecting the percentage of equity securities taken into account under Section 382(g) in determining whether an “ownership change” of the Company has or will occur. In connection with a transfer of equity securities of the Company to the Pilots DC Plan contemplated by the preceding sentence, the Company will amend the Pilots DC Plan as necessary to permit the Pilots DC Plan to hold employer securities in a participant’s separate account.

The Plan will treat the ALPA Claim no less favorably than any other pre-petition general unsecured non-priority claim against the Company (other than de minimis “convenience class” claims). Provided that the requirement of the preceding sentence is satisfied, nothing herein shall restrict the Company’s ability to classify claims as permitted by law.

5) **ALPA Notes.** In the event the Delta Pilots Retirement Plan is terminated, the Company will provide ALPA, on behalf of the Delta pilot group, with the notes as required by Attachment A to this Bankruptcy Protection Covenant (the “ALPA Notes”).

6) **Pension Plan Termination.** The Company and ALPA agree that no voluntary, involuntary or distress termination of the Delta Pilots Retirement Plan, the Western Air Lines Pilots Defined Benefit Plan, the Delta Pilots Bridge Plan, or the Delta Pilots Supplemental Annuity Plan will require any waiver, relief, consent, action or approval under the PWA, or under any section of the Bankruptcy Code (including without limitation section 1113 thereof) or under any other law. ALPA agrees not to oppose or object to any voluntary, involuntary or distress termination of any plan...
listed above. ALPA agrees that the consideration agreed to in the Bankruptcy Restructuring Agreement and this Bankruptcy Protection Covenant is in complete satisfaction of any and all claims and rights of ALPA in connection with the termination of any plan listed above.

7) Pending District Court Proceedings. In the event the Delta Pilots Retirement Plan is terminated, ALPA agrees to (a) withdraw from the appeal proceedings currently pending before Judge Leonard B. Sand in the Southern District of New York – *In re Delta Air Lines, Inc.*, Nos. 05 CV 10303 (LBS), 05 CV 10600 (LBS) & 05 CV 10601 (LBS) (S.D.N.Y.) (together, the “Appeal”), (b) not refile pleadings in the Appeal and (c) not support, either directly or indirectly, any other party’s pursuit of the Appeal.

8) Restructuring. ALPA agrees not to object to or contest the issuance of equity or other consideration in the Bankruptcy Cases for the Company’s non-pilot employees, in respect of the sacrifices made by them in furtherance of the Company’s effort to restructure or as incentive for the non-pilot employees’ future service to the Company.

9) Plan of Reorganization. The Company will not propose or support any Plan unless such Plan contains the terms specified in subparagraphs (a) – (f) below (the “ALPA Plan Terms” and a Plan containing all of the ALPA Plan Terms, a “Complying Plan”) with respect to the ALPA Notes (in each case, only if required to be issued by Attachment A to this Bankruptcy Protection Covenant) and the ALPA Claim. The Company will oppose any proposed Plan that does not contain the ALPA Plan Terms. The ALPA Plan Terms are:

a) The Plan will require the issuance of the ALPA Notes.

b) The Plan will treat the ALPA Claim as an allowed general unsecured non-priority claim not subject to reconsideration.

c) The Plan will treat the ALPA Claim no less favorably than any other pre-petition general unsecured non-priority claim against the Company (other than de minimis “convenience class” claims). Provided that the requirement of the preceding sentence is satisfied, nothing herein shall restrict the Company’s ability to classify claims as permitted by law.

d) The Plan will contain customary findings of fact and conclusions of law confirming that the issuance of the ALPA Notes and all securities on account of the ALPA Claim qualifies for the exemption from registration contained in 11 U.S.C. § 1145.

e) None of the Plan, the corporate governance documents of the Company or any other agreements of the Company will contain any restrictions on the holder with respect to the transferability of securities issued on account of the ALPA Claim, unless the holder of such securities beneficially owns 5% or more of such securities (except, to the extent ALPA is viewed as one entity at the initial issuance, ALPA).

f) The Plan will contain the assumption terms specified in paragraph 1 of this Bankruptcy Protection Covenant. Any exculpation terms in the Plan will comply with paragraph 2 of this Bankruptcy Protection Covenant.
10) **Termination of Agreement.** ALPA may deliver a notice (a “Non-Complying Plan Notice”) in the event that (i) the Company proposes or supports a Plan that does not contain the ALPA Plan Terms or (ii) the bankruptcy court having jurisdiction over the Bankruptcy Cases (the “Bankruptcy Court”) approves a disclosure statement concerning a Plan that does not contain the ALPA Plan Terms. Such notice will identify the areas of non-compliance and must be received by the Company no more than seven (7) business days after bankruptcy court approval of the disclosure statement for the relevant Plan (or no more than seven (7) business days after any material amendment to the Plan subsequent to approval of the disclosure statement). All issues raised in such notice shall be subject to the exclusive jurisdiction of the Bankruptcy Court. If a Non-Complying Plan Notice is timely delivered and not withdrawn by ALPA, the Bankruptcy Restructuring Agreement (including this Bankruptcy Protection Covenant) will terminate upon confirmation of the relevant Plan, unless the Bankruptcy Court first determines that the Plan is a Complying Plan. In the case of a termination pursuant to the preceding sentence, (a) the parties will be governed by the terms of their PWA as in existence prior to the December 2005 Interim Agreement signed December 11, 2005 and (b) ALPA will receive an administrative expense claim under section 503(b) of the Bankruptcy Code equal to the labor cost savings under the Bankruptcy Restructuring Agreement from the Effective Date through the date of such termination.

11) **Termination of 2004 BPL.** As of the Effective Date, and unless and until this Bankruptcy Protection Covenant terminates in accordance with paragraph 10 hereof, the Bankruptcy Protection Letter dated as of October 29, 2004 (the “2004 BPL”) will have no force and effect.

12) **Bankruptcy Actions.** The Company and ALPA will take the following actions in the Bankruptcy Cases:
   a) The Company will, with the full and active support of ALPA, file and prosecute a motion for approval of the Bankruptcy Restructuring Agreement, including this Bankruptcy Protection Covenant, under section 363 of the Bankruptcy Code and any other applicable sections thereto. Both the motion and the proposed order attached thereto (the “363 Order”) shall be in form and substance reasonably acceptable to ALPA;
   b) The Company will provide, to the extent reasonably practicable, ALPA’s counsel with copies of, and a reasonable opportunity to comment on, all motions, applications, proposed orders, pleadings and supporting papers prepared by the Company for filing with the Bankruptcy Court relating to court approval of the Bankruptcy Restructuring Agreement, including this Bankruptcy Protection Covenant; and
   c) Both the Company and ALPA will use their reasonable business efforts to obtain the support of the Official Committee of Unsecured Creditors and other parties and stakeholders for the Bankruptcy Restructuring Agreement, including this Bankruptcy Protection Covenant, and to seek entry of the 363 Order.
13) Bankruptcy Court Jurisdiction. The Company and ALPA agree that the Bankruptcy Court will retain jurisdiction over all matters arising from or related to the implementation of the Bankruptcy Restructuring Agreement, the Bankruptcy Protection Covenant and the 363 Order.
| **Issuer** | The parent or affiliate of reorganized Delta Air Lines, Inc. that issues common equity in connection with the Delta reorganization. |
| **Guarantor** | Reorganized Delta Air Lines, Inc. (the operating company), if the operating company is not the Issuer. |
| **Issue** | Senior Unsecured Notes (the “Notes”) to be issued no later than one hundred twenty (120) days following the date of the Issuer’s exit from bankruptcy (the “Issuance Date”). |
| **Initial Holder** | A trust (which may be tax qualified or non qualified) or other entity not required to be registered under the Investment Company Act of 1940 for the benefit of Delta pilots or Delta pilot retirement accounts (to the extent such account is able to hold the Notes consistent with ERISA and the Internal Revenue Code), with the structure of such trust or entity to be determined by the parties, but which in no event can be a defined benefit plan (qualified or non qualified). Distribution mechanics, eligibility and allocation among such pilots or pilot accounts to be determined by ALPA, and subject to approval by the Company to be exercised only as required to comply with law or regulation. The allocation adopted by ALPA must be capable of being calculated and tracked by computer. |

**Principal Amount**

$650 million, in denominations of $1,000.

**Term**

Up to fifteen (15) years from the Issuance Date.

**Amortization**

None prior to maturity; full principal to be repaid at maturity.

**Interest and Interest Rate**

Semi-annually in arrears, in cash, at an annual rate established at issuance which may be fixed or floating, at the option of the Company and which shall ensure that the Notes trade at par on the date of issuance (the “Par Value Interest Rate”). If the parties cannot agree on the Par Value Interest Rate by no later than fifteen (15) days before the issuance of the Notes, then the Par Value Interest Rate will, to the extent consistent in all respects with the availability of the 11 U.S.C. §1145 exemption, be determined as follows: (i) the Initial Holder will choose a nationally-recognized financial institution acceptable to the Company in its sole discretion (the “Bank”), (ii) the Bank will determine the lowest interest rate that will ensure that the Notes would be purchased at par value in an immediate sale of the Notes into the market by the
Initial Holder and (iii) such interest rate will be set as the Par Value Interest Rate. 50% of the Bank’s fees for this service will be paid by the Issuer and 50% will be paid from the proceeds of the issuance of the Notes.

Security
None.

Ranking
Pari passu to all current and future senior unsecured debt; senior to all current and future subordinated debt; junior to all existing and future customary secured indebtedness.

Transferability
The Notes shall be issued under 11 U.S.C. §1145 and shall be freely transferable by the Holders in compliance with 11 U.S.C. §1145 without further registration under the Securities Act of 1933. The Plan of Reorganization shall provide, and the Confirmation Order with respect to the Plan of Reorganization shall order, that the issuance of the Notes is entitled to the exemption from registration provided under 11 U.S.C. §1145.

Call Rights
To be determined, at the Company’s option provided that the Notes shall be priced to trade at par value on issuance on the basis of the call rights contained in the Notes.

Trustee
A nationally recognized institutional trustee selected by ALPA and the Company.

Other Terms and Conditions
The Notes are intended to be public market securities and shall be priced so that they trade at par value on issuance. The documentation of the Notes shall be based on the Issuer’s November 24, 2004 Indenture (as amended to the date hereof) and this term sheet.

Implementation
ALPA and the Company will coordinate any sale or distribution of the Notes so that such sale or distribution does not unreasonably interfere with capital markets activities of the Company.

Company Option
At any time on or before the Issuance Date, the Issuer may make a cash payment to the Initial Holder in any amount up to the Principal Amount, in which case the principal amount of the Notes shall be reduced by such cash payment upon the receipt of such cash payment by the Initial Holder. The Issuer will have no obligation to issue the Notes if the Issuer makes a cash payment under this provision equal to the total Principal Amount.
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LETTER OF AGREEMENT

Between

DELTA AIR LINES, INC.

and the Air Line Pilots in the service of

DELTA AIR LINES, INC.

as represented by the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

RECOVERY COMPACT

This LETTER OF AGREEMENT is made under the provisions of the Railway Labor Act, as amended, between Delta Air Lines, Inc. (“Company”) and the Air Line Pilots Association, International (“Association”).

WHEREAS, the Company and the Association are parties to a collective bargaining agreement setting forth the rates of pay, rules and working conditions for the Company’s pilots (“Pilot Working Agreement” or “PWA”) signed June 1, 2006.

NOW THEREFORE, it is mutually agreed:

1. The Association and the Company will jointly engage [person or firm to be jointly determined following appropriate joint review and interview process], to facilitate their agreement to this recovery compact based upon recent research and experience, to include:
   a. building a positive workplace culture and environment, and
   b. improving employee-management and cross-functional/cross-occupational coordination, flexibility, cooperation and conflict resolution with a goal of high levels of performance.

2. The recovery compact will address a process for improving joint performance in areas such as corporate culture, quality of work life, and corporate efficiency.
The recovery compact will address, more specifically, rebuilding trust of management by pilots, and of pilots by management; rebuilding the pilot advocacy role of flight operations management; rebuilding management’s confidence in captain’s authority; openness of each group to the ideas of the other; and reduction of conflict between employee groups.

This LOA will become effective upon its date of signing and remain in effect concurrent with the PWA.
LETTER OF AGREEMENT

Between

DELTA AIR LINES, INC.

and the Air Line Pilots in the service of

DELTA AIR LINES, INC.

as represented by the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

MONEY PURCHASE PENSION PLAN TERMINATION

This LETTER OF AGREEMENT is made under the provisions of the Railway Labor Act, as amended, between Delta Air Lines, Inc. ("Company") and the Air Line Pilots Association, International ("Association").

WHEREAS, the Company and the Association are parties to a collective bargaining agreement setting forth the rates of pay, rules and working conditions for the Company’s pilots ("Pilot Working Agreement" or "PWA") signed June 1, 2006; and

WHEREAS the Company and the Association desire to amend the PWA so as to terminate the Money Purchase Pension Plan (MPPP).

NOW, THEREFORE, it is mutually agreed:

A. Termination Procedures

<table>
<thead>
<tr>
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<th>MPPP termination date</th>
<th>IRS determination letter</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>MPPP termination date will be May 31, 2006, or as soon thereafter as practicable but no later than June 30, 2006.</td>
<td>The Company will not request a determination letter from the IRS.</td>
</tr>
<tr>
<td>2</td>
<td>Timing of distribution to plan participants</td>
<td>The MPPP distribution date will be as soon as practicable after the MPPP termination date.</td>
</tr>
</tbody>
</table>
| 4 | Distribution options | Each MPPP participant will be entitled to elect from the following distribution options:  
1. Cash  
2. Rollover to IRA designated by participant  
3. Rollover to qualified plan designated by participant (plan must accept rollovers)  
4. Rollover to Delta Family Care Savings Plan (401(k) Plan)  
5. Purchase of insurance company immediate or deferred annuity. (Note: Per Plan Section 6.10: All commissions, premium tax or other expenses related to the purchase of an annuity shall be borne by the Company, to a maximum of $500.00 per annuity; any expenses in excess of $500.00 shall be borne by the participant’s account.)  

In the event a MPPP participant fails to elect a distribution option within the specified election period, the participant will be deemed to have elected an annuity. |
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<tbody>
<tr>
<td>5</td>
<td>Expense of maintaining separate rollover account under Delta Family Care Savings Plan</td>
<td>Paid by Company.</td>
</tr>
<tr>
<td>6</td>
<td>Expenses related to termination and distribution</td>
<td>Paid by Company.</td>
</tr>
<tr>
<td>7</td>
<td>Segregation and Investment of MPPP Assets</td>
<td>On the MPPP termination date, cash equal to the aggregate balance of all participants’ MPPP accounts on the MPPP termination date will be transferred to a segregated account. The participants’ aggregate balance on the MPPP termination date will be determined by including any partial calendar quarter gains and losses through the close of the New York Stock Exchange on the MPPP termination date. Pending distribution to participants, the segregated account will be invested in a money market fund (or similar short term fixed income investment).</td>
</tr>
</tbody>
</table>
| 8 | Information provided to Association | The Company will provide to the Association:  
(a) Individual and aggregate data setting forth the value of MPPP accounts at MPPP termination date and at MPPP distribution date.  
(b) Regular updates on progress of MPPP termination and distribution process. |
| 9 | Information provided to participants | The Company will provide each participant with a statement of his or her account at MPPP termination date and at MPPP distribution date. This statement may be electronic. |
## LOA #9 – Money Purchase Pension Plan Termination

| 10 | USERRA contributions for pilots returning after plan termination | USERRA required contributions, if any, the Company owes with respect to the MPPP, after termination of the MPPP, will instead be contributed on behalf of the participant to the Delta Pilots Defined Contribution Plan. |
| 11 | Grievances | The Benefit Review Board process will apply to grievances arising with respect to the process of termination of the MPPP and distribution of the assets of the MPPP (amount in dispute must exceed $1,000 in the case of a benefit claim denial). |
| 12 | Other issues | The Company and the Association will meet and confer to reach agreement on any other issues that arise with respect to the MPPP termination. |
| 13 | Plan amendment | In lieu of the plan amendment procedure set forth in the PWA, the Company will provide the Association a draft amendment to the MPPP to reflect the termination of the MPPP under this LOA by May 10, 2006, or as soon thereafter as practicable but no later than June 10, 2006, and the Company and the Association will meet and confer thereafter as frequently as necessary to reach agreement on final wording of the plan amendment by May 31, 2006, or as soon thereafter as practicable, but no later than June 30, 2006. |

### B. Calculation of MPPP Offset to Benefits under Pilots Retirement Plan and D&S Plan

| 1 | Assumptions for calculating offset to Pilots Retirement Plan, Bridge Plan and Supplemental Annuity Plan attributable to MPPP | The MPPP offset will be calculated using an MPPP account balance projected to the date benefits commence under the defined benefit plans, converted to an equivalent annuity using an annuity factor derived from an interest rate of 6.5% and male mortality rates from the 1983 Group Annuity Mortality Table. Such account balance will be equal to the actual MPPP balance as of the MPPP Distribution Date projected to the date benefits commence under the DB Plan, assuming an investment return of 6.5% per year. Sample factors are shown on Exhibit A to this LOA #10. (Note: Exhibit A shows factors applicable at ages that are whole integers; interpolation will be applied to determine factors for ages between whole integers.) |

C. The terms of the MPPP are incorporated by reference into the PWA. The terms of the Plan, as amended, will control in the event of any conflict or difference between Section 26 and such Plan terms.

D. This LOA will become effective upon its date of signing and remain in effect concurrent with the PWA.
LETTER OF AGREEMENT

Between

DELTA AIR LINES, INC.

and the Air Line Pilots in the service of

DELTA AIR LINES, INC.

as represented by the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

OCEAN CROSSING MODIFICATION

This LETTER OF AGREEMENT is made and entered in accordance with the provisions of the Railway Labor Act, as amended, by Delta Air Lines, Inc., (“the Company”) and the Air Line Pilots Association, International (“the Association”).

WHEREAS the Company and the Association are parties to a collective bargaining agreement setting forth the rates of pay, rules and working conditions for the Company’s pilots (“Pilot Working Agreement” or “PWA”) signed June 1, 2006; and

WHEREAS the Company scheduled, publicized and published a daily flight from Atlanta to Johannesburg, South Africa with an intermediate stop in Dakar, Senegal; and

WHEREAS the Company later determined and advised the Association that such intermediate stop caused an inadvertent violation of Section 12 D. 1.; and

WHEREAS the Company and the Association desire to remedy such inadvertent violation by amending the PWA in order to continue to operate such flight in a contractually permissible manner and to resolve this matter to the satisfaction of the Company and the Association.

NOW THEREFORE, it is mutually agreed:

1.

Amend the definition of ocean crossing (Sections 2 A. 147., 12 A. 13., and 16 A. 2.) to read:

“Ocean crossing” means a flight segment:
   a. across the Atlantic Ocean, or
   b. across the Pacific Ocean, as follows:
      1) between the North American continent and the Hawaiian Islands,
2) between the Hawaiian Islands and any point west of the 160 degree meridian,
3) from the North American continent to a point west of the 160 degree meridian,
4) from a Pacific Rim airport to Australia and/or New Zealand,
or
c. to or from an airport in South America, as follows:
  1) between the United States and any point south of the equator on the South
     American continent, and
  2) any flight segment scheduled for greater than eight hours to, within or from the
     South American continent,
or
d. to or from an airport in Europe that crosses latitude 36°N. and/or longitude 45°E.,
or
e. to or from an airport in Africa, as follows:
  1) between the United States and any point on the African continent, and
  2) any flight segment scheduled for greater than eight hours to, within or from the
     African continent.

2.

Amend Section 5 C. to read:

C. Crew Meals

A pilot will be scheduled to receive the same main course meal(s) provided to the highest
class of passenger service in the following operations:
1. an international operation involving an ocean crossing,
2. an operation scheduled for over five hours and thirty minutes block-to-block, and
3. an operation comprising a roundtrip to or from an airport, or between airports,
   outside the contiguous 48 states of the United States in a single duty period.
   Note: A pilot will only be provided such meal on one of the two flight segments.

3.

Amend Section 12 D. 2. to add the following exception:

Exception: For a duty period composed of international operations followed by a deadhead
to the pilot’s base or consisting solely of a deadhead on a Company aircraft, a pilot’s
maximum scheduled duty time will be:
1) 16 hours if:
   a) the flight crew is augmented with a relief crew, and
   b) there are one or two scheduled landings.
2) the time from scheduled report to scheduled release if:
   a) the flight crew is augmented with a relief crew, and
   b) the duty period contains only one scheduled landing.
Add a new Section 16 L. to read:

L. International Flying Optimization Team

1. The Company will notify the Association when it begins consideration of new routes to international destinations that:
   a. potentially involve flights scheduled for over twelve hours, or
   b. involve scheduled operations in areas where the Company has not conducted operations (i.e., new city pairs).

Note one: To allow adequate consideration of these changes, no operations listed above should occur earlier than 150 days after such notification.

Note two: This is not intended to apply to charter operations.

2. An International Flying Optimization Team (IFOT) will be formed within 14 days of the Company’s notification to the Association of its intent to conduct operations under Section 16 L. 1. The IFOT will be comprised of three members appointed by the Company and three members appointed by the Association. The IFOT’s mission will be to make recommendations on how best to conduct the new operation(s) as well as any PWA changes that may be necessary to conduct the new operation(s).

