Agreement
Between
ExpressJet Airlines, Inc.
And
The Airline Technicians and Related Employees in the Service of
ExpressJet Airlines, Inc.
As Represented By
The International Brotherhood of Teamsters
2004 – 2009

ExpressJet

[Signature]

Anthony Asher
ExpressJet Airlines, Inc.

Table of Contents

<table>
<thead>
<tr>
<th>Article</th>
<th>Subject</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>Preamble, Purpose, Scope and Status of Agreement</td>
</tr>
<tr>
<td>02</td>
<td>Definitions</td>
</tr>
<tr>
<td>03</td>
<td>Classifications, Descriptions &amp; Bid Areas</td>
</tr>
<tr>
<td>04</td>
<td>Seniority</td>
</tr>
<tr>
<td>05</td>
<td>Filling of Vacancies</td>
</tr>
<tr>
<td>06</td>
<td>Reduction in Force and Recall</td>
</tr>
<tr>
<td>07</td>
<td>Hours of Service</td>
</tr>
<tr>
<td>08</td>
<td>Vacations</td>
</tr>
<tr>
<td>09</td>
<td>Holidays &amp; Personal Days</td>
</tr>
<tr>
<td>10</td>
<td>Leaves of Absence</td>
</tr>
<tr>
<td>11</td>
<td>Sick Leave and Occupational Injury</td>
</tr>
<tr>
<td>12</td>
<td>Field Trips</td>
</tr>
<tr>
<td>13</td>
<td>Training</td>
</tr>
<tr>
<td>14</td>
<td>Safety &amp; Health</td>
</tr>
<tr>
<td>15</td>
<td>Compensation &amp; Shift Differential</td>
</tr>
<tr>
<td>16</td>
<td>Moving Expenses</td>
</tr>
<tr>
<td>17</td>
<td>Benefits</td>
</tr>
<tr>
<td>18</td>
<td>Overtime</td>
</tr>
<tr>
<td>19</td>
<td>Union Security and Representation</td>
</tr>
<tr>
<td>20</td>
<td>Grievance Procedure</td>
</tr>
<tr>
<td>21</td>
<td>System Board of Arbitration</td>
</tr>
<tr>
<td>22</td>
<td>General and Miscellaneous</td>
</tr>
<tr>
<td>23</td>
<td>Duration</td>
</tr>
<tr>
<td>LOA#1</td>
<td>Retroactive Pay</td>
</tr>
</tbody>
</table>
SECTION 1

PREAMBLE, PURPOSE, SCOPE, AND STATUS OF AGREEMENT

A. Preamble

1. This Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between ExpressJet Airlines, Inc., hereinafter referred to as the "Company" and the International Brotherhood of Teamsters, hereinafter referred to as the "Union", representing the employees composing the Craft or Class of mechanics and related employees, as certified by the National Mediation Board in case R-6513 on July 28, 1997.

B. Purpose

1. The purpose of this Agreement is, in the mutual interest of the Company and of the employees, to provide for the operation of the services of the Company under methods which will further, to the fullest extent possible, the safety of air transportation, the efficiency of operation, and the continuation of employment under conditions of reasonable hours, proper compensation, and reasonable working conditions. It is recognized by this Agreement to be the duty of the Company and of the employees to cooperate fully, both individually and collectively for the advancement of this purpose.

2. No employee covered by this Agreement will be interfered with, restrained, coerced, or discriminated against by the Company, its officers or agents because of membership in or lawful activity on behalf of the Union.

C. Scope

1. The Company hereby recognizes the Union as the sole collective bargaining agent and authorized representative for those employees of ExpressJet Airlines, Inc. composing the craft or class of Mechanic and related employees, as certified by the National Mediation Board in Case No. R-6513 issued on July 28, 1997.

2. All aircraft maintenance work, facilities maintenance work and ground equipment maintenance work performed for the Company is recognized as coming within the jurisdiction of the Union and shall be performed by employees of ExpressJet Airlines, Inc. Technical Operations seniority list, except as otherwise provided in this Section.
3. The parties agree that the Company may (a) continue to contract out work heretofore customarily contracted out, (b) return equipment, parts, or assemblies to the manufacturer or to an FAA approved repair station for warranty work, repair or replacement, (c) contract out any work when the Company’s facilities and equipment are not sufficient; or qualified personnel are not available, or where employees available do not have the experience and ability to perform the work required, (d) contract out work at any location where such work has heretofore not been performed by unit employees on a regular basis, or at any location where the Company has not heretofore maintained permanent maintenance facilities or employees.

   a. If after the effective date of this Agreement, the Union believes the Company is abusing the right to contract out as provided in this Section, it shall notify the Company of such belief not later than 5 days after the conclusion of such discussion.

   b. The Company and the Union shall proceed to resolve the issue up to and including the final and binding arbitration decision.

4. Supervisors and higher ranking officials shall not be permitted to perform work of any hourly rated job covered by this Agreement, except in emergencies as defined in Section 2, or when instructing, or training of employees, or signing off work performed by covered employees, or troubleshooting.

5. If the Company has the need to contract out work presently performed by employees covered by this Agreement, the Company will so notify the Union by written notice. In no case will the Company contract out work when such work has been performed by employees covered by this Agreement.

6. When Company facilities are available, in order to increase the opportunity for covered employees to perform work which has customarily been contracted out or work which has not been customarily performed by covered employees, such work may be performed by covered employees without losing its character as work which has historically been contracted out or work which has not been performed by unit employees on a regular basis.

7. At any domestic airport with scheduled ExpressJet service where the Company contracts out aircraft line maintenance work requiring work schedules of 6 continuous hours or more per day (excluding repositioning aircraft) for a period of

30 days or more in any 45 day period, a full time position for an Aircraft Technician shall be created in accordance with this Agreement.

8. Subject to expiration/non-penalty cancellation of existing contracts, at any domestic airport with scheduled ExpressJet service where Technical Operations contracts out GSE: scheduled recurring maintenance work requiring work schedules of at least 6 continuous hours or more per day for 30 days or more in each 45 day period, a full time position for a GSE technician shall be created in accordance with this Agreement.

D. Parallel Operations

The Company shall not directly or through an Affiliate:

1. Establish any new line or acquire a controlling interest in any carrier, which operates jet equipment or jet replacement aircraft with a maximum FAA certified capacity of 50 seats or more for the purpose of avoiding the terms of this Agreement.

2. Establish any new repair station or acquire a controlling interest in any entity which repairs or maintains aircraft within the United States, except an air carrier, unless employees covered by this Agreement perform the entity’s repair or maintenance work.

E. Successorship and Mergers

1. This Agreement shall be binding upon any successor or assign of the Company unless and until changed in accordance with the provisions of the Railway Labor Act, as amended. For purposes of this paragraph, a successor or assign shall be defined as an entity which acquires all or substantially all of the assets or equity of the Company through a single transaction or multi-step related transactions which close within a 12 month period.

