

# Green Book Implementation Package

Covering Domestic Pilots Represented by the  
Office & Professional Employees International Union and its Local 108  
March 2020.

## **AGREEMENT**

This Green Book defines the terms and conditions for PHI's (hereinafter called "the Employer" or "the Company") domestic pilots represented by the Office and Professional Employees International Union, and its Local 108, hereinafter jointly called "the Union" or "the OPEIU."

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## **Article 1. Purpose of Agreement**

1. The purpose of this Agreement is to define the wages, hours and other terms and conditions of employment of the Flight Deck Crew members (hereinafter called “pilots”) covered by this Agreement.

2. No pilot covered by this Agreement will be interfered with, restrained, coerced or discriminated against by the Employer or the Union, their officers or their agents, because of membership or non-membership in the union, or any lawful activity under the Railway Labor Act not in violation of this Agreement.

3. Whenever the male gender is used in this Agreement, it is understood that it is referring to both male and female pilots.

4. This Agreement sets forth the entire understanding and agreement of the parties and may not be modified in any respect except by writing subscribed to by the parties. This Agreement supersedes all previous agreements, commitments or practices, oral or written, between the Employer and the Union and/or the pilots, and expresses all of the obligations of and restrictions imposed upon each of the respective parties during its term. The waiver of any provision of this Agreement or any breach of this Agreement by either party during the term of the Agreement shall not constitute a precedent for the future waiver of any breach or provision. Nothing in this Agreement shall prohibit the parties from bargaining on any issue they desire if both parties mutually agree to do so during the term of this Agreement.

5. Nothing in this Article shall be construed as reducing or limiting the Union’s rights under the Railway Labor Act.

## **Article 2. Recognition**

1. The Employer recognizes the Union as the exclusive bargaining representative of, and this Agreement applies only to, all flight deck crewmembers employed by Petroleum Helicopters, Inc. in the United States, its territories and possessions, pursuant to the certification of the National Mediation Board in Case Number R-6720, dated March 13, 2000.

2. The Employer may subcontract pilots and/or aircraft with pilots (collectively known as "Subcontracting") for a period not to exceed one hundred and eighty (180) days per occurrence during the term of the Agreement when (i) Subcontracting is necessary for the Employer to start up or continue its operations, (ii) the Employer determines that it does not have sufficient aircraft, or appropriate aircraft type(s), or it lacks sufficient pilots, or its pilots are not appropriately trained for such Subcontracting work, (iii) the temporary and occasional use of Subcontracting is required for Fixed Wing operations and (iv) the Employer does not furlough any pilot as a direct result of such Subcontracting. It is understood and agreed that nothing in this paragraph shall prevent the Employer from furloughing or terminating pilots in accordance with the provisions of this Agreement due to business or economic reasons independent of, and unrelated to Subcontracting.

3. Notwithstanding Section 2 above, in the event the Employer is required to Subcontract due to circumstances beyond its control, the Employer may Subcontract for a time not to exceed the duration of any such circumstance or twelve (12) months, whichever is less. Circumstances beyond the Employer's control shall be limited to (i) an act of nature, (ii) a strike affecting the Employer's business, (iii) grounding of a significant number of the Employer's aircraft by a governmental agency or court, (iv) loss or destruction of the Employer's aircraft, (v) an act or declaration of war affecting directly or indirectly the Employer's operations, (vi) an owner's or manufacturer's delay in the delivery of aircraft scheduled for delivery, or (vii) other similar unforeseen business or operational requirements.

4. In the event the employer sells all or part of its helicopter operations to another carrier during the term of this Agreement, in advance of such sale, the employer shall give notice of the existence of this Agreement to such successor carrier and shall make reasonable effort to persuade such successor carrier to agree to the continuation of the economic terms and conditions set forth in this Agreement.

5. In the event of a complete merger between the Company and another air transport carrier, or if the Company acquires all or substantially all of the assets of such an air transport carrier, the National Mediation Board's Merger Procedures will apply.

6. All revenue and all known and recurring miscellaneous flying performed by the Employer will be performed by pilots whose names appear on the Company pilot seniority list, under the terms and conditions set forth under this agreement, except: i) as provided in Sections 2 and 3 above; ii) occasional flights that are required to keep managers and other pilots not covered by this agreement current and qualified for flight duty; iii) the Employer may use pilots on its payroll who are not covered by this

agreement, in situations where the pilot assigned to that aircraft has been released for the day, or it is a last-minute special and the Company is unable to find a workover pilot who can perform the function within the customer's time requirements; iv) consistent with current practice, International pilots will continue to have workover privileges; v) other flights required by the Employer not involving revenue operations (which excludes planned ferry flights but may include training, local area orientation, unplanned ferry flights, and maintenance flights.

### **Article 3. Pilot Status**

1. All pilots covered by this Agreement employed by the Employer on or after May 20, 2013 are on probation for the first twelve (12) months of their employment.

2. Probationary pilots shall be entitled to all rights and benefits under this Agreement except that such pilots may not utilize the provisions of this Agreement concerning any corrective actions taken by the Employer in connection with the pilot's performance or conduct or any disciplinary actions, up to and including discharge.

3. After a new pilot completes the Employer's new employee orientation, he will be introduced to a union representative for the purpose of discussing union membership.

4. Pilot duty positions are as follows: Captain, IFR; First Officer, IFR; and Captain, VFR.

5. Pilot duties will generally include; i) the direct operation of an aircraft for the purpose of intended flight; ii) completion and delivery of daily flight sheets/customer manifests and paperwork to the PHI base administrative office, as well as the completion of other reports; and iii) although not ordinarily pilot duties, security-related functions as may be required. The Company will make good faith efforts to provide sufficient personnel to load, refuel, and otherwise prepare the aircraft and passengers for flight in a timely manner. In all operations, pilots shall continue with their multi-functional duties, serving as part of the team with other employees.

#### **Article 4. Nondiscrimination**

1. The Employer and the Union agree to comply with all applicable laws prohibiting discrimination on the basis of race, color, religion, national origin, sex, age, disability or Vietnam-era veteran or military leave status.

## **Article 5. Seniority**

1. There shall be two types of seniority:

- A) Company seniority- Company seniority shall be defined as the pilot's length of employment from date of hire with the Company adjusted for any breaks in service as defined in Section 2 of this Article. Company seniority shall be used for determining eligibility for, and the level of, all benefits.
- B) Bidding seniority- Bidding seniority shall be defined as the pilot's length of employment as a pilot with the Company.

2. Company seniority shall be adjusted for any breaks in employment with the employer of one (1) year or less, except as provided in Article 7. Reduction in Force, Section 7.

3. If a pilot is assigned to a position not covered by this agreement, he shall have no bidding seniority rights under this agreement, except for pilots on foreign assignment, and those pilot supervisors and managers previously "grandfathered" under the original agreement between the parties. Any pilot who continues to be paid by the Company while holding a full time position with the Local Union will continue to accrue both bidding and Company seniority. Pilots who do not continue to be paid by the Company while holding full time positions with the Local or International Union shall continue to accrue bidding seniority, and up to thirty-six (36) months of Company seniority for a maximum of two pilots, unless extended by mutual agreement. Pilots who are assigned to management or supervision following the date this Agreement is executed shall continue to accrue bidding seniority for one (1) year after being placed in the position, unless extended by mutual agreement, and shall thereafter retain all such seniority.

4. A pilot shall lose all seniority rights and have his name removed from the seniority list under the following conditions:

- A. resignation or retirement;
- B. discharge;
- C. absent from work for forty-eight (48) consecutive hours without proper notification of the reason to the Director of Operations or his designee, unless the Employer determines the pilot is physically incapable of providing the Employer with the proper notification of his absence;
- D. failure to return to work from an authorized leave of absence in the time provided by the Employer, giving a false reason for obtaining a leave of absence or accepting gainful employment while on a leave of absence (when the employment was not specifically authorized by the Employer);

- E. failure to inform Human Resources in person or by certified mail of his intention to return to work or failure to return to work on or before a date specified in the notice of recall as provided for in Article 7, Section 8(A); or
- F. a pilot who is furloughed and who is not recalled to service with the Employer within thirty-six (36) months from the date of furlough.
- G. Accepts a position outside the bargaining unit, except as provided in Section 3 above.

## **Article 6. Seniority List**

1. The pilot seniority list shall consist of (1) the seniority number (based on bidding seniority), (2) pilot name, (3) bidding seniority date, (4) company seniority date, and (5) status of the pilot (including highlighting new hire pilots for the first seniority report subsequent to their employment) of all pilots covered by this agreement. The Employer will post the seniority list at all work locations where pilots covered by this agreement are assigned. A copy of the seniority list will be furnished to the Union in electronic format with leave of absence and new hire designations.

2. When two or more pilots are employed on the same date, they shall be placed on the seniority list according to their date of birth with the eldest pilot having the most seniority. If two or more pilots are employed on the same date and have the same date of birth, the pilot who has the lowest last four digits in his social security number shall have the most seniority.

3. The Employer agrees to update and distribute as described above the seniority list once each month with the effective date of this agreement. A pilot shall have a period of thirty (30) days after the posting of the seniority list to protest to the Employer any omission or incorrect posting affecting his bidding seniority. The pilot's right to protest to the Employer any omission or incorrect posting shall mean that a pilot shall have a single protest for any unique seniority date, and will have no further protest rights as long as the Employer does not change that date in future seniority postings. Once the thirty (30) day period has expired without a protest, a pilot's posting shall be considered correct and shall not be subject to further protest unless the omission or incorrect posting was the result of a clerical error on the part of the Employer.

## **Article 7. Reductions in Work Force**

1. Except as provided below in this Article, for the loss of a contract, or for the closing of a base, the pilots directly affected by such loss or closing shall be transferred to the pilot pool for their assigned Aviation Operating Certificate (AOC), provided that such pool exists, and further provided that such openings in that pool are available and such pilots are qualified (i.e., meet appropriate pilot certification and flight experience requirements). If the pilot cannot be placed in the pilot pool for the AOC affected, the pilot may be placed in the pilot pool for any other AOC business unit or operating division, if such positions exist, provided he/she is qualified (i.e., meets appropriate pilot certification and flight experience requirements) and accepts such position. Depending on the circumstances (e.g., where a Company required move is involved), pilots not accepting such positions may be placed on furlough in accord with this Article. If reassignment to any pilot pool position requires aircraft differences or qualification training the company shall provide such training. If pilots cannot be placed in any open positions or the Company determines that a general reduction in force becomes necessary, a pilot's bidding seniority within the affected AOC shall determine the order of layoff, with the least senior pilot laid off first; however, pilots assigned to hospital-based Air Medical positions or other Air Medical positions covered by affiliation agreements, may be exempted from such general layoff.

2. For pilots employed in positions in which the company requires them to maintain a residence within sixty (60) miles of the operations facility (i.e., in situations where no Company housing is provided), when a contract ends, pilots subject to an employment loss as a result of such contract ending shall be granted a one-time (use it or lose it) priority opportunity, regardless of seniority, **to claim existing open positions, or the next available open position in the same geographic region as the contract which ended**. Such priority shall be granted only if the following conditions are met.

- a. The pilot is qualified for the new position and the new position does not require an upgrade; and
- b. If an open position is not immediately available, the next available open position is announced within three (3) months of the date the contract ended; and
- c. The new position is at the same or lower pay level as the pilot previously held. If the position claimed is at a lower pay level, pilot shall be compensated at the appropriate pay level for the new position however, accepting the lower paid position shall not jeopardize the pilot's chances for bidding and being awarded any future job or position (subject to applicable minimum service requirements for any claimed position); and

d. The open positions must be within a one-hour's drive or sixty (60) miles (whichever is greater) of the pilot's residence, unless the pilot and appropriate area manager mutually agree to extend such driving distance **or the pilot and appropriate business unit manager agree to a company paid relocation** under this agreement.

3. Pilots hired for a specific external customer contract (e.g. a hospital-based Air Medical contract) may be exempted from general layoffs; however, they may be subject to layoff upon termination of that specific contract subject to the foregoing provisions of this Article.

4. If the customer owns or dry leases the aircraft and retains the right to select pilots for these aircraft, the customer retains the right to exempt pilots from layoff.

5. **The Employer shall provide the Union with reasonable notice of an impending reduction in force affecting pilots under this Agreement, in order to permit the parties to discuss alternative options. Such notice and discussions shall be waived when circumstances beyond the control of the employer require immediate action.**

6. Pilots with seniority rights will be recalled from furlough in bidding seniority order, with the most senior laid-off pilot being recalled first. In the event vacant jobs in business units other than a furloughed pilots previously assigned unit cannot be filled from within, furloughed pilots with appropriate pilot certifications and flight experience will be offered such jobs in bidding seniority order. If assignment to any such position requires aircraft differences or qualification training the company shall provide such training. However, furloughed pilots, who would be required to relocate, will not be removed from the seniority list if they choose not to accept the vacant Air Medical job offered.

7. Pilots who are furloughed shall continue to accrue bidding seniority for as long as they have seniority rights. Furloughed pilots will continue to accrue Company seniority so long as they have seniority rights up to a maximum of thirty (30) days while on furlough, at which time Company seniority will be frozen. If the pilot is recalled during the thirty-six (36) month recall period, his previous Company service will be restored, with the addition of Company seniority credit for such period during which the pilot performed full-time pilot work in the same category of aircraft and in the same type of business unit operation while on furlough.

8. Pilots on furlough are required to file their proper mailing address and telephone number(s) with Human Resources at the time of the layoff and will notify Human Resources of any changes to this information within ten (10) calendar days.

9. Furloughed pilots shall be notified of their recall by telephone or certified mail to the most recent contact information provided as per Section 7 above. The date of recall notification shall be the date the Employer contacts the furloughed pilot by telephone or the pilot acknowledges receipt of the certified letter. Written notice to the pilot's last address of record shall be conclusive evidence of notice to that furloughed pilot.

- a. Each pilot accepting recall shall answer his recall notice no later than five (5) calendar days after the Employer contacts the pilot or the date the pilot signs for the certified letter, whichever is earlier. Pilots who fail to respond to a recall notice within the time limits set forth above, pilots who refuse recall, or pilots who reject a recall notice shall forfeit all recall rights and have their name stricken from the seniority list.
- b. A furloughed pilot who is recalled must report to work no later than fourteen (14) calendar days after the date of recall notification to report to duty. Nothing shall prevent the Employer from beginning recurrent or requalification training for recalled pilots prior to the fourteen (14) day period if a sufficient number of pilots agree to return from recall early.

10. Seniority and recall rights shall terminate if a laid off pilot is not recalled within thirty-six (36) months from the commencement of his lay off.

## **Article 8. Categories of Aircraft**

1. Company aircraft shall be divided into three (3) categories consistent with FAA definitions:

- A. Small Aircraft: A single engine or multi-engine aircraft, type-certificated to carry nine (9) passengers or less, and with a maximum certified gross weight of 7000 pounds or less.
- B. Medium Aircraft: An aircraft type-certificated to carry more than nine (9), but less than twenty (20) passengers, and with a maximum certified gross weight of more than 7000 pounds, but less than 12,500 pounds.
- C. Large Aircraft/Turbojet-powered airplane: An aircraft type-certificated to carry more than nine (9) passengers, and with a maximum certified gross weight of 12,500 pounds or greater, or a Turbojet-powered airplane.

## Article 9. Job Posting & Bidding

### 1. Definitions

- a. *Bid*: a written acknowledgement by a pilot to the Employer's Human Resources Department requesting consideration for an Open Job.
- b. *Customer*: except in Business Units where there are affiliation agreements in place (which agreements control the customer relationship), a Customer is any person or other external business entity to whom the Employer provides its services for hire.
- c. *Job Posting*: an announcement by the Employer of a Non-Temporary or a Temporary Job position. A job posting will include a job summary, schedule/location, qualifications, salary, null and void date, and any other pertinent information.
- d. *Minimum Service Requirement (MSR)*: the minimum time a pilot shall remain on an awarded job until the Employer is required to accept such pilot's bid for a new assignment.
- e. *Non-Temporary Job*: a vacancy that is expected to last more than one hundred eighty (180) days.
- f. *Open Job*: a vacancy that has been announced by the Employer, which has not exceeded its null and void date; or a vacancy that has exceeded its null and void date for which there were either no qualified pilots, or no pilot applicants, and has not been awarded, or cancelled by the Employer.
- g. *Qualified*: Is qualified in a particular make and model and type (if required) of aircraft on the appropriate Aviation Operating Certificate (AOC) / Business Unit and the pilot meets or exceeds the Customer and Employer requirements listed in the specific Job Posting. Additionally, for Air Medical operations, *Qualified* shall mean that the pilot: 1) meets CAMTS requirements, unless the Employer is successful in its request for a CAMTS waiver for certain CAMTS requirements; 2) on initial assignment, meets a body weight of no more than 215 pounds for Air Medical single engine small aircraft **or** multi-engine operations, 275 pounds for fixed wing aircraft; and 3) must have demonstrated the ability to work successfully with both internal and external customers (pilots may be subject to a review and a discussion of their records and of the job requirements in making this determination).
- h. *Temporary Job*: a vacancy that is expected to last one hundred eighty (180) days or less.
- i. *Transition*: A new aircraft qualification gained upon successful completion of the Employer's Approved Training Program which does not result in an increase in the pilot's compensation.
- j. *Upgrade*: A new aircraft qualification or duty position change gained upon successful completion of the Employer's Approved Training Program which results in an increase in the pilot's compensation (excluding all Schedule bonuses, Fire/Extended Standby bonus and

certification bonuses under Article 22, and all “Other” bonuses under Article 23).