3. The IFOT will convene for a period not to exceed 60 days to exchange information and ideas, explore alternatives and make its recommendations. This period may be extended by mutual agreement. The IFOT will be provided information on the new routes or operations for their consideration. This information will include, but not be limited to, flight plans, hotels, transportation, duty periods, rotations, aircraft limitations, bilateral agreements, Company communications with the FAA concerning subject routes, health requirements, etc.

4. The IFOT will submit its recommendations (joint and/or separate) to each Negotiating Committee. Within ten days of the submission of the IFOT recommendations, the Committees will meet to consider such recommendations. If required, further negotiations will be conducted in a prompt manner by both parties with the intent to conclude the negotiations within 30 days of the report by the IFOT to the Negotiating Committees.

Amend Section 24 J. 3. Exception to add a new o. to read:

   o. Pilot members of the IFOT while participating in IFOT duties.

Amend Section 24 J. 5. Note to read:

Note: Section 24 J. 5. will not apply to ALPA FOQA monitoring team members or ALPA IFOT members.
Amend Section 23 G. 5. to read:

5. An LCP may remove a First Officer from a rotation or any portion thereof for the purpose of conducting OE.
   a. If the First Officer is removed from his entire rotation, he will be guaranteed pay and credit for the scheduled credit of such rotation and will be subject to recovery flying. The Company will attempt to notify the pilot of his removal and any assigned recovery flying at least 12 hours prior to the report time of his originally scheduled rotation. If a notification attempt is not made at least 12 hours prior to the scheduled report of his originally scheduled rotation, the pilot will have no recovery obligation. The pilot will be subject to recovery flying as follows:
      1) A pilot who has acknowledged his recovery flying no later than three hours prior to the report time of his originally scheduled rotation:
         a) must be scheduled to be released no later than four hours from the scheduled release of his original rotation, or the same calendar day, whichever is later.
         b) may be scheduled for a single recovery rotation that originates on any day of the originally scheduled rotation.
         c) may not be scheduled for recovery flying which reports prior to his originally scheduled report time.
         d) may enter his preferences for recovery flying in the PCS template in DBMS.
            He will be assigned rotations based on his preferences for such flying, in seniority order, within days-of-availability groupings, unless he is the only such pilot available to fly another rotation within the same days-of-availability grouping.
            Note: If the assignment to recovery flying is being made within 24 hours of the scheduled report of the originally scheduled rotation and the recovery flying reports on the same day as the originally scheduled rotation, such pilot will only be assigned a rotation after white slips in Section 23 N. 2. If the recovery flying reports on a calendar day subsequent to the date of the originally scheduled rotation, such assignment will be made prior to any assignments made under Section 23 N. 1.
      2) If the pilot has not acknowledged his recovery flying three hours prior to the report of his originally scheduled rotation, the pilot is subject to recovery flying under Section 23 K. 1. If the recovery flying includes a transoceanic duty period as the last duty period of the rotation, the release time of the recovery flying will be no more than 30 hours after the originally scheduled rotation.
   b. If the First Officer is removed after flying a portion of such rotation, he:
      1) will be guaranteed pay and credit for the greater of:
         a) the scheduled credit of such rotation, or
         b) his accumulated credit for the portion of such rotation flown.
      2) may be rerouted under Section 23 L.
   c. If the First Officer is removed from a portion of his rotation beginning with the first flight segment, he:
      1) will be guaranteed pay and credit for the greater of:
a) the scheduled credit of such rotation, or
b) his accumulated credit for the portion of such rotation flown.
2) may be assigned to:
a) deadhead to any portion of such rotation, or
b) fly any portion of such rotation.
d. If a First Officer is so removed from an augmented crew, the senior First Officer will have the option of being removed or flying the rotation, provided he notifies the Company of his choice at the time of the first attempted contact to advise of the removal. If the senior First Officer is unavailable for contact, he will be the First Officer who is removed unless he has indicated a preference in DBMS to not be removed.

8.

Amend Section 23 K. 1. to read:

A regular pilot who is removed from a rotation due to IROPS affecting his rotation (other than an FAR 30-in-7 conflict) or under Section 23 G. 5. a. 2) and . . .

9.

Amend Section 23 N. to add a new N. 3. and re-number all subsequent items:

1. Pilots subject to recovery flying under Section 23 K. 1.
   . . .
3. Pilots subject to recovery flying under Section 23 G. 5. a. 1) Note, (OE recovery)

10.

The IFOT will meet immediately to discuss and resolve issues with the BOM, ICN, LOS, PVG, and DXB flights.

11.

The provisions of this Letter of Agreement will become effective on March 1, 2007, unless otherwise indicated below, and will remain in effect concurrent with the PWA.

   A. The provisions of amended Section 5 C. will become effective April 1, 2007.
   B. The provisions of amended Section 23 G. 5. will become effective April 1, 2007.

IN WITNESS WHEREOF, the parties have signed this Letter of Agreement, this 23rd day of February, 2007.
FOR THE COMPANY

_________________________  _______________________
Geraldine P. Carolan    Captain John H. Prater
Vice President - Labor Relations  President

_________________________  _______________________
Captain Steve Dickson    Captain Donald L. Moak
Vice President - Flight Operations  Chairman, Delta MEC

WITNESS:  WITNESS:

_________________________  _______________________
Donald P. Filer    Captain Tim O’Malley
Manager – Labor Relations  Chairman, MEC Negotiating Committee

_________________________  _______________________
Terry L. Gabbert    Captain Randy Worrall
Manager – Labor Relations  MEC Negotiating Committee

________________________
Captain Rick Dominguez
MEC Negotiating Committee

________________________
William Elliott
MEC Coordinator
LOA #9 – Money Purchase Pension Plan Termination
Factor To Calculate Annual MPPP Offset at Defined Benefit Plan Benefit Commencement*
Exhibit A
Age When Defined Benefit Plan Benefits Commence
Age at MPPP
Distribution
Date

50

51

52

53

54

55

56

57

58

59

60

30

0.277584

0.299384

0.323097

0.348922

0.377085

0.407847

0.441503

0.478395

0.518907

0.563471

0.612568

31

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0.575181

32

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33

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34

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35

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0.111870

0.088982

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0.105043

0.090726

0.098631

51
52
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56
57
58
59
60

0.092612
*

GAM 83 M
6.5%
Immediate
Annuity Factor

To calculate the annual MPPP offset, multiply the MPPP balance at MPPP distribution date by the appropriate factor above. These factors assume a 6.5% theoretical annual return on the MPPP
balance from MPPP distribution date to Defined Benefit Plan benefit commencement date and annuity conversion using a 6.5% interest rate and the male mortality rates from the 1983 Group Annuity
Mortality Table.

12.693974

Interest Rate for Projecting MPPP

12.534664

12.369677

12.198682

12.021281

11.837048

6.50%

- 346 -

11.645456

11.445986

11.238268

11.022165

10.797769


LETTER OF AGREEMENT

Between

DELTA AIR LINES, INC.

and the Air Line Pilots in the service of

DELTA AIR LINES, INC.

as represented by the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

BENEFIT REVIEW BOARD

THIS LETTER OF AGREEMENT is entered into in accordance with the provisions of the Railway Labor Act, as amended, by Delta Air Lines, Inc. ("Company") and the Air Line Pilots Association, International ("Association").

WHEREAS, the Company and the Association are parties to a collective bargaining agreement setting forth the rates of pay, rules and working conditions for the Company’s pilots ("Pilot Working Agreement" or "PWA") signed June 1, 2006; and

WHEREAS the Company and the Association desire to amend the PWA to implement a Benefit Review Board.

NOW THEREFORE, it is mutually agreed:

1. Application of Letter of Agreement

(a) Plans Covered. This LOA applies to Benefit claims and Disputes with respect to the following plans maintained by the Company (collectively, the "Plans" and individually, the "Plan"):

(1) Delta Pilots Retirement Plan
(2) Delta Pilots Money Purchase Pension Plan
(3) Western Air Lines, Inc. Pilots Defined Benefit Pension Plan ("D-Plan")
(4) Delta Pilots Bridge Plan
(5) Delta Pilots Supplemental Annuity Plan
(6) Delta Pilots Defined Contribution Plan
(7) Delta Pilots Disability and Survivorship Plan
(8) Delta Pilots Medical Plan (including medical, dental, orthodontic and prescription benefits) and applies to benefit claims of pilot Participants (or their dependents or beneficiaries) arising under:
a. the DFCMP, and
b. the DPMP.

Note: The DFCMP and DPMP will be Plan(s) within the meaning of this LOA only insofar as it is consistent with such applicability to benefit claims.

(b) Definitions. For purposes of this LOA:

(1) “Benefit claim” means a request arising on or after September 1, 2001:
   a. by a Participant for payment of benefits under a Plan, or
   b. for determination of eligibility to be a Participant in a Plan.

(2) “Dispute” means a protest arising on or after September 1, 2001 by the
    Association of an interpretation or application of a Plan provision(s) by the
    Plan Administrator.

(3) "Participant" means a person who is participating in a Plan or who is
    requesting a determination of eligibility to be a Participant in a Plan.

(4) “Plan Administrator” means the Administrative Committee of Delta Air
    Lines, Inc. as described in the Plans.

(5) “Benefit Board” means the Benefit Review Board established and described
    in paragraph 2. and 7. of this LOA.

(6) “Four-Member Benefit Board” means the Board when comprised of two
    members appointed by the Company and two members appointed by the
    Association to decide a specific Benefit claim denial or Dispute.

(7) “Five-Member Benefit Board” means the Board when comprised of four
    members, and a neutral member selected by the parties, to decide a specific
    Benefit claim denial or Dispute.

2. Benefit Review Board

(a) Establishment and Membership. There will be established a Benefit Review Board
    which will have rights and responsibilities regarding the Plans as set forth in this
    LOA. The Company and the Association will each appoint up to eight persons to
    serve as Benefit Board members. A Benefit Board member will serve until a
    successor has been appointed. Each party will promptly notify the other in writing of
    any change of members. Either the Company or the Association at any time may
    remove a member appointed by it and will select a member to fill any vacancy among
    the members selected by it.

(b) Chairman; Vice-Chairman. Each Four-Member Benefit Board will have a Chairman
    and a Vice-Chairman. Chairmanship of the Benefit Board will alternate between the
    Association Benefit Board members and the Company Benefit Board members on a
    yearly basis. When an Association Benefit Board member is Chairman, a Company
    Benefit Board member will be Vice-Chairman, and vice versa. Each Five-Member
    Benefit Board will have a Chairman, who will be its neutral member.

(c) Release from Duty. Benefit Board members will be released from duty to attend
    hearings of the Benefit Board and meetings of the Benefit Board, and when jointly
    authorized by the Chairman and Vice-Chairman, to perform other Benefit Board
    duties. Benefit Board members will be furnished positive space on-line transportation
    to attend meetings and hearings of the Benefit Board.
(d) **Quorum and Voting Requirement.** Three members of the Benefit Board will constitute a quorum for the transaction of business. No proxies will be allowed. All actions and decisions of the Benefit Board will be by the affirmative vote of not less than three members. Where two Company-appointed members and two Association-appointed members are present, each member will cast one vote. If only one Company-appointed member or only one Association-appointed member is present, that member will cast two votes. A deadlock of a Four-Member Benefit Board may be resolved by the Five-Member Benefit Board.

(e) **Meetings and Hearings.** The Benefit Board will meet quarterly if there are appeals or Disputes to be decided. Meeting and hearing dates and times will be fixed by mutual agreement between the Company and Association Benefit Board members. A Benefit claim denial or Dispute will be scheduled for consideration by the Benefit Board at a meeting or hearing that is at least 30 days after the filing of the appeal, or, in a Dispute, at least 30 days after the filing of the request for a hearing. Meetings and hearings will be held at the Company's headquarters, unless the Benefit Board agrees to a different location. Meetings and hearings may also be held via telephone conference call if all members agree to the call. The Benefit Board may take action without a meeting or telephone conference call by unanimous written consent evidenced by a writing signed by all its members.

(f) **Records.** Each Benefit Board will maintain records reflecting the conduct of its business.

(g) **Compensation and Expenses.** The Association and the Company will assume the costs of the compensation and expenses of its appointed Benefit Board members and summoned witnesses. Expenses of the Benefit Board that are jointly authorized by the Chairman and the Vice-Chairman will be shared equally by the Association and the Company. The cost of the reasonable expenses and compensation of the neutral member of a Five Member Benefit Board will be shared equally by the Association and the Company.

3. **Jurisdiction of the Benefit Board**

The Benefit Board will have jurisdiction only to decide a Dispute or a Benefit claim denial, as described in paragraph 3. (a) and (b) of this LOA.

(a) **Jurisdiction- Benefit Claim Denial.** The Benefit Board will have the exclusive jurisdiction to hear and decide a Benefit claim that:

1) is in excess of $1,000, and

2) has been denied and properly appealed to the Benefit Board after exhaustion of all administrative remedies available in the Plan under which the Benefit claim was made, and

3) has been appealed in compliance with paragraph 5. of this LOA.

(b) **Jurisdiction-Dispute.** The Benefit Board will have the exclusive jurisdiction to hear and determine each Dispute filed by the Association under paragraph 6. of this LOA.

(c) **Final and Binding Decision.** The decision of the Benefit Board on a Benefit claim or Dispute over which it has jurisdiction (whether rendered by a Four-Member Benefit
Board or by the Five-Member Benefit Board) will be final and binding with respect to that Benefit claim or Dispute, on all individuals and entities, including (but not limited to) Participants, the Company, the Association, the Plan Administrator, and their successors and assigns. All parties will comply promptly with a decision of the Benefit Board. A decision of the Benefit Board that exceeds its jurisdiction will be neither final nor binding.

4. Procedure to File a Benefit Claim

(a) A benefit claim will, in accordance with the procedures set forth in the applicable Plan, be:
   1) filed by the Participant, and
   2) adjudicated under the Plan.

(b) If a benefit claim is denied, the appeal process available under the Plan must be exhausted and a final denial rendered by the Plan, before an appeal to the Benefit Board can be filed.

5. Appeal to the Benefit Board of a Benefit Claim Denial

(a) Filing of appeal. To appeal the Plan’s final denial of a benefit claim to the Benefit Board, a Participant must file an appeal in writing with the Company’s Vice President – Worldwide Benefits and Health Resources (Department 844, ATG) and with the Association’s MEC Contract Administration Committee Chairman. Such appeal must be filed within 120 days from the date of issuance of the final denial of the Benefit claim by the Plan. The Benefit Board will have no jurisdiction to hear or decide a Benefit claim denial that has not been appealed within such time limit.

(b) Content of appeal. The appeal must include the issue(s) to be decided by the Benefit Board, a statement of the specific facts over which the benefit claim denial arose, the dollar amount of the claim involved, a reference to the provision(s) of the Plan upon which the Participant relies, the position of the Participant on the issue(s) and any evidence or document(s) which supports the Participant’s appeal. The appeal must state whether the Participant requests a hearing and/or oral argument, or whether the Participant wishes to have the appeal decided on the basis of the written appeal only. The Benefit Board will have no jurisdiction to hear or decide any appeal that does not comply with these requirements.

(c) Evidence. In making its decision, the only evidence the Benefit Board will consider will be the evidence that was presented during the Plan’s internal claim review and decision process. The Plan Administrator will provide such evidence to the Benefit Board at least 30 days prior to the date on which the Benefit Board will consider the appeal. The Participant will execute whatever authorization(s) for release of medical or other records is required to enable the Plan Administrator to comply with this provision.

(d) Summoning of Witnesses Employed by Company. The Benefit Board will summon any employee of the Company or the Association at the request of a majority of the
Benefit Board members appointed to decide the appeal, or an Association or Company attorney. The number of witnesses summoned at any one time shall not be greater than the number that can be spared from the operation of the Company or the Association.

(e) **Power to Decide Appeal.** In exercising its power to decide an appeal of a Benefit claim denial, the Benefit Board is the System Benefit Board of Adjustment as provided in Title II of the Railway Labor Act, as amended.

(f) **Responsive Statement.** The Plan Administrator, the Company, and/or the Association may file a responsive statement to the appeal. Such responsive statement must be filed with the same individuals with whom the appeal was filed, within 60 days of the date such party received the appeal. Each responsive statement will include that party's position and all assertions supporting such position.

(g) **Standard of Review.** In deciding an appeal of a benefit claim denial, the Benefit Board can reverse, alter, or modify the benefit claim denial only if it finds that the final denial rendered by the Plan was arbitrary and capricious.

(h) **Extent of Power in Deciding Appeal.** Under the standard of review set forth in paragraph 5. (g) of this LOA, the Benefit Board may sustain, reverse, alter, or modify a benefit claim denial and order payment of that benefit claim by the Plan. However, the Benefit Board will not have jurisdiction or power to add to or subtract from a Plan, to issue any decisions that would jeopardize a Plan’s tax qualified status or issue any decisions that would subject any person or entity to a co-fiduciary liability claim under ERISA for failure to preserve a Plan’s assets in the best interests of the participants and beneficiaries.

(i) **Timing of Decision on Appeal.** A Four-Member Benefit Board will make every reasonable effort to render its decision on an appeal no later than 60 days after the date the appeal was considered (or 120 days if special circumstances require an extension of time). If such an extension of time is required, the Chairman of the Benefit Board will provide written notice of the extension to the Participant and other involved parties. These deadlines may be waived by agreement of the parties to the appeal.

(j) **Decision on Appeal.** The Benefit Board's majority decision on the appeal will:

1. be in writing;
2. be written in a manner calculated to be understood by the Participant;
3. include the specific reasons for the decision; and
4. include specific references to the pertinent Plan provisions on which the decision is based.

6. **Disputes**

(a) **Filing of Dispute.** A Dispute must be filed in writing with the Company’s Vice President – Worldwide Benefits and Health Resources (Department 948, ATG) within 120 days after the date on which the Association knew or should reasonably have been expected to know of the application or interpretation giving rise to the Dispute. If such Dispute is not resolved to the satisfaction of the Association within 90 days of the date of the submission, the Dispute, at the request of the Association or
the Company, will be scheduled for consideration by the Four-Member Benefit Board
at a meeting or hearing that is at least 30 days after the date of the request.

(b) Content of Dispute. A Dispute filed under paragraph 6. (a) of this LOA, must be
clearly labeled as such, must include a statement of the issue to be decided, a citation
of the specific provisions of the Plan giving rise to the Dispute, the position of the
Association, all assertions (of fact or law) supporting such position, any evidence or
document(s) on which the Association relies to support its position and a statement of
the specific relief sought. The Dispute must state whether the Association requests a
hearing/oral argument, or whether the Association wishes to have the Dispute decided
on the basis of the written Dispute only. The Benefit Board will have no jurisdiction
to hear or decide any Dispute that does not comply with these requirements.

(c) Evidence. Evidence may be presented to the Benefit Board either orally or in writing
or both.

(d) Summoning of Witnesses Employed by Company. The Benefit Board will summon
any employee of the Company or the Association at the request of a majority of the
Benefit Board members appointed to decide the Dispute, or an Association or
Company attorney. The number of witnesses summoned at any one time shall not be
greater than the number that can be spared from the operation of the Company or the
Association.

(e) Power to Decide Dispute. In exercising its power to decide a Dispute, the Benefit
Board is the System Benefit Board of Adjustment as provided in Title II of the
Railway Labor Act, as amended.

(f) Responsive Statement. The Plan Administrator and/or the Company may (but need
not) file a responsive statement to the Dispute. Such responsive statement must be
filed with the Association within 60 days of the Company or Association request for
consideration of the Dispute by a Four-Member Benefit Board. Each responsive
statement will include the Plan Administrator’s and/or the Company’s position and
all assertions supporting such position. The responsive statement may request a
hearing/oral argument before the Benefit Board, which will be granted.

(g) Burden of Proof. The Benefit Board can resolve a Dispute in favor of the Association
only if the Association proves, by clear and convincing evidence, that the Plan
Administrator’s interpretation or application of the protested provisions of the Plan is
not reasonable. The standard for “reasonable” will be whether the Plan Administrator
acted with the care, skill, prudence and diligence under the circumstances then
prevailing that a prudent man acting in a like capacity and familiar with such matters
would use in the conduct of an enterprise of a like character and with like aims. The
Benefit Board will not have jurisdiction or power to add to or subtract from a Plan, to
issue any decisions that would jeopardize a Plan’s tax qualified status or issue any
decisions that would subject any person or entity to a co-fiduciary liability claim
under ERISA for failure to preserve a Plan’s assets in the best interests of the
participants and beneficiaries. The Benefit Board will have the jurisdiction and power
only to order the Plan Administrator to comply with the Benefit Board’s decision on
the interpretation or application of the disputed Plan provisions.

(h) Timing of Decision on Dispute. A Four-Member Benefit Board will make every
reasonable effort to render its decision on a Dispute no later than 60 days after the
date the Dispute was considered and the record closed (or 120 days if special
circumstances require an extension of time). If such an extension of time is required, the Chairman of the Benefit Board will provide written notice of the extension to the Association and the Company. These deadlines may be waived by agreement of the parties to the Dispute.

(i) Form and Content of Decision on Dispute. The Benefit Board's majority decision on the Dispute will be in writing, include the specific reasons for the decision and include specific references to the pertinent provisions on which the decision is based.

7. Four-Member Benefit Board and Five-Member Benefit Board

(a) Deadlock of Four-Member Benefit Board. A deadlock of a Four-Member Benefit Board will exist in any appeal of a Benefit claim denial or in any Dispute, if two members of the Benefit Board declare a deadlock or the Benefit Board does not reach a decision within 60 days (120 days in the event special circumstances require an extension of time) of the closing of the record on the meeting or hearing. The Chairman of the Benefit Board will notify the other Benefit Board members, the Participant, the Association’s MEC Contract Administration Committee Chairman and the Company’s Vice President-Worldwide Benefits and Health Resources, in writing of the fact that a deadlock exists.