2. No contract or other legally binding commitment involving the transfer of ownership or control pursuant to a successorship transaction, whether by sale, transfer or lease of the Company or substantially all of its assets, will be signed or otherwise entered into unless it is signed by the Company and the successor employer, and employees on the then current mechanic and related seniority list will be employed in accordance with the provisions of this Agreement. The Company shall give notice of the existence of this Agreement to
any purchaser, transferee, lessee, or assignee of the operation covered by this Agreement or any substantial part thereof. Such notice shall be in writing with a copy to the Union, at the time the seller, transferee, or lessee executes a definitive agreement with respect to a transaction as herein described.

3. In the event of a merger of airline operations between the Company and another air carrier the Company will require, as a condition of any such operational merger that provisions be included requiring that the surviving carrier provide for fair and equitable integration of the pre-merger mechanical and related seniority list in accordance with Sections 3 and 13 of the Allegheny Mohawk LPPs.

4. In the event of a merger of airline operations, this Agreement shall be considered to be amendable as provided in the Duration Section and Section 6 of the Railway Labor Act. Integration of the mechanical and related craft and class groups shall not occur until the applicable seniority lists are merged pursuant to procedures as described above, and agreement is reached on rates of pay, rules, and working conditions for the post-merger craft or class. Prior to such agreement, the terms and conditions of this Agreement shall continue to apply to the employees whose names appear on the Company's mechanical and related seniority list.

5. The following additional requirements shall be applicable in the event of a merger, purchase or acquisition involving the Company, regardless of the identity of the surviving carrier or whether formerly separate operations are to be integrated.

a. Unless and until any operational merger is finally effectuated, the Union will continue to be recognized as the representative of the pre-merger Company mechanical and related employees, so long as such recognition is consistent with the Railway Labor Act and any applicable rulings or orders of the National Mediation Board. Recognition of a post-merger representative shall be governed by the Railway Labor Act and by any applicable rulings or orders of the National Mediation Board.

b. Subject to applicable securities and other laws and regulations, the Company will provide the Union with the details of any material agreements relating to successionship transactions in a timely manner, provided that no financial or other confidential business information need be disclosed unless suitable arrangements are made for protecting the confidentiality and use of such information.

c. In advance of any operational integration, the Company or surviving carrier, if different than the Company, will accept the integrated seniority list accomplished in accordance with Sections 3 and 13 of the Allegheny Mohawk LPPs.

d. The maintenance operations of the Company and those of the other air carrier shall be kept separate unless and until the processes described in paragraphs E.3 and 4, above are completed. During such time of separate operations, mechanic and related employees shall not be interchanged without the Union's written consent.

e. Until the processes described in paragraphs E.3 and 4, above are completed, no employee covered by this Agreement shall be reduced in status or pay category as an effect of the merger, purchase or acquisition.

f. The Company or surviving carrier, if different than the Company, shall meet promptly with the Union upon request to negotiate the implementation of the requirements of this paragraph.

6. The Company agrees to arbitrate any grievance filed by the Union alleging a violation of this paragraph D on an expedited basis directly before the System Board of Adjustment sitting with a neutral arbitrator mutually acceptable to both parties. If a mutually agreed upon arbitrator cannot be selected within 3 days of the filing, an arbitrator will be selected pursuant to Section 19 of this Agreement. The dispute shall be heard no later than 30 days following the submission to the System Board (subject to the availability of the arbitrator), and shall be decided no later than 30 days following submission, unless the parties agree otherwise in writing.

7. Subject to applicable securities and other laws and regulations, the Company will review with the Union the details of any material agreements relating to successionship transactions in a timely manner, provided that no financial or other confidential business information need be disclosed unless suitable arrangements are made for protecting the confidentiality and use of such information.

F. Foreign Affairs

This Agreement shall cover all work by covered employees on international field trips or performed by them in the course of other foreign operations.

1. In the event the Company opens a maintenance facility outside the United States or its territories, and staffs the facility with covered employees, technicians assigned to such demilieu shall be covered by all terms of this Agreement and shall continue to enjoy all the rights, privileges and immunities of the Railway
Labor Act during their foreign service.

2. Disputes concerning covered employees based at foreign domiciles shall be heard by the System Board of Adjustment pursuant to Sections 20 and 21 of this Agreement and paragraph G of this Section, as appropriate, and the decision of the System Board in such cases shall be enforceable in any court of competent jurisdiction in the United States to the same extent and in the same manner as other cases arising pursuant to Sections 20 and 21 of this Agreement and/or paragraph G of this Section.

G. Management Rights

1. Except as restricted by the express terms of this Agreement and the practices under any prior Agreement, the Company shall retain all rights to manage and operate its business and work force, including but not limited to the right to sell or discontinue all or part of the business; to sell or lease aircraft or facilities; to determine where and when to operate scheduled or unscheduled flights; to determine its marketing methods and strategies, and to enter into code sharing, affiliation or marketing agreements with other carriers; to invest (including equity investments) in other business entities including, without limitation, other air carriers; and to determine the type of aircraft it will utilize.

2. The exercise of any right reserved herein to management in a particular manner, or the non-exercise of such right, shall not operate as a waiver of the Company’s rights hereunder, or preclude the Company from exercising the right in a different manner.

H. No Strike Commitment

1. From the effective date of the Agreement through 30 days following the date, if any, that the parties are released from mediation by the National Mediation Board in connection with negotiations for a successor Agreement (the “Release Date”), the Union, including its directors, officers, representatives and agents, will not engage in, promote, or cause any strike or work stoppage at the Company, including but not limited to sympathy strikes or recognition of picket lines at the Company, and the Union will not otherwise support picket lines established at the Company, or cause any other organized job action and the Company will not lockout any employee covered by this Agreement.

2. The commitment stated in paragraph H.1, above, shall be inapplicable as of the Release Date, without regard to whether the parties are then engaged in collective bargaining under the Railway Labor Act. The Company waives any claim that the commitment stated in paragraph H.1, above, remains applicable on or after the Release Date pursuant to the Railway Labor Act’s status quo provisions or otherwise.

3. It shall not be a violation of this Agreement, and it shall not be cause for discharge, permanent replacement or any other disciplinary action if any employee covered by this Agreement:

a. refuses to perform work or services on aircraft where the Company, pursuant to an agreement or arrangement with another air carrier, is performing that carrier’s maintenance during a lawful strike by that carrier’s mechanics (i.e., performing “struck work”), provided that it shall not be considered to be performing struck work for the Company to expand the Company’s maintenance activities or to continue to perform maintenance on its own aircraft, including aircraft on which other carriers performed contract maintenance prior to the strike, or

b. refuses to cross or chooses to honor the lawful picket lines of fellow mechanics employed by any affiliate of the Company, or

c. refuses to undergo training or perform maintenance work or services on the property of another carrier during a lawful strike by that carrier’s mechanics.

I. Status of the Agreement

1. The parties agree that any past practices, employment policies, interim agreements, or other understandings established prior to the date of this Agreement shall not create any contractual or legal obligation to continue such practices, policies, agreements or understandings following the effective date of this Agreement.

2. It is understood, wherever in this Agreement employees or jobs are referred to in the male gender, it shall be recognized as referring to both male and female employees.