## 2. General Provisions

- a. Temporary jobs expected to last more than ninety (90) days will be posted in the same fashion as Non-Temporary Jobs, except as provided for in Section 6 (temporary reassignments) of this Article. A temporary job filled by posting will not be re-posted in the event it becomes non-temporary, and the pilot awarded the job through the temporary posting will remain on that job unless he opts to be reassigned to the pilot pool, or he successfully bids on another open job. [The Company desires to post vacancies on the Internet and is exploring the feasibility of doing so].
- b. Non-Temporary Jobs will normally be posted within seven (7) business days. The Job Posting will normally be posted for a minimum of fourteen (14) calendar days. Selection of the successful pilot will normally be made within seven (7) business days after the null and void date, subject to customer acceptance of the pilot(s) and contract award, except that in Air Medical operations, such selection will be made within fourteen (14) business days after the null and void date, subject to Customer and Program Director acceptance of the pilot(s). [The Company desires to post vacancies on the Internet and is exploring the feasibility of doing so].
- c. A Non-Temporary Job vacancy exists when:
  - i. A new customer contract is obtained, unless contract requirements dictate that specific pilots fill the job, or
  - ii. A pilot on a non-temporary job accepts another position, or
  - iii. A pilot is removed from a job.
- d. A job vacancy does not exist if:
  - i. A customer changes aircraft type, and requests that the assigned pilot(s) remain on the job (to the extent that this may result in the displacement of a flight crew, the Company will attempt to make an accommodation for that crew); or
  - ii. The pilot on a Non-Temporary Job is either on an extended leave (i.e. – sick leave, occupational injury leave or personal leave) for ninety (90) days or less (or in the case of sick leave or occupational injury leave, if a review of the pilot’s medical prognosis near the end of 90 days indicates the pilot will likely return within the next 90 days, a job vacancy does not exist for a total of 180 days or less); or the pilot is on a special assignment or temporary assignment for one hundred eighty (180) days or less; or
  - iii. The pilot on a Non-Temporary Job is on a long-term Military Leave (i.e., the pilot is called up for long-term active military duty) for a period of one(1) year or less, so long as the Employer can fill the position on a temporary basis, otherwise the terms of Section 2(d)ii above apply; or

- iv. The Employer has a need for a pilot in the pilot pool; or
  - v. The customer owns or dry leases the aircraft and retains the right to select pilots for these aircraft. If the customer requests that the Employer select the pilot(s), then the job will be posted in accordance with this section; or
  - vi. The Employer acquires an existing Air Medical operation, and the terms of the acquisition require the Employer to offer employment to pilots who meet PHI employment standards and are currently assigned to the acquired asset.
  - vii. A First Officer position is required to allow a pilot to work with an assigned Training Captain.
- e. Nothing in this article prevents the Employer from hiring pilots into a pilot pool.
- f. The Chief Pilot or Director of Operations must approve all Captain or First Officer downgrades from a medium or heavy aircraft assignment. Such downgrades will normally be approved provided the pilot has completed at least two (2) years in the medium or heavy aircraft assignment, and such downgrade does not create a pilot shortage in the position.
- g. All Non-Temporary Job vacancies and Temporary Job vacancies expected to exceed ninety (90) days will be awarded by the following order:
- i. Qualified pilot assigned to the Aviation Operating Certificate with the greatest bidding seniority.
  - ii. If no fully qualified pilot applicant submits a bid, the Company may award the position to a fully qualified pilot from the pilot pool to cover the job, if such pilot exists. The job will be carried and posted as “open.” Any fully qualified pool pilot may be assigned the open position, however, such pilot will not suffer an adverse effect on his base pay. Assignments filled in this manner shall have no MSR. [The Company desires to post vacancies on the Internet and is exploring the feasibility of doing so].
  - iii. If a fully qualified pilot does not apply for the vacancy, and the AOC/Company does not, or cannot use a fully qualified pool pilot, the AOC/Company shall award the job using the following criteria:
    - 1. In Air Medical:
      - a. Select and qualify the senior applicant from within the same Aviation Operating Certificate who meets customer requirements, or if none
      - b. Select and qualify the senior furloughed pilot from within the same Aviation Operating Certificate who meets customer requirements, or if none
      - c. Select and qualify the senior furloughed pilot from one of the other Aviation Operating Certificate who meets customer requirements, or if none

- d. Hire from outside the Company as necessary to fill an Open Job.

2. In all other Business Units:

- a. Transition the senior applicant who is otherwise qualified except as to aircraft type if the transition or specialized training does not involve a pay increase, or if none
- b. Select the least senior qualified pilot from the pool, or if none
- c. Select and qualify the senior applicant who meets customer requirements (such as aircraft transition with a pay increase or upgrade), or if none
- d. Select and qualify the least senior pilot from the pilot pool who meets customer requirements, or if none
- e. Select the least senior qualified pilot, or if none
- f. Select and qualify the least senior pilot who meets customer requirement, or if none
- g. Select and qualify the senior furloughed pilot who meets customer requirements, or if none
- h. Hire from outside the Company as necessary to fill the Open Job.

3. In cases where an awarded or assigned job ends prior to the completion of the MSR, the MSR ends as well. Subject to any Initial MSR (IMSR) for pilots hired on or after June 17, 2013, the MSR is normally six (6) months, or twelve (12) months when the awarded or assigned job requires a transition or an upgrade, or twenty-four (24) months when the awarded job involves a Company-paid relocation or when the awarded job is as a Check Airman, or thirty-six (36) months when the awarded job is as an Instructor Pilot. The MSR or IMSR does not preclude a pilot from bidding on any Open Job, however, the pilot will not be awarded the Open Job unless the Employer releases him from his MSR or IMSR. In the event of a pilot surplus or reduction-in-force for any reason in either Oil & Gas or Air Medical, the MSR and/or IMSR may be accelerated by the Company for affected pilots.

4. A fully qualified pilot who is assigned a job vacancy (i.e., he did not bid on that position) which does not involve a transition or upgrade, may bid on and be awarded another job position, however, he may be required to remain in the assigned position until the Company can replace him, or for a maximum of six (6) months, if required, for operational reasons or because of the customer's request.

5. The Company will post all openings for Lead Pilot, Flight Operations Safety and Quality Assurance, and Instructor and Check Airman positions, and will make every effort to award such opening(s) to the senior qualified pilot, however, if a pilot applicant has demonstrably greater qualifications than the other applicants, the Company may select this pilot for that opening, regardless of seniority.

6. A pilot awarded an Instructor Pilot position may be required to return to the flight line after thirty-six (36) months, or may be offered an extended assignment as an Instructor Pilot or may be given an opportunity to advance to a Check Airman based on his performance as an Instructor Pilot and based on staffing needs. Current and past Instructor pilots will be given priority in filling open Check Airman positions.

7. To minimize required relocation of pilots assigned to an Air Medical base, in cases where an Air Medical Lead Pilot is removed from an assignment for any reason, the remaining pilots at that base will be polled and the position awarded to the senior qualified pilot. Should there be no qualified pilot, or no pilot has an interest in said Lead Pilot opening, the pilot removed from the Lead Pilot position may be required to relocate to another assignment (or the pilot pool) and the opening will be filled in accordance with Section 4 above.

8. In Air Medical single engine small aircraft and multi-engine operations, all flight crew members are expected to maintain a body weight of no more than 215 pounds, 275 pounds for fixed wing aircraft. Crew members who exceed this weight are required to participate in a program that demonstrates, over time, sustained weight loss to achieve the 215 body weight limit.

9. The Director of Operations may temporarily assign a qualified pool pilot to fill an immediate or new contract job opening until a job posting can be issued. In the event a qualified pool pilot is not available, the Director of Operations may assign another qualified pilot. This assignment will normally not exceed ninety (90) days, but may be extended an additional ninety (90) days for extreme and unusual operational necessity. Upon completion of the assignment, the pilot may return to his regularly assigned job if that job still exists. His regularly assigned job while he is on reassignment will be filled on a temporary basis. While on such assignment, the pilot will be paid per diem at the rate specified for pool pilots, so long as he is assigned to a job at a base other than his regularly assigned base.

10. Before removing a pilot from a previous bid and assigned job, the Employer will first attempt to get the customer to modify job requirements to allow a pool pilot to fill the job until such time as an applicant can be trained or otherwise qualified to fill the job.

11. The Employer reserves the right to require a MSR of two (2) years in Sikorsky S-92 aircraft (or equivalent heavy aircraft) for a pilot awarded a Captain or First Officer position in these aircraft, however, should the aircraft move to a location off the Employer's Gulf Coast operations and the pilot(s) cannot reasonably move with the aircraft, the Employer will attempt to replace the pilot(s) as soon as possible. In these circumstances, and unless operational conditions prevent the Employer from doing so, such replacement(s) will be accomplished within six (6) months.

12. Except as otherwise provided in this Article and for pilots who volunteer to work a new Air Medical contract, base start-up, or temporary job, pilots shall not be removed from their regularly assigned jobs to cover vacant jobs on more than three (3) occasions, (each occasion not to exceed four (4) workdays) per calendar quarter.

13. A pool pilot may submit a request for a base assignment, and Scheduling will make a good faith effort to honor such request on a seniority basis.

14. In any case in which a pilot is interviewed by a customer for a position, the Employer will provide the customer with the training records, medical certificate and any

commendations and/or disciplinary actions in the pilot's personnel or operations file. No other records will be provided unless required by service agreement or requested in writing by the customer.

## **Article 10. Schedules of Service**

1. Pilots will work a schedule that complies with applicable Federal Aviation Regulations (FARs) and will essentially be one of the following types of work schedules:

- A. An off duty day for each day worked (e.g.- 6/6, 7/7, 14/14, 4/3/3/4, 5/2/5/9);
- B. An off duty day for each two days worked (e.g.- 8/4, 10/5, 14/7);
- C. Two days off for each 5 days worked (8 ½ hour duty day where the pilot is required to remain at the base);
- D. Two days off for each 5 days worked (14 hour duty day where the pilot is not required to remain at the base when there is no flight requirement); and
- E. Continuous duty (e.g.- firefighting, and other temporary assignments usually not exceeding ninety (90) days). The Company will attempt to provide the pilot on continuous duty two (2) days rest for each fourteen (14) duty days.

The provisions of this Article are intended to define a pilot's pay in a biweekly payperiod and should not be construed as a guarantee of hours of work or hours paid in a payperiod or as a limitation of the Company's right to schedule work or change the workday, the workweek, or the work schedules as required by operations. However, the Company agrees to confer with the Union for any work schedule which deviates from those listed above, including the appropriateness of any schedule bonus.

2. The standard work schedule for Oil & Gas operations is the 7/7 schedule (i.e.- 7 days on and 7 scheduled days off). Any job assignment deviating from the 7/7 schedule, including those other work schedules listed above, shall be filled according to Article 9. Job Posting & Bidding.

3. The Employer will make assignments of pilots in compliance with FAR required flight duty time limitations and rest periods.

4. A pilot's work days shall not be changed without at least five (5) calendar days notice unless caused by extreme or unusual operational changes or upon mutual agreement between the pilot and the Employer.

5. For Oil & Gas Operations: A pilot may leave his duty location during the duty day for breaks and to obtain lunch. The pilot shall use the base check out form for recall purposes. It remains the pilot's responsibility to ensure his availability to meet Customer requirements within the duty day. With approval of his Manager, a pilot may complete his duty day when it is determined that no flying or other job requirements are foreseeable for the remainder of the day.

For Air Medical Operations: A pilot may complete his duty when all job requirements are complete and he has been relieved by the on-coming duty Pilot. In addition, a pilot may leave his duty location, or complete his duty day with permission of his Manager.

6. The parties agree for purposes of this Article to continue the practice in the Employer's IHTI operations under which pilots have cooperated in rotating their 14 & 14 work schedule each year such that the pilots have every second year off-duty with their families for the Thanksgiving and Christmas holidays.

## **Article 11. Leaves of Absence**

1. A Leave of Absence (LOA) is intended to account for a reasonable period of time that a pilot may be required to be absent from the job for reasons other than VSTO or PTO, STO or Extended Medical Leave (EML), or paid bereavement leave. A LOA may fall into one of the following categories:

- a. Personal LOA (a reasonable time not to exceed 30 days) without pay may be granted to a pilot for urgent personal matters. Some examples include attending special schools for personal benefit, a need to handle family affairs associated with the death or serious illness of a close family member, or other special reasons. Except as approved by the Director of Human Resources, a pilot may be granted no more than one (1) personal LOA in a 2-year period.
- b. Formal LOA (a reasonable time up to one (1) year, or in cases of non-occupational injury or illness which may be extended an additional year if the Company and the physician agree that the pilot is likely to return to active duty during the extension) without pay may be granted to a pilot to extend the time they are gone from work for recuperation from an injury or illness, or to allow a pilot with insufficient paid time off to fulfill the 90 day waiting period for the Long Term Disability Plan. A pilot on a Formal LOA may be required by the Company to provide periodic proof that he remains disabled from work. Except as approved by the Director of Human Resources, a pilot may be granted no more than one Formal LOA in a 2-year period.
- c. Military LOA- Military leaves of absence and reemployment rights upon return from such leave shall be granted in accordance with applicable laws. All orders for military duty, including National Guard and Reserve duty, shall be provided in writing to the Director of Operations, within four (4) calendar days of receiving the orders. A pilot on a military leave shall retain and accrue company and bidding seniority.
- d. Family & Medical LOA (leave granted under the Family and Medical Leave Act) will be granted to eligible pilots as required by law. The Company's separate policy on leaves associated with the Family and Medical Leave Act will apply in these type leaves of absence. A pilot on FMLA will continue to accrue all seniority rights. In a case of a serious non-occupational health condition of a pilot who does not return to work within the twelve (12) week period provided for under the FMLA, he will be placed on a Formal Leave of Absence.

2. A pilot who wishes to apply for a leave of absence must submit his request in writing to his supervisor. This written request must include the expected duration of the leave, the purpose of the leave and where the pilot may be contacted during the leave. It is the pilot's responsibility to keep Human Resources informed of any changes in his contact information for the duration of the approved leave.

3. *All requests for leaves of absence must be submitted in writing and must be approved by the Department Manager and the Director of Human Resources. Except as approved by the Director of Human Resources, a pilot will not be granted a leave of absence (except a Military LOA or Workers Compensation LOA) without first using all VSTO or PTO or in the case of a Formal leave of absence for illness or injury without first using all STO or EML.*

4. Prior to returning to duty from medical leave, a pilot may be required to present a physician's statement to the Company verifying that he is medically fit to perform all pilot duties.

5. A pilot on any non-medical leave of absence may continue certain benefits, if any, such as Medical, Dental, Life Insurance, and Long Term Disability/Loss of License for a maximum of one (1) month at premium rates comparable to what other represented pilots are paying. A pilot on any non-occupational leave of absence may continue certain benefits, if any, for a maximum of six (6) months at premium rates comparable to what other represented pilots are paying.

6. Continued pilot contributions and Company matching in the 401(k) plan, if any, are based exclusively on receipt of wages in any payperiod.

7. A pilot will continue to accrue VSTO or PTO and all seniority rights for a maximum of 90 days for any leave of absence. However, a pilot on a Military Leave of Absence, Worker's Compensation Leave of Absence and non-occupational serious illness or injury will continue to accrue company and bidding seniority for the duration of the leave.

8. Approval of any leave of absence for a probationary employee rests exclusively with the Company. If a pilot is granted a leave of absence during his probationary period, his probationary period shall be extended accordingly.

9. In the event of a reduction-in-force, a pilot on a leave of absence who would otherwise be laid off will have his leave of absence cancelled. The pilot will be notified that his rights under this agreement have been changed to those of a furloughed pilot.

10. A pilot returning from a leave of absence will be returned to his duty position if it still exists or any other vacant position where his seniority and qualifications permit. Any pilot returning from a leave of absence who requires training prior to returning to flying will be scheduled for required training within seven (7) duty days or the next scheduled class from the time the pilot notifies the Company he is returning from such leave and has met all requirements to return to flight duty. Pay shall resume when the pilot commences training.

11. All leaves of absence shall specify the date on which the pilot will return to duty unless mutually agreed otherwise or by operation of law.

12. All leaves of absence shall be without pay unless otherwise specified in this agreement.

13. Failure of any pilot to return to active status at the end of any leave of absence shall be deemed a voluntary resignation and his name will be removed from the seniority list.

14. Any pilot on a leave of absence who enters the services of another employer or who enters into a business of his own without first obtaining written permission from the Company, will be terminated and will forfeit his seniority rights.

## **Article 12. Paid Days Off and Banked Days**

### A. PAID TIME OFF AND LEAVE ACCRUAL

There will be two types of leave accrual banks: a Vacation or PTO and Scheduled Time Off Bank (VSTO or PTO) and a Sick Time Off (STO or EML) Bank. These two banks are used to give a pilot more flexibility and control for his paid time off. Paid time off will be calculated on a bi-weekly basis.

### B. VACATION AND SCHEDULED TIME OFF (VSTO) ACCRUAL (in Air Medical operations these hours are called Paid Time Off or PTO)

1. The number of VSTO or PTO days earned each year is dependent on a pilot's years of active service with the Employer. NOTE: Accrual units are different for Air Medical pilots (and other Air Medical employees) due to the "40-hour waiting period" required for the use of Extended Medical Leave accrued hours.

Effective January 1, 2018, the chart below applies with the following exception. Exception: For pilots with 14+ years of service as of the effective date, if the difference between PHI Air Medical Accrual Units and Accrual Units, is less than 5, those pilots in January 2018 will be given a one-time transition PTO allotment of up to 4 units, in addition to the PHI Air Medical accruals listed below.

<u>Completed Years of Active Service As A Pilot</u>	<u>Accrual Units</u>	<u>PHI Air Medical L.L.C. Accrual Units</u>
<11 Months	0	5
1-3 Years	10	15
4-5 Years	10	18
6 Years	11	18
7 Years	12	18
8 Years	13	18
9 Years	14	21
10-11 Years	15	21
12-13 Years	16	21
14-15 Years	17	21
16-17 Years	18	21
18-19 Years	19	21
20 Years and More	20	21

To compute work days vacation or PTO due:

- 5&2, 8&4, 10&5 schedules: Multiply accrued units by 1.0
- All one for one schedules: Multiply accrued units by 0.7 & round to nearest day

2. In order to accrue VSTO or PTO days, a pilot must be an active pilot on the payroll for at least fifteen (15) days in a month.

3. A new hire pilot will accrue VSTO or PTO in a month only if he is on the payroll prior to the fifteenth (15<sup>th</sup>) of the month.

4. A pilot does not earn and is not eligible to take VSTO days until he completes one (1) year of active duty with the Employer.

Because of the required forty (40) hour waiting period, a pilot working for PHI Air Medical L.L.C. will be given 5 units of PTO upon hire and pilot can begin using after 90 days of employment.

### C. SCHEDULING AND BIDDING VSTO

1. For the Air Medical, IHTI and Training Business Units, scheduling of VSTO or PTO will continue in accordance with past practice. For the Oil & Gas Business Unit only (excluding IHTI), the scheduling of VSTO shall be handled as set forth in Sections 2 through 5 below.