(b) Five-Member Benefit Board Composition. The Association and the Company will establish and maintain a standing list of seven neutral members to serve on a Five Member Benefit Board in the event of a deadlock of the Four-Member Benefit Board. Such neutral members will be persons knowledgeable of employee benefit plans.

(c) Five-Member Benefit Board Scheduling. Following a deadlock, the Participant, the Association or the Company may request a hearing before a Five-Member Benefit Board by making a written request to the Chairman of the Four-Member Benefit Board, that a neutral member be selected. Within 30 days of receipt of the request, the Benefit Board will select a neutral member from the standing list, utilizing the alternate strike-off method. The parties will alternately strike first in successive appeals or Disputes. The hearing will be scheduled as soon as possible, depending upon the neutral member’s availability.
(d) **Decision of the Five-Member Benefit Board.** Unless otherwise agreed by the Company and the Association, the Five-Member Benefit Board will render its decision within 90 days after the date the neutral member closes the record. Exception: If the Five-Member Benefit Board is unable to meet this time limit, the neutral member will, prior to the expiration of the 90 day period, notify the Participant, the Association and the Company of an anticipated date for the rendering of a decision.

(e) **Bonding and Insurance.** Upon his written request, the Company will secure fidelity bonding for the neutral member of the Benefit Board. The Company and the Association will share the expense of such bond equally.

8. **Effective Date**

This LOA will become effective upon its date of signing and remain in effect concurrent with the PWA.
LETTER OF AGREEMENT

Between

DELTA AIR LINES, INC.

and the Air Line Pilots in the service of

DELTA AIR LINES, INC.

as represented by the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

OCEAN CROSSING MODIFICATION

This LETTER OF AGREEMENT is made and entered in accordance with the provisions of the Railway Labor Act, as amended, by Delta Air Lines, Inc., (“the Company”) and the Air Line Pilots Association, International (“the Association”).

WHEREAS the Company and the Association are parties to a collective bargaining agreement setting forth the rates of pay, rules and working conditions for the Company’s pilots (“Pilot Working Agreement” or “PWA”) signed June 1, 2006; and

WHEREAS the Company scheduled, publicized and published a daily flight from Atlanta to Johannesburg, South Africa with an intermediate stop in Dakar, Senegal; and

WHEREAS the Company later determined and advised the Association that such intermediate stop caused an inadvertent violation of Section 12 D. 1.; and

WHEREAS the Company and the Association desire to remedy such inadvertent violation by amending the PWA in order to continue to operate such flight in a contractually permissible manner and to resolve this matter to the satisfaction of the Company and the Association.

NOW THEREFORE, it is mutually agreed:

1.

Amend the definition of ocean crossing (Sections 2 A. 147., 12 A. 13., and 16 A. 2.) to read:

“Ocean crossing” means a flight segment:
   a. across the Atlantic Ocean, or
   b. across the Pacific Ocean, as follows:
      1) between the North American continent and the Hawaiian Islands,
2) between the Hawaiian Islands and any point west of the 160 degree meridian,
3) from the North American continent to a point west of the 160 degree meridian,
4) from a Pacific Rim airport to Australia and/or New Zealand,
or
c. to or from an airport in South America, as follows:
   1) between the United States and any point south of the equator on the South
      American continent, and
   2) any flight segment scheduled for greater than eight hours to, within or from the
      South American continent,
or
d. to or from an airport in Europe that crosses latitude 36°N. and/or longitude 45°E.,
or
e. to or from an airport in Africa, as follows:
   1) between the United States and any point on the African continent, and
   2) any flight segment scheduled for greater than eight hours to, within or from the
      African continent.

2.

Amend Section 5 C. to read:

C. Crew Meals

A pilot will be scheduled to receive the same main course meal(s) provided to the highest
class of passenger service in the following operations:
1. an international operation involving an ocean crossing,
2. an operation scheduled for over five hours and thirty minutes block-to-block, and
3. an operation comprising a roundtrip to or from an airport, or between airports,
   outside the contiguous 48 states of the United States in a single duty period.
   Note: A pilot will only be provided such meal on one of the two flight segments.

3.

Amend Section 12 D. 2. to add the following exception:

Exception: For a duty period composed of international operations followed by a deadhead
to the pilot’s base or consisting solely of a deadhead on a Company aircraft, a pilot’s
maximum scheduled duty time will be:
1) 16 hours if:
   a) the flight crew is augmented with a relief crew, and
   b) there are one or two scheduled landings.
2) the time from scheduled report to scheduled release if:
   a) the flight crew is augmented with a relief crew, and
   b) the duty period contains only one scheduled landing.
4.

Add a new Section 16 L. to read:

L. International Flying Optimization Team

1. The Company will notify the Association when it begins consideration of new routes to international destinations that:
   a. potentially involve flights scheduled for over twelve hours, or
   b. involve scheduled operations in areas where the Company has not conducted operations (i.e., new city pairs).

Note one: To allow adequate consideration of these changes, no operations listed above should occur earlier than 150 days after such notification.

Note two: This is not intended to apply to charter operations.

2. An International Flying Optimization Team (IFOT) will be formed within 14 days of the Company’s notification to the Association of its intent to conduct operations under Section 16 L. 1. The IFOT will be comprised of three members appointed by the Company and three members appointed by the Association. The IFOT’s mission will be to make recommendations on how best to conduct the new operation(s) as well as any PWA changes that may be necessary to conduct the new operation(s).

3. The IFOT will convene for a period not to exceed 60 days to exchange information and ideas, explore alternatives and make its recommendations. This period may be extended by mutual agreement. The IFOT will be provided information on the new routes or operations for their consideration. This information will include, but not be limited to, flight plans, hotels, transportation, duty periods, rotations, aircraft limitations, bilateral agreements, Company communications with the FAA concerning subject routes, health requirements, etc.

4. The IFOT will submit its recommendations (joint and/or separate) to each Negotiating Committee. Within ten days of the submission of the IFOT recommendations, the Committees will meet to consider such recommendations. If required, further negotiations will be conducted in a prompt manner by both parties with the intent to conclude the negotiations within 30 days of the report by the IFOT to the Negotiating Committees.

5.

Amend Section 24 J. 3. Exception to add a new o. to read:

   o. Pilot members of the IFOT while participating in IFOT duties.

6.

Amend Section 24 J. 5. Note to read:

Note: Section 24 J. 5. will not apply to ALPA FOQA monitoring team members or ALPA IFOT members.
7.

Amend Section 23 G. 5. to read:

5. An LCP may remove a First Officer from a rotation or any portion thereof for the purpose of conducting OE.
   a. If the First Officer is removed from his entire rotation, he will be guaranteed pay and credit for the scheduled credit of such rotation and will be subject to recovery flying. The Company will attempt to notify the pilot of his removal and any assigned recovery flying at least 12 hours prior to the report time of his originally scheduled rotation. If a notification attempt is not made at least 12 hours prior to the scheduled report of his originally scheduled rotation, the pilot will have no recovery obligation. The pilot will be subject to recovery flying as follows:
      1) A pilot who has acknowledged his recovery flying no later than three hours prior to the report time of his originally scheduled rotation:
         a) must be scheduled to be released no later than four hours from the scheduled release of his original rotation, or the same calendar day, whichever is later.
         b) may be scheduled for a single recovery rotation that originates on any day of the originally scheduled rotation.
         c) may not be scheduled for recovery flying which reports prior to his originally scheduled report time.
         d) may enter his preferences for recovery flying in the PCS template in DBMS. He will be assigned rotations based on his preferences for such flying, in seniority order, within days-of-availability groupings, unless he is the only such pilot available to fly another rotation within the same days-of-availability grouping.
      Note: If the assignment to recovery flying is being made within 24 hours of the scheduled report of the originally scheduled rotation and the recovery flying reports on the same day as the originally scheduled rotation, such pilot will only be assigned a rotation after white slips in Section 23 N. 2. If the recovery flying reports on a calendar day subsequent to the date of the originally scheduled rotation, such assignment will be made prior to any assignments made under Section 23 N. 1.
      2) If the pilot has not acknowledged his recovery flying three hours prior to the report of his originally scheduled rotation, the pilot is subject to recovery flying under Section 23 K. 1. If the recovery flying includes a transoceanic duty period as the last duty period of the rotation, the release time of the recovery flying will be no more than 30 hours after the originally scheduled rotation.
   b. If the First Officer is removed after flying a portion of such rotation, he:
      1) will be guaranteed pay and credit for the greater of:
         a) the scheduled credit of such rotation, or
         b) his accumulated credit for the portion of such rotation flown.
      2) may be rerouted under Section 23 L.
   c. If the First Officer is removed from a portion of his rotation beginning with the first flight segment, he:
      1) will be guaranteed pay and credit for the greater of:
a) the scheduled credit of such rotation, or
b) his accumulated credit for the portion of such rotation flown.

2) may be assigned to:
   a) deadhead to any portion of such rotation, or
   b) fly any portion of such rotation.

d. If a First Officer is so removed from an augmented crew, the senior First Officer will have the option of being removed or flying the rotation, provided he notifies the Company of his choice at the time of the first attempted contact to advise of the removal. If the senior First Officer is unavailable for contact, he will be the First Officer who is removed unless he has indicated a preference in DBMS to not be removed.

8.

Amend Section 23 K. 1. to read:

A regular pilot who is removed from a rotation due to IROPS affecting his rotation (other than an FAR 30-in-7 conflict) or under Section 23 G. 5. a. 2) and . . .

9.

Amend Section 23 N. to add a new N. 3. and re-number all subsequent items:

1. Pilots subject to recovery flying under Section 23 K. 1.

   . . .

3. Pilots subject to recovery flying under Section 23 G. 5. a. 1) Note, (OE recovery)

10.

The IFOT will meet immediately to discuss and resolve issues with the BOM, ICN, LOS, PVG, and DXB flights.

11.

The provisions of this Letter of Agreement will become effective on March 1, 2007, unless otherwise indicated below, and will remain in effect concurrent with the PWA.

A. The provisions of amended Section 5 C. will become effective April 1, 2007.

B. The provisions of amended Section 23 G. 5. will become effective April 1, 2007.

IN WITNESS WHEREOF, the parties have signed this Letter of Agreement, this 23rd day of February, 2007.
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<tr>
<th>FOR THE COMPANY</th>
<th>FOR THE ASSOCIATION</th>
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<tr>
<td>Geraldine P. Carolan</td>
<td>Captain John H. Prater</td>
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<td>Vice President - Labor Relations</td>
<td>President</td>
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<td>Captain Donald L. Moak</td>
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<td>Chairman, Delta MEC</td>
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<td>Donald P. Filer</td>
<td>Captain Tim O’Malley</td>
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<td>Chairman, MEC Negotiating Committee</td>
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<td>Captain Rick Dominguez</td>
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<td>William Elliott</td>
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<td>MEC Coordinator</td>
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LETTER OF AGREEMENT

Between

DELTA AIR LINES, INC.

And the Air Line Pilots in the service of

DELTA AIR LINES, INC.

as represented by the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

FAA PHYSICAL EXAMINATION REIMBURSEMENT MODIFICATION

This LETTER OF AGREEMENT is made and entered in accordance with the provisions of the Railway Labor Act, as amended, by Delta Air Lines, Inc. (“the Company”), and the Air Line Pilots Association, International (“the Association”).

WHEREAS the Company and the Association are parties to a collective bargaining agreement setting forth the rates of pay, rules and working conditions for the Company’s pilots (“Pilot Working Agreement” or “PWA”) signed June 1, 2006; and

WHEREAS the Company and the Association recognize the reimbursement for FAA First Class Medical Certificate physical examinations (“FAA physicals”) is currently a non-standard, manual process that has proved difficult to administer; and

WHEREAS the Company and the Association desire to streamline the process for reimbursement of FAA physicals.

NOW THEREFORE, it is mutually agreed:

1. Amend Section 25 K. to read as follows:

K. FAA Required Physical Examinations

   1. A pilot will be reimbursed for his FAA physical after submission of his FAA First Class Medical Certificate to Flight Crew Records. The FAA physical reimbursement in 2007 will be $165.00 when an EKG is required or $100.00 if an EKG is not required. Such reimbursement will be credited to a pilot’s mid-month
paycheck, following the month in which his FAA First Class Medical Certificate is submitted. This reimbursement:

a. will be made once every six months for Captains and type-rated First Officers (in categories utilizing relief pilots).

b. will be made once every 12 months for a First Officer who is not in a category utilizing relief pilots.

c. will be increased on an annual basis each January 1st equal to the percentage of the annual increase in health care costs in the DFCMP/DPMP as determined by the Company and communicated to ALPA.

d. will be for the higher amount on the first reimbursement of each calendar year beginning in the year the pilot attains the age of 40.

e. will be for the higher amount for the first reimbursement of the calendar year in which the pilot attains the age of 35.

2. A pilot who is scheduled for training for a new position and is notified (via a bid posting or an advance entitlement or displacement award) that he must have a First Class Medical Certificate that is current (within six months) on the date of his scheduled completion of training and who does not possess such a Certificate, will be reimbursed after he submits such FAA First Class Medical Certificate to Flight Crew Records.

3. Evaluations required for recertification will be fully reimbursed upon submission of documentation (i.e., credited an amount equal to the total of the fees incurred by the pilot in the recertification process) and will re-establish the six or 12-month cycle for the recertified pilot.

4. Pilots requiring other than a standard FAA physical examination (i.e., any additional medical evaluation and/or testing required by the FAA to obtain a First Class Medical Certificate) will also be fully reimbursed for the cost of such physical. A pilot who is not fully reimbursed for such other than standard FAA physical examination through the process in Section 25 K. 1. or 2., may submit a reimbursement request for the additional costs via DBMS.

5. In the event the requirements to obtain an FAA First Class Medical Certificate change to include additional testing and/or additional frequency, the costs of such additional testing and/or frequency will also be reimbursed. In such event, the Company and the Association will meet and confer to adjust the reimbursement amounts in Section 25 K. 1.

2.

Beginning June 1, 2007, pilots will discontinue filing claims for reimbursement of FAA physicals with United Healthcare. Any requests for reimbursement postmarked prior to June 1, 2007 will be reimbursed through United Healthcare. Any FAA physical accomplished in 2007 that is eligible for reimbursement and that has not been filed before June 1, 2007, with United Healthcare will be reimbursed to the pilot in the amounts in
Section 25 K. 1. or 3. after he files an expense claim via DBMS. Such pilot should file such claim no earlier than July 1, 2007. To allow for the clearing of reimbursement claims previously submitted to United Healthcare and currently in the processing queue, the payment of these un-reimbursed claims incurred prior to June 1, 2007 and submitted via DBMS after July 1, 2007, will occur after August 1, 2007.

This Letter of Agreement will become effective on its date of signing and will remain in effect for the duration of the PWA.

IN WITNESS WHEREOF, the parties have signed this Letter of Agreement this ____ day of May, 2007.

FOR THE COMPANY

_________________________
Captain Steve Dickson
Senior Vice President – Flight Operations

_________________________
Geraldine P. Carolan
Vice President – Labor Relations

_________________________
Brendan M. Branon
Director – Labor Relations

_________________________
Susan C. Sligh
Program Manager – Labor Relations

FOR THE ASSOCIATION

_________________________
Captain John H. Prater
President

_________________________
Captain Donald L. Moak
Chairman, Delta MEC

_________________________
Captain Tim O’Malley
Chairman, MEC Negotiating Committee

_________________________
Captain Randy Worrall
MEC Negotiating Committee

_________________________
Captain Rick Dominguez
MEC Negotiating Committee
LETTER OF AGREEMENT

Between

DELTA AIR LINES, INC.

And the Air Line Pilots in the service of

DELTA AIR LINES, INC.

as represented by the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

MODIFICATION OF OCEAN CROSSING DEFINITION and MAXIMUM SCHEDULED LANDINGS

This LETTER OF AGREEMENT is made and entered in accordance with the provisions of the Railway Labor Act, as amended, by Delta Air Lines, Inc. (the “Company”) and the Air Line Pilots Association, International (the “Association”).

WHEREAS the Company and the Association are parties to a collective bargaining agreement setting forth the rates of pay, rules and working conditions for the Company’s pilots (“Pilot Working Agreement” or “PWA”), effective June 1, 2006, and

WHEREAS the Company plans to schedule a daily flight from Atlanta to Seoul, South Korea which, on occasion, will utilize a polar routing across the Arctic Ocean; and

WHEREAS a question has arisen as to whether such flight segment qualifies as an ocean crossing, as defined in the PWA, and

WHEREAS the Company and the Association desire to clarify that such flight segment is an ocean crossing,

NOW THEREFORE, it is mutually agreed:

1.

Amend the definition of ocean crossing (Sections 2 A. 147, 12 A. 13., and 16 A. 2.) to read:

“Ocean crossing” means a flight segment:

a. across the Atlantic Ocean, or

b. across the Pacific Ocean, as follows:
1) between the North American continent and the Hawaiian Islands,
2) between the Hawaiian Islands and any point west of the 160 degree meridian,
3) between the North American continent and a point west of the 160 degree meridian,
4) between a Pacific Rim airport and Australia and/or New Zealand,

or

c. to or from an airport in South America, as follows:
   1) between the United States and any point south of the equator on the South American continent, and
   2) any flight segment scheduled for greater than eight hours to, within or from the South American continent,

or

d. to or from an airport in Europe that crosses latitude 36°N. and/or longitude 45°E.,

or

e. to or from an airport in Africa, as follows:
   1) between the United States and any point on the African continent, and
   2) any flight segment scheduled for greater than eight hours to, within or from the African continent,

or

f. across the Arctic Ocean, between the North American continent and the Asian continent.

2.

Amend Section 12 F. to read:

F. Maximum Scheduled Landings

1. An international category pilot on a duty period composed solely of domestic or intra-theatre flying and a domestic category pilot will not be scheduled as an operational crewmember for more than eight landings in a duty period.

2. An international category pilot will not be scheduled as an operational crewmember for more than two landings in a trans-oceanic duty period.

Exceptions: An international category pilot:

a. may be scheduled as an operational crewmember for up to four landings in a duty period composed of a flight segment from LAX to Hawaii, followed by intra-Hawaii flying.

b. will not be scheduled as an operational crewmember for more than one landing:
   1) in a trans-oceanic duty period that is scheduled for more than 16 hours,
   2) following a South American ocean crossing,
3) following a Pacific ocean crossing (other than a Hawaii-West Coast ocean crossing in either direction),
4) following an Arctic ocean crossing,
5) in a trans-oceanic duty period that contains an Atlantic ocean crossing unless a Relief First Officer is part of the crew, or
6) following a West Coast-Hawaii ocean crossing (either direction) within a duty period in which the scheduled departure of the first flight segment of the duty period is before 0759, or after 1201, pilot's base time.

3. The maximum scheduled landing provisions in Section 12 F. are scheduling limitations only. Maximum scheduled landings are determined as of the point in time of initial publication or creation of a duty period. Unforeseen events (e.g., maintenance, fuel, weather, sick crew member or passenger) may result in additional landings in a duty period.

This Letter of Agreement will become effective on its date of signing and will remain in effect for the duration of the PWA. The changes to Maximum Scheduled Landings will be implemented with the July 2007 bid period.

IN WITNESS WHEREOF, the parties have signed this Letter of Agreement this ___ day of May, 2007.

FOR THE COMPANY

_________________________
Captain Steve Dickson
Senior Vice President – Flight Operations

_________________________
Geraldine P. Carolan
Vice President – Labor Relations

WITNESS:

_________________________
Brendan M. Branon
Director – Labor Relations

FOR THE ASSOCIATION

_________________________
Captain John H. Prater
President

_________________________
Captain Donald L. Moak
Chairman, Delta MEC

WITNESS:

_________________________
Captain Tim O’Malley
Chairman, MEC Negotiating Committee
Tim HennieRoed  
General Manager – Flight Operations

Captain Randy Worrall  
MEC Negotiating Committee

Terry Seiler  
Manager – Labor Relations

Captain Rick Dominguez  
MEC Negotiating Committee
LETTER OF AGREEMENT

Between

DELTA AIR LINES, INC.

And the Air Line Pilots in the service of

DELTA AIR LINES, INC.

as represented by the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

EXPANSION OF INVESTMENT OPTIONS IN THE
PILOTS DC PLAN
AND
ENHANCEMENT OF DISTRIBUTION PROVISIONS APPLICABLE TO
PILOTS' NON-SPOUSE BENEFICIARIES IN THE PILOTS DC PLAN AND
FCSP

This LETTER OF AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by Delta Air Lines, Inc. (the “Company”), and the Air Line Pilots Association, International (the “Association”).

WHEREAS the Company and the Association are parties to a collective bargaining agreement setting forth the rates of pay, benefits, rules and working conditions for the Company’s pilots (“Pilots Working Agreement” or “PWA”) signed June 1, 2006; and

WHEREAS the Company sponsors the Delta Pilots DC Plan ("DC Plan"), a qualified defined contribution money purchase pension plan under which the Company makes contributions to pilots’ individual accounts, which accounts are subject to investment direction by the individual pilot; and

WHEREAS the DC Plan currently includes as one of the investment options an individual brokerage account; and

WHEREAS the Company and the Association wish to expand the type of investments available under the individual brokerage account; and

WHEREAS the Company sponsors the Delta Family-Care Savings Plan ("FCSP"), a qualified defined contribution plan under which the Company and pilots make contributions to pilots' individual accounts; and
WHEREAS the Company and the Association wish to enhance the distribution options for pilots' non-spouse beneficiaries under both the DC Plan and the Delta Family-Care Savings Plan ("FCSP").