3. It is further agreed that there shall be no discrimination by either party against any employee who is now, or may become subject to the terms of this Agreement, because of race, color, religion, sex, age, national origin, creed, handicapped or veteran status.
It is the intent of the parties that they be and remain in compliance with all applicable laws and regulations. In the event that it is discovered that any provision of this Agreement or any Company policy or practice which pertains to a mandatory subject of bargaining is in violation or potential violation of any applicable law or regulation, the parties will, in a timely manner, meet and confer for the purpose of curing the violation or potential violation in a way which requires the least change, disruption of the existing circumstances, and additional cost as is possible while minimizing any negative impact on the employees.

SECTION 2
DEFINITIONS

A. Introduction

The definitions contained in this Article are provided merely for the convenience of the parties and are intended for general information only. They are not intended to add to, delete from, or otherwise alter or affect the terms and conditions of employment provided for in this Agreement. Those terms and conditions are contained in the substantive Articles of this Agreement.

B. Station

A “station” means an airport (or a facility not at an airport) location where the Company has permanently placed a covered employee.

C. Shift

A “shift” is the scheduled period of work during the 24-hour work day. The shifts are described in Section 7, Hours of Service.

D. Work Week

The term “work week” refers to the number of regularly scheduled consecutive work days within each 7 consecutive day period. The types of work weeks are described in Section 7, Hours of Service.

E. Day Off

A “day off” is a day which is not a work day.

F. Work Day

A “work day” is a 24-hour period during which an employee is regularly scheduled to work, beginning with the employee’s regularly scheduled starting time.
G. **Hours Of Service**

The term "hours of service" are an employee's scheduled shift, days off, work days, starting time, meal period, and rest period(s).

H. **Bid Areas**

A "bid area" is the basic work area to which each employee is assigned, as defined in Section 3, Classifications, Descriptions, & Bid Areas.

I. **License**

The term "license" as used herein, shall mean the certificate of competence which is now (i.e., A, P, or FCC), or may be in the future, required by a regulatory body for the type of work to be undertaken by employees covered under this Agreement.

J. **Business Representative**

The term "business representative" means not only persons holding such the title, but also or any other person(s) properly designated and appointed by such official to act in his stead.

K. **Management Representative**

The term "management representative" means not only persons holding the title Manager, but also any other person(s) properly designated and appointed by such official to act in his stead.

L. **Employee**

The term "employee" means all persons covered by this Agreement.

M. **Emergency**

The term "emergency" means Acts of God, Acts of War, national emergency, natural disaster, revocation of the Company’s operating certificate, the grounding of a significant portion of the Company’s fleet, a shutdown of any substantial portion of the air transportation system, danger posed by the elements of weather, or any other unexpected circumstance posing significant danger to persons, property or the business.

---

**Definitions**
SECTION 3

CLASSIFICATIONS, DESCRIPTIONS, & BID AREAS

A. All employees performing work within the scope of this Agreement shall be within the Craft, Classification, and Bid Areas listed herein. The Classifications and Bid Areas, the work of such Classifications and Bid Areas, and the job requirements and job descriptions contained within this Section shall not be added to, reduced, deleted, or amended except by mutual agreement between the Company and the Union. If the Company determines that a new Classification coming within the scope of this Agreement is necessary, the Company agrees to negotiate the duties, job descriptions, job requirements, staffing procedures and the rates of pay for the new Classification, Craft, or Bid Area with the Union, prior to its implementation.

B. New hires, employees bidding permanent vacancies, employees filling temporary vacancies, employees exercising seniority in a reduction in force or those being recalled, either from furlough or from a reduction to a different/lower Classification, Craft, or Bid Area, must possess the necessary certificate(s) and meet other requirements, as spelled out herein, except that an employee who has previously completed a qualifying period for a particular Bid Area shall be considered already qualified.

C. Employees covered by this Agreement are recognized as being in a Craft and in a Classification within that Craft. The exercise of seniority as it relates to Craft and Classification is described in the Seniority, Filling of Vacancies, and Reduction in Force Sections, or as otherwise contained in this Collective Bargaining Agreement.

D. Descriptions of the Technician Craft Classifications are provided below. Because of Due to the nature of the regional airline business, and consistent with the regular practice at the Company, individual work assignments may, on an exception basis, require the performance of tasks in another Classification covered by this Collective Bargaining Agreement and will be paid at the higher rate.
E. Technician Craft

1. **A&P Technician (Mechanic)** – The work of a technician shall include the following: skilled work in connection with the performance of all checks currently being performed, up to and including the highest level of maintenance checks, without limitation, performed by A&P technicians under this agreement, and other traditional work identified in this Agreement. Also, the work of a Technician shall include all work generally recognized as Technician’s work performed by the Company in its airline operations, including powerplant/engine/airframe shops, maintenance bases, and maintenance stations, including but not limited to: checks, troubleshooting, dismantling, overhauling, repairing, fabricating, assembling, welding, erecting, and painting all parts of aircraft; aircraft engines, radio equipment, instruments, electrical & avionics systems, heating systems, hydraulic systems, and machine tool work done in connection therewith, as well as ground equipment, facilities and other related work. Technicians must hold such valid certificates as are required by federal law for their assignment. Technicians may be required to test, check, and to certify for service the work they perform.

2. **Avionics Technician** – The work of an avionics technician shall include all work generally recognized as technician’s work performed by the Company in its airline operations in and about Company shops, maintenance bases, and maintenance stations, including but not limited to: troubleshooting, maintaining, repairing, electrical and avionics systems on aircraft and engines. Avionics technicians must hold such valid certificates as are required by federal law for their assignment. Avionics technicians may be required to test, check, and to certify for service the work they perform.

3. **Inspector** – The work of an inspector will consist of the overall inspection of Company aircraft and/or components thereof, in connection with the overhaul/repair of the same, including: performing required inspection; accomplishing inspections requiring buybacks; approving aircraft returns to service after "C" or higher inspections; accomplishing special nonscheduled inspections; performing engine Borescopes; performing non-destructive testing on aircraft and components; examining non-destructive test results and determining serviceability of items being inspected; performing audits of work areas on local levels; reviewing all aircraft paperwork packages for accuracy completeness and legibility; approving parts for continued time serviceability; approving new and repaired parts for service; accomplishing special inspections on components; performing corrosion inspections; filing service difficulty reports; accomplishing spot audits of calibrated tooling for currency during accomplishment of normal job duties; monitoring hangar area for chemical spills and other hazards during normal job duties; and closing out completed work packages at an "A" check or higher. Inspectors must hold a valid A&P certificate to perform their duties, and must be capable of performing these duties. Inspectors will not lead or direct the work force.

4. **Lead** – A lead technician who, as a working member of the group, is charged with the responsibility of leading, directing, instructing, on-the-job training and approving the work of his assigned group. Leads may be required to sign for their own work, and the work of others in their group, provided, however, that such a signing shall not relieve any other member of his group of license requirements and/or legal responsibility for the work he has performed or from being required to complete and/or sign appropriate Company or federal work records. Leads must hold such valid licenses as are required by federal law for their assignment. At any time there are 9 employees on duty there will be at least 1 lead on duty. At 16 employees there will be at least 2 leads on duty. At 23 employees there will be at least 3 leads on duty. At 31 employees there will be at least 4 leads on duty. At 40 employees there will be at least 5 leads on duty.