#### 2. One-Hitch Vacation Scheduling

- a. On or before October 1 of each year, all Pilots eligible for vacation during the following year may submit a vacation request form to the Scheduling Department for a one-hitch vacation not to exceed seven (7) days (except that eligible Pilots on a 14/14 schedule may request a full hitch vacation). The Pilot may list up to five choices for vacation dates on the vacation request form. Any Pilot not submitting a vacation request form will be treated as not desiring this first one-hitch vacation at this time. Vacation requests will be awarded based on pilot seniority and aircraft model position (i.e. S-92 Captain, S-92 First Officer, BH407 Captain, etc.).
- b. By October 15 of each year, the Company will publish both a list of approved one-hitch vacations and a list of open vacation weeks.
- c. On or before November 15 of each year, all eligible Pilots who are not granted a one-hitch vacation may resubmit a vacation request form, listing up to five (5) alternate choices, for a one-hitch vacation for any week not filled in accordance with Section a. above.
- d. By November 25 of each year, the Company will publish a revised vacation schedule including all vacation requests granted, based on the criteria listed in Sections a. and b. above.
- e. Pilots who, after completing the steps described in Sections a. through d. above, have been unable to schedule a one-hitch vacation should contact the Company to discuss an acceptable time for the vacation in a week not filled in accordance with Sections a. through d. above.

#### 3. Second One-Hitch Vacation Scheduling

- a. On or before March 1 of each year, all Pilots who are eligible for vacation during the remainder of the calendar year may submit a vacation request form to the Scheduling Department for a one-hitch vacation not to exceed seven (7) days (except that eligible Pilots on a 14/14 schedule may request a full hitch vacation). The Pilot may list up to five (5) choices for vacation dates on the vacation request form. Any Pilot not submitting a vacation request form will be treated as not desiring this one-hitch vacation at this

time. Vacation requests will be awarded based on Pilot seniority and aircraft model position (i.e. S-92 Captain, S-92 First Officer, BH407 Captain, etc.).

- b. By March 15 of each year, the Company will publish both a list of approved one-hitch vacations and a list of open vacation weeks.
- c. If an eligible Pilot does not receive a second one-hitch vacation, he may submit another vacation request form requesting a vacation in any week not already filled in accordance with Section 3 a. above.
- d. Pilots who, after completing the steps in Sections 3 a. through c. above, have been unable to schedule a second one-hitch vacation should contact the Company to discuss an acceptable time for the vacation.

4. As outlined below, the Company will ensure that a sufficient number of weekly vacation slots are available for bid each calendar year by those eligible Pilots who desire to take vacation so that they will be allowed to bid for at least one work-hitch of vacation, and a second work-hitch for those eligible pilots who desire a second work-hitch of vacation. The Company will use historical vacation request information from previous years with an allowance for unforeseen increases in vacation demand to determine the number of required slots. The Company will allocate the total number of vacation slots to be made available by using the prior year's actual required number of vacation slots, adjusted either upward or downward, based on changes in the number of pilots employed by the Company, and those eligible for vacation, except that the minimum number of slots available for bidding will be no less than fifty percent (50%) of the expected vacation accrual for that year. The Company will determine a full allocation of weekly full-hitch vacation slots each year by dividing the total number of full-hitch vacation slots as calculated above by 52. The Company may allocate these slots differently throughout the year based on anticipated business activity, except that the Company may reduce an allocation to no less than fifty percent (50%) of a full allocation for any given hitch. If the Company determines that there has been a substantial change in the number of pilots employed by the Company, it may adjust the number of vacation slots (either upward or downward) that it makes available in order to meet operational needs. After the completion of vacation scheduling as described in Sections C 2. and 3. above, the Company will maintain a list of open vacations weeks, if any. Eligible pilots may request and will be awarded vacations during those open weeks on a first-come, first-served basis, provided that such requests must be made to Payroll Personnel Records at least thirty (30) days in advance of the start of the week requested. The Company reserves the right both to reallocate open vacations and to limit the number of pilots permitted time off at any one time in accord with operational needs and aircraft type (e.g., the S-92). All published vacation lists required by this Article shall be posted on the Company Intranet.

#### 5. Day-at-a-Time Vacations

- a. All Pilots who have accrued vacation may request a one-day (or several days) vacation at any time. Such requests are submitted to the Pilot Scheduling Department, and will be granted on a first-come, first serve basis, consistent with operational needs. Operational needs permitting, the Company will make available to eligible Pilots such vacations up to three (3) consecutive days, but may grant up to fourteen (14) consecutive days. Requests for day-at-a-time vacations in November and December

should be submitted no later than November 1; however, a request may be submitted at any time. PHI will provide a response to any vacation request no later than ½ of the amount of time from the date the request was submitted. For example: if requested 60 days in advance, the Company will provide a response no later than 30 days from submission. If the vacation request is denied, the Company will offer the opportunity to be placed on a standby list with no assurance that the vacation request will be granted.

- b. When a pilot has a special occasion (e.g., the marriage or graduation of a dependent child), to the extent possible and business conditions allowing, consistent with current practice, the Pilot Scheduling Department will attempt to provide such pilot the necessary VSTO time off for this occasion.
- c. As with other requests for vacations and other time off, the Company may limit the number of pilots permitted time off at any one time due to operational needs and aircraft type.

#### 6. Penalty for Vacations Cancelled for Company Business Reasons

In cases where, for valid business reasons, the Company cancels a Pilot's scheduled and approved vacation, he will be reimbursed for any non-refundable expenses incurred associated with the cancellation of his vacation in accordance with Section D. 3 below, and he will have the choice of:

- a. Electing to be paid one-half (1/2) times his base salary for the vacation period was scheduled and then later cancelled by the Company, and the Company will attempt to reschedule his vacation; or
- b. He may elect to be paid time and a half (1 ½) times his base salary for the vacation period cancelled by the Company and he will lose those vacation hours.

7. A pilot who has been scheduled and approved for vacation, who subsequently desires to cancel that vacation, either: (a) may be required by the Company to take that scheduled vacation; or (b) if he is not required to take that scheduled vacation, he will forfeit the right to reschedule those vacation days, unless the Company otherwise approves, and he shall not be eligible for any penalty payment (as described in C. 6 above), and instead will be paid his straight time base pay for those days.

8. Unscheduled full week requests for non-listed vacation weeks (i.e., weeks that are not open vacation weeks as described in Section 4 above) must be made at least sixty (60) days in advance and should be submitted to Payroll Personnel Records. The Company's decision will be given to requesting pilots within fourteen (14) days, but in no case will it be given to pilots less than thirty (30) days prior to the start date of the pilot's requested vacation.

9. Business conditions permitting, the Company may approve vacation swaps among similarly qualified pilots.

10. The Company will make a good faith attempt to accommodate the previously scheduled and approved vacation of a pilot who transfers from one Business Unit to

another Business Unit, but failing that, the pilot may have to reschedule his vacation as operational conditions allow. In cases where the pilot's previously scheduled vacation cannot be accommodated, there shall be no penalty paid by the Company (as described in Section C. 6 above).

11. A pilot may request that the Company purchase up to one hundred sixty (160) hours accrued VSTO or PTO once each calendar year. In this case the pilot must submit his request in writing to the Director of Human Resources. As soon as practical following the end of each calendar year, the Employer will automatically purchase up to one hundred sixty (160) hours of a pilot's VSTO or PTO, less any VSTO or PTO hours the Employer previously purchased from that pilot during the calendar year. Unless the Company approves more, a pilot may carry over no more than one half (1/2) of his annual VSTO or PTO accrual from year to year. In instances where a pilot accrues VSTO or PTO in excess of one and one half (1 1/2) of his normal annual accrual amount, the pilot will be paid for the excess VSTO or PTO in a lump sum payment at his rate of pay in effect at the time of the payment.

12. A pilot may elect to use his VSTO or PTO bank to supplement any Workers Compensation payments due an injury/illness incurred on the job with the Company as described in Article 13, On-the-job Injuries/Worker's Compensation. When this occurs, a pilot will be charged only the necessary VSTO or PTO hours required to make up his Workers Compensation payment equal to his normal base pay earnings.

13. All VSTO or PTO days are paid at a pilot's applicable daily rate, except as provided for by Company policy.

#### D. VSTO or PTO CANCELLATION DUE TO OPERATIONAL NECESSITY

1. In the event VSTO or PTO days are canceled due to operational necessity, the Company shall notify the affected pilot. Cancellations shall first be offered to volunteers in reverse seniority order. If an insufficient number of pilots voluntarily accept cancellation, remaining cancellations shall be involuntarily cancelled and assigned in inverse seniority order.

2. In any case where the Company cancels a pilot's scheduled and approved vacation for business reasons, and the pilot ultimately sells that vacation to the Company, the hour limit described in C. 11 above does not apply (i.e., the number of sold hours can exceed 160 hours).

3. In the event the Company cancels a pilot's full week VSTO or PTO for operational needs and it was involuntary on the pilot's part, all non-refundable vacation deposits which the pilot, with the assistance of the Company, is unable to recover shall be reimbursed to the pilot. In order to receive reimbursement, the pilot shall provide the Company with proof of the deposit.

#### E. TREATMENT OF VSTO or PTO UPON TERMINATION

In the event a pilot's employment ceases, he will be paid for his earned VSTO or PTO hours, except when the pilot terminates employment prior to 90 days of service.

F. SICK TIME OFF (STO) or EXTENDED MEDICAL LEAVE (EML) for PHI Air Medical L.L.C. Employees.

1. Sick Time Off (STO) is used for Oil & Gas pilots only, while Extended Medical Leave (EML) is used for Air Medical pilots only) Days are granted to a pilot to provide an opportunity for him to recover from an illness or injury. A pilot may elect to use his STO (in Oil & Gas) or PTO (in Air Medical) bank to supplement any Workers Compensation payments due to an injury/illness incurred on the job with the Employer as described in Article 13, On-the-job Injuries/Worker's Compensation.

PHI Air Medical Pilots - Waiting Period: To qualify for Extended Medical Leave, pilots must be out for forty (40) consecutive work hours. A healthcare provider's note must be provided to access EML hours. Upon receipt of healthcare provider's note, hours in excess of forty (40) will be processed according to the biweekly payroll schedule. Pilots can use Paid Time Off (PTO) hours to cover the waiting period, if pilot does not have PTO hours available, such time will generally be without pay, however, a pilot can apply to the PTO Donation Program.

2. The number of STO or EML days accrued each year is dependent on a pilot's years of active service with the Employer according to the following schedule:

<u>Completed Years of Active Service As A Pilot</u>	<u>Accrual Units/year</u>
6 months but less than 1 Year	1
1 Year but less than 2 Years	1
2 Years but less than 3 Years	2
3 Years but less than 4 Years	3
4 Years and over	4

To compute work days STO accrued:

- 5&2, 8&4, 10& 5 schedules: Multiply accrued units by 5
- All one for one schedules: Multiply accrued units by 3.5

3. A pilot may accrue a maximum of 560 hours STO or EML, except that any pilot who has greater than this maximum at the time this agreement is executed shall be grandfathered with his accrued STO or EML and will not accrue any additional STO or EML until such time as his total STO or EML hours drops below the 560 hour maximum. STO or EML days will be accrued to a pilot only after he has completed six (6) months of active duty with the Employer. PHI Air Medical Pilots and all other employees hired after October 2, 2017 will be able to access EML hours after four (4) years of employment with the company.

4. All STO or EML days are paid at a pilot's applicable daily rate, except as provided for by Employer policy.

5. Unscheduled absences are taken in the following order:
- a. Unscheduled absences due to personal illness or injury off the

job will be taken from the STO or EML Bank after meeting the waiting period.

- b. Once the STO or EML Bank is exhausted, a pilot may use his remaining unused VSTO or PTO days.
- c. Unbid accrued VSTO or PTO days must be used for any additional unscheduled absences.

6. Use of VSTO or PTO and STO or EML on Family Medical Leave shall be required pursuant to Family Medical Leave Act policy of the Employer. Use of VSTO or PTO days for other leaves of absence will be pursuant to the Employer's leave policies.

7. A pilot who is out on STO or EML days for seven (7) consecutive work days will be required to provide a physician's statement at that time and on a monthly basis until he is released by the physician to return to active duty. The pilot is responsible to ensure the FAA has cleared the pilot to return to active duty if such illness or injury requires this FAA clearance.

8. Maternity leave and disabilities caused or contributed by pregnancy, miscarriage, abortion, childbirth and recovery therefrom shall be treated as time covered by STO or EML.

9. Pilots and the Union share in the responsibility for preventing unnecessary absences and shall assist the Employer in its efforts to minimize any abuse of excessive absenteeism.

- a. A pilot who cannot perform his duties due to a non-occupational injury or illness shall immediately report such absence and the reason for it to his immediate supervisor. A pilot shall personally contact his supervisor on a daily basis during his scheduled work hitch unless physically unable to do so and shall advise the supervisor of his expected date of return and a telephone number where he can be reached during his absence.
- b. Upon reasonable suspicion of misuse of such leave, the Employer reserves the right to require a physician's certificate or an examination by a Employer-designated physician. To the extent any Employer-requested examination is not covered by insurance, it shall be paid for by the Employer provided the pilot submits receipts for reimbursement in a timely manner.

### **Article 13. On the Job Injury/Workers' Compensation**

1. A pilot is eligible for worker's compensation benefits with respect to injuries or illnesses arising out of and in the course of employment with the Employer, provided that the pilot injured on the job reports the injury immediately to his supervisor. If the injury is not immediately apparent, the pilot must notify his supervisor as soon as the injury becomes apparent.

2. A pilot injured on the job will receive his worker's compensation benefits in accordance with applicable law. The Employer will make whole any lost wages for the pilot during the statutory waiting period to the extent that such wages are not paid by the Worker's Compensation carrier or the state. Thereafter, for pilots on WC as a result of an aircraft accident or incident, if such pilot does not have sufficient STO to bridge his WC benefit up to his normal bi-weekly base pay earnings, the Company will assist him by providing a supplemental payment up to a maximum of \$500/week until the date he qualifies for LTD or LOL.

3. The pilot shall inform his supervisor of the injury and immediately complete the First Report of Injury and give to the supervisor (unless urgent medical care is required for the pilot in which case this report shall be completed as soon as practical). If the pilot refuses medical attention, he must complete and sign the refusal of care form and give it to his supervisor.

4. A post-accident drug and alcohol screen will be performed if the injury is a direct result of the actions of the pilot or if required by Company policy, DOT or FAA regulations.

5. Pilots unable to report to work on their next scheduled workday due to an On the Job Injury (OJI) will be placed on Worker's Compensation (WC) leave of absence. VSTO and STO days will not be charged to a pilot who is injured on the job. The pilot is eligible to use Long-Term Disability insurance, if any, at the end of the waiting period. A Worker's Compensation leave and leave under the FMLA shall run concurrently in cases of on-the-job injuries or illness, except such leaves shall not prevent the pilot from obtaining an additional leave for other reasons covered by the FMLA within the twelve (12) month period prescribed by law.

6. A Workers Compensation leave of absence of up to one (1) year will be granted to a pilot who experiences an on-the-job injury/illness (OJI) and is medically required to be absent from work. If the pilot is unable to return to work following the one year leave, the Employer will consult with the pilot's physician and Aeromedical Medical Examiner in a review of the pilot's medical prognosis to determine if an extension of the leave is necessary, in which case the leave may be extended not to exceed thirty-six (36) months from the date of the injury.

7. WC leave will have no effect on the pilot's seniority with the Employer and the pilot will accrue VSTO or PTO while on WC leave for up to one year. All insurance benefits, if any, shall continue to be available to the pilot on the same basis as other active represented pilots for a maximum of twelve (12) months of WC leave. If the pilot

continues on Workers Compensation leave beyond twelve (12) months, he may continue his insurance benefits at the same premium rate as under COBRA.

8. A pilot on WC leave will contact his Supervisor or Human Resources weekly to update his progress and discuss returning to work. Depending on the nature or severity of the injury/illness, the Company may require less frequent updates.

9. If the pilot is unable to return to active duty, either in a restricted or unrestricted capacity, at the end of his Worker's Compensation leave of absence, his employment will be terminated.

10. The Employer may require an injured pilot to submit to a physical examination at the Employer's expense.

### Transitional Work Policy

1. At the Employer's discretion, a pilot on WC leave may be offered, and he may accept, a transitional work assignment within the restrictions placed on the pilot by the treating physician. Human Resources and the supervisor will work with the physician to determine if the pilot's restrictions allow him to perform the transitional work.

2. If the pilot is unable to return to work in his regular job, but can perform other duties beneficial to the organization, the supervisor working with Human Resources may temporarily assign the pilot to a transitional work assignment which falls into one of the following categories:

- A. he temporarily fills a vacant position;
- B. he performs work which will offset overtime or vacation.;
- C. he performs work which reduces the need for contractors or temporary pilots;  
or
- D. he performs project work beneficial to the Employer.

3. This arrangement will be reviewed by the Supervisor and Human Resources with the treating physician at least twice a month to determine if the pilot is able to return to full duty.

4. If the pilot's regular rate of base pay is within the pay range for the temporary assignment, then the pilot's base pay shall not be reduced, otherwise the Supervisor working with Human Resources will determine an appropriate pay rate.

5. It is the sole discretion of the Employer to return an injured/disabled pilot to work prior to their full medical release and to determine duration of the accommodation.

## **Article 14. Bereavement Leave**

1. The provisions of this section are intended to provide pilots with paid leave, if needed, in cases of death of a member of the pilot's immediate family while the pilot is scheduled to work.

2. Paid time may be granted to a pilot for a death to a member of the pilot's immediate family while the pilot is scheduled to work. Immediate family is defined as: Parent (or legal guardian), Sister, Brother, Spouse, Children, Grandparents, Mother-in-Law, or Father-in-Law, Step Parents, Step Children, Half Brother/Sister and Grand Children.

3. The Employer will grant bereavement leave for the death of a pilot's immediate family. This leave shall be granted for up to three (3) consecutive days for each occurrence, not to exceed 34.5 hours. Pilots will be paid for each duty day missed during this three day period. A pilot must receive Employer approval for time off work for bereavement leave and the pilot may use accrued VSTO or PTO to cover his pay for such additional time off.

The pilot shall provide, and the Employer will accept, reasonable proof of death and verification of the date of the funeral or memorial service to include: obituary, death certificate, newspaper article, etc.

## **Article 15. Jury Duty**

1. Jury Duty is considered an authorized absence with regular pay. Any monies received by a pilot from the court for Jury Duty shall be signed over to the Employer.

2. A copy of the jury summons should be forwarded to the Human Resources Department

3. Jury Duty pay is not applicable when a pilot is on leave of absence, VSTO or PTO /STO or EML or layoff.

4. In the event a pilot is released from Jury Duty on a duty day, he shall be required to return to his base provided the court is located within reasonable proximity to the base and he has at least six (6) hours remaining in his duty day.