NOW THEREFORE, it is mutually agreed:

1. The Plans will be amended effective August 1, 2007, (except with respect to the change described in paragraph 1 (e) of this Letter of Agreement) in accordance with Section 26 D. and E. of the PWA and this Letter of Agreement to provide for the following changes:

(a) The DC Plan will be amended to expand the individual brokerage account investment option provided under the Plan to include investments in individual equities, corporate bonds (but not including any Company equity security or bond), United States Treasuries, certificates of deposit, zero coupon bonds, mortgage backed and United States Government Agency Bonds, exchange traded funds and covered call equity writing options and the purchase of equity and index calls and puts (i.e. long options) and the purchase of equity and index straddles or combinations (i.e. long options).

(b) These investment options include all eligible securities currently offered by Fidelity through their open individual brokerage account available to individual account qualified pension plans, with the exception of taxable unit investment trusts and master limited partnerships, which will not be available to participants in the Plan. Should Fidelity (or any successor recordkeeper or selected brokerage house) include as eligible securities other types of investments in their standard open brokerage account available to individual account qualified pension plans or no longer make available a type of investment currently allowed, the Company and the Association will meet and confer to reach agreement as to whether such investments or securities will be allowed or disallowed, as the case may be, under the DC Plan brokerage account investment option.

(c) As with the current mutual fund brokerage account investment option, the participant must pay all applicable fees associated with the expanded brokerage account investment option (including, but not limited to, short-term trading fees, back-end fees, loads and other transaction costs). Terms and conditions governing a participant's use of the expanded brokerage account investment option will be the same as those set forth in Appendix B of the Plan, as amended to reflect the expanded brokerage account.

(d) The Company will update (or cause to be updated) the forms and other information prepared by the Plan Administrator or by Fidelity (or any successor recordkeeper or selected brokerage house), including but not limited to the "Fidelity BrokerageLink Participant Acknowledgement Form" and the "Fidelity
BrokerageLink Account Fact Sheet for the Delta Pilots Defined Contribution Plan," so that such forms are written to include ALPA and its representatives and employees, in addition to the Company, the DC Plan, the Named Fiduciary, the Plan Administrator, Fidelity or any employee or affiliate, among the list of parties that have no responsibility for reviewing the suitability of investment options available through the brokerage account and no responsibility for participants' investments. No inference is made or intended by such update that ALPA, its representatives and employees had or will have any responsibility for reviewing the suitability of investment options or for participants’ investments prior to or after these changes.

(e) The DC Plan and the FCSP will be amended to permit distributions to be made to pilots' non-spouse beneficiaries, by trustee-to-trustee transfer to an individual retirement account or annuity, as permitted by Section 829 of the Pension Protection Act of 2006. The amendments in this paragraph will be effective as soon as can be facilitated by Fidelity.

2.

This Letter of Agreement will become effective on August 1, 2007, and will remain in effect for the duration of the PWA.

IN WITNESS WHEREOF, the parties have signed this Letter of Agreement this _________ day of July, 2007.

FOR THE COMPANY FOR THE ASSOCIATION

_________________________  _______________________
Captain Steve Dickson   Captain John H. Prater
Senior Vice President – Flight Operations President

_________________________  _______________________
Geraldine P. Carolan    Captain Donald L. Moak
Vice President – Labor Relations Chairman, Delta MEC
WITNESS:

Brendan M. Branon
Director – Labor Relations

Captain Tim O’Malley
Chairman, MEC Negotiating Committee

Captain Randy Worrall
MEC Negotiating Committee

Captain Rick Dominguez
MEC Negotiating Committee
LETTER OF AGREEMENT
Between
DELTA AIR LINES, INC.
and the Air Line Pilots in the service of
DELTA AIR LINES, INC.
as represented by the
AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

POST-RETIREMENT PILOT HIRING

This LETTER OF AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by Delta Air Lines, Inc. ("the Company"), and the Air Line Pilots Association, International ("the Association").

WHEREAS the Company and the Association are parties to a collective bargaining agreement setting forth the rates of pay, rules and working conditions for the Company’s pilots ("Pilot Working Agreement" or "PWA"), signed June 1, 2006, as amended; and

WHEREAS certain retired pilots have applied to the Company for employment as new hire pilots; and

WHEREAS the Company and the Association agree that the hiring of retired pilots was not contemplated in the PWA; and

WHEREAS the Company and the Association desire to clarify the application of certain provisions of the PWA and the benefit plans in the event a retired pilot is offered employment as a new hire pilot.

NOW THEREFORE, it is mutually agreed:

1. Add a new definition to Section 26 A. to read:
23. “Rehired retired pilot” or “RRP” means a person employed by the Company as a pilot any time subsequent to the date he retired from a previous period of employment as a pilot.

2.
Except as specified in this LOA, an RRP will be treated for all purposes as any other new hire pilot, with no credit given for any prior periods of employment, including but not limited to any service or earnings from any prior periods of employment. The Pilot Post-Retirement Hiring Statement and Acknowledgement in Attachment 1 to this LOA must be signed by the retired pilot if the Company offers him conditional employment as an RRP. A retired pilot who fails to sign the Statement and Acknowledgement at the time the Company offers him conditional employment as an RRP will not be considered further for employment as an RRP.

3.

The requirements of Section 20 F., Probation, will apply to an RRP without regard to any previous employment by the Company.

4.

If an RRP is eligible for retiree benefits from his first period of employment and also for retiree benefits when he again leaves the employ of the Company, he must elect which of the two retiree benefit packages that he desires in retirement. He must elect a retiree benefit package for which he is eligible from one of his periods of employment (i.e., he may not elect a benefit from one period of employment and another benefit from another period of employment). The retiree benefit package may consist of, but is not limited to, some or all of the following benefits: medical, dental, survivor, life insurance and travel pass benefits. The terms and conditions applicable to the retiree benefit package that he elects will apply. In addition, if the applicable benefit eligibility or calculation methodology is based on length of service or earnings, then only service and earnings from the period of employment to which that retiree benefit package relates will be used to determine eligibility for, or amount of, that benefit. If the RRP elects the retiree benefit package from his first period of employment, the life insurance he was eligible for while an RRP will cease on the date he leaves the employ of the Company and the decrement schedule in Section 26 K. 1. d. applicable to his RRP employment period will not apply. If the RRP has not elected a retiree benefit package within thirty days of the date he leaves employment as an RRP, or if he is not eligible for a retiree benefit package from his second period of employment, he will default to the retiree benefit package that applied from his first period of employment.

5.

Beginning on the date he is again hired by the Company, an RRP will be eligible for the survivor benefits in Section 26 as if he had not been previously employed by the Company. If the RRP dies while a pilot prior to January 1, 2008, only the $50,000 lump sum death benefit and the monthly survivor benefit applicable to his status as a pilot will apply and not the lump sum death benefit or the monthly survivor benefit from his previous period of employment; his designated beneficiary(ies), his eligible family members and the amount of monthly survivor benefit will be determined accordingly. If the RRP dies while a pilot on or after January 1, 2008, his designated beneficiary(ies) will be eligible for a lump sum term life insurance benefit under Section 26 K. 1. and not the lump sum death benefit or the monthly survivor benefit from his previous period of employment.
6.

Beginning on the date he is again hired by the Company, an RRP will be entitled to participate in the DC Plan and the Family Care Savings Plan in accordance with Section 26 as if he had not been previously employed by the Company. However, he may not take any distributions from these Plans while employed, unless otherwise permitted under the terms of the Plan.

7.

If an RRP becomes eligible for disability benefits under the D&S Plan, the retirement benefit offsets to his disability benefit under the D&S Plan will be applied monthly beginning with the first disability payment as follows:
   a. The amount of the pilot's calculated retirement benefits due to his previous period of employment that would have been paid under the Defined Benefit Plans had such Defined Benefit Plans not been terminated. The amount of this offset is determined as of the first date benefits under the Defined Benefit Plans were paid to the individual, as changed yearly through September 2, 2006 for variable adjustments.
   b. The annuity equivalent of his benefit under the terminated Delta Pilots MPPP determined in accordance with LOA #9 as of the date of distribution to him.
   c. With respect to long term disability benefits only, the annuity equivalent of his DC Plan account with respect to his first period of employment. The amount of this offset is determined as of the first date benefits under the DC Plan are actually paid to him.
   d. If the RRP continues to receive long-term disability benefits following the cessation of his employment as an RRP, then his DC Plan benefit from his period of employment as an RRP will also be offset from his long-term disability benefits as described in the D&S Plan.
   e. Benefits under the Western D-Plan, as described in the D&S Plan. The amount of this offset is determined as of the first date benefits were paid to the individual.

8.

The Company indemnifies and holds harmless the Association, its members, officers, agents, employees, counsel, and representatives (each an “indemnitee”) from any and all claims, lawsuits, or administrative charges of any sort whatsoever including reasonable attorney’s fees and costs arising in connection with such matters, relating to, concerning or connected to the negotiation or implementation of this LOA. Such indemnification and hold harmless obligation will not apply to 1) any claim, lawsuit or administrative charge resulting from the willful misconduct of any indemnitee; and 2) any claim, lawsuit or administrative charge asserting that the Association violated its bylaws or other organizational requirements by entering into this LOA. An indemnitee seeking to be indemnified and held harmless pursuant to this paragraph, must provide to the Company prompt written notice of the claim, lawsuit or administrative charge as to which the indemnitee seeks to be indemnified and held harmless. The Company will have the right to conduct the defense of such matter with counsel of the Company’s choosing and enter into a settlement of such matter. The Company will give reasonable
consideration to the wishes of the indemnitee in connection with the matters described in the foregoing sentence.

9.

The following plans will be modified to the extent necessary to reflect the terms of this LOA in accordance with Section 25 O. and Section 26 D. and E., as applicable:
   a. D&S Plan
   b. DC Plan
   c. Family Care Savings Plan
   d. Medical and Dental Plans
   e. Life Insurance Plans

10.

Following re-employment as a pilot, a person who was formerly employed as a pilot, but who is not a retired pilot as defined in Section 26 A. 17., will be treated for all purposes in respect to terms and conditions of employment the same as any other new hire pilot, including but not limited to receiving no credit for service, earnings or any other purpose from or with respect to his prior employment.

11.

This LOA will become effective on September ___, 2007, and will remain in effect for the duration of the PWA.

IN WITNESS WHEREOF, the parties have signed this LOA, this _____ day of September, 2007.

FOR THE COMPANY  FOR THE ASSOCIATION

_________________________  _______________________
Captain Stephen M. Dickson   Captain John H. Prater
Senior Vice President - Flight Operations    President
<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
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<tbody>
<tr>
<td>Geraldine P. Carolan</td>
<td>Vice President - Labor Relations</td>
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<tr>
<td>Captain Donald L. Moak</td>
<td>Chairman, Delta MEC</td>
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<td>WITNESS:</td>
<td>WITNESS:</td>
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<tr>
<td>Captain Kurt Shular</td>
<td>General Manager- Flight Operations</td>
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<tr>
<td>Captain Tim O’Malley</td>
<td>Chairman, MEC Negotiating Committee</td>
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<td>Susan Sligh</td>
<td>Program Manager – Labor Relations</td>
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<td>Captain Randy Worrall</td>
<td>MEC Negotiating Committee</td>
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<tr>
<td>Captain Rick Dominguez</td>
<td>MEC Negotiating Committee</td>
</tr>
</tbody>
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Attachment 1, Pilot Post-Retirement Hiring Statement and Acknowledgement will be attached to this document.
LETTER OF AGREEMENT

Between

DELTA AIR LINES, INC.

and the Air Line Pilots in the service of

DELTA AIR LINES, INC.

as represented by the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

QUITO & GUAYAQUIL OPERATIONS AND CATEGORY FREEZE CHANGE

This LETTER OF AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by Delta Air Lines, Inc. (the “Company”), and the Air Line Pilots Association, International (the “Association”).

WHEREAS the Company and the Association are parties to a collective bargaining agreement setting forth the rates of pay, benefits, rules and working conditions for the Company’s pilots (“Pilots Working Agreement” or “PWA”) signed June 1, 2006; and

WHEREAS, in an effort to maintain operational integrity, the parties have agreed, for a limited time period, to permit an additional landing in Ecuador after an ocean crossing; and

WHEREAS the parties have agreed to reduce the category freeze after certain qualification training events.

NOW THEREFORE, it is mutually agreed:

1. 

Section 12 F. 2. Exception b. 2) will not apply following a South American ocean crossing if such landing is in Quito, Ecuador during the period December 1, 2007 to March 31, 2008, inclusive.

2. 
Amend Section 22 G. 1. to add the following new exceptions:

Exception three: A B-767/B-757 or a B-767/B-757 (International) pilot who is awarded an AE or VD in the same status for the B-767-400ER and undergoes B-757/767 to B-767-400ER qualification training will incur a 9-month category freeze.

Exception four: A B-767-400ER pilot who is awarded an AE or VD in the same status for the B-767/B-757 or the B-767/B-757 (International) and undergoes B-767-400ER to B-757/767 qualification training will incur a 9-month category freeze.

3.

This LOA will become effective on its date of signing and will remain in effect for the duration of the PWA. The amended Section 22 G. 1. Exceptions three and four will apply to any pilot who is under a category freeze as of September 1, 2007, due to the training described in those exceptions.

IN WITNESS WHEREOF, the parties have signed this LOA this _________ day of September, 2007.

FOR THE COMPANY

_________________________
Captain Steve Dickson
Senior Vice President – Flight Operations

_________________________
Geraldine P. Carolan
Vice President – Labor Relations

WITNESS:

_________________________
Brendan M. Branon
Director – Labor Relations

FOR THE ASSOCIATION

_________________________
Captain John H. Prater
President

_________________________
Captain Donald L. Moak
Chairman, Delta MEC

WITNESS:

_________________________
Captain Tim O’Malley
Chairman, MEC Negotiating Committee
Barry Wilbur  
Director – Crew Resources & Scheduling

Captain Randy Worrall  
MEC Negotiating Committee

Tim HennieRoed  
General Manager – Crew Resources

Captain Rick Dominguez  
MEC Negotiating Committee
LETTER OF AGREEMENT

Between

DELTA AIR LINES, INC.

And the Air Line Pilots in the service of

DELTA AIR LINES, INC.

as represented by the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

DELTA PILOTS SAVINGS PLAN and
ELIMINATION OF THE
SOCIAL SECURITY OFFSET TO LTD BENEFIT

This LETTER OF AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by Delta Air Lines, Inc. (the "Company"), and the Air Line Pilots Association, International (the "Association").

WHEREAS the Company and the Association are parties to a collective bargaining agreement setting forth the rates of pay, benefits, rules and working conditions for the Company’s pilots (“Pilot Working Agreement” or “PWA”) signed June 1, 2006, and

WHEREAS the PWA provides for pilots' participation in the Delta Family-Care Savings Plan As Amended and Restated, Effective April 1, 2003, as amended through the Thirteenth Amendment thereto (the "Savings Plan"), and

WHEREAS the Company and the Association desire to establish a separate plan similar to the Savings Plan, to provide for participation exclusively by pilots, former pilots, pilots’ and former pilots’ beneficiaries and alternate payees of pilots or former pilots, and

WHEREAS the Company and the Association desire to eliminate the Social Security offset to long term disability benefits.

NOW THEREFORE, it is mutually agreed:
1.

Establishment of DPSP

The Company will establish, sponsor and maintain the Delta Pilots Savings Plan effective January 1, 2008. Unless otherwise specified in this LOA, the DPSP will provide, and the PWA will be amended to provide, the same terms, rights and procedures as currently apply with respect to the participation of pilots, former pilots, pilots’ and former pilots’ beneficiaries and alternate payees of pilots or former pilots in the Savings Plan, including but not limited to terms, rights and procedures regarding eligibility, participation, contributions, timing of contributions, investments, allocation, event dates, payment, distribution and administration, and the rights and procedures of the Association and the Association Retirement and Insurance Committee. Effective January 1, 2008, the service provider(s) with respect to the DPSP will be the same as (and will provide the same services as) those in place on December 31, 2007 with respect to the Savings Plan.

2.

Definitions

Add new definitions to Section 26 A. to read:

25. "DPSP participant” means a person who is receiving or is entitled to receive benefits under the DPSP.
26. “Service provider” means any entity, other than the Company, that provides any services for the DPSP including, but not limited to, the record-keeper and trustee.

3.

Transfer of Accounts from Savings Plan to DPSP

The Company will cause the transfer, from the Savings Plan to the DPSP, of the assets and liabilities of the Savings Plan accounts of the following individuals who are Savings Plan participants on December 31, 2007: pilots; former pilots; and to the extent they can be identified as such, pilots’ and former pilots’ beneficiaries and alternate payees. The transfer of accounts will be an in-kind administrative transfer that does not involve the liquidation or reinvestment of any assets. The transfer will be effective at 12:01 a.m. EST on January 1, 2008, and the Company will bear all costs associated with the transfer. Unless otherwise determined by the DPSP fiduciary in order to comply with its fiduciary obligations, a) the assets of the DPSP will be held in a separate account under the trust which currently holds the assets of the Savings Plan and the DC Plan, and b) the terms of the separate account for the DPSP will not be materially different from the terms of the current separate account applicable to the Savings Plan. No later than December 31, 2007, the Company will provide the
Association a copy of the trust agreement and the amendment establishing the separate account for the DPSP.

4. **Investment of DPSP Accounts**

(a) The investment directions given by a Savings Plan participant that are effective with respect to his accounts under the Savings Plan immediately prior to the transfer of such accounts to the DPSP will be the investment directions effective with respect to such accounts under the DPSP immediately upon their transfer to the DPSP.

(b) All DPSP participants will be subject to a general "blackout period" during which they will be unable to direct changes in the investment of their existing account balances, exchange and transfer among investment options, request withdrawals and distributions, initiate participant loans and check fund balances; however within existing brokerage link accounts, participants may direct changes between brokerage link investments or check brokerage link fund balances even during the blackout period. The blackout period will begin at the close of the NYSE on December 31, 2007, provided however, that any participant directions that are completed (those in which the confirmation notice states that the transaction will be effective that day) prior to that time will be executed. The blackout period will end by noon on January 3, 2008.

(c) For participants who hold Delta stock in their Savings Plan account, there will be an additional blackout period during which time such participants will be unable to sell Delta stock, initiate participant loans or request withdrawals and distributions. This blackout period will begin at the close of the NYSE on December 24, 2007, provided however, that any participant directions that are completed (those in which the confirmation notice states that the transaction will be effective that day) prior to that time will be executed. This blackout period will end by noon on January 3, 2008. Participants who hold Delta stock in their account are also subject to the general blackout period described in paragraph 4. (b).

(d) On or before November 23, 2007, the plan administrator of the Savings Plan will give notice of the blackout periods to each Savings Plan participant whose accounts will be transferred to the DPSP effective January 1, 2008. Such notices will be given by mailing to the Savings Plan participant's address of record under the Savings Plan.

(e) Effective upon expiration of the blackout periods, the DPSP will make available to DPSP participants all investment options currently permitted under the Savings Plan; provided however, all such investment options will thereafter be subject to review for future inclusion by the DPSP fiduciary to the same extent as prior to the transfer. Effective upon expiration of the blackout periods, a DPSP participant will be permitted to direct the investment in any one or more of such investment options, of his existing balances and his and the Company’s future contributions to his DPSP accounts, subject to paragraph 4. (f) of this LOA, whether the source of such future contributions or existing balances is the DPSP participant or the Company.

(f) The DPSP will also make available to DPSP participants an individual brokerage link account investment option that is equivalent to the individual brokerage link account investment option made available under the DC Plan, as such option may be amended from time to time. Effective on the opening of the NYSE on January 2, 2008 for funds in the brokerage link account at the commencement of the blackout period and effective upon expiration of both blackout periods for all other funds, a DPSP participant will be permitted to
direct the investment in such individual brokerage account investment option, of his existing
balances and his and the Company’s future contributions to his DPSP accounts, whether the
source of such future contributions or existing balances is the DPSP participant or the
Company. The participant’s total balance in the individual brokerage link account investment
option will not be permitted to exceed 98% of his total DPSP account balance. This limit will
be determined and enforced each time there is a transfer of funds by the participant into his
individual brokerage link account investment option.

(g) Subject to the rules applicable to qualified default investment alternatives, effective for
default investments made after January 1, 2008, the default investment funds under the DPSP
will be life-cycle retirement-year funds (actual funds to be selected by the Plan fiduciary) in 5-
year increments, if available (i.e., life-cycle funds for retirement years 2005, 2010, 2015, 2020,
etc.). The specific default investment fund for a participant will be determined as the life-cycle
fund for the retirement year in which December 31 (of the retirement year) is closest to
December 31 of the year in which the participant attains the FAA mandatory retirement age for
pilots that is in effect at the time the default investment is made. Once determined, the default
investment fund for a participant will not be changed (other than a replacement fund directed
by the Plan fiduciary.) For example, the default investment fund for default investments made
on February 1, 2008, assuming that age 60 is the FAA mandatory retirement age in effect on
that date:

(i) for a pilot who will attain age 60 on any date in 2017, the default investment fund
will be a life-cycle fund for the retirement year 2015.
(ii) for a pilot who will attain age 60 on any date in 2018, the default investment fund
will be a life-cycle fund for the retirement year 2020.

