

APPENDIX A - SUMMARY

SECTION 1 - RLA Addendum

1.A.1.a - Provides for shorter and defined lengths of pilot contracts under the RLA. This feature provides for a more granulated and realistic timeframe to address both the needs of pilots and management, allowing each side to address their contractual relationships on a more frequent basis. Part of the unrealistic and acrimonious nature of contract negotiations under the RLA stems from the infrequency for each side to seek a more equitable representation of current conditions. These provisions are only applicable to pilot contracts.

1.A.1.b - This eliminates the ability for management to abuse the perpetual contract mechanism of the RLA by stalling through times favorable to pilot negotiators until macro-economic conditions favor concessionary contracts.

1.A.1.b.i - This prevents abuse of PEB authority in such instances where unexpected revocation of self-help serves the interest of only one party. Once negotiations move inside the 96 hour window, some resolution or self-help will be achieved. This provision is due to the February 1997 PEB that broke the American Airlines pilot strike at the behest of management.

1.A.1.b.ii - The PEB process cannot be used to achieve the functional equivalent of the “perpetual contract” that has been abused by airline management.

1.A.2 - Provides for all airline pilot contracts to reset their conclusion date thus removing any unfair advantage brought about by this act.

1.B.1 - Removes the “damned if you do; damned if you don’t” interpretation of what constitutes an illegal job action by removing compliance with applicable laws and governing agreements from what constitutes an illegal job action.

1.B.2 - Removes advocacy of legal, regulatory, contractual, and policy compliance from being conflated with calling for an illegal job action.

1.C - Prevents abuse of the various bankruptcy codes to achieve pilot concessions. Judges should not be part of management's negotiating team. Furthermore, the practice of executive compensation being either immune or enhanced by bankruptcy shall be disallowed. Binding arbitration may be assigned for pay rates. The industry-wide abuse of the bankruptcy process over the past decade should suffice as inspiration for this section.

SECTION 2 - Fatigue Mitigation

Refer to APPENDIX B, and our "FAA FATIGUE MITIGATION RESPONSE" document for explanation of all aspects falling under this section. Both are available at OPERATIONORANGE.org.

SECTION 3 - CBA Authority

3.A - Brings about parity between the risks borne by strikers and strike replacements. If a striking pilot is permanently replaced, he will be put at the bottom of any seniority list for a new employer, provided such employment is possible. This provision removes any incentive for strike breakers to gain seniority by breaking a strike.

3.A.3.b - Nobody is to be considered a strike breaker through no fault of their own or by splitting hairs over minutes. Only willful activity as a strike breaker is grounds for loss of seniority.

3.A.3.c - Collective bargaining agents must be held to reasonable standards for notifying members of their strike breaking activities.

3.A.3.d - Feigning ignorance of a strike is no justification for engaging in strike breaking activities.

3.A.3.e - Pilots must be held to reasonable standards for knowing that their activities constitute strike breaking activities.

3.A.3.f - It is the responsibility of the pilot to understand that a lawful strike is being carried out by his or her CBA. The burden rests on the pilot to

show that it was unreasonable to understand that his or her actions would constitute strike breaking activity.

3.A.4-5 - Removes any incentive for pilots to act as strike replacements in order to gain advantage over pilots who refuse to work in such capacity.

3.A.6 - Allows the CBA to examine flight records and collect testimony to identify pilots acting as strike replacements or strike breakers. This is intended to allow a more accurate listing of strike breakers and/or strike replacements.

3.A.7 - Any error must be rectified and all seniority restored regardless of when the error is found.

3.A.8 - Only by ratification of the governing body of the CBA shall seniority be realigned. This provision is intended to ensure that such realignment be done openly where the facts can be challenged.

SECTION 4 - Pay and Scheduling

GENERAL - This section would make the operation of shadow flight schools economically unviable by raising the standards of all large scale passenger transportation to that of mainline carriers. Industry has availed themselves to pilots seeking to “pay their dues.” At one time, these small operations were not affiliated nor integrated with large, scheduled passenger operations and the flying public knew the experience level may be in short supply. Since almost all “regional” operations are now fully integrated into the larger “mainline” operation, with similar paint schemes, customer service, ticketing, and the overall “seamless” experience, these “dues paying” operations are really just outsourced operations.