5. If a pilot is called for Jury Duty twice within a twelve (12) month period in jurisdiction where citizens are exempt on the second call within the twelve (12) period, the Employer is not obliged to pay for Jury Duty.

6. Pilots under subpoena for reasons other than those benefiting the Employer or jury duty, will be charged VSTO or PTO. When VSTO or PTO is not available, the time off will be without pay.

## **Article 16. Fees and Physical Examinations**

1. It shall be the responsibility of each pilot to maintain an appropriate and current FAA medical certificate, and to provide a copy of this certificate to the Company by the 20<sup>th</sup> of the month in which it is due.

2. It shall be the responsibility of each pilot to maintain the appropriate FAA pilot certificate(s) required for his duty position. The pilot shall provide the most current certificate(s) to the Company, and immediately report any changes that affect the validity of those certificates.

It shall be the responsibility of each pilot to arrange his required medical examination as required by the FAA by a qualified aeromedical examiner of the pilot's choice. Such medical examinations are to be scheduled and conducted on the pilot's off duty time. Pilots will be reimbursed for one first class medical examination each calendar year. Reimbursements will be processed as an expense through payroll. Supervisors will approve/deny the expense. The flight physical receipt and a copy of Medical Certificate must be submitted with the flight physical expense voucher. Business Unit Directors or HR Business Partners will be responsible for final approval prior to payout. The Company will reimburse pilots for a second physical during the calendar year if it is required by a customer.

Beginning January 1, 2012, all pilots employed by PHI will be required to hold a First Class Medical Certificate renewed annually, however, pilots hired by PHI before November 1, 2010, who are not able to meet the Part 61 First Class Medical Certificate standards, but can meet the standards for issuance of a Second Class Medical Certificate will be authorized to continue to hold a Second Class Medical Certificate during their employment with PHI, so long as a letter from the pilot's Aviation Medical Examiner is provided.

3. When the Company believes that there are grounds to question a pilot's physical or mental condition to remain on flight status, the Company may require that such pilot be examined by a FAA designated aeromedical examiner (AME) selected by the Company. Further, there may be additional medical testing of pilots based on customer requirements. If the Company determines that additional pilot medical testing is required, it shall meet and confer with the Union in advance to explain the basis for such requirement and the nature of the testing. The Company shall pay for such medical examinations or tests required by the Company or customers pursuant to this Article. The pilot agrees to sign a medical release to allow a copy of the results to be given to the Company and the pilot shall also be provided a copy of this report. This report will state specifically if the pilot is unable to perform his duties.

5. A pilot who fails to pass the Company's medical examination may have a review of the case. Such review will be conducted by the Medical Certification Branch of the FAA. The pilot may, at his expense, have a second medical examination conducted and submitted along with the Employer's medical examination to this branch of the FAA.



## **Article 17. Training**

1. For the purposes of this agreement, the following terms apply to pilot training and duty position assignment:

- A. Initial New Hire Training. This training category is for newly hired pilots who have not had previous experience with the Employer or rehires who are not eligible for recurrent training. It also applies to pilots employed by the Employer who have not previously held a crewmember position.
- B. Initial Equipment Training. This category of training is for pilots who have been previously trained and qualified for a duty position by the Employer (not new hires) and who are being reassigned under the following circumstances:
  - 1. Reassignment to a different duty position or a different aircraft type and the crewmember has not been previously trained and qualified by the Employer for that duty position and aircraft type.
  - 2. Reassignment to an aircraft of a category or class for which the crewmember has not previously qualified with the Employer.
- C. Transition Training. This category of training is for a pilot who has been previously trained and qualified for a specific duty position by the Employer and who is being assigned to the same duty position on a different aircraft type.
- D. Upgrade or Promotion Training. This category of training is for a pilot who has been previously trained and qualified as First Officer, IFR (SIC or second in command) by the Employer and is being assigned as a Captain, IFR PIC or pilot in command) to the same aircraft type for which the pilot was previously trained and qualified.
- E. Recurrent Training. This category of training is for a pilot who has been trained and qualified by the Employer, who will continue to serve in the same duty position and aircraft type, and who must receive recurring training and/or checking within an appropriate eligibility period to maintain currency.
- F. Requalification Training. This category of training is for a pilot who has been trained and qualified by the Employer, but is not current to serve in a particular duty position and/or aircraft due to not having received recurrent training and/or a required flight or competency check within the appropriate eligibility period. Requalification training is also applicable if a crewmember fails a required test or check.
- G. Specialized Training. This is training conducted for pilots who are assigned to a job they have not previously flown for the Employer or is supplemental training. Some examples, but not a complete list, of specialized training are; fire fighting, long line, mountain, EMS, Offshore, and rescue hoisting; and some examples of supplemental training are water survival and customer required training.
- H. Duty Position: The functional or operating position of a crewmember. For purposes of this agreement, duty positions are Captain, IFR, First Officer, IFR, and Captain, VFR.

- I. Instructor: A pilot assigned to the Company Training Department and who has been designated a Company Instructor.
- J. Check Airman: A pilot assigned to the Company Training Department and who has been designated a Company Check Airman by the Federal Aviation Administration (FAA).
- K. Training Captain: A pilot assigned to the Company's Operations Division, and whose primary duties are as a Line Pilot, but who has been designated a Company Instructor.
- L. Line Check Airman: A pilot assigned to the Company's Operations Division, and whose primary duties are as a Line Pilot, but who is designated by the FAA as a Check Airman.
- M. Pilot Evaluations: Any flight, check or test, the purpose of which is to determine the pilot's competency for a particular aircraft or operation, or for the issuance or renewal of a required certificate or qualification.
- N. Pilot Observation: Any observation of operational performance or procedures, the purpose of which is to determine compliance with established operating procedures, or as part of the Company Safety Program.

2. When it becomes necessary to transition or upgrade (promote) pilots, bidding seniority shall be given priority to the extent possible subject to job and customer requirements.

### 3. Recurrent Training

- A. Recurrent training will be conducted in accordance with the Employer's FAA approved training program. Pay for recurrent training will be in accordance with Article 21, Section A.4.
- B. Each month the Employer will publish a list of those who are scheduled for recurrent training; however, it is the pilot's responsibility to know when his recurrent training and/or checkrides are due, and to notify the director of training if he has not been scheduled at the appropriate time. In the event a pilot is unable to attend training on the day(s) scheduled, he will notify the director of training or his representatives as far in advance as possible. If a mutually acceptable date cannot be agreed upon by the pilot and the Director of Training, the pilot shall be obligated to attend on the originally scheduled date(s).

### 4. Transition, Upgrade, and Initial Equipment Training, and Specialized Training

- A. Transition, Upgrade, and Initial Equipment training will be conducted in accordance with PHI's FAA approved training program. Pay for transition, Upgrade, and Initial Equipment training will be in accordance with Article 21, Section A.4.
- B. A pilot who fails training during an upgrade, transition, initial equipment or specialized course will not be eligible to reapply (in writing) for that training for six (6) months unless approved by the Chief Pilot, the Director of Operations or their representative. A second failure of an upgrade,

transition, initial equipment training or specialized course will make the pilot ineligible for that course for at least twelve (12) months, and only then with the approval of the Chief Pilot, the Director of Operations or their representative.

5. Initial New Hire Training: Initial New Hire training will be conducted in accordance with PHI's FAA approved training program. Pay for Initial New Hire Training will be in accordance with Article 21 Section A.4.

6. Training, Checking, or Testing Failures

- A. Training (Initial New Hire, Recurrent, Initial Equipment, Transition, Upgrade, or specialized training). A pilot who is unable to successfully complete a required portion of training will have that training discontinued. The Director of Training will consult with the pilot in an effort to determine the cause of the pilot's inability to complete the training. The pilot may request a change of instructor, and the Employer will grant this request if another instructor is available. If the pilot is still unable to successfully complete the training, the Director of Training will determine if training is to be continued or stopped. If the Director of Training stops the training, the pilot will be returned to his previous job. If that job no longer exists, the pilot will be assigned to the pilot pool. In the case of Initial New Hire training, the Chief Pilot or the Director of Operations will review the pilot's training records and make a determination as to the appropriate course of action.
- B. Checking or Testing Failures. A pilot who fails a required test or check will immediately be removed from flight duty if the nature of the failure requires such action. The pilot will be offered additional training if necessary, and a recheck, if he successfully completes the additional training, providing that the pilot has had no previous failures within the past three (3) years. The pilot may request a change of instructor or check airman, and the Employer will grant this request if another check airman is available. If the pilot has had a previous failure within the past three (3) years, the Chief Pilot or the Director of Operations will consult with the pilot and determine an appropriate course of action. If further training, testing or checking is approved by the Chief Pilot or the Director of Operations, the pilot may request a check airman change. The Employer will grant this request if another check airman is available. The pilot may request a recheck by an FAA inspector, and the Employer will make an effort to accommodate this recheck request, but does not control the availability of an FAA inspector. If the pilot fails the recheck, the Chief Pilot or Director of Operations will determine an appropriate course of action.
- C. Pay Procedures for Checking or Testing Failures. The Employer will make a reasonable effort to retest or recheck within seven (7) days of the date of the initial test or check failure. If the pilot fails a retest or recheck, he will be returned to his previous job, if qualified. If that job is not available, the pilot will be reassigned to the pilot pool, if qualified. The

Employer will provide housing and per diem for time spent in training, testing or retesting, and;

- (1) A pilot who fails any required test or check and has not failed a test or check within the past thirty-six (36) months will be ineligible for any additional pay during his scheduled time off and will be removed from flight duty. The pilot will be eligible for up to seven (7) scheduled workdays pay following the failure provided he has not declined to retest or recheck during his scheduled time off. If the additional time beyond the seven (7) scheduled missed workdays is due to the pilot's unavailability or the pilot declines the opportunity to retest or recheck during his scheduled time off, then all time for missed scheduled workdays will be either leave without pay or VSTO or PTO, until the pilot completes the retest or recheck. If the pilot does not have sufficient days of banked VSTO or PTO, the Company may provide advance VSTO or PTO days to meet training requirements.
- (2) A pilot who fails any required test or check and has failed a test or check within the preceding thirty-six (36) months will be ineligible for any additional pay during his scheduled time off and will be removed from flight duty and will be placed on leave without pay or VSTO, until he successfully passes the retest or recheck. If the pilot does not have sufficient banked VSTO or PTO, the Company may also consider, on a case-by-case basis, advancing VSTO or PTO days to meet training requirements.

7. Pilot Evaluations: Except for evaluations performed by FAA inspectors, or DOT Commercial Air Carrier Evaluators, pilot evaluations may only be performed by Check Airmen, Line Check Airmen, Instructors, or Training Captains, as defined above. Such evaluations must be accomplished in accord with established standards and the results of the evaluations may become a part of the pilot's training record.

8. Pilot Observations: Notwithstanding the provisions of Section 7 above, the Company may routinely conduct planned and random pilot observations. The findings of such observations should be de-identified to the greatest extent possible. Nothing in this Section or in Section 7 above in any way restricts the obligations of everyone to report unsafe practices, and the Company's right to act on those reports.

9. Training Committee: The parties agree to create a Joint Training Committee, which shall consist of two (2) representatives designated by the Employer, and two pilots designated by the Union (one pilot from the Oil and Gas Business Unit and one from the Air Medical Business Unit). The role of the Training Committee shall be to jointly review pilot recommendations for changes and improvements in the pilot training programs. Pilot representatives shall function in an advisory capacity. The Training Committee will meet periodically as necessary, but no less than once per year, ordinarily in the month of January. Part of the agenda at those meetings shall include a discussion of significant changes to standards, procedures or techniques that pilots should know before reporting for training, so that the Training Committee may disseminate such information to the pilots when appropriate.

## **Article 18. Facilities, Equipment and Uniforms**

### FACILITIES

1. Except for regular assignments in Fixed Wing, Air Medical, firefighting, the Lafayette Heliport, and other unique operations in remote areas, the Company shall provide pilots with clean and comfortable rooms for living quarter accommodations near its operating bases. These may be either apartment or home rental units, motels, or mobile homes. All Company-provided accommodations will be single occupancy, if available with the understanding that multiple occupancy may be required in extraordinary situations (e.g., hurricane evacuations or because of the limited availability of alternative accommodations). For Oil & Gas pilots, consistent with current practice, rooms will be provided under the following circumstances:

- A. When a pilot does not work within (30) miles of his home regardless of whether he is on regular work schedule or workover; or
- B. When travel back to his home would prevent the pilot from receiving required rest in accordance with FARs.

2. All existing living quarter accommodations provided by the Employer will be limited to a maximum of five (5) bedrooms. New mobile homes will be configured for four (4) bedrooms. When existing mobile homes are refurbished, the Company, where practical, will utilize only four bedrooms unless temporary overflow, or existing aircraft and personnel counts require the use of the fifth bedroom. If any pilot objects to such sleeping accommodations for valid reasons, the Employer will endeavor to place the pilot(s) in alternate accommodations. Quality furnishings will be provided in each mobile home, including air conditioning, furniture, two refrigerators, television with selectable cable or equivalent, stove and microwave oven, cooking and eating utensils, and washers and dryers in or near the living quarters. Additionally, where practical and economically feasible, the Company will endeavor to provide wireless, high-speed cable/DSL internet access in provided accommodations. In new or refurbished mobile homes, rooms will have upgraded furnishings to include a work surface with chair, a dresser or equivalent storage unit, and appropriate lighting (apartments will be upgraded in the same manner over the next two years).

3. For Company-provided accommodations in the Oil & Gas business unit, the Employer will provide maid service weekly, or more frequently as needed and practical, to clean the facility and replace towels and bed linens. Prior to assigning a room the Company will make a reasonable effort to ensure that the room has been prepared for occupancy. Adequate numbers of clean towels and linens will be provided to pilots at least once per week. Blankets, pillow covers and mattress covers will be washed as needed. In Company-provided apartment and home units, and mobile homes each bed will have a cotton mattress cover, pillow (with a pillow cover and case), a sheet set and one (1) blanket (with additional blankets available upon request). When a pilot vacates a room, it is his responsibility to remove his bed linens and place his towels and linens in the designated location inside the residence.

4. The Company will arrange transportation to and from Employer-provided off-base accommodations for pilots who are assigned to a different work location than the

location the pilot initially reported to, unless the pilot used his personal vehicle to move to that new work location. The Company will arrange transportation to such pilots at meal times as necessary, unless suitable meals are available at the worksite.

5. An Air Medical pilot on a temporary assignment or workover at a work location greater than a one-hour drive from his home, and working at a location other than his regularly assigned base, shall be provided with clean and comfortable housing near the assigned work location, and the Employer will arrange transportation to and from the accommodations when required. The Employer will provide or reimburse Air Medical pilots for accommodations, outside transportation (if required) and other reimbursable expenses when the pilot is required by the Company to remain overnight (RON). If a pilot is assigned to a fire fighting assignment or other unique remote area assignments, the Company will provide clean and comfortable housing where available.

6. If a pilot has a complaint about Company-provided accommodations, he shall report this complaint in writing (accompanied by photographs where possible) to his supervisor or Area Manager. The Union shall appoint a Crew Accommodations and Environmental Standards Committee to work jointly with the Company concerning pilot complaints and suggestions about pilot accommodations, uniforms and equipment. The Committee may also make written recommendations for uniform guidelines and standardization regarding those topics.

7. The Company will make a reasonable effort to insure that customer-provided accommodations are suitable, clean and comfortable. If a pilot finds the customer-provided accommodations substandard, he shall immediately report his specific complaint to the Company, and the Company will promptly investigate and seek to resolve the complaint. In any case where the customer-provided accommodations are substandard, with Company approval, the pilot may be permitted to move to another location with acceptable accommodations.

8. It will be the responsibility of each pilot housed in Company -provided accommodations to maintain the cleanliness of his area, treat all furnishings and appliances with care, and report any items in need of repair to the appropriate supervisor or Area Manager. Smoking is not permitted in Company-provided accommodations.

9. Company-provided accommodations are to be used by Company employees only.

#### EQUIPMENT

1. The Company shall make available to its pilots all equipment required to perform their duties.

2. Pilots are responsible for all equipment assigned to them, and if they lose equipment, or damage equipment through negligence, the pilot will be required to reimburse the Employer for the cost of the replacement. Company -provided equipment that becomes inoperative as a result of normal wear and tear will be repaired or replaced by the Company. Where practical and space permits, the Company will provide at its

bases a securable storage area for permanently assigned, on-duty pilots at those bases. Where feasible, a storage area for transient pilots will be provided.

3. The Company will provide each pilot with an individually assigned headset. If the pilot loses or damages the headset, the pilot will be required to purchase a replacement. Headsets that become inoperative as a result of normal wear and tear will be repaired or replaced by the Company. Additionally, where the Company requires helmets (generally associated with night vision goggles), they will also be provided to the pilots.

## PILOT UNIFORMS

1. Pilot uniforms are provided by the Employer and are required to be worn while on duty in the work environment. The Oil & Gas pilot uniform consists of tan shirt with shoulder boards and brown trousers. The IHTI pilot uniform consists of blue shirt with shoulder boards and blue trousers. The uniforms for Air Medical pilots will be flight suits with the pilot pockets and epaulettes with Captain Bars. They will also have the reflective stripe down the side for safety reasons. These flight suits will be a standard gold and black color, subject to change based on hospital affiliations or other business factors. All uniform colors are at the sole discretion of the Employer.

2. Oil & Gas pilots will be issued fourteen (14) garments for seven (7) complete uniforms when hired. Short or long sleeve shirts may be ordered in any combination totaling seven (7), but may not be substituted for ordering extra pants. The Company will endeavor to work with its supplier to provide a higher quality shirt and lighter-weight uniforms for summer wear. As current Air Medical pilot uniforms are required to be replaced, these pilots will be allotted three (3) nomex or four (4) cotton one-piece or two-piece flight suits in lieu of the standard seven (7) Oil & Gas style uniforms. In addition, a pilot may be issued up to four (4) caps per year.

3. Pilots' names will be displayed on the uniform shirts. Space limitations dictate a maximum of twenty-seven (27) total letters. The maximum number of letters for the first name is eleven (11). If the pilot's first name exceeds eleven (11) letters, the initial letter of the first name will precede the last name. A pilot may choose not to display his last name. Nicknames which are derivatives of given first, middle, or last names can be used on the uniform shirt.

4. The replacement of flight suits or uniforms for reasonable wear and tear will be based on Company approval.

5. Substitution or modification other than tailoring for proper fit of uniform parts is not permitted. Shirts will be worn tucked in. Belts will be worn. The headgear issued by the Employer or that of an appropriate customer or manufacturer may be worn.