5.

Contributions by Participants

(a) Effective January 1, 2008, a pilot may elect to make contributions to the DPSP (pre-tax,
Roth and other after-tax) in an amount from 1% to 75% of Earnings (as defined in the DPSP).
The DPSP and the DC Plan will be amended to provide the safe harbor described in IRC
Section 401(k)(12). Participants will be given notice of the plans’ reliance on the safe harbor
for a plan year by December 1 preceding the plan year.

(b) Pilots who had not previously participated in the Savings Plan who first become
participants in the DPSP on or after January 1, 2008 will be automatically enrolled to
participate and make pre-tax contributions to the DPSP, at the rate of 3% of Earnings (as
defined in the DPSP). Participants will be given advance notice of such automatic enrollment
and the opportunity to adjust or decline such automatic enrollment, in accordance with
applicable law.

(c) Not later than June 30, 2008, the Company will seek IRS approval to allow disabled pilots
to make contributions to the DPSP (pre-tax, Roth and other after-tax), on the same basis as
active pilots. For this purpose, a disabled pilot's Earnings will include disability benefits he
receives from the D&S Plan. Such contributions will be allowed beginning January 1st
following receipt or publication of approval from the IRS. For this purpose, disabled pilots will
include disabled former pilots who are removed from the seniority list under Section 13 B. 3.
on or after June 1, 2006. The Company will meet and confer with the Association regarding
comments by the IRS on the Company’s application for such approval during the approval process.

6.

**Expenses of DPSP**

(a) The Company will pay, on a per-participant basis, at least the same percentage of expenses and at least the same dollar amount of fixed fees with respect to the DPSP as it currently pays with respect to the Savings Plan. Such expense and fee arrangements for the DPSP will mirror the Savings Plan expense and fee arrangements for like services. In the future, if the Company pays a higher percentage of expenses or amount of fixed fees with respect to the Savings Plan, it will increase to the same extent the percentage of expenses or amount of fees it pays with respect to the DPSP.

(b) Beginning on December 1, 2007, the Company will disclose on a quarterly basis to the Chairman of the Retirement and Insurance Committee the terms of all contractual expense and fee arrangements between the Company (or the Plan or the trust) and any service provider, written or otherwise, involving the Savings Plan and/or DPSP or the assets of the trust under the Savings Plan and/or DPSP, including, but not limited to, any arrangement involving revenue-sharing or the reduction of recordkeeping or other administrative fees. The Plan fiduciary may modify an expense or fee arrangement with respect to the DPSP after conferring and receiving input from the Association. Such input from the Association will be duly considered by the Plan fiduciary, and if not complied with, the reasons for denial will be made in writing to the Association.

7.

**Modifications to PWA**

In addition to other modifications required to reflect the foregoing provisions of this LOA, the PWA will be modified as follows:

(a) The following Sections will be amended to add the DPSP:

(i) **Paragraph 1 of Section 26 D. General**

(ii) **Paragraph 1.a. of Section 26 E. Plan Amendment Procedure**

(iii) **Section 26 G. Increases in Certain DC and Savings Plan Limits**

(iv) **Paragraphs 1 through 4 of Section 26 H. Association Retirement and Insurance Committee**

(v) **Paragraphs 1 and 2 of Section 26 I. Incorporation of Plans by Reference**

(vi) **Paragraph 3 of Section 26 Q. Provisions Effective in Event of Termination of Delta Pilots Retirement Plan**

(vii) **Section 26 R. Beneficiary Designations**

(viii) **LOA #10 Benefit Review Board**

(b) The last sentence of **Section 26 C.** will be modified to read:

"Unless otherwise agreed by the Company and the Association, or unless otherwise determined by the DPSP fiduciary in order to comply with its legal fiduciary obligations, DPSP participants will be governed by the same administrative procedures
and guidelines as apply to participants in the Savings Plan, such as service charges, loan fees, etc."

(c) **Section 26 D. 2.** will be modified to add the following to read:

"The Company may change service providers with respect to the DPSP after conferring and receiving input from the Association. Such input from the Association will be duly considered by the Plan fiduciary, and if not complied with, the reasons for denial will be made in writing to the Association. If the Association wishes to change service providers with respect to the DPSP, it may request such a change to a new named service provider in writing by March 1st of the year prior to the beginning of the next plan year. Such request will be duly considered by the Plan fiduciary, and if not granted, the reasons for denial of such request will be made in writing to the Association."

(d) **Section 26 H.** will be modified to add a paragraph to read:

"5. The Company will allow the Committee to attend annual briefings given to the Company or the DPSP plan administrator by any service provider to the DPSP. In addition, the Company will provide to the Committee a copy of each report regarding the DPSP that is prepared by any service provider to the DPSP, within 30 days of delivery of the report to the Company or DPSP plan administrator. Participant-specific information will be redacted from reports provided to the Committee."

(e) The PWA will be amended to substitute "DPSP" for "Savings Plan" wherever the latter term appears, as appropriate in the context, to reflect the provisions, and the intent of the parties, in this LOA.

8. **Elimination of Social Security Offset to LTD Benefit**

Effective June 1, 2006, amend **Section 26 K. 4.** to delete the words “Social Security disability benefits of the disabled pilot (not his family’s Social Security benefits).”

9. **Duration**

This LOA will become effective on November ____, 2007, and will remain in effect for the duration of the PWA.
IN WITNESS WHEREOF, the parties have signed this LOA, this _____ day of November, 2007.

FOR THE COMPANY

_________________________  _______________________
Captain Stephen M. Dickson  Captain John H. Prater
Senior Vice President - Flight Operations  President

_________________________  _______________________
Geraldine P. Carolan  Captain Donald L. Moak
Vice President - Labor Relations  Chairman, Delta MEC

WITNESS:

_________________________  _______________________
Robert L. Kight  Captain Tim O’Malley
Vice President – Compensation and Benefits  Chairman, MEC Negotiating Committee

_________________________  _______________________
Lourdes DiPietro  Captain Randy Worrall
Program Manager – Labor Relations  MEC Negotiating Committee

_________________________
Captain Rick Dominguez
MEC Negotiating Committee
MEMORANDUM OF UNDERSTANDING

Between

DELTA AIR LINES, INC.

and the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

VACATION SWAP BOARD

A pilot may swap vacations with another pilot in the same category. A pilot must submit his request to swap a vacation via email to pilotvacation.dal@delta.com. The request must include the pilot’s name, employee number, vacation period he is swapping, name and employee number of pilot with whom he is swapping and the dates of the vacation period of the pilot with whom he is swapping. Additionally, the following conditions apply:

1. A pilot wishing to swap his vacation will be responsible for seeking out another pilot with whom to swap. Crew Resources will not maintain a list of pilots who wish to swap vacations.

2. The two pilots involved in the swap must hold the same category and the vacation periods being swapped must be in the same category.

3. A vacation swap request must be submitted no later than 0800E on the 1st day of the bid period prior to the earliest bid period affected by the swap. Example:
   - Pilot A holds a vacation in June.
   - Pilot B holds a vacation in August.
   - The deadline for submitting a request to swap the two vacations is May 1 @ 0800E.

4. A vacation swap will be processed either manually or automatically by Crew Resources.

5. A vacation period must be swapped in its entirety, including any purchased or supplemental vacation days that have been placed at the beginning or the end of the period. A pilot may not split a vacation period.

6. The number of days of the vacation periods to be swapped (including any purchased or supplemental vacation days) must be identical.

7. A pilot may not swap into a vacation that conflicts with a scheduled rotation on his line.

8. A pilot who holds an MD and who has swapped his vacation may be scheduled for qualification training pursuant to his MD that conflicts with his new vacation. In such case, the pilot may rebid such vacation period, provided he notifies Crew Resources within ten days of the date of issuance to him of notice of such conflict.
Otherwise, the pilot’s earned vacation will be reduced by the number of days in such vacation period and he will receive pay, under Section 7 G. 3. b., in lieu of such vacation period not taken.

This Memorandum of Understanding (MOU) will become effective on its date of signing. The provisions of this MOU may be terminated by either party by providing written notification to the other party at least 30 days in advance.
MEMORANDUM OF UNDERSTANDING

between

DELTA AIR LINES, INC.

and the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

PBS

A. Definitions

1. “Correct line” means the initial line the pilot should have been awarded had a PBS bid award error not occurred.

2. “Denial mode” means a process in PBS that:
   a. is performed after PBS is unable to award a pilot a regular line consistent with his bid preferences, seniority, his known absences, the FARs and the PWA and within his LCW,
   b. is utilized after shuffle and prior to SLG, and
   c. ignores, one at a time, a pilot's preference(s) to avoid flying a specified rotation or a rotation with specified criteria (e.g., number of duty periods in a rotation, departure time of rotation, number of flight segments per duty period) or his preference to avoid flying on a specified day, in an effort to award him a regular line within his LCW.

3. “Fill to threshold” means a tool in PBS that:
   a. is utilized prior to denial mode, and
   b. continues to award rotations to each pilot’s line, if possible, until such line is at or above the threshold.

4. “Force priority stack date on SLG” means a tool in PBS that ensures a pilot who is awarded a regular line during the SLG process is awarded a rotation that is scheduled to operate on the specified priority stack date.

5. “Max iteration” means a parameter in PBS that limits the number of rotations PBS considers when attempting to construct a regular line.

6. “Max passes” means a parameter in PBS that limits the number of attempts by PBS to award lines to all pilots in a category.

7. “Max reserves” means a parameter in PBS that limits the number of pilots permitted to be awarded a reserve line in a category.

8. “Max swap depth” means a parameter in PBS that limits the number of rotations that may be moved among regular lines and/or open time in an effort to comply with a pilot’s bid preference.
9. “Max trip substitution” means a tool in PBS that permits multiple combinations of rotations to be tested on a pilot’s line that match specific bid preferences in an attempt to construct a regular line for the pilot.

10. “Maximum stack height” means a parameter in PBS that limits a stack after all pilots in the category are awarded a line.

11. “PBS” or “preferential bid system” means the bidding system utilized by the Company that enables a pilot to bid for and be awarded an initial line, based upon:
   a. his bid preferences,
   b. his seniority,
   c. his known absences,
   d. programmed award logic,
   e. FARs,
   f. Company policy, and
   g. the PWA.

12. “PBS bid award error” means an occurrence in which a pilot who properly submitted a valid bid was not awarded an initial line consistent with:
   a. his bid preferences,
   b. his seniority,
   c. his known absences,
   d. accurately programmed award logic,
   e. FARs,
   f. Company policy, and
   g. the PWA.

13. “Priority stack date” means a designated date that is unstacked before PBS unstacks any other date.

14. “Secondary line generation” (SLG) means the final PBS process, used after shuffle and denial mode, that ignores a pilot's bid preferences in an attempt to construct a regular line for the pilot.

15. “Shuffle” means a tool in PBS that:
   a. is utilized after PBS is unable to award a pilot a regular line within his LCW which complies with his higher priority bid preference(s),
   b. removes a rotation(s) which had been awarded in accordance with such bid preference(s) and searches for combinations of rotation(s) which comply with his lower priority bid preference(s), and
   c. is utilized prior to denial mode.

16. “Shuffle to threshold” means a tool in PBS that utilizes shuffle in an attempt to construct a regular line for a pilot that is at or above the threshold.

17. “Stack” means the number of rotations in a period that remain in open time at the end of a bid run.

18. “Threshold” means the target credit value for each regular line determined by the Company in each category in a bid period.

19. “Unstack” means a tool in PBS that assigns rotations to pilots in such a way as to prevent a stack that is greater than the maximum stack height.
B. PBS Work Group

1. The PBS work group (PWG) will be comprised of the Director of Pilot Resources, the MEC Scheduling Committee Chairman, two Company representatives and two pilot representatives.
   Note: Additional Company and/or pilot representatives may be added to the PWG as necessary by the mutual consent of the Director of Pilot Resources and the MEC Scheduling Committee Chairman.

2. The PWG will be responsible for the oversight and administration of PBS as set forth in this MOU. In carrying out these responsibilities, the PWG will consider both operational reliability and pilot quality of life.

3. The PWG will have regular and timely access to the PBS vendor, PBS servers and communications between the Company, the Association and the PBS vendor necessary to oversee and administer PBS as set forth in this MOU.

4. The PWG will meet and confer at least semi-annually to review the application of paragraphs C. 2. - 7. to ensure such paragraphs continue to provide both realistic operational coverage and pilot quality of life.

5. The business specifications of PBS are detailed in the PBS Requirements document dated March 8, 2005, as amended. When, in the opinion of the PWG, it becomes desirable to modify an aspect of the PBS business specifications (e.g., the bidder interface, the bid award logic, hardware and software requirements and the database), such modification will not be implemented until it has been tested to the satisfaction of the PWG.

6. The PBS vendor will not be changed without the consent of the PWG. In conjunction with the selection of a new vendor, this MOU will be modified as necessary to incorporate all aspects of the new system.

7. The Association will not be liable for flight pay and benefit override reimbursement to the Company under Section 24 J. 3. for:
   a. the pilot members of the PWG when executing their PWG responsibilities.
   b. up to two pilots selected by the Association, whom the Company agrees can be released from duty without causing a flight not to operate or a training event not to be accomplished, and who are to be involved in the line award process each bid period.

C. PBS Administration

1. The Company will designate a PBS system administrator.

2. The system administrator may, at his option, publish a bid run solution that uses the following tools:
   a. fill to threshold.
   b. unstack, utilizing a maximum stack height of at least 6% of the actual number of regular lines in the category, provided that no pilot:
      1) within the most senior 70 percent of regular pilots is unstacked in a bid period which does not contain a holiday under Section 23 I. 8. a. Exception 1) - 9).
2) within the most senior 50 percent of regular pilots is unstacked in a bid period which contains a holiday under

Section 23 I. 8. a. Exception 1) - 9).

3) within the most senior 90 percent of regular pilots is awarded a line through SLG.

Note: These limitations may be re-set by agreement of the PWG.

c. force priority stack date on SLG.

3. The system administrator may, at his option, publish a bid run solution that uses the following settings:

a. a priority stack date, for a date that falls on a holiday under

Section 23 I. 8. a. Exception 1) - 9).

b. a parameter for max reserves.

4. The system administrator may, with consent of the PWG, publish a bid run solution that uses the following tools:

a. unstack, beyond the limitations of paragraph C. 2. b.,

b. shuffle to threshold.

5. The system administrator will use the following tools, unless otherwise directed by the PWG:

a. shuffle.

b. max trip substitution.

6. The system administrator will determine the settings for the following parameters, unless otherwise directed by the PWG:

a. max iterations.

b. max swap depth.

c. max passes.

7. The PWG will determine whether or not to set the priority stack date for a date that does not fall on a holiday under Section 23 I. 8. a. Exception 1) - 9).

D. PBS Error Resolution

1. A pilot must report a potential PBS bid award error to the PBS system administrator, by telephone or email (061ATLPBS.delta@delta.com), within six days of the publication of the bid award in DBMS.

2. If the PBS system administrator determines that a PBS bid award error has occurred, he will correct the error as specified in paragraphs D. 4. - 9.

3. If the PBS system administrator determines that a PBS bid award error has not occurred but the pilot does not agree with that determination, the pilot may request that the system administrator raise the issue with the PWG for a final determination. The PWG may consult with the vendor if they deem it necessary.

4. If it is determined by the PBS system administrator or the PWG that a PBS bid award error has occurred, the pilot’s bid will be re-run in PBS, to the extent practicable, to determine the correct line.

5. A pilot who would have been awarded a reserve line if the PBS bid award error had not occurred will be awarded a specially created reserve line. Such a pilot will have his X-day(s) distributed according to his seniority and bid preferences. He will receive a reserve guarantee under Section 4 C.
6. A pilot who would have been awarded a regular line if the PBS bid award error had not occurred will be awarded, at his option:
   a. a specially created reserve line,
   b. a blank regular line, or
   c. a line constructed under paragraph D. 9.

7. A pilot who chooses to be awarded a specially created reserve line under paragraph D. 6. a. will:
   a. have his X-day(s) distributed according to his seniority and bid preferences, and
   b. receive a reserve guarantee under Section 4 C.

8. A pilot who chooses to be awarded a blank regular line under paragraph D. 6. b. will not receive a line guarantee under Section 4 B.

9. A pilot who chooses to be awarded a line under paragraph D. 6. c. will have a line constructed as follows:
   a. At his option, he will have any rotation that is not on his correct line removed from his line. Such pilot will not be paid and credited for such removed rotation(s).
   b. If a rotation(s) that is on his correct line but not his initial line remains in open time, the pilot may, at his option, receive pay and credit for such rotation(s) and be subject to recovery flying under Section 23 K.

   Exception one: A pilot will not be awarded a rotation which was on his correct line, but not on his initial line, if such rotation will create an FAR or PWA conflict on his line. The pilot will not receive pay and credit for such conflicting rotation.

   Exception two: A pilot will not be awarded a rotation that causes his line to exceed the upper limit of his LCW or his block hour limit.

E. PBS Training

1. The Company will provide PBS training as part of each recall or new-hire class.

2. PBS training will be developed with the input of the PWG and:
   a. provide a comprehensive overview of PBS to each pilot.
   b. consist of classroom training and utilize the most recent editions of:
      1) the PBS training CD,
      2) the PBS User’s Manual, and
      3) the PBS Quick Start Guide.
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MEMORANDUM OF UNDERSTANDING

Between

DELTA AIR LINES, INC.

and the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

NEUTRAL DOCTOR PROCESS AMENDMENT TO THE D&S PLAN

1. The Plan Administrator of the Delta Pilots Disability and Survivorship Plan (D&S Plan) may use the following process to review the medical records and/or direct a medical review of a plan participant who is receiving long-term disability benefits under the D&S Plan if the Plan Administrator has a good faith belief that he may not qualify for disability benefits under the terms of the D&S Plan. In this case, the Plan Administrator may not direct the medical review more than once per year.

2. If a plan participant has been determined by his AME not eligible to exercise the privileges of his First Class Medical Certificate, the Plan Administrator may review the participant’s medical records.

3. A plan participant undergoing such medical review will give the Plan Administrator access to all medical records requested by it.

4. The Plan Administrator may require medical evaluation of the plan participant.

5. The Plan Administrator and the ALPA Aeromedical Advisor will confer on the choice of medical evaluator prior to sending the plan participant for evaluation if the plan participant releases the pertinent information to the ALPA Aeromedical Advisor.

6. The Plan Administrator will select a Plan medical examiner (PMX).

7. Medical information provided by the Plan Administrator to the PMX will be limited to medically relevant information provided by doctors and treating facilities.

8. The plan participant, the Plan Administrator and the PMX will complete the evaluation and any case review process as expeditiously as possible.

9. The PMX will be instructed to provide the plan participant with written notice of his determination.

10. If the PMX determines that the plan participant is eligible to exercise the privileges of his First Class Medical Certificate, the plan participant may initiate further review as provided in paragraph 10 a. If the plan participant does not initiate further review within 30 days of receipt of the written determination, in the manner provided in paragraph 10 a., then his disability benefits will terminate effective 30 days after the pilot's receipt of the PMX's determination. Such plan participant will be determined to not be eligible for disability benefits.
a. Within 30 days of the plan participant's receipt of the PMX's written
determination, the plan participant may request a review by choosing a
qualified medical examiner (PME) to conduct a medical evaluation for the
same purpose as the medical evaluation made by the PMX.

b. Employment of the PME will be at the plan participant’s expense. However,
if the Neutral Medical Examiner (NME) later determines that the plan
participant is not eligible to exercise the privileges of his First Class Medical
Certificate, or if the FAA declines to issue a First Class Medical Certificate to
the plan participant after the plan participant's appeal to the FAA, the plan
participant will, upon presentation to the Plan Administrator of an itemized
bill from the PME, be reimbursed for such expense.

c. A copy of the PME’s findings will be furnished to the Plan Administrator.
   1) If the PME concurs with the PMX that the plan participant is eligible to
      exercise the privileges of his First Class Medical Certificate, there will be
      no further review and the plan participant will be determined to not be
      eligible for long-term disability benefits by the Plan Administrator,
      effective on the date of the PME’s determination. Such a plan participant
      must apply to the FAA for a First Class Medical Certificate as soon as
      possible, but no later than ten days from the date of receipt of the PME’s
determination. While such application is pending (including any appeal),
      he will continue to receive such disability benefits. If the AME or the
      FAA declines to issue a First Class Medical Certificate to such plan
      participant, he must appeal such decision. If the FAA declines to issue
      him a First Class Medical Certificate following his appeal, he will
      continue to receive disability benefits.

      Note: Such plan participant should present his First Class Medical
      Certificate to his Chief Pilot immediately upon obtaining such certificate
      as specified in Section 15 C., at which time his disability benefits will
      cease.