5. **Operations Maintenance Coordinator** – The work of an operations maintenance coordinator shall include all work generally recognized as a Technician’s work performed by the Company in its airline operations in and about the Company shops, maintenance bases, and maintenance stations, including but not limited to: receiving in range calls from inbound and outbound aircraft; informing Maintenance Control of the disposition of aircraft that require maintenance action; informing Line Maintenance of aircraft with mechanical discrepancies; maintaining open communications with operations, ramp and gate personnel; reading and understanding aircraft flow charts and push sheets; sending all required maintenance screens for scheduled items; and keeping Maintenance Supervisors informed of MEL additions and removed.

6. **Sheetmetal Technician** – The work of the sheetmetal technician shall include all work generally recognized as technicians work performed by the Company in its airline operations in and about Company shops, maintenance bases and maintenance stations, including, but not limited to: general structural, sheet metal overhaul and repair, sheet metal fabrication and related repairs. Sheet metal technicians must hold such valid certificates as are required for their assignment. Sheet metal technicians may be required to test, check and certify for service the work that they perform.
F. **GSE Mechanic** – The work of a ground equipment mechanic shall include mechanical maintenance work performed in dismantling, repairing, fabricating, welding, altering, painting, and maintaining automotive and ramp equipment and components thereof. At stations where ground equipment mechanics are not assigned, A&P technicians may be assigned their duties.

G. **Tool Room Attendant** – The work of the Tool Room Attendant shall include issuing, tracking, and maintaining the serviceability of Company tooling from their respective location. This includes, but is not limited to, the inventory of all kits when issued and returned, and the ordering of replacement items if kit shortages or unserviceability of a kit should occur, coordination with the station Supervisor and Stores/AOG for any tooling that might be shipped out of their assigned station. Each station Tool Room Attendant will conduct and document a monthly inventory of all assigned tooling and report any deficiencies to their respective Supervisor.

II. **Bid Areas & License Requirements**

<table>
<thead>
<tr>
<th>Classification</th>
<th>License</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality Control/Inspection</td>
<td>A&amp;P</td>
</tr>
<tr>
<td>Line Technician</td>
<td>A&amp;P</td>
</tr>
<tr>
<td>Base Maintenance Technician</td>
<td>A&amp;P</td>
</tr>
<tr>
<td>Engine/Accessory Shop</td>
<td>A&amp;P</td>
</tr>
<tr>
<td>TR Shop</td>
<td>A&amp;P</td>
</tr>
<tr>
<td>Operations Maintenance Coordinator</td>
<td>A&amp;P</td>
</tr>
<tr>
<td>Avionics</td>
<td>A&amp;P or FCC (where required)</td>
</tr>
<tr>
<td>Composite</td>
<td>A&amp;P</td>
</tr>
<tr>
<td>Machinist</td>
<td>None</td>
</tr>
<tr>
<td>Ground Service Equipment (GSE)</td>
<td>None</td>
</tr>
<tr>
<td>Toolroom Attendant</td>
<td>None</td>
</tr>
<tr>
<td>Sheetmetal Technician</td>
<td>A&amp;P</td>
</tr>
<tr>
<td>Aircraft Welder</td>
<td>A&amp;P and required certifications</td>
</tr>
</tbody>
</table>

*Technicians employed at ratification who do not possess the certificates required above will be grandfathered into the craft. The Company reserves the right to hire and retain unlicensed technicians, on an exception basis, consistent with past practice.

I. When there is a shortage of work within a bid area, an employee within that bid area may be assigned work in another bid area for the remainder of his shift. This provision may not be used to move an employee from one bid area to cover for staff shortages in another bid area in lieu of assigning overtime.
SECTION 4

SENIORITY

A. The Seniority Lists that were in effect on the date of the National Mediation Board Certification will be recognized as the basis for all future discussions or challenges to Seniority.

B. A new employee, or an employee entering a position covered by this Agreement for the first time, shall serve a 180-day probationary period. During this probationary period, an employee's performance will be evaluated to determine whether or not he/she should be retained as a permanent employee. If retained after that probation period, employees will be placed on the Seniority List in order of their most recent hire date. An employee may be assigned and reassigned to any shift and days off during that probationary period. There is only one probationary period for an employee, except that an employee who leaves the service of the Company, and is again hired shall serve another probationary period. Employees may be discharged at any such time during such probationary period without a fact finding meeting or recourse to the Grievance Procedure.

C. The Company shall prepare and post a Seniority List by Craft seniority, showing the name, Craft Seniority Date, and Company Seniority Date for each employee, in the order of their Craft Seniority. In addition to the system-wide list, the Company shall also prepare and post a Station Seniority List having the same information as above, but containing only the names of the current employees at that station. Both lists will be updated and posted on a quarterly basis in each station and each bid area. If employees hold the same seniority date, the employee whose birthday falls first within the year will be considered to have greater seniority. Seniority lists will be provided to the International Brotherhood of Teamsters as they are developed.

D. Any employee who wishes to protest an entry on the lists must do so within 30 days of the posting of the lists. If a protest is not made within 30 days of posting, the list will be presumed to be correct. No changes will be made after 30 calendar days except under extraordinary circumstances. Normally, protests may only be made to entries on the lists that differ from an earlier list. If a protest results in a revision to a list, a revised list will be posted.

E. An employee's Company Seniority Date begins on the date the employee was most recently hired by the Company and was placed on the payroll, and continues for as long as the employee has not separated his employment status from the Company. Company Seniority will continue to accrue during the first 30 calendar days an employee is in a

4-1

Seniority
non-pay status (i.e. furlough, leave of absence, etc.). After 30 days Company Seniority dates will be adjusted for the amount of time equal to that in which an employee is in a non-pay status, unless the absence is for an occupational injury or as otherwise provided for in this Agreement. No adjustments will be made for periods of time during which an employee is on military leave. Company Service Date determines benefit eligibility, amount of vacation, pass boarding priority, and service awards.

F. Pay Seniority begins on the date an employee enters a Classification covered by this Agreement. Pay Seniority determines the step of the pay progression the employee will receive. Pay Seniority will continue to accrue during the first 30 days an employee is in a non-pay status (i.e. furlough, leave of absence, etc.). After 30 calendar days Pay Seniority dates will be adjusted for the amount of time equal to that in which an employee is in a non-pay status, unless the absence is for an occupational injury or as otherwise provided for in this Agreement. No adjustments will be made for periods of time during which an employee is on military leave.

G. Craft seniority begins on the date an employee first enters the Craft, including training/orientation days. The employee will not accrue Craft seniority for any time after 14 days from completion of basic indoctrination into the Company if the delay is attributable to a request by the employee and granted by the Company to delay reporting to his job. Craft seniority will continue to accrue for a period of 5 years from the date of a reduction in force, and will not be adjusted for other periods when an employee is in a non-pay status. An employee who voluntarily leaves the bargaining unit shall lose all Craft seniority, except that if he transfers to another position within the Company, he will retain his Craft seniority while serving in a probationary or trial period in the new position. However, an employee who because of a reduction in force, displaces (bumps) into a different Craft shall continue to accrue Craft seniority for 5 years, at which time, if he has not been recalled to the Craft from which he was laid off or reduced, his name shall be removed from the Craft seniority list.