6. Pilots shall maintain their uniforms in a clean and professional condition.

7. Pilots shall wear brown or black professional footwear.

**Article 19. Severance Pay**

1. A pilot who is laid off and goes on furlough with the Employer shall receive severance pay according to the schedule in Section 2 below except if one or more of the following conditions exist he shall receive no severance pay:

- A. He refuses to accept a job or assignment within his category as “pilot” with the Employer or;
- B. He is dismissed for cause, resigns or retires.

2. Severance pay will be paid within seven (7) days of the pilot’s furlough according to the following schedule:

<u>Years Company Service</u>	<u>Calendar Weeks Severance Pay</u>
1 year but less than 4 years	2
4 years but less than 8 years	4
8 years but less than 12 years	6
12 years but less than 16 years	8
16 years but less than 20 years	10
21 years or more	12

3. The Employer may offer voluntary leaves of absence or voluntary furloughs to offset scheduled furloughs. Any volunteer selected by the Employer for furlough shall be covered by the provisions of this Article.

4. Medical, dental and life insurance, if any, shall continue until the end of the month the pilot terminates provided such pilot pays appropriate premiums. The pilot will be eligible for COBRA coverage at that time.

## **Article 20. Moving Expense**

1. It is the policy of PHI to assist and ease the financial and other burdens associated with the reasonable expenses of relocation. This policy will provide uniform and equitable treatment regardless of work location within the United States.

2. Pilots who relocate at the request of the Employer who are required to live within one (1) hour of the job location shall be reimbursed under this policy, however, a move will only be paid if it results in the Employer not having to provide the pilot with Employer-provided accommodations at his new work location. In the event the Employer reimburses a pilot for relocation to a new job assignment and that job contract later ends, the Employer will reimburse the pilot's relocation to his previous domicile or his next assignment.

3. The Human Resources Department will assist relocating pilots to facilitate their move.

4. Eligible pilots will be reimbursed for reasonable expenses of moving as set forth below. Pilots will be eligible for such moving expense reimbursable once during the term of this Agreement (defined here as the period between its execution and amendable dates), unless the Company requests the pilot to relocate more frequently, or if, following his initial move under this contract, he is required to move to another Company assignment as a result of a reduction in force or a program closing, or his move is necessitated based on urgent personal need approved in advance by the Company.

A. Packing, insuring, shipping, unpacking and placement of household personal effects and reasonable items of furniture, furnishings, clothing, appliances, tools and equipment from the principal place of residence to the new home up to a maximum of 12,000 pounds. Special handling items as defined by the moving company will not be eligible for reimbursement (e.g.- transportation of pets/animals, boats, automobiles, motorcycles and heavy shop equipment).

B. Automobile(s) will not be transported as part of the household goods move. PHI will pay the cost of driving one vehicle per family by the most direct AAA highway mileage route at the current mileage rate established by the IRS. No expenses will be paid for a second vehicle.

C. Transportation of pilot and family at the time of the move:

- Mileage at current IRS rate by the most direct AAA highway mileage route from home to home
- Pilots will be allowed the following enroute expenses when properly substantiated by receipts during the period of enroute travel:

For pilot only - \$45.00/day

For pilot and Spouse - \$75.00/day

For each dependent child - \$20.00/day

- The period of enroute travel shall continue after arrival until the day the household effects arrive or until the end of the fifth (5<sup>th</sup>) day, whichever comes first.

D. For the purpose of determining necessary travel time, the Employer will allow one (1) travel day for each five hundred (500) miles or fraction thereof, to a maximum of five (5) travel days when driving a vehicle. The pilot is expected to move during his days off and be prepared to work on his assigned schedule. The most direct AAA mileage between the two (2) cities will determine travel time.

5. Pilots eligible for Employer paid moving expenses who elect to move themselves shall be reimbursed for actual moving expenses such as truck or trailer rental, gas, oil, drop-off and other Employer-approved expenses. Pilots must notify the Employer in advance of a move, receive prior Employer approval, and follow the specified procedures per Company policy in order to be reimbursed. Actual expenses reimbursed cannot exceed the total estimated cost of a Company-coordinated move.

6. Federal Tax Regulations require an Employer to include moving reimbursements as gross income. The Internal Revenue Code allows reasonable moving expense deductions provided pilots use the itemized deduction procedure when filing their income tax returns.

7. Pilots who voluntarily leave the Employer within twenty-four months of a paid move will be required to reimburse the Employer for all moving expenses provided herein prorated in accordance with the time he has spent at the base.

## **Article 21. Base Pay**

### **A. GENERAL PRINCIPLES**

1. A pilot will be placed in his appropriate pay scale based on the type of aircraft flown and his years with the Employer as a pilot, except where a pilot has been hired and given credit for appropriate previous experience.

2. On the first day of the first pay period in April of each year during the term of the Agreement, each pilot who was on the pilot payroll as of December 31<sup>st</sup> of the prior year, and who is not topped out in his respective pay scale, will move up one step on the appropriate pay scale.

3. Workover rate shall be computed by dividing the pilot's yearly basic salary, multiplied by the geographic differential and if applicable, plus grandfather pay by one hundred eighty-two (182) anticipated yearly workdays on his assigned work schedule plus 50%. This rate is referred to as the "regular workover rate."

4. A pilot who is required to participate in any training required by the Employer or a customer (other than initial new hire training) outside his normal work schedule will be paid a regular day's pay for that day (calculated by dividing his yearly base salary by the number of anticipated work days on his assigned schedule); provided, however, that he is in training for more than five (5) hours for that day. If the pilot spends five (5) hours or less in training as described above he shall be paid one-half (1/2) of a regular days pay for that day. Pilots participating in initial new hire training will be paid a regular monthly salary regardless of work schedule for the duration of this training.

5. Additional pay and benefits provided by customers, above and beyond those provided in this agreement, may be offered to pilots performing work for such customers. Also, upon advance notice and consultation with the Union, the Company may offer pilots signing or retention bonuses based on business needs.

6. In the event it becomes necessary for the Company to employ pilots with fewer than 1000 helicopter flight hours, they will be hired as VFR or IFR co-pilots and placed into the CP-A step level listed in Article 21, Section B, Captain, VFR pay scale. Such pilots shall advance to the next step level (i.e., CP-B or CP-C) each April (so long as the pilot's hire date in the first year of employment is before January 1). Those pilots will be eligible to be upgraded to Captain, VFR (PIC) upon reaching 1000 hours of rotorcraft time, and 250 hours and one year of appropriate operational experience. A pilot who is employed as a co-pilot and does not at least meet the qualifications to upgrade to step 1 of the Captain, VFR pay scale within three (3) years of his employment date, shall have his employment status reviewed by the Company. Additionally:

- a. Aircraft qualifications obtained while in a co-pilot status shall not be considered as a qualification for job awards in any case where an existing Company pilot has bid on that vacancy.
- b. A pilot who is employed as a co-pilot in accordance with this section will not accrue bidding seniority until he is qualified and moves out of the co-pilot

pay scale (i.e., CP-A, CP-B, or CP-C steps). At that time, his bidding seniority date will be adjusted to include the time spent as a co-pilot. In the event the Employer conducts a reduction-in-force, co-pilots will be the first to be laid off in reverse seniority order.

Should the Employer find it necessary to reduce the workforce, this program will be suspended and will not resume until all eligible furloughed pilots, except furloughed co-pilots, have been offered recall.

**B. OIL & GAS AND TRAINING BUSINESS UNIT BASE PAY**

1. April 2019

<b>Step</b>	<b>Capt. VFR</b>		<b>B - First Officer IFR</b>		<b>C - Capt. IFR - Medium</b>		<b>D - Capt. IFR - Heavy</b>
1	\$65,000		\$78,704		\$92,494		\$98,345
2	\$67,600		\$79,491		\$93,419		\$99,329
3	\$70,304		\$80,286		\$94,353		\$100,322
4	\$72,413		\$81,089		\$95,297		\$101,325
5	\$74,586		\$81,900		\$96,250		\$102,339
6	\$76,077		\$83,128		\$97,693		\$103,362
7	\$77,599		\$84,375		\$99,159		\$104,396
8	\$79,151		\$85,641		\$100,646		\$105,440
9	\$80,958		\$86,925		\$102,156		\$107,021
10	\$82,577		\$88,664		\$103,688		\$108,627
11	\$84,229		\$90,437		\$105,244		\$110,256
12	\$85,913		\$92,246		\$106,822		\$111,910
13	\$86,987		\$94,091		\$108,424		\$113,588
14	\$88,075		\$95,972		\$110,051		\$115,292
15	\$89,175		\$97,892		\$112,252		\$117,022
16	\$90,290		\$99,850		\$114,497		\$118,777
17	\$91,419		\$101,847		\$116,787		\$121,152
18	\$92,562		\$103,884		\$119,123		\$123,576
19	\$93,719		\$105,961		\$121,505		\$126,047
20	\$94,890		\$108,081		\$123,935		\$128,568
21	\$96,076		\$110,512		\$126,724		\$131,461
22	\$97,277		\$112,999		\$129,575		\$134,419
23	\$98,493		\$115,541		\$132,490		\$137,443
24	\$99,724		\$118,141		\$135,471		\$140,536
25	\$100,971		\$120,799		\$138,520		\$143,698

2. Any Retention Bonus paid under Section B (3) or Section B (4) is subject to provisions of Section A(5).

3. In the event that an O&G IFR Medium or Heavy Helicopter PIC demotes for any reason out of these two pay scales, or transfers to PHI Air Medical (unless such transfer is to the Air Medical IFR Medium PIC pay scale), that Captain's step level will

be adjusted to his/her step level pre-July 2, 2012, plus one step level for each April following the July 2, 2012 date.

4. A pilot who moves from the “Captain IFR (PIC), Aircraft Configured to 9 Passenger or Less” pay scale to the “Captain IFR (PIC), Aircraft Configured to 10 Passenger or More” pay scale is considered an Upgrade, while movement in the opposite direction between these two pay scales is considered a Downgrade. Any rotary wing pilot, who by the execution date of this Agreement has accepted an IFR Captain position in an aircraft configured to 9 passenger or less, and who is above the maximum pay of the new “Captain IFR (PIC), Aircraft Configured to 9 Passenger or Less” pay scale will be “grandfathered” at his pay rate until the earlier of: 1) the date that pilot transfers to a duty position covered by a different pay scale; or 2) the date the pay scale catches up to him; or 3) the amendable date of this Agreement.

5. Effective January 1, 2007, all medium and heavy ship IFR Captains are required to hold an Airline Transport Pilot (ATP) certification in the aircraft category and class for which the rating applies. Subject to Company approval, those Pilots successfully bidding on an IFR Captain position will be given the opportunity to obtain such rating within six (6) months following the date he accepted the position, and the Company will provide these Captains the required classroom training (either internally or externally), and reasonable aircraft time for training and the check ride. All eligible IFR First Officers in medium and heavy ship aircraft are strongly encouraged to obtain such certification, and subject to availability of training and aircraft, the Company will provide these First Officers required classroom training (either internally or externally) and reasonable aircraft time for training and the check ride.

6. An Oil & Gas or Training Instructor Pilot who moves to Air Medical and receives an additional Step level(s) due to meeting CAMTS standards (or one or more of the other factors used in determining step level), and who later returns to the Oil & Gas or Training Business Units will be adjusted to a step level commensurate with their colleagues; i.e., his step level will be adjusted to the step level at which he left the Oil & Gas or Training Business Unit plus one step level for each April of each year that elapsed for the duration of his absence from the Oil & Gas or Training Business Unit.

7. An Oil & Gas, or Training Instructor Pilot, who is assigned to a location outside the Gulf Coast area and is required to live within an hour’s drive of his new assignment may be eligible for a geographic differential based upon weighted criteria such as: 1) Cost of living (based on the Economic Research Institute database); 2) Quality of life (generally defined as the nearest city with a population greater than 50,000 as recorded in the most recent census, being 50 miles or greater from the base); and 3) Market analysis of air medical pilot salaries in that region (based on the Economic Research Institute database) and pilot availability.

C. AIR MEDICAL BUSINESS UNIT BASE PAY

1. *Captain VFR (PIC)/First Officer, IFR(SIC)/First Officer, Fixed Wing (SIC)*

Step	August 2013	August 2014	U.S. National Average Effective October 2017
CP-A	\$47,762	\$49,195	N/A
CP-B	\$51,344	\$52,884	N/A
CP-C	\$54,926	\$56,574	N/A
1	\$61,166	\$63,001	\$72,977
2	\$62,161	\$64,026	\$75,166
3	\$63,303	\$65,202	\$77,421
4	\$64,513	\$66,448	\$79,743
5	\$66,333	\$68,323	\$81,338
6	\$67,743	\$69,775	\$82,965
7	\$69,155	\$71,230	\$84,624
8	\$70,220	\$72,327	\$86,317
9	\$71,474	\$73,618	\$88,043
10	\$72,728	\$74,910	\$89,804
11	\$73,669	\$75,879	\$90,702
12	\$75,236	\$77,493	\$91,609
13	\$76,358	\$78,649	\$92,525
14	\$77,378	\$79,699	\$93,450
15	\$78,396	\$80,748	\$94,385
16	\$79,625	\$82,014	\$95,329
17	\$81,192	\$83,628	\$96,282
18	\$82,446	\$84,919	\$97,245
19	\$83,824	\$86,339	\$98,217
20	\$85,268	\$87,826	\$99,200
21	\$85,716	\$88,287	\$100,192
22	\$86,321	\$88,911	\$101,193
23	\$87,228	\$89,845	\$102,205
24	\$88,648	\$91,307	\$103,227
25	\$90,084	\$92,787	\$104,260

**2. Captain IFR, Aircraft Configured to 9 Passenger or Less/Captain IFR, Fixed Wing non-Turbo Jet (PIC)**

Step	August 2013	August 2014	U.S. National Average Effective October 2017
1	\$65,479	\$67,443	\$80,457
2	\$67,398	\$69,420	\$82,871
3	\$69,594	\$71,682	\$85,357
4	\$71,474	\$73,618	\$87,918
5	\$73,601	\$75,809	\$89,676
6	\$75,266	\$77,524	\$91,470
7	\$76,677	\$78,977	\$93,299
8	\$77,742	\$80,074	\$95,165
9	\$78,998	\$81,368	\$97,069
10	\$80,250	\$82,658	\$99,010
11	\$81,192	\$83,628	\$100,000
12	\$82,759	\$85,242	\$101,000
13	\$83,882	\$86,398	\$102,010
14	\$84,902	\$87,449	\$103,030
15	\$85,921	\$88,499	\$104,060
16	\$87,148	\$87,148	\$105,101
17	\$88,716	\$89,762	\$106,152
18	\$89,969	\$92,668	\$107,214
19	\$91,349	\$94,089	\$108,286
20	\$92,792	\$95,576	\$109,369
21	\$94,044	\$96,865	\$110,462
22	\$95,613	\$98,481	\$111,567
23	\$96,929	\$99,837	\$112,683
24	\$98,433	\$101,386	\$113,809
25	\$100,001	\$103,001	\$114,947

3. ***Captain Turbo Jet IFR (PIC)***

Step	August 2013	August 2014	U.S. National Average Effective October 2017
1	\$71,292	\$73,431	\$88,704
2	\$73,213	\$75,409	\$91,365
3	\$75,407	\$77,669	\$94,106
4	\$77,290	\$79,609	\$96,930
5	\$79,415	\$81,797	\$98,868
6	\$81,082	\$83,514	\$100,846
7	\$82,494	\$84,969	\$102,862
8	\$83,559	\$86,066	\$104,920
9	\$84,812	\$87,356	\$107,018
10	\$86,067	\$88,649	\$109,158
11	\$87,007	\$89,617	\$110,250
12	\$88,575	\$91,232	\$111,353
13	\$89,698	\$92,389	\$112,466
14	\$90,717	\$93,439	\$113,591
15	\$91,736	\$94,488	\$114,727
16	\$92,964	\$95,753	\$115,874
17	\$94,530	\$97,366	\$117,033
18	\$95,786	\$98,660	\$118,203
19	\$97,165	\$100,080	\$119,385
20	\$98,606	\$101,564	\$120,579
21	\$99,861	\$102,857	\$121,785
22	\$101,427	\$104,470	\$121,785
23	\$102,744	\$105,826	\$121,785
24	\$104,248	\$107,375	\$121,785
25	\$105,816	\$108,990	\$121,785

4. *Captain, Medium IFR (PIC) (currently only S-76)*

Step	August 2013	August 2014	U.S. National Average Effective October 2017
1	\$71,390	\$73,532	\$84,480
2	\$72,848	\$75,033	\$87,015
3	\$74,305	\$76,534	\$89,625
4	\$75,763	\$78,036	\$92,314
5	\$77,220	\$79,537	\$94,160
6	\$78,678	\$81,038	\$96,043
7	\$80,135	\$82,539	\$97,964
8	\$81,592	\$84,040	\$99,924
9	\$83,050	\$85,542	\$101,922
10	\$84,507	\$87,042	\$103,960
11	\$85,965	\$88,544	\$105,000
12	\$87,422	\$90,045	\$106,050
13	\$88,880	\$91,546	\$107,111
14	\$90,337	\$93,047	\$108,182
15	\$91,795	\$94,549	\$109,263
16	\$93,252	\$96,050	\$110,356
17	\$94,710	\$97,551	\$111,460
18	\$96,167	\$99,052	\$112,574
19	\$97,624	\$100,553	\$113,700
20	\$99,082	\$102,054	\$114,837
21	\$100,539	\$103,555	\$115,985
22	\$101,997	\$105,057	\$117,145
23	\$103,454	\$106,558	\$118,317
24	\$104,912	\$108,059	\$119,500
25	\$106,430	\$109,623	\$120,695

5. Any Retention Bonus paid under Section C(4) is subject to provisions of Section A(5).

6. In the event that an Air Medical IFR Medium Helicopter PIC demotes for any reason to the Air Medical VFR/IFR SIC pay scale, or to the IFR 9 passenger or less pay scale, or transfers to PHI Oil & Gas Division (unless such transfer is to the IFR Medium or Heavy Ship Captain pay scale), that Captain's step level will be adjusted to his/her step level pre-July 2, 2012, plus one step level for each April following the July 2, 2012 date.

In the event that a Pilot promotes to the Turbo Jet IFR position, the step level will be determined based on current step number, minus four (4) steps. [Language in green font modified under self-help September 2017]

7. An Air Medical pilot who transfers to an Oil & Gas position with limited or no experience in Oil & Gas or vice versa from Oil & Gas or another Business Unit to Air

Medical with limited to no experience in Air Medical may have their step level adjusted downward or upward to reflect that lack of experience. .