   2) If the PME does not concur with the PMX, the plan participant may
      initiate further review by making a written request to the Plan
      Administrator within 30 days of receipt of the PME’s determination. The
      review will consist of a medical evaluation performed by the NME,
      preferably a specialist. The NME will be selected by mutual agreement
      between the PMX and the PME. If the plan participant does not initiate
      this further review, the participant will be determined to not be eligible for
      disability benefits and such benefits will terminate 30 days after the plan
      participant's receipt of the PME’s determination.

d. The NME will issue a determination whether the plan participant is eligible to
   exercise the privileges of his First Class Medical Certificate. Copies of the
   NME’s determination will be furnished to the Plan Administrator and the plan
   participant.
   1) If the NME determines that the plan participant is eligible to exercise the
      privileges of his First Class Medical Certificate, the plan participant must
      apply for a First Class Medical Certificate with an AME of the NME’s
      choosing, as soon as possible, but no later than 30 days from the date of
the plan participant's receipt of the NME's determination. While the plan participant’s application is pending, he will continue to receive disability benefits. If the AME or the FAA declines to issue a First Class Medical Certificate to such plan participant, he must appeal such decision, during which period he will continue to receive disability benefits. If the FAA issues him a First Class Medical Certificate, he must present such certificate to his Chief Pilot, as specified in Section 15 C. 2. If the FAA declines to issue him a First Class Medical Certificate following his appeal, he will continue to receive disability benefits.

2) If the NME determines that the plan participant is eligible to exercise the privileges of his First Class Medical Certificate, the expense of employing the NME will be shared equally by the plan participant and the Plan unless the FAA declines to issue a First Class Medical Certificate, in which case the expense of employing the NME will be borne by the Plan. The FAA’s determination will be final and binding on the Plan Administrator and the plan participant.

3) If the NME determines that the plan participant is not eligible to exercise the privileges of his First Class Medical Certificate, the plan participant will be determined to be eligible for long-term disability benefits by the Plan Administrator. The expense of employing the NME will be borne entirely by the Plan. The NME’s determination will be final and binding on the Plan Administrator and the plan participant.

11. The medical review process set forth herein is the exclusive procedure for the Plan Administrator to determine whether a plan participant is eligible to exercise the privileges of his First Class Medical Certificate, and the decision made in accordance with this process is final and binding on both the Plan Administrator and the plan participant.
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MEMORANDUM OF UNDERSTANDING

Between

DELTA AIR LINES, INC.

and the Air Line Pilots in the service of

DELTA AIR LINES, INC.

as represented by the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

CLARIFICATION OF ALPA CLAIM CONTRIBUTION

This MEMORANDUM OF UNDERSTANDING is made under the provisions of the Railway Labor Act, as amended, between Delta Air Lines, Inc. (“Company”) and the Air Line Pilots Association, International (“Association”).

WHEREAS, the Company and the Association are parties to a collective bargaining agreement setting forth the rates of pay, rules and working conditions for the Company’s pilots (“Pilot Working Agreement” or “PWA”) signed June 1, 2006; and

WHEREAS, in LOA #7 (Bankruptcy Protection Covenant), the description of the qualified defined contribution plan denoted to receive the ALPA Claim contributions does not reflect the full intent of the parties.

NOW THEREFORE, it is mutually agreed:

The use of the term “DC Plan” in LOA #7 was intended to allow the contributions arising from the monetization of the ALPA Claim or the stock distributed from the settlement of the ALPA Claim to be placed by the Company as an employer contribution in either the Pilots’ Defined Contribution Plan or the Delta Family Care Savings Plan (the 401(k) plan), as set forth in LOA #7. In working together to develop such a program pursuant to LOA #7, the parties have agreed that such contributions or stock will be placed in the Delta Family Care Savings Plan.
Intentionally left blank
MEMORANDUM OF UNDERSTANDING

Between

DELTA AIR LINES, INC.

And the Air Line Pilots in the service of

DELTA AIR LINES, INC.

as represented by the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

AVIATION SAFETY ACTION PROGRAM POLICIES AND PROCEDURES

This Memorandum of Understanding is made under the provisions of the Railway Labor Act, as amended, between Delta Air Lines, Inc. (the “Company”), and the Air Line Pilots Association, International (the “Association”).

WHEREAS the Company and the Association are parties to a collective bargaining agreement setting forth the rates of pay, rules and working conditions for the Company’s pilots (“Pilot Working Agreement” or “PWA”), effective June 1, 2006, and

WHEREAS the Aviation Safety Action Program (ASAP) is the result of an agreement between the Company, the Association and the Federal Aviation Administration (“FAA”) based on FAA AC 120-66B and which was codified in a Memorandum of Understanding dated February 23, 2005, which is not part of the PWA, and

WHEREAS the Company and the Association share the goal of operating with the highest degree of safety and agree that the ASAP contributes toward that goal, and

WHEREAS the Company and the Association desire to clarify and incorporate into the PWA certain policies and procedures related to the operation of the ASAP.

NOW THEREFORE, it is mutually agreed:

1. The Company and the Association will each select an ERC member and an alternate ERC member. The alternate ERC member will participate in ERC meetings when the primary ERC member is unable to attend. Such members will attend and complete an ASAP training course (jointly developed or approved by the Company and the Association) prior to acting as an ERC member.

2. No Company personnel other than the ASAP Program Manager and ERC members will have access to ASAP reports that have been filed but not yet
MEMORANDUM OF UNDERSTANDING

Between

DELTA AIR LINES, INC.

And the Air Line Pilots in the service of

DELTA AIR LINES, INC.

as represented by the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

CLARIFICATION OF PROVISIONS EFFECTIVE IN EVENT OF TERMINATION OF DELTA PILOTS RETIREMENT PLAN

This Memorandum of Understanding is made under the provisions of the Railway Labor Act, as amended, between Delta Air Lines, Inc. (the “Company”), and the Air Line Pilots Association, International (the “Association”).

WHEREAS the Company and the Association are parties to a collective bargaining agreement setting forth the rates of pay, rules and working conditions for the Company’s pilots (“Pilot Working Agreement” or “PWA”), effective June 1, 2006, and

WHEREAS Section 26 Q 4. states:
   When the Bridge Plan and Supplemental Annuity Plans are terminated, the Company will promptly seek reimbursement to the maximum extent allowed by law and within the applicable statute of limitations period, for any FICA taxes that were prepaid by the Company and Bridge Plan and Supplement Annuity Plan participants, on nonqualified benefits that will not be received, provided that such pilot gives his written consent to seeking such reimbursement.

, and

WHEREAS there are significant questions as to whether the Internal Revenue Service would approve such reimbursements, and

WHEREAS the Company and the Association have been advised that an alternate method of handling the FICA tax issue will be more beneficial, and

WHEREAS both parties have been advised that time is of the essence, and

WHEREAS both parties desire to proceed in a manner that is most beneficial for those involved.
NOW THEREFORE, it is mutually agreed:

1. In lieu of seeking reimbursement of FICA taxes already paid, the Company, with IRS approval, will neither withhold nor pay FICA taxes on distributions made to pilot retirees in respect of the approved Claim in bankruptcy that pilot retirees received on account of the loss of nonqualified retirement benefits.

2. This Memorandum of Understanding will become effective on its date of signing and will remain in effect for the duration of the PWA.

IN WITNESS WHEREOF, the parties have signed this Memorandum of Understanding this 9th day of March, 2007.
accepted into ASAP. The Director-Flight Safety may designate an alternate ASAP Program Manager, in the event the ASAP Program Manager will be unavailable for an extended period of time, to ensure the timely administration of the ASAP. The alternate ASAP Program Manager will be identified to the members and alternate members of the ERC.

3. Following timely submission and prior to acceptance or rejection of an ASAP report, the Company will not require further information from the pilot. Following acceptance of the report into, or rejection from, the ASAP, the Company may require statements and/or interviews of the pilot involved. Note: This provision does not alleviate the pilot's obligation to provide information to Flight Control and Flight Operations management as described in the FOM, Chapter 10.

4. The Company and the Association recognize that safety, regulatory and business requirements may require that consideration of an ASAP report be expedited. Consideration of such report may be expedited at the request of a member of the ERC. The party requesting expedited handling of the report will contact the ASAP Program Manager who will contact the ERC and request such expedited handling. In a case that has been expedited, the pilot should be prepared to submit a statement to the Company in an expedited manner after the ERC has accepted the ASAP report.

5. The ERC will only consider information contained in the ASAP report in making its determination to accept or reject the ASAP report. Once the ASAP report has been accepted, the ERC may consider information not contained in the ASAP report in determining the appropriate corrective action or in making a later determination to exclude the report from the ASAP.

6. ASAP reports will be de-identified so that no person other than the ASAP Program Manager can identify the crewmembers from the ASAP report. Following acceptance of the ASAP report and in the event the ERC determines it requires further information, the ASAP Program Manager may provide the pilot’s identity to the ERC.

7. After an ASAP report has been accepted by the ERC, the Company may conduct a review (e.g., a Flight Operations Review Board (FORB)) contemporaneous with or subsequent to any ERC investigation that might be ongoing. The ERC will give due consideration to the FORB’s recommendation in determining appropriate corrective action.

8. The ERC will determine corrective action, if any, on all incidents for which an ASAP report is accepted. Such corrective action will not include discipline (e.g., letter of warning, letter of counsel, suspension) or evaluation events (e.g., proficiency checks, line checks or oral checks) for any pilot involved in the incident who has filed an ASAP report that has been accepted and processed (and not later rejected) by the ERC.

9. After an ASAP report has been closed by the ERC, it may be used by the Company or the Association for safety purposes.
This Memorandum of Understanding will become effective on its date of signing and will remain in effect for the duration of the PWA or the ASAP Memorandum of Understanding between the Company, the Association and the FAA.

IN WITNESS WHEREOF, the parties have signed this Memorandum of Understanding this 23rd day of February, 2007.

FOR THE COMPANY

____________________________   ________________________________
Captain Steve Dickson   Captain Timothy S. O’Malley
Vice President— Flight Operations   Chairman, MEC Negotiating Committee
and Chief Pilot
MEMORANDUM OF UNDERSTANDING

Between

DELTA AIR LINES, INC.

And the Air Line Pilots in the service of

DELTA AIR LINES, INC.

as represented by the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

EXCESS PAYMENTS ON ACCOUNT OF DC PLANS

This Memorandum of Understanding is made under the provisions of the Railway Labor Act, as amended, between Delta Air Lines, Inc. (the “Company”), and the Air Line Pilots Association, International (the “Association”).

WHEREAS the Company and the Association are parties to a collective bargaining agreement setting forth the rates of pay, rules and working conditions for the Company’s pilots (“Pilot Working Agreement” or “PWA”), effective June 1, 2006, and

WHEREAS during the incorporation of the Bankruptcy Restructuring Agreement into the PWA, a provision concerning excess payments on account of DC Plans was inadvertently omitted, and

WHEREAS the Company and the Association committed to correcting any errors which inadvertently occurred during the extensive incorporation effort.

NOW THEREFORE, it is mutually agreed:

1.

Add new Section 26 U.:

U. Excess Payments On Account of Limits under DC Plan

Contributions to the DC Plan will not be made on Earnings in excess of the compensation limit of Code Section 401(a) (17), nor will contributions be made in excess of the contribution limit of Code Section 415(c). Beginning January 1, 2005 (the effective date of the DC Plan), once a pilot reaches either limit for a plan year, the Company will pay any further contributions to the pilot in cash.
MEMORANDUM OF UNDERSTANDING

Between

DELTA AIR LINES, INC.

And the Air Line Pilots in the service of

DELTA AIR LINES, INC.

as represented by the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

DATA COLLECTION ON ULTRA LONG RANGE FLIGHTS

This Memorandum of Understanding is made under the provisions of the Railway Labor Act, as amended, between Delta Air Lines, Inc. (the “Company”), and the Air Line Pilots Association, International (the “Association”).

WHEREAS the Company and the Association are parties to a collective bargaining agreement setting forth the rates of pay, rules and working conditions for the Company’s pilots ("Pilot Working Agreement" or "PWA"), effective June 1, 2006, and

WHEREAS the Company is currently operating Ultra Long Range ("ULR") flights pursuant to Federal Aviation Administration ("FAA") Operations Specifications A-332 ("OpSpec A-332"), and

WHEREAS paragraph “o” of OpSpec A-332 requires the Company to collect data from its pilots based on an FAA-designed and approved protocol utilizing actigraph and human performance fatigue data, and

WHEREAS the FAA Institutional Review Board ("IRB") has determined that the protocol titled “JFK-BOM ULR OpSpec A-332 Crew Duty & Rest Evaluation,” meets the criteria for approval under paragraph “o” of OpSpec A-332, and

WHEREAS the FAA IRB has determined that (1) the rights and welfare of the individuals who participate in the study will be respected, (2) the proposed research, including the process of obtaining informed consent will be conducted in a manner consistent with all regulations and laws, and (3) the potential benefits of the data collection warrant the inconveniences and the minimal risk participants may accept as explained in the protocol and consent forms, and
WHEREAS the data collection efforts and associated study may contribute to the establishment of a baseline by which additional airlines accomplish such ULR flights and ensure safe operations by managing crew alertness, and

WHEREAS the purpose of collecting and analyzing the data is to determine if the crew duty and rest periods outlined in OpSpec A-332 are sufficient to maintain alertness throughout the operation as well as identify potential issues regarding recovery.

NOW THEREFORE, it is mutually agreed:

1.

The Company, in conjunction with the FAA Civil Aerospace Medical Institute (“CAMI”), may solicit the voluntary participation of pilots in the protocol titled JFK-BOM ULR OpSpec A-332 Crew Duty & Rest Evaluation (Attachment 1). The Company will conduct the study for each city pair that is operated subject to OpSpec A-332. The study will address questions regarding patterns of sleep, cognitive alertness, cumulative fatigue, mood, circadian rhythm disruption, and recovery during and following a rotation subject to OpSpec A-332.

The protocol anticipates that at least 20 pilots will participate in the data collection effort for each city pair that is operated subject to OpSpec A-332. Depending upon the availability and scheduling of pilots, equipment, and CAMI support personnel, the Company will identify certain rotations containing ULR flights for participation in the data collection effort. Prior to report, the Company will contact all four pilots flying the rotation and inquire whether they are willing to participate. If at least three of the pilots agree to participate, the Company and CAMI will consider conducting the data collection effort. If less than three pilots agree to participate, the Company and CAMI anticipate the data collection effort will not occur.

Participation in the data collection effort will be voluntary and no disciplinary or retaliatory action will be taken against pilots who choose not to participate. A pilot may withdraw from participation in the data collection effort at any time. The Company or CAMI may terminate a pilot’s participation in the data collection at any time if the Company or CAMI determines it is not in the best interest of the pilot to continue participation. The Company will provide each pilot who participates and completes the data collection effort with a one-time payment of $395 for each rotation on which the pilot participates in data collection. A pilot who withdraws from the data collection effort prior to completion will not receive the one-time payment of $395. Failure of the volunteer pilot to complete all required documentation will be considered to be withdrawal from the data collection effort.

Each pilot who agrees to participate in the study will be briefed by CAMI or Company personnel on the nature and requirements of the data collection effort and will be permitted to ask questions regarding the study. In addition, each pilot who participates
must review and sign the “Individual’s Consent to Voluntary Participation” (Attachment 2) which fully describes the data collection effort.

Each pilot who agrees to participate in the study will be assigned a participant number/code to be associated with the data collection and all data will be de-identified in any reports or publications. The Company will not have access to identified data, nor take any action against pilots who participate in the study based on the information reported by the pilot or the results of the data collection. Pilots who participate in the study will be permitted to review and discuss the results of their personal data with CAMI personnel. The Company will insure that CAMI does not forward identified data or individual information to any other party.

2.

This Memorandum of Understanding will become effective on its date of signing and will remain in effect for the duration of the PWA.

IN WITNESS WHEREOF, the parties have signed this Memorandum of Understanding this 31st day of October, 2007.

FOR THE COMPANY

Geraldine P. Carolan
Vice President - Labor Relations

FOR THE ASSOCIATION

Captain Timothy S. O’Malley
Chairman, MEC Negotiating Committee
These amounts will be known as the excess payments (and are defined in the DC Plan as such). If the excess payments are attributable to the 401(a)(17) limit, they will be made at the same time as contributions would have been made to the DC Plan, but for the limit. If the excess payments are attributable to the 415(c) limit, they will be made at the earliest of the following times: (a) once per year, not later than 75 days after the end of the plan year; (b) within 45 days of the retirement or termination of a pilot who retires or terminates prior to the end of the plan year; or (c) at the time required by PWA Section 26. Q. 3. Contributions (or excess payments) will be made with respect to all Earnings, whether such Earnings are paid before or after retirement or termination (including death). The excess payments will not be Earnings under the DC Plan or any other pilot benefit plan.

2.

This Memorandum of Understanding will become effective on its date of signing and will remain in effect for the duration of the PWA.

IN WITNESS WHEREOF, the parties have signed this Memorandum of Understanding this 29th day of March, 2007.

FOR THE COMPANY   FOR THE ASSOCIATION

____________________________   ______________________________
Geraldine P. Carolan    Captain Timothy S. O’Malley
Vice President - Labor Relations  Chairman, MEC Negotiating Committee
MEMORANDUM OF UNDERSTANDING

Between

DELTA AIR LINES, INC.

And the Air Line Pilots in the service of

DELTA AIR LINES, INC.

as represented by the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

DATA COLLECTION ON ULTRA LONG RANGE FLIGHTS

This Memorandum of Understanding is made under the provisions of the Railway Labor Act, as amended, between Delta Air Lines, Inc. (the “Company”), and the Air Line Pilots Association, International (the “Association”).

WHEREAS the Company and the Association are parties to a collective bargaining agreement setting forth the rates of pay, rules and working conditions for the Company’s pilots (“Pilot Working Agreement” or “PWA”), effective June 1, 2006, and

WHEREAS the Company is currently operating Ultra Long Range (“ULR”) flights pursuant to Federal Aviation Administration (“FAA”) Operations Specifications A-332 (“OpSpec A-332”), and

WHEREAS paragraph “o” of OpSpec A-332 requires the Company to collect data from its pilots based on an FAA-designed and approved protocol utilizing actigraph and human performance fatigue data, and

WHEREAS the FAA Institutional Review Board (“IRB”) has determined that the protocol titled “JFK-BOM ULR OpSpec A-332 Crew Duty & Rest Evaluation,” meets the criteria for approval under paragraph “o” of OpSpec A-332, and

WHEREAS the FAA IRB has determined that (1) the rights and welfare of the individuals who participate in the study will be respected, (2) the proposed research, including the process of obtaining informed consent will be conducted in a manner consistent with all regulations and laws, and (3) the potential benefits of the data collection warrant the inconveniences and the minimal risk participants may accept as explained in the protocol and consent forms, and
WHEREAS the data collection efforts and associated study may contribute to the establishment of a baseline by which additional airlines accomplish such ULR flights and ensure safe operations by managing crew alertness, and

WHEREAS the purpose of collecting and analyzing the data is to determine if the crew duty and rest periods outlined in OpSpec A-332 are sufficient to maintain alertness throughout the operation as well as identify potential issues regarding recovery.

NOW THEREFORE, it is mutually agreed:

1. The Company, in conjunction with the FAA Civil Aerospace Medical Institute ("CAMI"), may solicit the voluntary participation of pilots in the protocol titled JFK-BOM ULR OpSpec A-332 Crew Duty & Rest Evaluation (Attachment 1). The Company will conduct the study for each city pair that is operated subject to OpSpec A-332. The study will address questions regarding patterns of sleep, cognitive alertness, cumulative fatigue, mood, circadian rhythm disruption, and recovery during and following a rotation subject to OpSpec A-332.

The protocol anticipates that at least 20 pilots will participate in the data collection effort for each city pair that is operated subject to OpSpec A-332. Depending upon the availability and scheduling of pilots, equipment, and CAMI support personnel, the Company will identify certain rotations containing ULR flights for participation in the data collection effort. Prior to report, the Company will contact all four pilots flying the rotation and inquire whether they are willing to participate. If at least three of the pilots agree to participate, the Company and CAMI will consider conducting the data collection effort. If less than three pilots agree to participate, the Company and CAMI anticipate the data collection effort will not occur.

Participation in the data collection effort will be voluntary and no disciplinary or retaliatory action will be taken against pilots who choose not to participate. A pilot may withdraw from participation in the data collection effort at any time. The Company or CAMI may terminate a pilot’s participation in the data collection at any time if the Company or CAMI determines it is not in the best interest of the pilot to continue participation. The Company will provide each pilot who participates and completes the data collection effort with a one-time payment of $395 for each rotation on which the pilot participates in data collection. A pilot who withdraws from the data collection effort prior to completion will not receive the one-time payment of $395. Failure of the volunteer pilot to complete all required documentation will be considered to be withdrawal from the data collection effort.

Each pilot who agrees to participate in the study will be briefed by CAMI or Company personnel on the nature and requirements of the data collection effort and will be permitted to ask questions regarding the study. In addition, each pilot who participates
must review and sign the “Individual’s Consent to Voluntary Participation” (Attachment 2) which fully describes the data collection effort.

Each pilot who agrees to participate in the study will be assigned a participant number/code to be associated with the data collection and all data will be de-identified in any reports or publications. The Company will not have access to identified data, nor take any action against pilots who participate in the study based on the information reported by the pilot or the results of the data collection. Pilots who participate in the study will be permitted to review and discuss the results of their personal data with CAMI personnel. The Company will insure that CAMI does not forward identified data or individual information to any other party.

2.

This Memorandum of Understanding will become effective on its date of signing and will remain in effect for the duration of the PWA.

IN WITNESS WHEREOF, the parties have signed this Memorandum of Understanding this 31st day of October, 2007.

FOR THE COMPANY

Geraldine P. Carolan
Vice President - Labor Relations

FOR THE ASSOCIATION

Captain Timothy S. O’Malley
Chairman, MEC Negotiating Committee
MEMORANDUM OF UNDERSTANDING

Between

DELTA AIR LINES, INC.