H. Employees will lose their Seniority status and their names will be removed from all Seniority lists upon the occurrence of any of the following:

1. Resignation or Quit.
2. Discharge for just cause or Termination.
3. Retirement, in accordance with Company procedures, after 5 years.
4. Failure to return from a leave of absence on the prescribed date unless the failure to report was due to verifiable circumstances beyond the control of the employee.

5. Failure to accept recall from the Company within 7 days of receipt of written notice of recall, or failure to report to work within 14 days of accepting recall. All notices hereunder will be sent to the employee via Certified Mail, Return Receipt Requested, to the last known address on file with the Company. When a recall notice is sent, the employee must report to work within 21 days unless an extension is mutually agreed to between the Company and the employee.

6. The employee does not return from a Medical Leave of Absence within 5 years, or as specified by applicable law.

7. Failure to return from lay off or furlough status after 5 years or a period of time equal to Craft seniority, whichever is less.

8. Absence from work for three consecutive days without notifying the Company, unless the failure to provide notice was due to circumstances beyond the employee’s control.

I. No employee in a management position who has retained seniority as of the effective date of this Agreement shall forfeit that seniority as a result of this Agreement. Any such management employee may exercise his retained Craft Seniority only to return to a vacancy. No employee will be furloughed or bumped from his location as a result of the return to the unit of a management or administrative employee.

J. A covered employee who is promoted into a temporary supervisory or management position after the date of signing of this Agreement will continue to accrue Seniority for a total of 60 working days. The 60 working days will be cumulative in a rolling year. For all time spent beyond the 60 working days in a rolling year, the employee will have his Seniority adjusted on a day for day basis. The Company shall maintain accurate records of all temporary transfers, and will make those records available to the Union upon request.

K. A covered employee who is promoted into a permanent supervisory or management position after the date of signing of this Agreement will not continue to accrue seniority, and will have his seniority eliminated after 6 months in such assignment. An employee in a management position on the effective date of this Agreement who had been in such position for less than 3 years, will have his seniority eliminated after 1 year from the date he entered the management position. If during this period the employee desires to return to the bargaining unit, he may do so as follows:
1. Fill a vacancy anywhere in the system commensurate with his seniority on a preferential bid.

2. If the employee declines his desire to return to the bargaining unit within the period allowed, and at that time there is no vacancy that his seniority would hold, then he will not have his seniority eliminated, provided he bids for the first vacancy that his seniority would hold.

L. An employee who accepts a full-time position with the Union will be granted a Union Leave of Absence and will continue to accrue seniority in accordance with Section 10 (B)(7) of this Agreement.

M. Former employees rehired after voluntarily terminating employment may receive a one-time credit for prior Company service* upon application if:

1. Not more than 12 months have elapsed between the employee’s separation and re-employment, and

2. The employee has been re-employed for at least 12 months, and

3. Written application for past credit is initiated by the employee within 12 months of the eligibility date for restoration of credit.

*The Craft date for rehired employees will be the date of re-employment. Previous Craft time will not be restored.
SECTION 5

FILLING OF VACANCIES

A. A vacancy, as used herein, refers to a position to be filled by the bid/selection process. A position to which an employee has recall or a displacement right is not considered a vacancy.

B. Any non-probationary employee may bid on any posted vacancy created as a result of a new or vacant position. The vacancy will be awarded to the senior bidder in accordance with the procedures specified below. An employee may bid on more than one job at a time. If he is the senior bidder on more than one position, he shall have the right to choose which to accept.

C. When the Company fills a vacancy, it will do so in accordance with the following provisions:

1. Standard Bid Procedure

   a. All vacancies described in paragraph A., above, will be posted electronically for 14 days. A hard copy announcement of the vacancy will also be posted in all bid areas with a copy being sent to the Union. Bids must be completed on the appropriate bid form and submitted to Human Resources by the closing date shown on the posting. Postings will contain:

      i. The job title,
      ii. The station in which the vacancy is to be filled,
      iii. The qualifications, and
      iv. The closing date of the bid.

   b. After the bid closing, the successful bidder will be notified within 14 days, and given 48 hours to accept the offer and assigned a report date no earlier than 14 days and no later than 45 days after notification. If the employee is contacted and declines the vacancy, the bid will be discarded without penalty to the employee. Once an employee has been contacted and accepts the bid, the employee must report to the new position on his report
date. The results of the bid selection will be posted in the appropriate Bid Areas with a copy being sent to the Union.

c. Once awarded a vacancy, an employee will not, for a period of 1 year, be awarded another vacancy, unless the employee is bidding to a higher paying position, or the employee is affected by a reduction in force. However, if there are no bidders on a subsequent posting, the Company will waive the 1 year waiting period and employees covered by this agreement shall have preference to the vacancy over those from outside the unit.

d. Except as otherwise specified by law, an employee on a leave of absence must have returned to work by the closing date of the bid in order to be considered for a position.

e. If a vacancy is not filled after the bid process, the qualifications may be reduced by mutual agreement between the Company and the Union, and the vacancy re-posted for bargaining unit employees to bid on prior to otherwise filling the vacancy with reduced qualifications. Alternatively, provided that the same standards for filling the vacancy are used as were listed on the original posting, a vacancy which is not filled after the bid process may be staffed with either an interested employee within the Company or a new hire.

f. An employee who, through the bidding process, is awarded a vacancy to a Bid Area in which he has never worked, will be placed on a "Qualifying Period" of 60 calendar days. During this period the employee shall be required to demonstrate his ability to learn and perform the work of the new assignment. During this period the employee will give his full cooperation to management, and likewise, management will give the employee their full cooperation and assistance. If during the Qualifying Period it is determined that the employee is not making reasonable progress in the new position, management will:

i. Counsel the employee on the specific work areas that need improvement, and allows a reasonable opportunity to monitor that improvement. If, following that opportunity, the employee is still not progressing satisfactorily, management will;

ii. Give the employee a written statement, detailing the specific areas needing improvement, again allowing a reasonable opportunity to monitor that improvement. If, following that opportunity, it is determined that the employee is not qualified to perform the job satisfactorily, the Company will give him a written letter of disqualification.

iii. With the Union's concurrence the Company may extend an employee's Qualifying Period up to 30 calendar days.

iv. If an employee is disqualified under this Section or resigns from his new bid area during the Qualifying Period, he will be required to return to his former bid area and shift. If that position is no longer available, the employee will be allowed to exercise his seniority as described in Section 6, Reduction in Force and Recall.

v. If an employee is disqualified under this Section or disqualifies himself from his new bid area during the Qualifying Period, the next more senior qualified employee from the original bid will be awarded the position vacated by the disqualification or resignation.

vi. An employee, who is disqualified or disqualifies himself hereunder, will not be allowed to bid or displace for 1 year to the same bid area. If an employee is disqualified or disqualifies himself a second time from the same Bid Area, the employee will not be allowed to bid or displace that same Bid Area, regardless of station again, without demonstrating new or additional qualifications.