8. Any rotary wing pilot, who by the execution date of this Agreement has accepted a position within Air Medical under the “Captain IFR (PIC), Aircraft configured to 10 Passenger or More” pay scale and who is above the maximum pay of the new “Captain IFR (PIC), Aircraft Configured to 9 Passenger or Less” pay scale will be “grandfathered” at his pay rate until the earlier of: 1) the date that pilot transfers to another position outside that base; or 2) the date the program at that base is converted to a VFR program, if ever; or 3) the date the pay scale catches up to him; or 4) the amendable date of this Agreement.

9. A Pilot who transfers from other Business Units to Air Medical will be reviewed for appropriate experience and may have his step level adjusted downward or upward based on such factors as meeting CAMTS pilot standards, prior civilian air medical industry flying experience, local area flying experience, and night vision goggle flying experience.

10. An Air Medical Pilot who is hired at a higher step level (e.g., a step level higher than he normally would have been offered) as a result of a program acquisition or takeover, and who later moves to a different Air Medical location may have his step level adjusted based on the step levels of similarly situated pilots at the new location.

11. In accordance with the Air Medical Geographic Pay Policy, and consistent with geographic differentials applied to all other Air Medical employees, an Air Medical Pilot is eligible for a geographic differential based on the Cost of Labor information, data based on the Economic Research Institute database.

The Geographic Differentials (“geo diffs”) are set at 100% of the U.S. Average. The geo diff multiplier is based on the cost of labor wages where the Base is located. The geo diff is used to determine the annual basic salary.

The Geographical Differential Chart is located in the Air Medical Compensation Relationship Manual.

## Article 22. Pilot Bonuses

1. Pilots will be eligible for the following bonuses for the period of time they are working the schedule:

### Schedule Bonuses

Helicopter & Fixed Wing Pilots

5&2 Schedule (14 hour duty day only)- 25% of base pay up (maximum of \$1,150/month)

5&2 Schedule (8-10 hour duty day)- \$350 per month

2 for 1 Schedule – 50% of base pay per completed cycle

### Duty Bonuses

Lead Pilot - \$25 per day (\$30/day if Lead Pilot flies a contract job)

Instructor - \$300 per month

Instructor Pilots– Effective November 10, 2014, \$300 per month for initial 12 months of assignment, effective November 10, 2015, \$525 per month for second 12 months or more of assignment, and effective November 10, 2016 and thereafter, \$750 per month for pilots with more than 24 months in his assignment.

Check Airman - Effective November 10, 2014, \$1200 per month for initial 12 months of assignment, effective November 10, 2015, \$1350 per month for second 12 months or more of assignment, and effective November 10, 2016 and thereafter, \$1500 per month for pilots with more than 24 months in his assignment.

Flight Operations Safety & Quality Assurance- \$500/month (effective 6/17/13)

Air Medical First Officer, IFR (SIC) - \$125 per month

Captain, VFR (PIC) single pilot medium aircraft (reconfigured to 9 or less passengers) - \$75 per month (see Note 1 below)

Captain, VFR (PIC) dual pilot VFR medium aircraft (10 passenger or more) - \$75 per month (see Note 1 below)

Air Medical Heavy Ship First Officer (SIC) (Large Aircraft/Turbo-Jet Airplane per Article 8) - \$150 per month

Heavy Ship Captain (PIC) (Large Aircraft/Turbo-Jet Airplane per Article 8)- \$300 per month

### Certification Bonuses

**Airline Transport Pilot Rating-** \$100 per month only when a pilot is flying the aircraft category and class for which the rating applies.

Note 1: To qualify for this bonus, pilot(s) must be permanently assigned as either single pilot Captain, VFR medium aircraft reconfigured to 9 passenger or less; or dual pilot

Captain, VFR medium aircraft 10 passenger or more. These VFR medium aircraft configurations will only be at customer request and will usually be flown with VFR medium aircraft added to Employer's fleet (and are not anticipated to constitute a significant portion of the Employer's fleet).

**Multiple Aircraft Currency-** Pilots required to maintain currency in more than three (3) aircraft makes and models requiring separate flight checks in accordance with CER14, Part 135.293 will be paid a monthly bonus of \$100. This does not apply to aircraft considered to be in a series, e.g.:

- Bell 206B, L, L1, L3, etc.
- SK76 A, A++, C, C+, C++
- Bell 212/412
- AS 350 B2, B3
- BO105, CB4, CBS5

### Base Supervisor Bonuses

Air Medical or Domestic Oil & Gas pilots who are offered and accept a Base Supervisor position will remain on the Pilot Pay scales and will be paid an annual bonus of \$10,000.00 for as long as they hold the position. In either case, Lead Pilot bonuses will not apply to pilots who accept and hold a Base Supervisor position.

## Article 23. Other Bonuses & Employee Incentive Bonus Plan

### A. Other Bonuses

1. Offshore Bonus- In addition to his base salary, a pilot who is required by the Employer or the customer to remain at an offshore location overnight shall receive sixty (60) dollars per night.
  
2. Holiday Pay- The Employer recognizes **seven** holidays per calendar year: New Year's Day, Memorial Day, 4<sup>th</sup> of July, Labor Day, Thanksgiving Day, **Day After Thanksgiving** and Christmas Day. Any pilot who works on an Employer designated holiday shall receive an additional eight hours pay at his Workover rate. Holiday pay shall be calculated on the basis of actual hours worked by the pilot during the 24 hour period of a holiday, although a pilot who works any time on a holiday shall not receive less than two (2) hours holiday pay.

### B. Employee Incentive Bonus Plan

Award Breakdown (see Note at end of document for Definition of Terms)

Individual Award Component	
Quarterly Awards (Non-earnings related)	Annual Awards (Based on Threshold \$35M EBT)
Based on achievement of TRIR and TPER goals- quarterly award is not linked to Profitability (EBT).	Profitability Component based on achievement of business unit earnings targets, pool adjusted for TFAR.
50% reactive; 50% Pro-active (TPER). If only one of these is achieved, quarterly payment based on exposure level will be halved.	Safety Component based on achievement of annual TRIR and TPER Goals and achievement of business unit earnings target.
Earned at the end of each quarter; missed payments made up if PHI achieves annual TRIR & TPER goals; vested quarters paid January the following year.	Paid at the end of the 1 <sup>st</sup> Quarter following the plan year.

Funding

Safety Performance Pool	Profitability Pool (Based on EBT)
Quarterly Safety Award not based on earnings (Low exposure=\$50, Medium exposure=\$75, High exposure=\$100). For Annual Safety Award - up to 2% of pro-rata EBT (adjusted for TRIR & TPER) if business unit earnings target achieved.	For Annual Safety Award - 5% of pro-rata EBT (adjusted for TFAR) based on achievement of business unit earnings target.

Team Award

Team Award Component
Allocate \$15.00 per employee to each department/base to fund team safety functions throughout the year.

- Eligible employees are all active full-time and part-time 2 employees, excluding Senior Management, who are on the payroll as of December 31 of each plan year.
- The Quarterly Safety Award is not linked to Earnings before Tax (EBT) or business unit earnings targets and is vested at the end of each calendar quarter based on achievement of TRIR and TPER goals and adjusted for exposure level. Employees are eligible for the Quarterly Safety Award in any calendar quarter in which they were employed at least forty-five (45) days by PHI, and who are on the payroll as of the last day of that calendar quarter.

- The Quarterly Safety Award is measured using business unit TRIR and TPER (50% each). An amount equal to \$50 for Low Exposure, \$75 for Medium Exposure and \$100 for High Exposure will be accrued to all eligible employees if the Company meets its TRIR and TPER goals for that calendar quarter. If only 50% of the goals are met, then 50% of the quarterly payment will be accrued. If the overall business unit TRIR and TPER goals are met for the calendar year, any Quarterly Safety Award payments which were not accrued, or were only partially accrued during the plan year (because the Company failed to achieve the TRIR and/or TPER targets for that calendar quarter), will be made up. The total of the accrued Quarterly Safety Awards will be paid in January of the following year.
- Except for the Quarterly Safety Award, no bonus will be paid under the Annual Profitability bonus or the Annual Safety bonus unless the business unit achieves their respective earnings target, exclusive of corporate load, financial adjustments not related to operations (i.e., gain or loss on sale of aircraft, gain or loss due to debt restructuring, etc.).
- The calculation of the Annual Profitability bonus pool and the Annual Safety bonus pool are adjusted on a pro-rata basis for all employee groups not participating in the Plan.
- The Annual Profitability bonus is measured using the earnings target for the respective business unit. If the business unit achieves its earnings target, then a pro-rata portion of 5% of EBT will be calculated as an Annual Profitability bonus pool for eligible employees. Since the Company's TFAR significantly impacts profitability and insurance costs, it will be used to adjust upwards (favorable) or downwards (unfavorable) the amount of the Profitability pool to be distributed to eligible employees (*see Chart heading "Flight Accident Rate" below*).
- The Annual Safety bonus is based on the achievement of business unit TRIR and TPER goals for a calendar year. If the business unit achieves its annual safety goals (as described below) and it achieves its earnings target, then 1.0% to 2% of pro-rata EBT will be calculated as a Safety Component pool for eligible employees (*see Chart heading "OSHA Recordable Rate & Pro-Active Efforts Rate" below*). If the business unit achieves both its annual TRIR goal and its TPER goal, then any missed or partial Quarterly Safety Awards will be made up.
- For the Annual Safety bonus, if the Business Unit achieves its earnings target, a TRIR target of 0.75 or less, and its TPER goal or greater for the calendar year, then 2% of pro-rata EBT will be calculated as a Safety bonus pool. However, if the business unit achieves a TRIR of 0.76 to 0.90, its TPER goal or greater, then 1.5% of pro-rata EBT will be calculated as a Safety bonus pool, or if the Business Unit achieves a TRIR of 0.91 to 1.00 and its TPER goal or greater, then 1.0% of pro-rata EBT will be calculated as a Safety bonus pool to business unit employees. If the business unit has a TRIR rate greater than 1.0 and/or does not achieve its TPER target, then eligible employees will only be eligible for the Quarterly Safety Performance Bonus, assuming quarterly safety goals are met.
- Employees who are hired during the plan year are eligible for both a pro-rated Annual Profitability bonus and a pro-rated Annual Safety bonus in their first year of employment, assuming appropriate targets are met and annual payments are made under the plan.

Annual Payouts below require business unit to achieve its earnings target

Flight Accident Rate	OSHA Recordable Rate & Pro-Active Efforts Rate
TFAR of 0.0, 125% of Profitability Component pool (6.25% of pro-rata EBT)	Business unit achieves TRIR target of 0.75 or less and its TPER target, Quarterly Safety Performance Bonus plus 2.0% of pro-rata EBT.
TFAR of $\leq 0.5$ , 100% of Profitability Component pool (5% of pro-rata EBT)	Business unit achieves TRIR of 0.90 or less and its TPER target, Quarterly Safety Performance Bonus plus + 1.5% pro-rata EBT; or a TRIR of 1.00 or less and its TPER target, Quarterly Safety Performance Bonus plus +1.0% of pro-rata EBT.
TFAR of >0.5-1.0, 66.6% of Profitability Component pool (3.5% of pro-rata EBT)	Business unit achieves TRIR of >1.0 and/or does not meet its TPER target, Quarterly Safety Performance Bonus only
TFAR of >1.0-1.5, 33.3% of Profitability Component pool (1.75% of pro-rata EBT)	
TFAR of >1.5, no Profitability Component paid	

**NOTE- DEFINITION OF TERMS:**

TRIR= Total Recordable Incident Rate

TFAR= Total Flight Accident Rate

TPER= Total Pro-active Efforts Rate

EBT= Earnings Before Tax

## **Article 24. Workover**

1. All pilots who work extra duty days over and above their assigned work schedule will be paid for the extra days worked at a workover rate (Article 21, Section A.3), except that all types of training outside the pilot's normal work schedule shall be paid according to Article 21, Section A.4.
2. Business unit work locations within a geographic region may be grouped (e.g., by geographic proximity or by aircraft type) for the purpose of consolidating workover. The Director of Operations, or his representative, shall approve all grouping and grouping criteria and will delegate the appropriate authority within any approved consolidated area for collecting and awarding workover. A complete list of base groupings including the name of the designated individual(s) responsible for collecting and awarding workover will be posted and made available to the Union. The Director of Operations, or his representative, shall ensure that the list is updated whenever new bases are added or the grouping of bases changes.
3. Where different business unit work sites are in such geographic proximity that applicants for workover from other business units could reasonably be available, qualified pilots in each business unit may apply for and be awarded workover in other business units. However, qualified pilots within the business unit where workover is available shall have assignment priority over qualified pilots from any other business unit.
4. Separate workover volunteer lists will be maintained at each base or at a specified location covering a business unit region as described in Section 2 above, and at Lafayette Scheduling. These lists will indicate the days the pilot is willing to "workover" at particular bases on his normal time off. Each list will include a telephone number (or pager number) where the pilot may be reached. Workover will be limited to a maximum of four days for any seven-day off-time period unless otherwise approved by the business unit manager or Director of Operations. A pilot who desires to have his name added to the workover list at a specific base(s) shall notify by Sunday 12 noon in writing (email, fax or otherwise) the appropriate Area Manager(s) (or their representatives) of his desire to workover. Each pilot is limited to requesting workover at two (2) specific bases; however, a geographic grouping provided for in Section 2, above, shall constitute one (1) base for this purpose. In addition, he may also send his workover request to Lafayette Scheduling. Workover requests shall include the pilot's name and contact number, the date(s) the pilot is available for workover, the aircraft the pilot is qualified to fly, his current job assignment and the date of his last workover. If the pilot is assigned offshore and has no means of notifying the base(s) except by telephone, the base will accept and note on the workover list such verbal notification for this pilot. If the pilot is willing to workover at any base, he will send his workover request to Lafayette Scheduling and will include the information listed above. Each workover list will be revised at the end of each calendar quarter, and each pilot on a workover list will be required to reaffirm his desire to remain on that list, and pilots who desire to have their name added to a workover list will be required to submit their workover requests as described above. The Company will attempt to provide pilots the opportunity to reaffirm, designate "temporarily unavailable" and add their names to workover lists via an Internet-based workover database.

5. The Employer will award workover to pilots on the workover list in the following order:

- A. To pilots with off days between training and their normal work hitch. Where pilots are assigned to work locations where accommodations are provided, workover applicants who must report for training during their scheduled time off have priority for workover on those days between the end of their scheduled work time and the beginning of training, and between the end of training and the beginning of their scheduled work time. Such priority is available only to the extent that such pilots can be available for workover, and provided that such workover does not interfere with the pilot's scheduled training and related crew rest requirements.
- B. To pilots on that job at the base, so long as the anticipated workover does not exceed two consecutive work hitches of workover for any pilot. In cases where the need for workover can be expected to exceed two consecutive work hitches, workover subsequent to the initial two hitches will be awarded in accord with Subsection C & D below (so long as the customer does not insist that the pilot on that job continue to perform such workover).
- C. For Oil & Gas operations, on a rotating basis to all other qualified pilots starting with the pilot who reported the greatest length of time since his last workover date. In the event two or more pilots report the same length of time since their last workover, the pilot with the most bidding seniority will receive the workover.
- D. For Air Medical operations, on a rotating basis to all other qualified pilots in that geographic grouping starting with the pilot who reported the greatest length of time since his last workover date. In the event two or more pilots report the same length of time since their last workover, the pilot with the most bidding seniority will receive the workover. In the event that no pilot is available within the geographic grouping, the workover will be awarded to other pilots who are both qualified and oriented to the geographic group, starting with the pilot who reported the greatest length of time since his last workover date.
- E. If an unexpected workover requirement is of an emergency nature (i.e., an emergency where the pilot must report for duty within two (2) hours), then the Company may bypass all steps above and award the workover in accordance with Section 10 of this Article. If the Company is unable to fill the workover in this manner, it may fill the emergency workover in any manner it chooses.

6. Workover will first be awarded to pilot applicants in the same duty position. Regardless of duty assignment, workover will be paid at the workover rate based on the pilot's current pay level. "Last workover" is defined as a pilot's most recent complete day of workover or a pilot's workover turn-down of at least one full day of workover, if the pilot turned down workover from a list on which he had added his name. Notwithstanding the foregoing, a pilot may direct that his name be temporarily removed

from consideration for workover without harm to his relative standing for workover assignment (it being understood that such pilot will also be responsible to reinstate his availability at the appropriate time). When a base workover list is exhausted, Lafayette Scheduling will provide a pilot for the workover on the same basis as described above. When the workover lists are exhausted, the Employer may fill the position with any qualified pilot who is employed by the Employer.

7. If the Employer is unable to fill the job requirement under the procedures outlined in this Article, workovers within geographic regions (as provided in Section 2 above), shall be assigned based on bidding seniority, starting with the least senior qualified pilot who has not performed workover within the previous sixty (60) calendar days, except that once a pilot has been selected for any instance of mandatory workover, not to exceed four (4) calendar days per instance, the next least senior qualified pilot shall be required to accept the next mandated workover and so on until the appropriate seniority list is exhausted. Further assigned workovers would then reuse the exhausted seniority list, including those pilots who have performed a workover within the last sixty (60) days exempting only those pilots who have reached eight (8) mandated workover days in a calendar year. Unless compelling business or operational conditions otherwise require, a pilot will not be required to accept more than three (3) instances of mandated workover or a total of eight (8) mandated workover days in a calendar year, whichever occurs first. As in the past, the Company will consider on a case-by-case basis, extraordinary circumstances for excusing pilots from mandatory workover, or if that is not possible to reimburse pilots for appropriate out-of-pocket expenses incurred or lost as a result of the mandatory workover. Mandated workover shall not be counted as last workover date for pilots who express interest in workover on a voluntary basis. The Company will explore the feasibility of tracking, reporting and considering pilot voluntary workover such that pilots who have worked a certain level of voluntary workover may be initially bypassed for mandatory workover. The Company will also explore the feasibility of establishing a standby workover list and other ways of giving as much advance notice as possible of required workover.

8. In order to maintain an accurate last workover date for pilots, each pilot will be required to resubmit a workover request each time he performs a workover (continuous workover without a day off shall be considered a single workover) if he desires additional workover. The Company will explore the feasibility of creating an Internet based (or at least an Intranet based) log for reporting and tracking pilot workover.