Pilots seeking to build experience and “pay their dues” may certainly do so in a manner used by previous generations: military, freight, corporate, flight instruction, bush pilots, small charter, etc. Inexperienced pilots and reckless certificate holders using scheduled passenger transportation as flight schools will be economically prohibited from doing so.

Colgan Air's crash in February 2009 is the obvious reason for this. There is no reason that a market, which is capable of supporting three NFL teams and 4 NHL franchises, from using larger gauge aircraft, as was done in the past.

By bringing the outsourced, smaller operations up to the pay and scheduling standards of the mainline operation, the pressure on industry will be to use fewer, larger gauge aircraft staffed by a smaller and more experienced piloting profession. This will also serve to unclog the airspace over the busier parts of the United States, lessening taxi times, delays for weather and arrival slots, and making meaningful advances envisioned by the framers of the "Passenger Bill of Rights."

Without the provisions of this section, industry will continue to seek competitive advantage through gross differences in pay and scheduling, which ultimately means that safety will go to the lowest bidder.

4.B - Minimum "duty rigs" are now statutory. This prevents excessive unpaid duty time and also discourages inefficient scheduling and gaining competitive advantage via pilot working conditions. Certificate holders may choose to calculate their pay metrics by any means they wish, provided all can satisfy the minimums in this section as calculated in this section.

4.C - Provides financial incentives not to over schedule pilots as the credited flight hours for pay accelerate for excessive duty periods as well as flight hours. More hours can be flown without fatigue over fewer duty periods. Rested pilots are cheaper to schedule than fatigued pilots. The provisions of this section are delineated by the length of contract month the certificate holder uses, but still keeping with the overall concept that pilot pushing will encounter financial restraint prior to regulatory restraint.

4.E.1 - Airport standby shall be considered a flight duty period carrying all the minimum provisions for crediting hours for pay.

4.E.2 - Normal reserve shall allow for a reasonable call-out time which may vary from domicile to domicile, and airline to airline. It is intended for this to be the traditional "short call" reserve system used by most certificate holders. It is presumed that both sides will attempt to be as reasonable as

practical in the expectations of report times so as not to unreasonably disrupt the certificate holder's operations nor the pilot day-to-day activities.

4.E.2.a - Provides relief for certificate holders if reserves are not used. Duty period minimums are reduced to 3.000 hours and are not used to calculate premium pay.

4.E.2.b - Provides relief from non-productive reserve duty periods being used to calculate crew pairing minimums.

4.E.2.c - Only those reserve duty periods at the pilot's domicile are exempted. This prevents mid-sequence reserve periods from being discounted per 4.E.2.a-b.

4.E.3 - Provides relief for certificate holders for true "long call" reserve. 18 hours is enough time to fully rest and report for reserve assignments, not fatiguing, and should not be counted against the certificate holder.

4.E.4 - Maximum duty periods in a contract month are limited by the length of the contract month.

4.F.2 - Minimum wage brings all carriers up to approximate the current industry leader in morale, customer service, & profitability - Southwest Airlines, corrected for wide body aircraft where applicable.

4.F.3 - Provides relief for certificate holders obligated to pay defined benefit pension plans. Defined benefit plans, where applicable, are not subject to windfall enrichment due to this act and every attempt should be made to preserve the benefit as if this act had never become law. Both the certificate holder and the collective bargaining agent have a minimum of 5 contract cycles to address competitive issues regarding their defined benefit plan.

SECTION 5 - Labor Protective Provisions

GENERAL - Provides a mechanism to keep highly experienced pilots in the cockpits across the industry and provides incentives for industry not to

shed this experience in favor of more compliant pilots. This section also addresses some of the abuses of the pilot recruitment process prevalent in the age of deregulation.

5.A.1 - Only large scale part 121 or part 135 operations are the subject of this section.