13. Transportation, Expenses and Report Date

1. If an employee is the successful bidder for a position located at a station other than the station where he is based, space available free waivered transportation will be furnished to the employee and eligible family members. All other expenses of the transfer will be paid by the employee. A reasonable period of unpaid time (determined by the employee and management) will be provided to the employee at the time of transfer, or shortly thereafter, to move.

2. No later than 14 calendar days after an award, an employee who is the successful bidder for a position located at a station other than the station where he is based will be given a report date for his new job assignment. The report date will not be sooner than 14 calendar days after the employee's receipt of the notice, unless the employee and the Company mutually agree upon an earlier or later report date. In case of a later report date, the employee will not lose any compensation as a result
of the delay.

E. Temporary Upgrades and Assignments

All vacancies, with an anticipated duration of less than 90 days, will be filled in accordance with the following:

1. If the need arises to temporarily upgrade an employee to a Lead, Inspector or Operations Maintenance Coordinator, the temporary vacancy will be filled by the most senior qualified employee(s) in the Craft in that bid area, first by seniority and then offered to other bid areas by seniority. After all options are exhausted, the most junior mechanic will be chosen.

2. Except for positions occupied by incumbent employees who are absent in accordance with Article 10, Leaves Of Absence, positions covered by this Agreement may not be filled on a temporary basis by upgrade, or assignment to another crew or Bid Area, for more than 90 cumulative working days within a rolling 12 months.

3. The time limits provisions of this Section shall not apply to a Temporary Vacancy created as a result of Paragraph G. (2), below.

F. Selection for Lead and Inspector Positions

1. When an approved vacancy exists, as defined in Paragraph A, above, in the Lead or Inspector Classification, a system bid will be posted. Interested employees who meet the bid qualifications may submit a bid within the posting period.

2. Once the system bid is closed the position will be awarded based on Craft Seniority to the senior bidder meeting the posted qualifications.

G. Voluntary Reduction in Classification

1. Inspectors, Operations Maintenance Coordinators and Leads in all Classifications may voluntarily downgrade, provided however that an Inspector, Operations Maintenance Coordinator or Lead who has previously voluntarily downgraded and later elect to return to an Inspector, Operations Maintenance Coordinator or Lead position will be required to remain in that position for a minimum of 1 year. Voluntarily downgrading may be done in accordance with G.2, below.

2. If a vacancy exists at a station, after Recall and Reduction in Force Procedures have been complied with, an Inspector, Operations Maintenance Coordinator or
SECTION 6

REDUCTION IN FORCE AND RECALL

A. If it becomes necessary to reduce the work force, seniority shall govern. The Company will send written notice to the Union and the employees who are to be laid off due to a Reduction In Force at least 14 days in advance of the effective date of the reduction, or provide pay in lieu thereof. In the event of the closure of a station, 28 days shall apply.

B. Reductions In Force will be accomplished in accordance with the following procedures:

1. If a location where employees covered by this Agreement are permanently stationed is closed, either in whole or part, and the work performed at that location is moved to another Company location, the affected employees will have the option, in order of craft seniority (beginning with the senior most affected employee) to follow the work before vacancies are offered to other employees.

2. If the Company reduces the number of employees at a location where employees covered by this Agreement are permanently stationed, such reductions will be made in reverse order of craft seniority within classification (e.g. lead mechanic, inspector, mechanic, etc.).

3. Employees affected by a Reduction In Force may exercise the following options, or may elect to take a layoff at any step of the process:

   a. Fill any vacancy within the station for which the employee is qualified; if there is are none, then

   b. Displace the person with the least craft seniority in the station, provided the employee has more craft seniority than the person to be displaced. Any such employee attempting to displace a lead or inspector must have held the position for at least 1 year. If this option is not available, then

   c. Fill any vacancy within the system for which the employee is qualified within their craft; if there is are none, then

   d. Displace a junior employee within the total number of employees being affected by the Reduction In Force.
4. An employee who fails to indicate in writing his/her preference within 14 days after written notification of reduction in force was either delivered in person or sent certified mail (return receipt requested), will be placed on lay off at the location.

5. Employees on furlough will continue to accrue seniority in the craft from which they were laid off for 5 years or the length of their craft seniority at the time of the furlough, whichever is shorter.

6. At the time of a reduction in force the Company will freeze the bid file, and will not fill vacancies until all employees affected by the reduction in force have had an opportunity to fill existing system vacancies.

7. Employees located in stations in which reductions in force are scheduled, may request a voluntary lay off. Such requests will be granted in craft seniority order. An employee on voluntary lay off will not be entitled to recall for 1 year unless the Company elects to offer early return after all qualified employees in the station have been recalled.

C. Recall of employees on furlough will be accomplished using the following procedures:

1. Vacancies will not be filled until recall procedures have been exhausted.

2. When vacancies exist at a location, employees on lay off from that location have the right to recall in craft seniority order, with the most senior employee entitled to recall first. An employee who refuses recall, or fails to respond within 14 days of written notification (certified mail, return receipt requested), to the location and in the craft from which he was laid off will forfeit any further recall rights and will be administratively terminated. However, an employee may refuse a temporary recall of less than 90 days without forfeiting recall rights and without loss of seniority or employment. If an employee is unable to return to the service of the Company at the time of recall because of an illness or injury, he shall remain on furlough until he is released by his doctor to return to work. In order to preserve his rights under this Agreement, an employee must notify the Company within the 14 day response period as specified in Paragraph C.2, below, and provide proper medical documentation as provided by the employee’s attending physician as soon as possible. When released to return to work, the employee may have seniority in accordance with provisions of this Article.

3. Employees who have been displaced by a Reduction In Force will retain recall rights to their original location for a period of time equal to their length of employment at the time of displacement or 5 years, whichever is less.

4. To maintain eligibility for recall, furloughed employees must keep a current address and phone number on file with the Company. An employee will be administratively terminated, absent extenuating circumstances, if written notice of recall is undeliverable at his last address of record (notification of recall will be mailed return receipt requested); if he fails to accept recall from furlough within 14 days of receipt of notification; or he fails to report to work within 14 days after acceptance of recall, unless mutually agreed otherwise between the Company and the employee.

5. In the event of administrative termination due to failure to accept recall, or to report after acceptance of recall, written notice of that action by the Company will be sent by mail, return receipt requested, to the employee’s last address of record and to the employee’s local Union.

6. For employees not on furlough or lay off status (those still working, but in different positions within the Company) who are being recalled, the Company may hand deliver an unregistered and unsealed written recall notice to such employee provided that a signature receipt is obtained from the employee.

7. Employees’ medical benefits will continue until the end of the month in which they are furloughed.

8. A copy of all furlough and recall notices provided to employees pursuant to this Article will be sent to the Union at the same time that the notice is provided to the employee.