And the Air Line Pilots in the service of

DELTA AIR LINES, INC.

as represented by the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

DATA COLLECTION ON ULTRA LONG RANGE FLIGHTS

This Memorandum of Understanding is made under the provisions of the Railway Labor Act, as amended, between Delta Air Lines, Inc. (the “Company”), and the Air Line Pilots Association, International (the “Association”).

WHEREAS the Company and the Association are parties to a collective bargaining agreement setting forth the rates of pay, rules and working conditions for the Company’s pilots (“Pilot Working Agreement” or “PWA”), effective June 1, 2006, and

WHEREAS the Company is currently operating Ultra Long Range (“ULR”) flights pursuant to Federal Aviation Administration (“FAA”) Operations Specifications A-332 (“OpSpec A-332”), and

WHEREAS paragraph “o” of OpSpec A-332 requires the Company to collect data from its pilots based on an FAA-designed and approved protocol utilizing actigraph and human performance fatigue data, and

WHEREAS the FAA Institutional Review Board (“IRB”) has determined that the protocol titled “JFK-BOM ULR OpSpec A-332 Crew Duty & Rest Evaluation,” meets the criteria for approval under paragraph “o” of OpSpec A-332, and

WHEREAS the FAA IRB has determined that (1) the rights and welfare of the individuals who participate in the study will be respected, (2) the proposed research, including the process of obtaining informed consent will be conducted in a manner consistent with all regulations and laws, and (3) the potential benefits of the data collection warrant the inconveniences and the minimal risk participants may accept as explained in the protocol and consent forms, and
WHEREAS the data collection efforts and associated study may contribute to the establishment of a baseline by which additional airlines accomplish such ULR flights and ensure safe operations by managing crew alertness, and

WHEREAS the purpose of collecting and analyzing the data is to determine if the crew duty and rest periods outlined in OpSpec A-332 are sufficient to maintain alertness throughout the operation as well as identify potential issues regarding recovery.

NOW THEREFORE, it is mutually agreed:

1. The Company, in conjunction with the FAA Civil Aerospace Medical Institute ("CAMI"), may solicit the voluntary participation of pilots in the protocol titled JFK-BOM ULR OpSpec A-332 Crew Duty & Rest Evaluation (Attachment 1). The Company will conduct the study for each city pair that is operated subject to OpSpec A-332. The study will address questions regarding patterns of sleep, cognitive alertness, cumulative fatigue, mood, circadian rhythm disruption, and recovery during and following a rotation subject to OpSpec A-332.

The protocol anticipates that at least 20 pilots will participate in the data collection effort for each city pair that is operated subject to OpSpec A-332. Depending upon the availability and scheduling of pilots, equipment, and CAMI support personnel, the Company will identify certain rotations containing ULR flights for participation in the data collection effort. Prior to report, the Company will contact all four pilots flying the rotation and inquire whether they are willing to participate. If at least three of the pilots agree to participate, the Company and CAMI will consider conducting the data collection effort. If less than three pilots agree to participate, the Company and CAMI anticipate the data collection effort will not occur.

Participation in the data collection effort will be voluntary and no disciplinary or retaliatory action will be taken against pilots who choose not to participate. A pilot may withdraw from participation in the data collection effort at any time. The Company or CAMI may terminate a pilot’s participation in the data collection at any time if the Company or CAMI determines it is not in the best interest of the pilot to continue participation. The Company will provide each pilot who participates and completes the data collection effort with a one-time payment of $395 for each rotation on which the pilot participates in data collection. A pilot who withdraws from the data collection effort prior to completion will not receive the one-time payment of $395. Failure of the volunteer pilot to complete all required documentation will be considered to be withdrawal from the data collection effort.

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2.

This Memorandum of Understanding will become effective on its date of signing and will remain in effect for the duration of the PWA.

IN WITNESS WHEREOF, the parties have signed this Memorandum of Understanding this 31st day of October, 2007.

FOR THE COMPANY

Geraldine P. Carolan
Vice President - Labor Relations

FOR THE ASSOCIATION

Captain Timothy S. O'Malley
Chairman, MEC Negotiating Committee
Identifying information:
Title: JFK-BOM ULR OpSpec A-332 Crew Duty & Rest Evaluation
Data collection effort is mandated by AFS-200 OpSpec A-332.
Organization conducting the data collection effort: Delta Air Lines, Inc.
Principal Collaborator: Thomas E. Nesthus, Ph.D.

Purpose:
Delta Air Lines is initiating daily service from New York to Mumbai, India. This represents the first U.S. carrier to initiate ultra long range (ULR) flight operations. Flight times will approach 16 hours and each trip sequence (from initial arrival to NYC prior to the JFK/BOM-BOM/JFK return) will cover a seven-day period. Delta is taking precautions to ensure a safe operation by managing crew alertness. These efforts may become the baseline by which additional airlines accomplish such ULR flights. The revision to Delta’s Operations Specifications (A332; see attachment 1) governing these flights requires data collection to identify the potential for changes in performance associated with fatigue that could impact operational safety. The text of paragraph o is as follows: “Data Collection Reports. The certificate holder will collect data from its flight crewmembers conducting these ULR flights. This data must be based on an FAA-designed and approved protocol utilizing actigraph and human performance fatigue data. A report of this data will be submitted monthly to the FAA for evaluation.”

The sponsoring organizations and the airline have requested that CAMI personnel collaborate in developing the data collection protocol and analyze submitted data to measure sleep and activity, cognitive performance, and subjective mood during these operations. CAMI will provide activity monitors, cognitive testing devices, and participant logs and support personnel to complete the data collection effort. Following data collection and analysis, CAMI will report all findings and provide advice concerning any modification to the scheduled flight duty time and rest periods that might be required to improve performance and reduce fatigue.

Sponsor:
Office of Aerospace Medicine (Fred Tilton, M.D., AAM-1), Flight Standards Service (Greg Kirkland, AFS-220)

Research Objective:
Evaluate the effects upon cockpit crewmembers of ultra long range flight operations conducted under proactive measures implemented through Operations Specifications A332 approved by the FAA for the airline for this city-pair.

Background:
Modifications to the Operations Specifications for the Delta Air Line request for approval for operation between New York John F. Kennedy International Airport (JFK) and Mumbai Chattrapathi Shivaji International Airport (BOM), India, calls for the collection and analysis of fatigue data from flight crew members. A determination of the safety and effectiveness of these operations, based on a routine data acquisition procedure with appropriate measures will result in AFS guidance to other carriers submitting OpSpecs for similar Ultra Long Range flights in the future.

**Hypothesis:**
What effects does the application of crew duty/rest scheduling in the approved Delta Air Lines Operation Specification (OpSpec A332) have on aircrew? This data collection effort addresses questions regarding patterns of sleep, cognitive alertness, cumulative fatigue, mood, circadian rhythm disruption, and recovery during/following a single trip.

**Experimental Methods and Procedures:**
For an estimation of alertness and adequate rest during these trips, a data collection protocol similar to that used in the ultra long-range crew alertness study by Singapore Airlines in their 18-22 hour ULR flights (reported in *Flight Safety Digest* “Lessons from the Dawn of Ultra-long-range Flight” August-September 2005), is proposed. CAMI recommends collection of measures including objective actigraphy and simple cognitive performance, along with subjective measures of fatigue and mood as well as daily logbook entries of sleep quality, dietary intake, etc.

Delta Air Lines, Inc. will request aircrew flying this city-pair route to complete the logbooks. The actigraphy and performance measures will be completed by a random sub-sampling of aircrew, preferably multiple compliments of 4 crewmembers during a small number of trips to maximize the data collection effort and reduce the number of trips required to acquire sufficient information concerning patterns of sleep, cognitive alertness, cumulative fatigue, mood, circadian rhythm disruption, and recovery. Based upon the *Flight Safety Digest* report, a minimum of 16 crewmembers will be requested by Delta Air Lines, Inc. to volunteer to participate in this latter description of the data collection effort (though more crewmembers would be preferable).

The equipment to complete the random sampling component of this research protocol, will include wrist activity monitors (i.e., Motionlogger® sleep watches) and the Psychomotor Vigilance Task (PVT) device. Four volunteer crewmember compliments will be issued this equipment for use beginning 1 or 2 days before a trip. Data acquisition procedures will occur during the JFK-BOM flight, crew layover in Mumbai, and following the return BOM-JFK flight.

Depending upon the availability and scheduling of aircrew, equipment, and support personnel, participating crewmembers will be issued all of the equipment with instructions on its use and advice on how to record activity logbook entries before a trip. Support personnel (from CAMI) will travel with the crew to BOM to maintain equipment, data acquisition integrity, and to conduct data downloading procedures. This individual will download data upon arrival in Mumbai at the crew rest facility (hotel) and provide an immediate equipment reissue for the crew layover period, then conduct another download/data check and immediate equipment reissue for
the return trip (BOM-JFK). When the crewmembers return to JFK, the support personnel will complete a final download and data integrity check.

**Data Collection, Analysis, and Confidentiality:**

Before a trip begins, each participating crewmember will be briefed on the data collection effort and will complete a Sustained Operations Assessment Profile (SOAP, see Attachment 2) and issued a Motionlogger® sleep watch (see attached Attachment 3) for continuous wear throughout the study period of 5-7 days. Each crewmember will also be issued a Psychomotor Vigilance Task (PVT) device (see attached Attachment 4) and instructed on its function and operation. PVT testing sessions are 10 min in duration and require a quiet environment. Testing sessions will be scheduled to minimize disruption of flight duty responsibilities. Four testing sessions will be conducted during the data collection period. Testing times will be coordinated with aircrew schedules and will be conducted in rest facilities—either the sleep bunk/berths onboard the aircraft or a hotel room (see attached Attachment 5). Each crewmember will also be issued a personal activity logbook (see attached Figures 6a & b) and instructed on how and when to record this subjective data. The SOAP will be completed a second time before aircrew begin their return flight BOM-JFK, then a third time before the final data download and return of the equipment.

A participant number/code will be assigned to each crewmember and used with regard to the actigraphy, performance, and logbook data acquired from them. De-identified data will be evaluated using various statistical procedures depending on the specific measure of interest. For the actigraphy measure, a sleep analysis procedure will be used to identify and quantify awake, nap, and sleep times. It will also provide graphic and spreadsheet output that identifies measures of sleep efficiency, restlessness, and circadian disruption (see attached Attachment 7). The PVT output identifies a variety of measures that will be evaluated in a mixed model repeated measures analysis of variance procedure. Changes in these data are expected to occur across the study period (test session) as a function of the influence of circadian rhythms, cumulative fatigue, and foreseen/unforeseen operational conditions. If excessive variation in performance is seen in aggregate data based upon the OpSpec-scheduled or actual rest periods for this city-pair trip, AFS-200 and Delta Air Lines, Inc. will be informed of these conditions and recommend changes in the scheduled duty and sleep/rest opportunities. The logbook data requires transcription entry into a spreadsheet prior to analysis. These subjective data are used to corroborate trends found in the other data. Also, logbook entries of personal fatigue countermeasures (e.g., caffeine intake) and coping strategies (e.g., naps, stretching exercises, etc.) as well as dietary intake will provide great insight into successful personal approaches to maintaining alertness.

No experimental manipulation will occur during this data collection effort. All analyses will occur after the data collection period. The analysis of aggregate data conducted with these data will not allow individual participant evaluations related to potential disqualifying conditions to be revealed. The purpose of collecting and analyzing these data is to determine if the crew duty and rest periods outlined in the OpSpec A-332 are sufficient to maintain alertness throughout the operation and to identify any potential issues regarding recovery.

**Study Population:**
As identified previously, the revision to Delta’s Operations Specifications (OpSpec A332) governing these flights requires data collection to identify any potential fatigue or performance changes that could influence operational safety. Specifically, Delta is mandated to collect and submit data under an FAA-designed protocol to validate safe operation of these flights. Coordination between AFS-200, AAM-1, CAMI personnel, Delta Air Lines management, and the Airline Pilot’s Association (ALPA) has taken place to assure that all voluntary participant protections are understood and carried out during the conduct of this data collection effort.

Our recommendation to Delta is to solicit internal fatigue survey data and logbook entries associated with this city-pair trip from as many aircrew flying this route as will volunteer. For those volunteering to participate in the more comprehensive data collection effort, Delta is recommended to schedule volunteer participants in compliments of the 4 crewmembers required for each trip. Two of the 4, are designated the primary take-off and landing crew and two are the relief crewmembers for that trip. Scheduling of these volunteer participants will be at the discretion of Delta Air Lines. Participants will be informed that they may terminate voluntary participation at any time with impunity.

All participants will be current FAA certificated pilots with either a Class I or Class II physical examination, employed by Delta Air Lines, Inc.

**Risks, Discomforts, and Inconveniences:**

**Risks.** Minimal risks are anticipated with the data acquisition procedures. Every effort will be made to fully inform volunteers as to the procedures of this effort and to the protections of individual identities of the participants. No data will be directly linked to individual volunteers.

**Discomforts.** Wearing the wrist activity monitor during sleep may be considered uncomfortable if you are not accustomed to wearing a wristwatch during that time. Minor discomfort due to a local allergic reaction to the metallic surfaces of the wrist activity monitor may occur. If redness and itching occurs, corrective measures will be initiated, such as applying moleskin tape to the WAM where skin contact is apparent.

**Inconveniences.** Wearing the wrist activity monitor during this effort may be considered an inconvenience. Participants will be asked to avoid situations where the devices are exposed to water or moisture. The WAM must be removed during routine shower hygiene and potential water exposure. Also, the four repeated PVT testing sessions and completing logbook entries may elicit a minor annoyance during the data collection effort.

**The Informed Consent Procedure:**
Briefing the data collection procedures and obtaining informed consent will be conducted by Delta Air Lines, Inc. personnel. Specific questions regarding data acquisition procedures, equipment use, and debriefing information will be provided by CAMI support personnel (see Attachment 8, Individual’s Consent to Voluntary Participation).

**References:**


**Attachments:**
Attachment 1
Delta Air Lines, Inc. Operation Specification A332

Please refer to file named:

A-332 DALA.pdf
The Sustained Operations Assessment Profile (SOAP; Retzlaff, King, Marsh, and French, 1997) measures the state-specific aspects of fatigue. Traditional means to study fatigue have been objective performance tests and standardized mood surveys such as the Stanford Sleepiness Scale (SSS; Hoddes, Zarcone, Smythe, Phillips, & Dement, 1975), the Profile of Mood Survey (POMS; McNair, Lorr, & Droppelman, 1971) and Visual Analog Scales (VAS; Folstein & Luria, 1973). Each of these metrics has distinct advantages and disadvantages.

SOAP is a 90-item test utilizing a Likert scale from 1 to 5 (1=not at all, 5=very much). Participants are asked to rate each of the items as they apply to them for “about the last hour or so.” Each of the 10 scales has nine items that represent related aspects of the dimension. The scales of the test include three cognitive dimensions (Poor Concentration, Boredom, and Slowed Reactions), three affective dimensions (Anxiety, Depression, and Irritability), and four arousal dimensions (Fatigue / Low Energy, Poor Sleep, Work Frustration, and Physical Discomfort).

Cognitive Dimensions
- **Poor Concentration**: High scorers report difficulty concentrating and paying attention. They have difficulty engaging in concentrated effort and consequently work inefficiently. They must repeat work and pay extra attention to complete tasks.
- **Boredom**: High scores are disinterested and complacent. They view the work as tedious and tiring. They no longer see “fun” in the workload and time appears to have slowed for them.
- **Slowed Reactions**: High scorers are cognitively and physically slowed. Additional effort is required to keep up with the task load. Things around them seem slowed and they are also slowed. Motor activity is impaired by the cognitive inputs and outputs.

Affective Dimensions
- **Anxiety**: High scorers feel nervous, anxious, and worried. Physically they are tense and jittery. Autonomically, they are vigilant and upset.
- **Depression**: High scorers feel depressed, unhappy, and sad. They are discouraged and lacking in enjoyment. They are concerned about their feelings and beginning to feel helpless.
- **Irritability**: High scorers are annoyed with others and feeling unfriendly. This includes the desire to be alone and away from others. They are impatient, disagreeable, and may be angry.

Arousal Dimensions
- **Fatigue / Low Energy**: High scorers are tired to the point of feeling burned out and worn out. They lack energy and see little ability to go on or perhaps even move.
- **Poor Sleep**: High scorers report sleep that was too little and of poor quality, leading to feeling sleepy and desiring sleep. Their eyes are closing and they may be nodding off. To compensate, they may be focusing on keeping their eyes open and bouncing or shaking.
**Work Frustration:** High scorers are tired of working. They wish they didn’t have to complete tasks and hope nothing new comes up. The work feels like a grind and drudgery. They may feel they need help to complete the job.

**Physical Discomfort:** High scorers have sore muscles and are stiff. They want to get up and stretch. They may feel physically uncomfortable due to perspiration and binding clothing/gear. They feel the discomfort in their arms and legs, head, and eyes.

The following table represents the SOAP questionnaire for assessing fatigue

Instructions: Please rate each of the following as they apply to you for about the last hour or so, 1 means not at all, while 5 means very much.

1. **POOR CONCENTRATION**
   1. DIFFICULTY CONCENTRATING
   2. HARD TIME PAYING ATTENTION
   3. CAN’T STAY AT A TASK
   4. DISTRACTIBLE WHILE DOING THINGS
   5. HAVING TO RE-READ MATERIAL
   6. LOSING TRACK OF CONVERSATIONS
   7. HAVING TO PAY EXTRA ATTENTION TO UNDERSTAND
   8. DAYDREAMING
   9. NOT THINKING STRAIGHT/ EFFICIENTLY

2. **BOREDOM**
   1. NOTHING SEEMS INTERESTING
   2. NOT CARING ABOUT WHAT IS HAPPENING
   3. NONE OF THIS IS FUN ANYMORE
   4. NOT INTERESTED IN WHAT IS HAPPENING
   5. INDIFFERENT
   6. BORED WITH MISSION
   7. TIRED OF SAME OLD THING
   8. THINGS ARE TEDIOUS
   9. TIME IS PASSING TOO SLOWLY

3. **SLOWED REACTIONS**
   1. NOT MOVING VERY MUCH
   2. JUST LOOKING AROUND
   3. HAVING TO THINK BEFORE ACTING
   4. THINGS SEEM IN SLOW MOTION
   5. ARMS FEEL HEAVY
   6. REACTIONS ARE SLOWED
   7. MOVEMENTS SEEM DELAYED
   8. CAN’T KEEP UP WITH TASKS
   9. RESPONDING TAKES EFFORT

4. **ANXIETY**
   1. FEEL ANXIOUS
<table>
<thead>
<tr>
<th>2. FEEL TENSE IN MUSCLES</th>
<th>3. FEEL NERVOUS</th>
<th>4. WORRIED ABOUT THINGS</th>
</tr>
</thead>
<tbody>
<tr>
<td>5. MUSCLES ARE JITTERY</td>
<td>6. TAPPING FINGERS OR FOOT</td>
<td>7. STOMACH FEELS UPSET</td>
</tr>
<tr>
<td>8. JUMPY</td>
<td>9. VIGILANT</td>
<td></td>
</tr>
</tbody>
</table>

### 5. DEPRESSION

<table>
<thead>
<tr>
<th>1. FEEL DEPRESSED</th>
<th>2. FEEL UNHAPPY</th>
<th>3. FEEL SAD</th>
</tr>
</thead>
<tbody>
<tr>
<td>4. NOT ENJOYING THIS</td>
<td>5. FEEL DISCOURAGED</td>
<td></td>
</tr>
<tr>
<td>6. WISH I FELT HAPPIER</td>
<td>7. WORRIED I MIGHT NEVER FEEL BETTER</td>
<td></td>
</tr>
<tr>
<td>8. NO CONTROL OVER ANY OF THIS</td>
<td>9. WHAT I DO DOESN'T MATTER</td>
<td></td>
</tr>
</tbody>
</table>

### 6. IRRITABILITY

<table>
<thead>
<tr>
<th>1. FEELING IRRITABLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. GENERALLY ANNOYED WITH OTHERS</td>
</tr>
<tr>
<td>3. PRETTY UNFRIENDLY/ TESTY</td>
</tr>
<tr>
<td>4. IMPATIENT</td>
</tr>
<tr>
<td>5. WOULD REALLY LIKE TO BE ALONE FOR A WHILE</td>
</tr>
<tr>
<td>6. GETTING ANGRY</td>
</tr>
<tr>
<td>7. DISAGREEABLE</td>
</tr>
<tr>
<td>8. WISH I WEREN’T WITH THESE PEOPLE</td>
</tr>
<tr>
<td>9. FEELING GROUCHY WITH PEOPLE</td>
</tr>
</tbody>
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### 7. FATIGUE/ LOW ENERGY

<table>
<thead>
<tr>
<th>1. VERY TIRED</th>
</tr>
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<tbody>
<tr>
<td>2. REALLY FATIGUED</td>
</tr>
<tr>
<td>3. BURNED OUT</td>
</tr>
<tr>
<td>4. WORN OUT</td>
</tr>
<tr>
<td>5. FEELING EXHAUSTED</td>
</tr>
<tr>
<td>6. CAN’T GO ON MUCH LONGER</td>
</tr>
<tr>
<td>7. NOT ENERGETIC</td>
</tr>
<tr>
<td>8. TOO TIRED TO MOVE</td>
</tr>
<tr>
<td>9. FEEL DRAINED</td>
</tr>
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### 8. POOR SLEEP