5.A.2 - The purpose of this section is to ensure that the experience pool is maintained at a high level by offering experienced pilots priority in hiring with carriers requiring such experience. The provisions of this part are to ensure that no carrier can evade the provisions of this section by creating disingenuous employment offers. Likewise, no carrier shall be required to redouble their efforts due to caprices of pilots declining continuation of employment.

5.A.4 - Provides objective and reasonable criteria for defining active pilots. This is to ensure that no dispute arises over defining furloughed pilots, those pilots on active-duty military leave-of-absence, medically disqualified pilots (both temporary and permanent), or any other non-flying pilot as “active.”

5.B - Pilots suffering involuntary loss of employment from qualified carriers are to be placed into a pool of similarly afflicted pilots for the purposes of expeditious hiring by other qualified carriers. There is no seniority system within the pool. Military service to the United States shall not be detrimental to the hiring prospects of pilots in the preferential hiring pool.

5.C - Certificate holders may require certain qualifications or use procedures particular to their company for selecting interviewees, provided these features are not subjective nor adversely discriminatory toward pilots in the preferential hiring pool.

5.D - Requires that certificate holders actively hire from the preferential hiring pool for 2/3 of their total hiring, or half of the applicants from the preferential hiring pool, whichever is less. This motivates certificate holders to be aggressive in their hiring from the preferential hiring pool so as to afford themselves the greatest flexibility in the candidates they choose.

5.D.4 - Prevents certificate holders from establishing professional pool applicants whose purpose is to accept interviews and then subsequently terminate to help the certificate holder evade the provisions of this section.

5.D.7 - Credits certificate holders who aggressively hire from the preferential hiring pool with a carry-forward provision to offset the need for preferential pool hiring in subsequent years. This is to encourage preferential pool hiring. This provision likewise requires aggressive action for those certificate holders who have failed to meet the provisions of this section to rectify the deficiency. This also encourages aggressive hiring from the preferential hiring pool.

5.D.8 - The justification of significantly lower hiring rates for preferential hiring pool applicants needs to be substantiated and subject to review.

5.D.10 - Application fees, where lawful, may not exceed \$50 for preferential hiring pool applicants.

5.D.11 - “Pay for Training” schemes are prohibited. This is the exact practice that transformed passenger air travel into shadow flight schools and has undercut the viability of the piloting profession.

5.E - No certificate holder is required to hire pilots who fail to meet their objective standards. Certificate holders who fail to meet the provisions of this section are subject to civil fines and recovery from pilots harmed by their malfeasance. These fines are generally less than those imposed under the so-called “Passenger Bill of Rights.”

5.F - Department of Labor has authority to inspect certificate holder records to ensure compliance with this section.

SECTION 6 - Miscellaneous

6.A - Pilots shall be the final authority in assessing their temporary unsuitability of fitness for flight, per the Federal Aeronautical Information Manual. Self-assessment for the temporary unsuitability for flight shall not be construed as an illegal job action. Federal whistleblower protection shall

apply to any pilot subjected to harassment for exercising his or her authority to assess temporary unsuitability for flight.

6.C - Certificate holders that “code share” flying with other airlines on domestic city pairings shall be subject to increased liability in the event a passenger was injured or killed on a “code share” flight. This provision is designed to coax airlines out of the travel agency business and into the business of safely transporting the public at a profit.

Colgan Air / Continental Connection 3407 is the inspiration for this. Continental Airlines outsourced the expertise of their piloting corps to the under experience and general low-standards of the regional airline, for no other reason than for saving money. Airline executives were asked to report to Congress on this very concept (increased liability for mainline carriers for the safety of their code share partners), and the airlines balked.

This section is currently under development and awaiting analysis of the American Airlines bankruptcy proceedings, in this regard.

SECTION 7 - Implementation

GENERAL - Allows for certificate holders to make adjustments in scheduling and fares to accommodate the implementation of this act.

SECTION 8 - Legal Immunity

GENERAL - Prevents legal or administrative recourse against those participating or supporting efforts to petition the government, via peaceful protest, for laws and regulations pertaining to the piloting profession; provides federal whistleblower protections for pilots harassed by their employers for participation or advocacy of such protests.