9. Once the pilot has accepted a specific workover assignment, it may not be changed without prior mutual agreement between the pilot and the Employer, unless a) the workover assignment is as a spare pilot in which case the pilot may be required to fly alternate assignments; or b) the pilot's specific workover assignment is cancelled in which case the pilot will be offered an alternate workover assignment, unless no such alternate assignment is reasonably available.

10. The pilot will designate on the workover request form with the Area Manager (or his representative) if he is available for "emergency workover" (workover opportunity which requires the pilot to report within two hours). Qualified pilots will be

selected for emergency workovers on the same basis as described in Sections 5 and 6 above.

11. A pilot may request and be approved by the Employer to take compensatory time in lieu of receiving workover pay. A pilot will be compensated at his regular base pay for any approved compensatory time taken.

12. A pilot will be passed over for workovers when:

- A. A pilot is not qualified.
- B. A customer requests a certain pilot or requests that a certain pilot not fly his job.
- C. There is a conflict with a pilot's regular job (e.g., FAR limitations).
- D. The days of a pilot's availability conflict with the days or duration of the workover requirement.
- E. An off-duty pilot does not answer a phone call from the Employer or does not return a message left on his answering machine within fifteen (15) minutes. The time and date of the attempted call to contact the pilot will be documented by the Employer.
- F. A pilot is unable to give a definitive answer within fifteen (15) minutes.
- G. An off-duty pilot will be allowed to use a pager as his contact number only for normal workovers and will have fifteen (15) minutes to respond to his page or he will be passed over for a workover assignment. The pilot is responsible to make certain that his pager is in working order.
- H. An on-duty pilot at a remote location cannot be contacted within two (2) hours.

13. A pilot who has expressed interest in workover and subsequently refuses two consecutive workover offers will be removed from the workover list for the next four (4) calendar weeks, and he may not put his name back on that specific workover list during this period.

14. For the purpose of this Article, Instructor/Training pilots are considered a separate business unit. The Director of Training or his designee shall determine workover in the Training Department. The Director of Operations and the Director of Training (or their designees) shall determine placement of Instructor/Check Airmen in the performance of their duties, including line checks. Instructors/Check Airmen will not be assigned workover in accordance with Section 7 of this Article outside their business unit unless business conditions otherwise dictate.

15. For jobs that are assigned to pilot/mechanics, any qualified pilot/mechanic will be called first for those workover assignments.

16. If a pilot on a Gulf of Mexico assignment is required to remain overnight due to routinely scheduled head-to-head crew change requirements, he will receive workover pay based on duty time rounded to the next hour with a minimum of four (4) hours and a maximum of one full day workover once he has been on duty at least eight (8) hours for that day.

17. The Employer reserves the option to pay a premium rate (e.g., workover) for all time it deems appropriate due to operational necessity. The Employer will meet and confer with the Union prior to implementing a premium rate.

18. A pilot attending any training required by the Employer or a customer outside his normal work schedule will normally not be eligible for workover opportunities for those days spent in training.

19. The remedy for Employer errors, except those caused by the pilot(s) involved in the error, will be one (1) hour workover paid for each workover day missed due to the error, up to a maximum of four (4) hours workover pay.

20. When the Employer schedules a pilot for workover and later cancels that workover, if the Employer provides the pilot at least twenty-four hours notice, or the workover is scheduled at the end of a pilot's work hitch, the Employer is not obligated to pay the pilot any workover pay. If the workover is scheduled during the middle of a pilot's days off (i.e., with at least one scheduled day off between the workover and his regular work hitch) or immediately prior to the pilot's scheduled work hitch, then the following applies:

- A. If the pilot has not yet departed when he receives the workover cancellation notice, he will not be eligible for workover pay, but the pilot will be reimbursed for all incurred, reasonable and customary out-of-pocket expenses;
- B. Except in Air Medical, if the pilot has departed for or arrived at the base for the workover prior to the cancellation of the workover, then the pilot will be offered an alternate workover assignment, or if such alternate workover assignment is not reasonably available, then he will be paid for the workover as scheduled (so long as he reports for duty and remains available for the duration of the assigned workover).
- C. In Air Medical, if a pilot has departed for or arrived at the base for a workover (not in his geographic region) prior to the cancellation of the workover, then the pilot will be offered an alternate workover assignment, or if such alternate workover assignment is not reasonably available, then he will be sent home and paid one (1) day workover pay and the Company will consider additional workover pay for required travel time; otherwise (that is, for workovers within the same geographic region), he will be sent home and paid two (2) hours workover pay.

In all cases where workover is paid and the pilot has reported for duty, the pilot may be required to accept an alternate assignment for the duration of the workover. If the pilot declines to take such alternate workover assignment, he will not be eligible for workover pay, but the Company will consider on a case-by-case basis reimbursing pilots for incurred, reasonable and customary out-of-pocket expenses incurred or lost as a result of the cancelled workover.

## **Article 25. Travel Pay**

1. If a pilot is required to move between two or more field bases or another PHI designated location during his normal work schedule and that pilot uses personal transportation, a mileage allowance equal to the IRS standard mileage rate per mile will be paid (this IRS standard rate shall be the basis for mileage reimbursement throughout this Article). A mileage allowance will also be paid if a pilot is required to go directly from one base to another for workover in conjunction with that person's regular work hitch. Such mileage allowance will be paid on the basis of an Employer approved mileage chart calculated using the most direct route between bases.
2. An Oil & Gas pilot who drives his/her personal vehicle to perform a workover during his scheduled days off will receive mileage reimbursement so long as:
  - the pilot has, and takes, at least one scheduled day off both before the workover and after the workover (i.e., between the workover day(s) and any regular scheduled work hitch); and
  - the Company is required to provide housing for the employee during the workover.

Where a pilot qualifies for mileage reimbursement as described above, he will receive round trip mileage reimbursement for the actual round trip mileage from the most direct route between his residence and the workover location.

3. If an Air Medical pilot drives his personal vehicle to work for the purpose of either: 1) performing a workover at a base other than his regularly assigned base; or 2) performing work at Company request at a base other than his regularly assigned base during his regular work hitch, he will receive mileage reimbursement for the most direct round-trip mileage between his residence and the base where he is performing the work.
4. A pilot who is assigned involuntary workover and who is required to change airline reservations as the result of that assignment shall have any change fees and/or the difference in airline ticket cost reimbursed by the Company after providing appropriate verification for such charges.

## **Article 26. Supplements & Per Diem**

1. A pilot shall receive supplements when company housing is provided as described in Article 18, Section 1. A pilot shall receive per diem as described in Section 3(C) below.

2. A pilot cannot receive both an offshore bonus and a supplement (or per diem) for the same workday.

3. Supplements or per diem shall be paid as follows:

A. A supplement of six (6) dollars per meal to a maximum of eighteen (18) dollars per day when the pilot is working at his regularly assigned base.

B. A supplement of ten (10) dollars per meal to a maximum of thirty (30) dollars per day for:

(1) Pilots assigned to the pilot pool;

(2) A pilot on a regular work schedule who is required to relocate via vehicle or aircraft after arriving at his assigned base;

(3) A pilot assigned to an offshore contract and normally required to remain offshore who is required to RON onshore during his work schedule.

(4) A pilot attending training at PHI's facilities, or at a 3<sup>rd</sup> party facility within the greater Lafayette, LA area (e.g., Flight Safety in Carencro, LA).

C. A per diem of ten (10) dollars per meal to a maximum of thirty (30) dollars per day for:

(1) An Air Medical pilot who works away from his regularly assigned base and who is required to RON in Company provided housing;

(2) An Air Medical pool pilot who works at an Air Medical base greater than a one hour drive from his residence;

(3) An Oil & Gas pilot who works over in Air Medical (or at any location in the United States outside the Company's Gulf of Mexico operations) and who is required to RON in Company provided housing;

(4) A pilot attending training at locations other than PHI facilities, or at a 3<sup>rd</sup> party facility outside the greater Lafayette, LA facility (e.g., Flight Safety Training in Palm Beach); and

(5) A pilot shuttling aircraft outside the Gulf of Mexico operations area.

## **Article 27. Insurance Benefits**

1. As in the past, the Company shall offer welfare benefits for Pilots equal in benefits and employee premiums to that of the Company's non-represented employees. This includes, but is not limited to, Medical Insurance, Dental Insurance, Term Life Insurance, Employee and Dependent Supplemental Life Insurance, Accidental Death and Dismemberment (AD&D), LTD coverage, Short Term Disability (STD), Medical Loss of License Coverage, Medical and Dependent Care Spending Accounts, Employee Assistance Program, and Vision Discount Program, so long as such benefits remain reasonably available.

2. The Company will provide the Union fifteen (15) days' notice of any changes to such benefits, and agrees to meet and discuss substantive changes at the Union's request.

## **Article 28. 401(k) Plan**

1. The Employer shall match a participating Pilot's 401(k) plan salary deferral contribution two dollars for each dollar the pilot contributes up to a maximum of the pilot's first three (3) percent of gross earnings bi-weekly, exclusive of bonuses.

2. The Employer's 401(k) plan shall include pilots covered by this Agreement consistent with the terms of that plan. Should business conditions warrant, or if required by law, the Employer reserves the right to separate the 401(k) plan for pilots from that of other plan participants; however, the Employer agrees to discuss with the Union any such change prior to implementation.

3. Advice Platform: The 401(k) Plan will provide access to an independent third party advisor, such as UBS Financial Services able to provide financial and portfolio management advice free from conflict of interest.

4. Unless changes are announced and made as provided in Section 2 above, nothing in this Article is intended to increase or decrease the eligibility or entitlement of any individual pilot for benefits under Company Plans as they now exist.

## **Article 29. General & Miscellaneous**

1. Any pilot leaving the service of the Employer shall, upon written request to the Human Resources Department, be provided with a letter setting forth the Employer's record of his job classification, length of service and rate of pay at the date of his termination.
2. The pay period is currently every fourteen (14) days (bi-weekly). If the Employer wishes to change the pay period timing, it shall meet and discuss the change with the Union prior to implementation. The Employer shall continue to offer, on a voluntary basis, Electronic Funds Transfer (EFT) to the pilot's bank of choice.
3. When there is an error in the pay of a pilot, this error will be corrected as soon as possible, not to exceed five (5) business days following notification.
4. When the Company puts new aircraft into service, the following will apply:
  - A. If the Company decides to place into service aircraft other than those already in service at the time of execution of this Agreement, but which are similar to the aircraft already in service (e.g. twin-engine light helicopter, medium helicopter, etc.), the Company will confer with the Union as soon as possible to discuss the establishment of rates of pay, rules and working conditions applicable to the new aircraft. The parties agree that such discussions will occur prior to the implementation of applicable new terms, but that the discussions shall in no way restrict the Company's ability to commence service with those aircraft.
  - B. If the Company decides to place into service any aircraft of substantially different design, configuration (e.g., tiltrotor aircraft, CH54) or cargo/passenger capacity of twenty-two (22) or more passengers, the parties will negotiate rates of pay, rules and working conditions for that aircraft as soon as possible after the decision is made to place the new aircraft in service; when possible, at least ninety (90) days prior to the anticipated implementation of such service. Either party may request a mediator from the National Mediation Board to participate in interest based bargaining. If the parties cannot reach agreement, the issue shall be referred to an appropriate arbitrator for a final and binding decision. However, the failure of the parties to reach a timely agreement shall not prevent or delay the Company's implementation of service with the new aircraft, or the related staffing and training required to commence such service.
5. A pilot's personal items lost or damaged due to an aircraft accident or incident will be reimbursed by the Company at the replacement costs of such items, provided, however, that the Company reserves the right to require reasonable proof of loss and value of such personal items.

6. In the event the Employer requires an off-hitch pilot to report in person for a meeting with management for any reason, except in cases where discipline is imposed following the meeting or as otherwise provided in the Training Article, the pilot will receive workover pay for all hours spent in such meeting, with a minimum of two hours workover and a maximum of a full day of workover for each day spent in such meetings. Except in cases where discipline is imposed following the meeting or as described in Article 17 Training, the Employer will also reimburse the pilot for mileage, lodging and per diem at rates described in this Agreement.

7. Pilots shall not engage in business activities which are in competition with the Company or interfere with the pilot's performance of his Company duties, without first obtaining the written approval of the Company. This section shall not be construed to prohibit pilots from affiliating with or performing duties for the Armed Forces of the United States of America.

8. Pilots will be required to ensure the aircraft is secure (e.g., tie down kit installed), engine(s) rinsed and dried, and a reasonably clean and orderly cockpit. To the extent that such duties would interfere with the pilot's availability for duty on the following day, the pilot will be excused from these duties.

9. The Union recognizes and supports the Company's zero-tolerance drug and alcohol policies. Pilots will not consume alcohol prior to operating an aircraft in accord with the Company's policies, and infractions will ordinarily result in discharge, but lesser discipline may be imposed depending on the circumstances.

10. Seniority Adjustments for Acquisitions or Mergers. Except where the provisions of Article 2, Section 5 of this Agreement are applicable, when pilots join the Company as a result of the acquisition of an existing contract or from the purchase of all or substantially all of the assets of an air transport carrier, if the new pilots were previously represented by the OPEIU, the parties shall meet and discuss the integration of the bidding seniority lists in a fair and equitable manner. In all other cases, the Union will be notified of the hiring of such pilots consistent with the current notification procedures, and the new pilots' bidding seniority dates shall be the dates on which their employment is considered to have started with the Company.

11. The Company shall arrange and pay for the printing of this Agreement, and provide the number of copies requested by the Union.

## **Article 30. Safety/Accident Prevention**

1. The Company and the Union recognize their duty and responsibility to ensure the safety of our customers and employees. It is agreed that:

- A. Safety is the primary consideration in all aspects of the job;
- B. Safe working conditions, proper training, proper equipment and appropriate protective devices are essential elements in this safety and accident prevention effort;
- C. The Company will train pilots in any new aircraft, its components or on any new procedures which pilots may be required to utilize;
- D. All pilots must follow Company safety policies and procedures, including safety practices as published and taught. Following safe work practices is a condition of employment.
- E. Both Company and the pilots shall adhere to all applicable Federal Aviation, or other controlling Regulations.
- F. The Company will ensure the continuation of the Notice to Airmen (NOTAM) system and weather reporting system.
- G. The Company will continue to provide a means for pilots to obtain the information necessary for required flight planning, and the pilots shall perform the required flight planning.
- H. The Company shall continue to provide flight-locating services that meet or exceed the regulatory requirements of CFR 14, Part 135.
- I. The Union will form and support a Professional Standards Committee. The Professional Standards Committee shall work with the Company's Chief Pilot to ensure that pilots are aware of the professional standards expected of them.

2. The parties agree to create a joint Safety Committee (JSC), which shall consist of two representatives designated by the Company and two pilots designated by the Union. The role of the Safety Committee shall be to jointly review pilot recommendations on safety and accident prevention measures, and to review pertinent information obtained from specified Aviation Safety Information Collection programs. Pilot representatives shall function in an advisory capacity. The Safety Committee will meet periodically as necessary, but no less than quarterly.

3. The Union agrees to encourage pilots to engage in safe work practices and to communicate safety issues to the designated management representative identified in Section 4 below.

4. The Company designates the Director of Safety (DOS) as the management representative to be responsible for receiving safety complaints.

5. The Company and the Union shall cooperate in seeking feasible solutions to help reduce accident frequency and severity rates.

6. The Company will endeavor to equip its fleet of domestic aircraft with Traffic Alert Systems.

7. The Company will endeavor to equip all aircraft operated under instrument flight rules (IFR) with approved flight directors.

8. Unless the pilot objects, the Union shall be permitted to have a representative participate as an observer in the formal Post-Incident Review Board proceeding involving that pilot. Additionally, upon written request, the Union may be allowed to participate as an observer in other Post-Incident Review Boards that could reasonably be expected to address issues of concern to the Union safety program.

9. The Company will institute an Aviation Safety Information Collection system, which could include programs similar to Aviation Safety Action Programs (ASAP), Flight Operations Quality Assurance (FOQA), also referred to as Helicopter Operations Monitoring Program (HOMP), and Line Activity Monitoring Program (LAMP). These programs may also include voluntary self-disclosure, hazard, and close call reporting. The Company may use other names for similar programs whose intent is to collect operational safety information. These programs will not be used for disciplinary action unless deliberate, egregious, or criminal acts are discovered. The provisions of this Section do not pertain to data collected from accident investigations or FAA-reportable incidents. The Company reserves the option of terminating or modifying these programs. However, the Company will not terminate or modify any such program without discussing the proposed changes with appropriate Union safety representatives. The Company and the Union agree that:

- A. The Union will encourage pilots to participate in these programs, and the Company will not use these programs to initiate disciplinary action except as provided above.
- B. The Company will normally designate its DOS as the administrator of these programs. The information obtained from these programs will be disseminated via Company publications, notices, and safety meetings to the extent necessary to ensure that the pilot staff is kept informed of safety concerns and trends.
- C. Flight data monitoring programs (FDM) such as HOMP, LAMP or FOQA will be administered in such a way as to ensure that the information is “de-identified” prior to dissemination to Company or Union officials, unless the information reveals actions that were egregious or criminal, or reveals a critical safety of flight issue that can best be handled by identifying the crewmembers involved. The Union may appoint two pilots as crew liaison officers and members of the FDM team, who will report to the FDM program manager. The Company will appoint a FDM program manager who reports to the Director of Safety. Significant information obtained from these programs will be presented at the JSC, and to appropriate PHI management.
- D. Both parties understand that the FDM program is new to PHI, and that significant changes may be necessary in order to accomplish the goals of FDM and to meet customer requirements. It is further understood that the basic requirements of data de-identification, non-disclosure, confidentiality, and Union representation on the FDM team will not be changed without the mutual agreement of both parties. PHI will publish

and maintain an FDM program management manual, which will be available to all parties directly affected by the FDM program.

### **Article 31. Sexual and Workplace Harassment Policy**

1. It is agreed that the Employer, as a responsible corporate citizen, is committed to maintaining a hospitable, cooperative work environment that promotes professionalism, common courtesy and mutual respect among all levels of employees, supervisors, managers, and executives. To advance that commitment, the Employer has adopted and will communicate to employees the Sexual and Workplace Harassment Policy (attached as Appendix A) that strictly prohibits sexual and workplace harassment on the basis of race, color, creed, gender, religion, national origin, age, sexual orientation or disability. This policy shall not be amended during the term of this agreement unless required by law.

2. The Union agrees to support the provisions of the PHI Corporate Sexual and Workplace Harassment Policy. Each pilot will be required to read, understand and sign an acknowledgement of this policy, which will be placed in his personnel file.