<table>
<thead>
<tr>
<th>1. SLEEPY</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. WISH I HAD SLEPT LONGER</td>
</tr>
<tr>
<td>3. WISH I HAD SLEPT MORE SOUNDLY</td>
</tr>
<tr>
<td>4. COULD FALL ASLEEP RIGHT HERE</td>
</tr>
<tr>
<td>5. NODDING OFF</td>
</tr>
<tr>
<td>---------------</td>
</tr>
<tr>
<td>6. EYES ARE CLOSING</td>
</tr>
<tr>
<td>7. FORCING SELF TO KEEP EYES OPEN</td>
</tr>
<tr>
<td>8. BOUNCING, TAPPING, SHAKING TO STAY AWAKE</td>
</tr>
<tr>
<td>9. YAWNING</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>9. WORK FRUSTRATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. PREFER TO NOT WORK NOW</td>
</tr>
<tr>
<td>2. WISH I DIDN’T HAVE TO DO THINGS RIGHT NOW</td>
</tr>
<tr>
<td>3. HOPE NOTHING ELSE NEEDS TO BE DONE</td>
</tr>
<tr>
<td>4. TOO MUCH IS EXPECTED OF ME RIGHT NOW</td>
</tr>
<tr>
<td>5. TIRED OF WORKING</td>
</tr>
<tr>
<td>6. WORK FEELS LIKE DRUDGERY</td>
</tr>
<tr>
<td>7. FEELS LIKE A GRIND</td>
</tr>
<tr>
<td>8. WISH THE WORK WOULD END</td>
</tr>
<tr>
<td>9. WOULD LIKE HELP WITH THE WORK</td>
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<table>
<thead>
<tr>
<th>10. PHYSICAL DISCOMFORT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. MUSCLES HURT</td>
</tr>
<tr>
<td>2. BODY STIFF</td>
</tr>
<tr>
<td>3. CAN’T GET COMFORTABLE</td>
</tr>
<tr>
<td>4. ARMS AND LEGS HURT</td>
</tr>
<tr>
<td>5. WANT TO STRETCH</td>
</tr>
<tr>
<td>6. SKIN STICKY/ DIRTY</td>
</tr>
<tr>
<td>7. WHAT I’M WEARING IS UNCOMFORTABLE</td>
</tr>
<tr>
<td>8. HEAD ACHES</td>
</tr>
<tr>
<td>9. EYES TIRED</td>
</tr>
</tbody>
</table>
MOTIONLOGGER® Sleep Watch--Actigraph

- Measures wrist movement and displays time (like a digital watch)
- Sensitivity .01G at mid band
- Event marker and visual feedback of time since last sleep
- Epoch lengths are adjustable from one second to minutes
- Waterproof (shower safe)
- Easy coin cell battery exchange (60-day battery life)
Psychomotor Vigilance Task (PVT)

- Electronic, hand-held, computerized test-presentation and data capture system for simple visual reaction time
- 4-digit LED presentation
- Press and release button when display illuminates
- Task is 10 minutes long with an inter-stimulus-interval of 1 to 10 sec
- Requires quiet environment with no distractions
- Testing would occur

The PVT-192™ (Ambulatory Monitoring, Inc., 731 Saw Mill River Road, Ardsley, NY 10502), is a measure of vigilance. The PVT is a fully electronic, hand-held, computerized test-presentation and data capture system for simple visual reaction time. A 4-digit LED presentation serves as both a stimulus and millisecond reaction time display. Participants are instructed to press and release a button on the device as quickly as possible when the display is illuminated using their dominant thumb. The task is 10 minutes long with an inter-stimulus-interval of 1000 to 10000ms.
Attachment 5
Delta Air Lines, Inc. OpSpec JFK-BOM Trip Graphic with Approximate SOAP Questionnaire & PVT Test Times
PARTICIPANT NUMBER __________ 12 ________________

Write the appropriate code-entry into each row/column of the matrix below.

<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>RATING UPON AWAKENING</th>
</tr>
</thead>
<tbody>
<tr>
<td>A = Awake</td>
<td>1 = Well Rested</td>
</tr>
<tr>
<td>R = Resting</td>
<td>2 = Moderately Rested</td>
</tr>
<tr>
<td>S = Sleep</td>
<td>3 = Slightly Rested</td>
</tr>
<tr>
<td>N = Nap</td>
<td>4 = Not at all Rested</td>
</tr>
<tr>
<td>T = Test Time</td>
<td></td>
</tr>
</tbody>
</table>

**FATIGUE**
1 - Feeling active and vital; alert; wide awake.
2 - Functioning at a high level, but not at peak; able to concentrate.
3 - Relaxed; awake; not at full alertness; responsive.
4 - A little foggy; not at peak; let down
5 - Fogginess; beginning to lose interest in remaining awake; slowed down.
6 - Sleepiness; prefer to be lying down; fighting sleep; woozy.
7 - Almost in reverie; sleep onset soon; lost struggle to remain awake

**EXAMPLE OF COMPLETED LOG PAGE**

**EXAMPLE PILOT ENTRIES IN BOLD**

<table>
<thead>
<tr>
<th>DAY</th>
<th>Log Time</th>
<th>JFK 0930</th>
<th>JFK 1630</th>
</tr>
</thead>
<tbody>
<tr>
<td>JFK</td>
<td>0000</td>
<td>0100</td>
<td>0200</td>
</tr>
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<td>JFK</td>
<td>0300</td>
<td>0400</td>
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<tr>
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<td>0900</td>
<td>1000</td>
<td>1100</td>
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<tr>
<td>BOM</td>
<td>1130</td>
<td>1230</td>
<td>1330</td>
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<tr>
<td>BOM</td>
<td>1430</td>
<td>1530</td>
<td>1630</td>
</tr>
<tr>
<td>BOM</td>
<td>1730</td>
<td>1830</td>
<td>1930</td>
</tr>
<tr>
<td>BOM</td>
<td>2030</td>
<td>2130</td>
<td>2230</td>
</tr>
<tr>
<td>BOM</td>
<td>2330</td>
<td>0030</td>
<td>0130</td>
</tr>
<tr>
<td>BOM</td>
<td>0230</td>
<td>0330</td>
<td>0430</td>
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<tr>
<td>BOM</td>
<td>0530</td>
<td>0630</td>
<td>0730</td>
</tr>
<tr>
<td>BOM</td>
<td>0830</td>
<td>0930</td>
<td>1030</td>
</tr>
</tbody>
</table>

Activity: S S S S S S A A A A T A A A A
Fatigue: 3 1
Rating: 2

| JFK | 1200 | 1300 | 1400 | 1500 | 1600 | 1700 | 1800 | 1900 | 2000 | 2100 | 2200 | 2300 |
| BOM| 2230 | 2330 | 0030 | 0130 | 0230 | 0330 | 0430 | 0530 | 0630 | 0730 | 0830 | 0930 |

Activity: R R R N N A A A A A A A N N A A S S
Fatigue: 3 2 4
Rating: 1

1. **Awakenings and Reasons** (see example on each page)

AWAKENINGS and REASON (EXAMPLE: 5 Min. @ 0430; turbulence)
1. __10__ min. at __JFK 0430__; turbulence
2. __min. at _________________. Cabin Crew/food cart activities___
3. __min. at _________________.

2. **Sleep Ratings questions** (circle the number that best fits)

Sleep Rating (Please circle one number for each item)
Falling asleep Not Difficult 1 2 3 4 5 Difficult
My sleep was Not Deep 1 2 3 4 5 Deep
Arising was Not Difficult 1 2 3 4 5 Difficult
I now feel Not Rested 1 2 3 4 5 Rested
3. **Visual Analog Scale, DRAW** a line between the endpoints approximating your response to each question as seen in the example below.

**VISUAL ANALOG SCALE**

1. How alert do you feel?
   - very little __________________________ | ________ very much
2. How sad do you feel?
   - very little ____________________________________ very much
3. How tense do you feel?
   - very little __________________________ | ________ very much
4. How much of an effort is it to do anything?
   - very little ____________________________________ very much
5. How happy do you feel?
   - very little __________________________ | ________ very much
6. How weary do you feel?
   - very little __________________________ | ________ very much
7. How calm do you feel?
   - very little __________________________ | ________ very much
8. How sleepy do you feel?
   - very little __________________________ | ________ very much

Describe Sleep Strategies: _____progressive muscle relaxation______

Describe Alertness Strategies: ___drank a cup of coffee upon awakening______

**CAFFEINE (coffee, tea, soda, other)**

<table>
<thead>
<tr>
<th>TYPE</th>
<th>AMT</th>
<th>TIME</th>
</tr>
</thead>
<tbody>
<tr>
<td>coffee</td>
<td>1 cup</td>
<td>JFK 0730</td>
</tr>
</tbody>
</table>
Processed Actigraph Data

Left Graphic
- ActionW-2 clinical sleep analysis software processes day/night activity recordings during field trials
- Naps & major sleep periods identified

Right Graphic
- Quantified wake and sleep measures
- Sleep efficiency
- Restlessness

<table>
<thead>
<tr>
<th>Statistic</th>
<th>Value</th>
<th>95% Minit</th>
<th>Z-Score</th>
<th>Percentile</th>
<th>SE</th>
<th>CRL</th>
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<tbody>
<tr>
<td>Start Time</td>
<td>2:14 AM</td>
<td>12:31 AM</td>
<td>0.08</td>
<td>57.14</td>
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<td>*</td>
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<tr>
<td>End Time</td>
<td>6:10 AM</td>
<td>07:06 AM</td>
<td>-0.38</td>
<td>20.52</td>
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<td>*</td>
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<tr>
<td>Midpoint</td>
<td>3:18 AM</td>
<td>03:22 AM</td>
<td>-0.24</td>
<td>45.77</td>
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<td>*</td>
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<tr>
<td>Duration</td>
<td>13:01 AM</td>
<td>14:01 AM</td>
<td>-0.24</td>
<td>55.14</td>
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<td>*</td>
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<tr>
<td>Activity Mean</td>
<td>12.3</td>
<td>12.2</td>
<td>0.19</td>
<td>25.71</td>
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<td>*</td>
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<tr>
<td>Activity Median</td>
<td>12.3</td>
<td>12.3</td>
<td>0.19</td>
<td>25.71</td>
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<td>*</td>
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<tr>
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<tr>
<td>Wake Minutes</td>
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<td>0.09</td>
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<td>*</td>
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<tr>
<td>Sleep Minutes</td>
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<td>-0.36</td>
<td>25.71</td>
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<td>*</td>
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<tr>
<td>% Sleep</td>
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<td>56.0</td>
<td>0.07</td>
<td>25.71</td>
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<td>*</td>
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<td>Sleep Efficiency</td>
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<td>25.71</td>
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<td>*</td>
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<tr>
<td>Wk after Slip Onset</td>
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<td>-0.36</td>
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<td>-0.36</td>
<td>25.71</td>
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<td>*</td>
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<td>2.0</td>
<td>-0.36</td>
<td>25.71</td>
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<tr>
<td>Long Wake Episodes</td>
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<td>2.0</td>
<td>-0.36</td>
<td>25.71</td>
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<td>*</td>
</tr>
<tr>
<td>Longest WEE</td>
<td>5.0</td>
<td>5.0</td>
<td>-0.36</td>
<td>25.71</td>
<td>*</td>
<td>*</td>
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<tr>
<td>Sleep Episodes</td>
<td>5.0</td>
<td>5.0</td>
<td>-0.36</td>
<td>25.71</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Mean Sleep Episode</td>
<td>5.0</td>
<td>5.0</td>
<td>-0.36</td>
<td>25.71</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Longest SE</td>
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<td>5.0</td>
<td>-0.36</td>
<td>25.71</td>
<td>*</td>
<td>*</td>
</tr>
</tbody>
</table>
Individual's Consent to Voluntary Participation

I, ______________________________, understand that OpSpec A332 requirement for the evaluation of crew duty and rest scheduling effort entitled “JFK-BOM ULR OpSpec A-332 Crew Duty & Rest Evaluation” is conducted by Delta Air Lines, Inc. in with the FAA Civil Aerospace Medical Institute assisting in the data collection and analysis effort (Thomas E. Nesthus, Ph.D., Engineering Research Psychologist 405-954-6297 tom.nesthus@faa.gov)

Nature and Purpose of Study:

Delta Air Lines has initiated daily service from New York City to Mumbai, India. This ultra long range (ULR) flight operation with occasional flight times over 16 hours has required an Operations Specification A332 outlining Delta’s responsibility for taking precautions to ensure a safe operation by managing crew alertness. OpSpec A332 governing these flights requires data collection to identify any potential negative fatigue or performance consequences of these flights. Specifically, Delta is obligated to collect and submit data under an FAA-designed protocol to validate safe operation of these flights.

Description of study and procedures:
The sponsoring organizations and the airline have requested that CAMI personnel collaborate in developing the data collection protocol and analyze data to evaluate patterns of sleep and activity, cognitive performance, and subjective mood during this city-pair operation. CAMI will provide sleep watch/activity monitors, cognitive performance testing devices, and participant logs and train airline personnel to complete data collection. Following data collection and analysis, CAMI will report findings and provide recommendations if revisions to the OpSpec regarding the scheduled sleep/rest procedure is warranted.

Delta Air Lines, Inc. will request that aircrew bidding on these flights volunteer to complete an internal Delta fatigue survey and logbook during their trips. A sampling of volunteer aircrew will be scheduled to complete a more comprehensive procedure that will include wearing an activity monitor and perform a simple reaction-time task. A minimum of 16, but preferably more crewmembers will be requested by Delta Air Lines, Inc. to participate in this latter description, and hopefully crewed together in compliments of 3-4 members on the same flight so all will experience the same flight operations schedule and layover.

The equipment CAMI will provide to complete the more comprehensive data collection effort will include: a wrist activity monitor (i.e., sleep watch) and the Psychomotor Vigilance Task (PVT) device. Ideally, the volunteer crewmember will be issued this equipment in ATL for use beginning 2 days before a trip and during the JFK-BOM flight, crew layover in Mumbai, the return BOM-JFK flight, and back to home base (ATL). Understanding the complexities of flight operations, data collection might be restricted beginning during the required crew rest in New York City just prior to the trip, continuing as just described above, until the return to New York City. Depending upon the availability and scheduling of aircrew, equipment, and support personnel, participating crewmembers will be issued all of the equipment with instructions on its
use and advice on how to record logbook entries before a trip. Support personnel (from CAMI) will travel with the crew to BOM to maintain equipment, data acquisition integrity, and to conduct data downloading procedures. This individual will download data upon arrival in Mumbai at the crew rest facility (hotel) and provide an immediate equipment reissue for the crew layover period, then conduct another download/data check and immediate equipment reissue for the return trip (BOM-JFK). When the crewmembers return to ATL (or NYC), the support personnel will complete a final download and data integrity check.

Data Collection, Analysis, and Confidentiality:
Before a trip begins, you will be briefed on the study details and will complete a Sustained Operations Assessment Profile (SOAP, see Attachment 2) and issued a Motionlogger® sleep watch (see attached Attachment 3) for continuous wear (except when showering) throughout the trip period. You will also be issued a Psychomotor Vigilance Task (PVT) device (see attached Attachment 4) and instructed on its function and operation. PVT testing sessions are 10 min in duration and require a quiet environment. Testing sessions will be scheduled to minimize disruption of flight duty responsibilities. The four testing times will be scheduled to occur before the trip begins, upon arrival in BOM at the layover hotel, at the layover hotel just before the return flight, then upon returning to JFK following the flight (see attached Attachment 5). Each crewmember will be issued a personal logbook (see attached Figure 6) and instructed on how and when to record this subjective data. The SOAP will be completed a second time before aircrew begin their return flight BOM-JFK, then a third (and last) time upon returning to JFK following the flight (see attachment 5). The equipment will be returned following this last session.

You will be assigned a participant number/code to be associated with the actigraphy, performance, and logbook data acquired. No data will be associated with your name. These de-identified data will be evaluated using various statistical procedures depending on the specific measure of interest. Your actigraphy data will be processed with sleep analysis software to identify and quantify sleep, naps, and wakefulness. It will also provide graphic and spreadsheet output that identifies measures of sleep efficiency, restlessness, and circadian disruption (see attached Attachment 7). The PVT device output identifies a variety of measures that will be evaluated in a mixed model repeated measures analysis of variance procedure. Performance changes in these data are expected to occur across the study period (test session) as a function of the influence of circadian rhythms, cumulative fatigue, and foreseen/unforeseen operational conditions. The logbook data requires transcription entry into a spreadsheet prior to analysis. These data will be used to corroborate trends found in the other data. Also, logbook entries of personal fatigue countermeasures (e.g., caffeine intake) and coping strategies (e.g., naps, stretching exercises, etc.) as well as dietary intake and comments will provide greater insight into successful personal approaches to maintaining alertness.

No experimental manipulation will occur during this data collection effort. As mentioned, all analyses will occur after the data collection period. The analysis of aggregate data conducted with these data will not allow individual participant evaluations in a manner by which any potential disqualifying condition might be revealed. The purpose of collecting and analyzing these data is to determine if the crew duty and rest periods outlined in the OpSpec A-332 are
sufficient to maintain alertness throughout the operation and to identify any potential issues regarding recovery.

**Risks, Discomforts, and Inconveniences:**

*Risk.* I understand that the possible risks from this data collection effort may include minor discomfort due to the wristband on the wrist activity monitor from a local allergic reaction to its metallic surfaces. If redness and itching occurs, notification should be made and some corrective measures will be made, such as applying moleskin tape to the WAM where skin contact is apparent.

*Discomforts.* Wearing the wrist activity monitor during sleep may be considered uncomfortable if you are not accustomed to wearing a wristwatch during that time.

*Inconveniences.* Wearing the wrist activity monitor during this study may be considered an inconvenience, as well as special care given to prevent water/moisture exposure. The WAM must be removed during routine shower hygiene and potential water exposure. With repeated PVT testing, boredom may occur, though optimal effort is required throughout the assessment period for meaningful data. Test times will require 10 min each time and logbook entries will require an estimated 2-3 min each time.

**Benefits:**

I will be contributing to an improved understanding of the fatigue associated with this specific city-pair flight and the effectiveness of scheduling duty and rest opportunities designed to reduce exposure to fatigue, maintain alertness and safety of flight operations. Additionally, support for planning assessment efforts for other city-pair operations by Delta Air Lines, Inc. can be made and partially based on scientific recommendations from this data collection effort.

**Subject Responsibilities:**

I assume an obligation to follow all of the requested testing procedures, activity log documentation, and the proper use of the PVT and the activity monitor. You will return the PVT and MotionLogger in the condition that it was issued.

**Compensation and Injury:**

Medical care and compensation is available through your Delta Air Lines, Inc. employee procedure if injury incurred by your participation during this data collection effort.

**Subject's Assurances:**

Delta Air Lines, Inc. and Dr. Nesthus or his research representative has adequately answered any and all questions I have about this data collection effort, my participation, and the procedures involved. I understand that Dr. Nesthus or his representatives will be available to answer any questions concerning procedures throughout the time of your participation.
I understand that if new findings develop during the course of my participation, I will be informed.

I have not given up any of my legal rights or released any individual or institution from liability for negligence.

I understand that records of my participation will be kept confidential, and that I will not be identifiable by name or description in any reports or publications about this effort.

I understand that I may withdraw from participation at any time without penalty or loss of benefits to which I am otherwise entitled. I also understand that Delta Air Lines management, or the researcher may terminate my participation if he/she feels this to be in my best interest.

If I have questions about this data collection effort, or need to report any adverse effects from participation, I will contact Delta Air Lines management or Dr. Nesthus at (405) 954-6297or at tom.nesthus@faa.gov during the work-day or at (405) 615-0085 in the evening or on weekends.

Signature Lines:

I have read this consent document. I understand its contents, and I consent to participate in this study under the conditions described. I have received a copy of this consent form.

Research Subject: ___________________________ Date: ______

Investigator: _______________________________ Date: ______

Witness: ________________________________ Date: ______

Protocol_Revised_v3.0(09/06/07)
MEMORANDUM OF UNDERSTANDING

Between

DELTA AIR LINES, INC.

And the Air Line Pilots in the service of

DELTA AIR LINES, INC.

as represented by the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

ESTABLISHMENT OF ALPA NOTES GRANTOR TRUST

This Memorandum of Understanding is made under the provisions of the Railway Labor Act, as amended, between Delta Air Lines, Inc. (the “Company”), and the Air Line Pilots Association, International (the “Association”).

WHEREAS the Company and the Association are parties to a collective bargaining agreement setting forth the rates of pay, rules and working conditions for the Company’s pilots (“Pilot Working Agreement” or “PWA”), effective June 1, 2006, and

WHEREAS, both parties entered into an agreement to establish a method by which to control the accumulation and distribution of certain portions of the funds received by the pilots as a result of the ALPA Notes, and

WHEREAS the Company and the Association desire that this agreement be incorporated into the PWA.

NOW THEREFORE, it is mutually agreed:

1. Attachment 1 to this MOU, a NOTE AGREEMENT entitled ALPA NOTES, requires the establishment and operation of a Grantor Trust that will hold and eventually distribute the funds resulting from the ALPA Notes. This attached NOTE AGREEMENT is hereby incorporated into the PWA.

2. This Memorandum of Understanding will become effective on its date of signing and will remain in effect for the duration of the PWA.
IN WITNESS WHEREOF, the parties have signed this Memorandum of Understanding this 21\textsuperscript{st} day of November, 2007.

FOR THE COMPANY

Geraldine P. Carolan  
Vice President - Labor Relations

FOR THE ASSOCIATION

Captain Timothy S. O’Malley  
Chairman, MEC Negotiating Committee