9. In the event of workforce reductions, the following severance amounts will be paid at the time employees are placed in furlough status:

   If an employee has completed  | Furlough Pay
   0-3 years                   | 2 weeks
   4-9 years                  | 3 weeks
   10-14 years                | 4 weeks
   15 plus years              | 5 weeks
SECTION 7

HOURS OF SERVICE

A. The normal work week is 40 hours, consisting of consecutive work days followed by consecutive days off. The normal day is 8 or 10 hours of work, excluding a 30 minute unpaid meal period, unless otherwise agreed or required by law. Upon notice to the Union, the normal work day can be adjusted according to the needs of the operation. No covered employee shall be scheduled to work less than 80 hours in a pay period.

B. A 15 minute rest period will be given during the first half of each shift, and another 15 minute rest period will be given during the second half of each shift. An additional 15 minute rest period will be given during shifts scheduled for more than 11 hours.

C. If the existing work days and scheduled shifts in a bid area on a shift are adjusted to the extent that the starting times, ending times, or durations of the shifts are changed or scheduled days of work and days off are affected, a shift bid in that bid area will be conducted within 30 days of the effective date of the schedule change.

D. If it is necessary to temporarily change an employee's schedule, a notice will be posted in all work areas requesting volunteers and the most senior volunteer will be selected. If no one volunteers, the most junior employee will be required to accept the change. Temporary schedule changes may only exist for 2 months maximum. The Company shall not use this provision as a basis for arbitrary changes to work schedules. When possible, the Company shall provide 72 hours of notice to the affected employees if there is to be a change to their schedules.

E. An employee whose schedule is changed to cover a shift(s) vacated by another employee filling a permanent or temporary vacancy, shall be given a minimum rest period of 8 hours prior to returning to his regular shift assignment, without suffering loss of pay thereby. There shall be no minimum rest requirement during transitions between shift bids, nor shall employees receive overtime pay as a result of working regularly scheduled shifts during shift bid transitions.

F. Shifts and days off shall be bid at least twice each calendar year, no less than 5 months apart, unless operational requirements dictate otherwise. Available shifts and days off will be posted at each station and will be awarded in craft seniority order. Shift bids may not be utilized to change bid areas or job classifications or to bid a different station.

Hours Of Service
The Company will post a shift schedule, craft seniority list and the bidding time schedule 30 days before a new schedule goes into effect. Bidding will begin 15 days before the new schedule goes into effect. Employees may submit absentee bids or pre-bids in writing prior to their designated time for bidding; however, bids placed during personal or telephonic appearances at the designated bidding time will govern. Bids will be accepted and awarded by individuals designated in accordance with local agreement or practice, or, failing agreement, by one representative designated by management and one representative designated by the Union.

Probationary employees may bid for available probationary shifts and days off on their first shift bid. Thereafter they will bid based solely upon their seniority.

When a new or vacant shift/days becomes available management will post it, and the senior interested employee in the bid area will be given the opportunity to fill the position.

Employees who do not receive a 30 minute meal period between the 3rd and 6th hours of their regular shift will, in conjunction with the need of the service, receive one of the following 2 options:

1. Receive 30 minutes additional pay at the applicable overtime rate, or
2. Leave work 30 minutes early with pay before the normal shift ends.

Day and Shift Trades

1. Special authorization (e.g. Taxi/Bus, RE) coverage permitting, employees may trade one or more of their days off with each other ("Day trade"), exchange shifts on the same day, or another day ("shift trade"), or one employee may pick up a shift from another employee without a reciprocal trade. Employees on a one-way trade will be allowed to use VAC-DAT to make up for all hours on the unpaid trade day off.

2. Trade forms will be submitted to the appropriate supervisor for approval 48 hours in advance of day or shift trades. Employees will be informed in writing whether the day or shift trade is approved. If denied, the reason will be included. Approval of day or shift trades shall not be unreasonably withheld. Each employee is responsible for his own attendance on the date and times of the agreed trade. Upon reporting for work, a trading employee must give the appropriate supervisor the correct information.

In any location, the Director of Maintenance or his designee may declare an "Inclement Weather Day" because of weather and travel conditions that make it difficult for employees to report to work. On such days all employees who do not report to work will be paid protected. In addition all employees who do report to work on such days will be paid 1½ times pay for all hours worked.

In the event that the Director of Maintenance or his designee does not declare an Inclement Weather Day, but an appropriate governmental authority declares a weather emergency and an employee is unable to get to work because the weather conditions make travel impossible, the employee will not be charged with an accountable absence, but he will also not be paid for the day. In such event, the employee will be provided an opportunity to make up the time lost.

Employees may call their duty Supervisor within 2 hours prior to the start of his scheduled shift to determine the status of their specific work facility during adverse weather conditions.
SECTION 8

VACATIONS

A. All employees are eligible for paid vacation. The rate at which an employee accrues vacation is based on the employee's completed years of service. The number of vacation days an employee actually accrues to be used during the next year is based upon the employee's accrual rate and the number of months the employee actually worked during the year. If an employee is compensated for at least 90 hours during a month, he will accrue vacation during that month.

B. An employee's rate of vacation accrual is based on the employee's years of Company Service as follows:

<table>
<thead>
<tr>
<th>Completed years of Company Service as of January 1st</th>
<th>Vacation Accrued in the Current Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 year</td>
<td>Up to 40 hours</td>
</tr>
<tr>
<td>1-4 years</td>
<td>80 hours</td>
</tr>
<tr>
<td>5-9 years</td>
<td>120 hours</td>
</tr>
<tr>
<td>10-16 years</td>
<td>160 hours</td>
</tr>
<tr>
<td>17-24 years</td>
<td>200 hours</td>
</tr>
<tr>
<td>25 or more years</td>
<td>240 hours</td>
</tr>
</tbody>
</table>

C. Employees hired on or before the 15th of a month will get credit for the month, and employees hired after the 15th of a month will not.

D. Where vacation days are referred to herein, the reference is to 8 hour days. If an employee is working something other than a shift with five 8 hour days, the actual vacation days taken will vary according to the schedule the employee is working.

E. If an employee leaves the Company either voluntarily or involuntarily after satisfactorily completing at least 6 months of service, he will receive full payment for all unused vacation time from the previous year as well as accrued time in the year the employee leaves the service of the Company. This will include reduction in force.

F. An employee who is scheduled for vacation during a time when the employee would ordinarily receive a paycheck, may receive a paycheck or a payroll advance before the
vacation by submitting a request to Payroll. The request must have department head approval and must be submitted a minimum of 2 weeks in advance to allow for processing.