## **Article 32. Environmental & Conflict of Interest Compliance**

1. It is agreed that the Employer, as a responsible corporate citizen, is committed to protecting human health, natural resources and the environment. This commitment is an important aspect of daily corporate operation and administration, and reaches further than mere compliance with the law - it encompasses the incorporation of sound environmental practices into all of our business decisions. To advance this commitment, the Employer has adopted and will communicate to employees the Corporate Environmental Policy (attached as Appendix B) that defines the responsibilities of the Employer and the employees. This policy shall not be amended during the term of this agreement unless required by law.

2. The Union agrees to support the provisions of the PHI Corporate Environmental Policy. Each pilot will be required to read, understand and sign an acknowledgement of reviewing this policy, which will be placed in his personnel file.

3. Similarly, pursuant to the Company's Conflict of Interest Policy (attached as Appendix C), each pilot will be required to read, understand and sign an acknowledgement of reviewing this policy, which will be placed in his personnel file.

### **Article 33. No Strike, No Lockout**

1. The Union agrees it will not, under any circumstances or for any reason, call, encourage, authorize or engage in any strike, slow down, unprotected concerted activity, or other hindrance to work during the term of this Agreement.

2. Any Pilot who engages in any activity described in section one of this Article will be subject to discharge, and such discharge will not be subject to the grievance procedure and System Board of Adjustment provisions of this Agreement, except as to the question of whether the Pilot engaged in such a violation.

3. The Employer agrees not to lock out Pilots during the term of this Agreement.

4. If the Employer knows that one of its customers is being picketed, the employer will notify the Pilot about the picket line before dispatching the Pilot to the location of the picket line.

5. A Pilot may refuse to take an assignment to cross a picket line if he has reasonable safety concerns. In any such case, the Company will be permitted to service the customer the best way possible.

## **Article 34. Management Rights**

1. The Employer reserves and retains, solely and exclusively, all of the rights, privileges and prerogatives which it had or possessed prior the execution of this Agreement, regardless of the frequency or infrequency with which such rights have been exercised in the past, except to the extent that such rights, privileges and prerogatives are specifically abridged by the expressed provisions of this Agreement.

2. Without limiting the generality of the foregoing, the sole and exclusive rights of management which are not abridged by this Agreement include, but are not confined to, the full and exclusive control, direction and supervision of the workforce; the hire, promotion, demotion, transfer, layoff or reassignment of pilots; the discipline and discharge for cause of pilots; the selection of pilots and the determination of the qualifications for pilot selection; the determination of the size and composition of the workforce; the determination of schedules; the determination of pilot job content and the amount and types of flight duties required; the scheduling of the hours and days to be worked on each job and each shift; the selection and determination of the number of pilots required, and the assignment of work to pilots; the contracting out or subcontracting of work; the equipment to be utilized; the establishment and enforcement of standards for the quality and quantity of work required to be performed by pilots; the right to require physical exams and testing of pilots; the right to introduce new or improved methods or facilities and/or the discontinuance of existing methods or facilities; the discretion to suspend or cease its operations or any phase or part of its business or operations; the right to make, amend and enforce work and safety rules and regulations; and the right to discontinue, transfer or assign all or any part of its operations, and to establish new jobs and abolish or change existing jobs.

3. In no event, shall any right or function of Management be construed to have been modified or diminished other than by a provision of this Agreement and/or the Railway Labor Act

## **Article 35. Discipline & Discharge**

1. Pilots may be subject to disciplinary actions, up to and including discharge for just cause including violation or infraction of company rules or policies, or for violating this Agreement. The severity of the infraction will determine the nature of the disciplinary action, which can range from a verbal warning to a written warning, suspension or discharge.

2. In case a pilot is called into a meeting to discuss possible disciplinary action against him, the pilot may request to be accompanied by his Steward, and such a request will be granted by the Employer, if the Steward or his alternate is available within a reasonable time, not to exceed twenty four (24) hours, unless extended by mutual agreement. Pilots shall be notified of the reason for the meeting.

3. Upon his request, a pilot's personnel file shall be open for his inspection during normal office hours in the presence of an employer representative, upon reasonable notice. Nothing of a derogatory nature will be placed in the pilot's personnel file unless a copy is provided to the pilot. Upon receipt of such a document, the pilot shall have the option of responding by submitting a written rebuttal that will be placed in his personnel file. If the Employer determines that the pilot's comments invalidate the document in question, the document will be removed from the pilot's personnel file.

4. Customer complaints or correspondence of a derogatory nature shall not serve as the basis for discipline after twelve (12) months from the date of issuance unless within the 12 month period there has been a recurrence of the same or similar nature.

5. Disciplinary records involving the performance of his duties as a pilot, related to the operation of aircraft, shall not serve as the basis for any discipline after five (5) years from the date of issuance unless within the five (5) year period there has been a recurrence of the same or similar nature. For disciplinary records not related to the pilot's operation of aircraft (e.g., absenteeism), the recurrence period for subsequent disciplinary action shall be two (2) years.

6. If the Company intends to use previous informal discipline or related documents as the basis for subsequent disciplinary action, it shall ensure that any such informal discipline and documents were previously discussed with the pilot, and that the pilot was counseled regarding the matter.

7. In any case in which a pilot receives a formal reprimand or is discharged, a Human Resources Representative will ask the pilot if he desires that a copy of the disciplinary document be sent to a representative designated by the Union. If the pilot does so desire, the Human Resources Representative will promptly forward a copy of the document to the designated Union representative.

## **Article 36. Grievance Procedure**

1. Disputes relating to the interpretation or application of this Agreement may be the subject of a grievance. A grievance shall mean a dispute between an employee(s) or the Union and the Employer with respect to the interpretation or application of this Agreement.

2. Any such grievance shall be processed in the following manner:

Step 1. The pilot shall first attempt to resolve the grievance with his immediate supervisor within seven (7) calendar days from the date of the occurrence of the event giving rise to the grievance, or within seven (7) calendar days of the date the pilot knew or should have known of such event not to exceed twenty eight (28) calendar days from the date of the event. The supervisor shall give his answer within seven (7) calendar days from that date.

Step 2. If the grievance is not resolved at Step 1 to the satisfaction of the grievant, the grievance shall be reduced to writing and presented to the designated representative of the Employer within ten (10) calendar days after the receipt of the immediate supervisor's answer. The written grievance must state the nature of the grievance, the circumstances out of which it arose, the remedy or correction requested and the specific provisions of the Agreement alleged to have been violated. The Employer representative will give his answer in writing to the Union within ten (10) calendar days after the receipt of the grievance. The Union will communicate the answer to the grievant.

Step 3. In the event the decision by the Employer representative is unacceptable to the aggrieved party, it may be appealed in writing to the designated representative of the Employer with seven (7) days of the receipt of the decision. The appeal must include a statement of the reasons the grievant believes the decision was erroneous. The Employer's representative shall render a decision on the appeal in writing within fourteen (14) calendar days of receipt of the appeal. In the event the decision at Step 3 is unacceptable to the grievant, the Union may appeal to the System Board of Adjustment in accordance with Article 37 of this agreement.

3. In the event a non-probationary pilot who has been discharged wishes to grieve such discharge, the grievance must be presented at Step 2 within seven (7) calendar days after the termination.

4. All provisions of this Article shall apply to Employer and Union grievances except that such grievances shall be presented and appealed to the designated

representative of the other party at Step 2 and 3. Upon request, the Union will confirm that the pilots on whose behalf a grievance is filed are aware of that filing.

5. Any grievance not presented and processed in the manner, and within the time limits set forth above, shall be waived provided, however, at any time in advance of the expiration of such time limit the parties may agree, by mutual written consent, to extend any time limit for a specified period of time. Compliance with all time limits specified in this Article shall be determined by the date of mailing as established by postmark, or by the date of hand delivery.

6. All grievances filed prior to the modification date of this Agreement shall be processed under the contract terms then in effect.

7. The Employer and the Union agree to furnish to the other party the names of their designated representatives charged with administration of the grievance procedure within thirty (30) calendar days after the execution of this Agreement. Any changes in these representatives shall be furnished to the other party in writing.

8. In the event a pilot is suspended pending an investigation of alleged misconduct, the pilot shall be informed of the nature of the alleged misconduct at the time of suspension.

9. The Union and the Employer may, by mutual agreement in writing, elect to bypass any or all steps in this Article and proceed to the System Board of Adjustment in accordance with Article 37 of this Agreement.

## **Article 37. System Board of Adjustment**

1. In compliance with Section 204, Title II of the Railway Labor Act, as amended, this Agreement establishes a System Board of Adjustment, which shall be called the Petroleum Helicopters Pilots' System Board of Adjustment, hereinafter called "the Board."

2. The Board has jurisdiction over timely filed and appropriately processed grievances arising out of the interpretation and application of this Agreement relating to rates of pay, rules, working conditions, discipline and discharge. The procedures set forth in this Article are the exclusive and mandatory forum for all such disputes.

3. The Board does not have jurisdiction over any dispute unless all of the procedures required by the Grievance Procedure provided for in this Agreement have been timely and completely exhausted in the dispute, and the dispute has been properly submitted to the Board pursuant to the provisions of this Article.

4. The Board has no jurisdiction to modify, add to or otherwise alter or amend any of the terms of this Agreement.

5. The Board shall consist of four members, two of whom shall be selected and appointed by the Employer and two of whom shall be selected and appointed by the President of the Local Union. In disciplinary cases, no Board member from either side shall have previously made an authoritative decision regarding the merits of the controversy (including decisions to appeal the matter to a higher level). A Board member appointed by the Union shall serve as chairman and a Board member appointed by the Employer shall serve as vice-chairman in even years, and a Board member appointed by the Employer shall serve as chairman and a Board member appointed by the Union shall serve as vice-chairman in odd years. The vice-chairman shall act as chairman in his absence. Each Board member has a vote in connection with all actions taken by the Board. In the event the four (4) member Board cannot reach a decision with respect to a particular grievance, then within ten (10) calendar days after the date of the Board meeting involving that dispute, either party interested in pursuing the matter to arbitration must request that the Federal Mediation and Conciliation Service (FMCS) submit a list of seven (7) potential neutrals, and the neutral—who will issue a final decision in the dispute—shall be selected in accordance with the rules of the FMCS, provided that all of the requirements of Articles 36 and 37 have been met by the grievant(s). A grievance which has been presented to the Board that results in the Board deadlocking shall be considered abandoned if a request for a FMCS panel of neutrals is not made within the ten (10) calendar day period described immediately above.

6. The Board will ordinarily meet on the first Thursday of March, June, September and December in Lafayette (unless a different location is agreed upon by the members of the Board), on specific dates as the parties shall mutually agree in advance,

provided that at such time there are cases on file with the Board for its consideration. Upon mutual agreement, the quarterly meetings may be conducted by conference call.

7. Any expenses incurred by Board members appointed by one of the parties to this Agreement will be paid by that party. Any pilot called as a witness by the neutral will suffer no loss of pay as a result of testifying at any hearing before the neutral. The fees and expenses of any neutral member of the Board shall be borne equally by the Employer and the Union. Each party shall be responsible for the expenses incurred by witnesses called by that party.

8. Disputes may only be submitted to the Board by the President of the Local Union or a duly designated officer of the Union or the Employer.

9. Decisions by the Board are final and binding on the Employer, the Union and the affected pilots.

10. The party appealing a final decision under the Grievance Procedure in this Agreement shall submit the dispute for consideration by the Board within fourteen (14) calendar days of that decision. If the appeal is not made within this fourteen day period, the Board does not have jurisdiction over the dispute.

11. All disputes referred to the Board shall be sent to the Director of Human Resources of the Employer and his office shall assign a docket number according to the order in which the dispute is received.

12. The appealing party will ensure that a copy of the petition is served on the members of the Board. Each case submitted to the Board must state:

- a. The question or questions at issue;
- b. A statement of the facts with supporting documents;
- c. A reference to the applicable provisions of the Agreement alleged to have been breached;
- d. The position of the aggrieved party;
- e. The remedy requested; and
- f. The position of the opposing party.

The appealing party shall file a submission with the Board containing all of the information described above, and the responding party may do the same. Any party filing a submission with the Board pursuant to this Article shall serve a copy of its submission with the other party, and this submission must be filed at least seven (7) days prior to the scheduled Board meeting. Decisions by the Board shall be rendered no later than thirty (30) days after the close of the hearing, unless extended by mutual agreement of the parties.

13. The parties agree that each Board member is free to discharge his duties in an independent manner without fear of retaliation from the Employer or the Union because of any action taken by him in good faith in his capacity as a Board member.

## **Article 38. Union Representation**

1. In the event it is necessary for a Union representative to enter the Employer's premises to discuss the application of this Agreement, the Union representative shall notify the manager for the particular location, and they shall arrange a mutually satisfactory time, date and place for the visit within a ten (10) day period thereafter. The Union representative shall not take any action that would interrupt or in any way interfere with the Employer's operations or the job duties of any employee. A representative of the Employer may accompany the Union representative, if the Employer desires.

2. The Employer will not be obligated to deal with any Union representative who has not been designated in writing to be an authorized representative of the Union.

3. The Union may elect or appoint Pilots to be primary job steward(s) and alternate(s) to conduct Union business and shall notify the employer, in writing, of their election, appointment or removal. Pilots who have been designated as primary stewards (and the alternate steward in the absence of the primary steward) shall be granted reasonable time to investigate, present and process grievances during their own duty hours without loss of pay to the extent such activity does not interfere with the performance of their duties or the duties of other employees. Stewards who serve their fellow pilots shall be considered Union representatives.

4. The Employer and the Union desire that complaints and grievances shall be settled whenever possible with supervisors at the location where the complaint or grievance originates. It is understood and agreed that a steward's activities shall fall within the scope of the following functions:

- A. To consult with a pilot(s) regarding a presentation of a complaint or grievance which the pilot(s) desires to present. Stewards shall be permitted to present grievances to management and attempt to resolve any grievance.
- B. To present a grievance or complaint to a pilot's immediate supervisor in an attempt to settle the matter. To the extent that it doesn't interfere with the Employer's operations, Stewards shall be granted the right to consult with pilots at their base for the purpose of enforcing the provisions of this agreement.
- C. To investigate a complaint or grievance of record in accordance with the Grievance Procedure.

5. Stewards and alternate stewards shall be considered union representatives. The Employer and the Union agree that a minimum amount of time shall be spent in the performance of steward duties.

### **Article 39. Union Bulletin Boards & Communications**

1. The Company shall permit the Union to display an unlocked bulletin board at each base that is Company owned or leased (provided in the case of Company leased property that the lessor has no objections). The Union shall purchase the bulletin boards and shall be responsible for their installation. The bulletin board shall be a maximum of four (4) feet by five (5) feet. The bulletin boards shall only be placed in areas that have been agreed to by the Company in advance.

2. General distributions, posted notices and official business will bear the seal or signature of an officer of the Union or a Pilot representative and will not contain anything defamatory, derogative, inflammatory, negative, or of a personal nature attacking the Company or its representatives.

3. The Company may refuse to permit any posting that would violate any of the provisions of this Agreement. Any notices posted that are not in accordance with this Article shall be removed by the Union or by the Company upon notice to the Union. Disputes regarding such removals shall be handled between the Local President and the Director of Human Resources, or their designees, and shall not be subject to Article 37.

## **Article 40. Union Membership, Dues, Agency Fees & Checkoff**

Membership in the Union is not compulsory for any pilot employed as of the date of this agreement or any pilot subsequently hired. These pilots have the right to join, not join, maintain, or drop their membership in the Union as they see fit. Neither party shall exert any pressure on, or discriminate against a pilot as regards such matters.

During the life of this Agreement, the Employer agrees that upon receipt of a properly executed Authorization of Payroll Deduction, voluntarily executed by a pilot, it will make bi-weekly deductions from the pilot's earnings after other deductions authorized by the pilot or are required by law have been made, to cover his current standard bi-weekly union dues, assessments and/or initiation fees or agency fees uniformly levied in accordance with the Constitution and bylaws of the Union as set forth in the Railway Labor Act.

Any authorizations for payroll deductions under this Article (executed using the Union's "Dues/Agency Fees Payroll Deduction Authorization" form) shall be effective the first day of the month following its receipt by the Payroll Department and shall apply to the next paycheck for which dues deduction or agency fees is made.

The Employer remittance to the union will be accompanied by a list of the names of the pilots for whom the deductions have been made in that particular month and the individual amounts deducted.

Collection of dues or agency fees not deducted because of insufficient current earnings, dues or agency fees missed because of clerical error or inadvertent error in the accounting procedure, or dues or agency fees missed due to delay in receipt of the Authorization for Payroll Deductions, shall be the responsibility of the Union and shall not be the subject of payroll deductions from subsequent paychecks, and the Employer shall not be responsible in any way for such missed collections. It shall be the Union's responsibility to verify apparent errors with the individual Pilot prior to contacting the Payroll Department. The total or balance of unpaid dues, assessments and/or initiation fees or agency fees due and owing the Union at the time a Pilot terminates his employment shall be deducted from the final paycheck in accordance with applicable law.

6. An Authorization for Payroll Deduction under this Article shall be irrevocable for the term of this Agreement, or for a period of one (1) year from the date the Authorization is first executed, whichever occurs sooner. Revocation shall become effective when the pilot serves written notice on the Payroll Department to revoke such Authorization for payroll deduction. An Authorization for Payroll Deduction shall automatically be revoked if:

- the Pilot transfers to a position with the Employer not covered by the agreement;
- the Pilot's service with the Employer is terminated;
- the Pilot is furloughed; or
- the Pilot is on an authorized leave of absence.

7. The Union agrees to hold the Employer harmless and to indemnify the Employer against any suits, claims, liabilities, and reasonable and customary attorneys' fees which arise out of or by reason of any action taken by the Employer under the terms of this Article.

## **Article 41. Savings Clause**

1. Should any part of this Agreement be rendered or declared invalid by reason of any existing or subsequently enacted legislation, act of government agency, or by any decree of a court of competent jurisdiction, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions hereof, and they shall remain in full force and effect.

2. In the event that any provisions of this Agreement are in conflict with or are rendered inoperative or unlawful by virtue of any duly enacted law or regulation or any governmental agency or commission having jurisdiction over the Employer, the Union and Employer will meet and attempt to negotiate changes necessary, pertaining only to those provisions so affected or directly related thereto.

## **Article 42. Duration**

The terms and conditions of this Green Book shall continue, unless further modified by the Company under self-help, until such time as a new collective bargaining agreement is reached.