G. The number of vacation hours earned will be based on the rate of accrual and months as specified below:

<table>
<thead>
<tr>
<th>Months of Service Prior to January 1</th>
<th>40hrs</th>
<th>80hrs</th>
<th>120hrs</th>
<th>160hrs</th>
<th>200hrs</th>
<th>240hrs</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>40</td>
<td>80</td>
<td>120</td>
<td>160</td>
<td>200</td>
<td>240</td>
</tr>
<tr>
<td>11</td>
<td>40</td>
<td>72</td>
<td>112</td>
<td>144</td>
<td>176</td>
<td>208</td>
</tr>
<tr>
<td>10</td>
<td>32</td>
<td>64</td>
<td>104</td>
<td>136</td>
<td>168</td>
<td>200</td>
</tr>
<tr>
<td>9</td>
<td>32</td>
<td>56</td>
<td>96</td>
<td>128</td>
<td>160</td>
<td>192</td>
</tr>
<tr>
<td>8</td>
<td>24</td>
<td>56</td>
<td>88</td>
<td>120</td>
<td>152</td>
<td>184</td>
</tr>
<tr>
<td>7</td>
<td>24</td>
<td>48</td>
<td>72</td>
<td>96</td>
<td>120</td>
<td>144</td>
</tr>
<tr>
<td>6</td>
<td>16</td>
<td>40</td>
<td>64</td>
<td>80</td>
<td>104</td>
<td>128</td>
</tr>
<tr>
<td>5</td>
<td>16</td>
<td>32</td>
<td>48</td>
<td>64</td>
<td>80</td>
<td>96</td>
</tr>
<tr>
<td>4</td>
<td>16</td>
<td>24</td>
<td>40</td>
<td>56</td>
<td>72</td>
<td>88</td>
</tr>
<tr>
<td>3</td>
<td>8</td>
<td>24</td>
<td>32</td>
<td>40</td>
<td>48</td>
<td>64</td>
</tr>
<tr>
<td>2</td>
<td>8</td>
<td>16</td>
<td>24</td>
<td>24</td>
<td>32</td>
<td>40</td>
</tr>
<tr>
<td>1</td>
<td>0</td>
<td>8</td>
<td>8</td>
<td>16</td>
<td>16</td>
<td>24</td>
</tr>
</tbody>
</table>

**Vacation Accrual Example:**

Hire Date: March 2003

<table>
<thead>
<tr>
<th>Completed Yrs of Service</th>
<th>Vacation Accrued</th>
<th>Vacation Taken</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>0</td>
<td>32</td>
</tr>
<tr>
<td>1</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>2</td>
<td>80</td>
<td>80</td>
</tr>
<tr>
<td>3</td>
<td>80</td>
<td>80</td>
</tr>
<tr>
<td>4</td>
<td>80</td>
<td>80</td>
</tr>
<tr>
<td>5</td>
<td>120</td>
<td>120</td>
</tr>
<tr>
<td>6</td>
<td>120</td>
<td>120</td>
</tr>
<tr>
<td>7</td>
<td>120</td>
<td>120</td>
</tr>
</tbody>
</table>

**Vacation-Day-At-A-Time (VAC-DAT)**

An employee may also designate 1 week of his vacation to be taken as day-at-a-time as outlined below:
SECTION 9
HOLIDAYS & PERSONAL DAYS

A. The Company recognizes the following holidays for all employees:

1. New Year’s Day (January 1)
2. Memorial Day (Last Monday in May)
3. Independence Day (July 4)
4. Labor Day (First Monday in September)
5. Thanksgiving (Fourth Thursday in November)
6. Friday after Thanksgiving
7. Christmas Eve
8. Christmas (December 25)

In addition, each covered employee will receive 2 personal paid days annually. An employee shall give the Company 24 hours notice of intent to take a personal day off. However, if operational needs permit, the Company will approve a request without 24 hours notice.

B. For holiday staffing purposes, all employees regularly scheduled for duty will be expected to report for work on their regularly scheduled shift. The Company will post a “volunteer off” list 15 days prior to the holiday for employees to sign in the event reduced staffing is authorized. The sign-up list will be closed 5 days prior to the holiday. At least 3 days before the holiday, the Company will post the number and names of the employees, if any, who will be awarded the holiday off based on seniority order. If a sufficient number of volunteers are not obtained, the Company will choose the necessary additional employees in reverse order of seniority. The Company will notify these employees 3 days before the holiday.

C. If a holiday falls on an employee’s regularly scheduled workday, and the Company excuses the employee from working, the employee shall receive pay equal to the employee’s regular workday. The employee who works on the holiday will receive pay at 2 1/2 times his regular rate for all work hours actually worked on the holiday.

D. A shift occurs on a holiday if the scheduled starting time of the shift is on the holiday.

E. An extra day will be added to a vacation that includes a holiday.

Changes to the Posted Schedule

1. If necessary, additional weeks or partial weeks of vacation will be opened for bid during the year to accommodate additional vacation weeks created by an increase in complement or changes in the work group which increase the number of weeks to be taken, unless those weeks can be accommodated in the existing schedule. In all other cases, any open week on the vacation schedule will be available for employees within the vacation bid group who wish to switch their scheduled weeks of vacation.

2. Any vacation period vacated on the vacation schedule will remain open for 72 hours and will then be awarded to the senior employee requesting the vacated period.

3. Employees transferring into, or returning to a bid area may be required to reschedule their vacation based on availability within the new bid group.
A "no-call, no-show" on a holiday, prior to a holiday or subsequent to a holiday for which an employee is scheduled to work will result in the loss of all holiday pay for that day. It is understood that there may be valid exceptions.

G. If the holiday is not deferred it shall be paid in the pay period in which it occurs. The holiday may be deferred within the pay period before, during or after in which it occurs. An employee may defer and accumulate 40 hours for an employee's normal workweek to be taken as additional day(s) of vacation during the following year. These deferred holiday(s) shall be bid in the vacation bidding process. Bidding in blocks of 40 hours (or an employee's normal work week) will be done in the same method as regular vacation bidding. Bidding less than a block of 40 hours will be done after block bidding. The deferred holiday(s) may be rescheduled subject to management approval. Approval will not be unreasonably withheld and will be based on staffing needs. Any unused day or portion thereof shall be paid the last pay period of the year.

H. If an employee is on paid leave (sick leave, occupational injury leave, jury duty, death-in-the-family), the employee will receive holiday pay, but the employee will not receive any leave pay.

Time will not be deducted from the sick bank for absences due to illness or injury on a holiday.

J. Trading on holidays is permitted in accordance with the provisions of Section 7 (Hours of Service), with the following qualification: An employee who works on a holiday will be paid 1 1/2 for all hours worked. He also is eligible to receive his own straight time holiday pay for that day, but not the straight time holiday pay of the employee with whom he traded.

K. The Company recognizes that certain employees will request time off to observe a religious holiday.

1. Employees who wish to take time off for a religious holiday should first attempt to arrange their work schedule so that they will not have to work on the religious day. If approved by the supervisor, the employee may arrange to work on one of the established holidays in substitution for time off granted to observe a religious holiday.

2. Employees unable to make alternate arrangements should notify their supervisors in writing at least two weeks before the day they wish to be absent. The Company will accommodate a request for time off when the needs of the operation permit.

Such time off will be without pay. The Company may require the employee to work a different shift or day.

L. If an employee leaves the Company either voluntarily or involuntarily after satisfactorily completing at least 6 months of service, he will receive full payment for all deferred holidays.
SECTION 10
LEAVES OF ABSENCE

A. Where justifiable reason exists and when the requirements of the Company permit, an employee hereunder shall, upon proper written application and approval by the Company, be granted a leave of absence in accordance with the terms of this Article for any of the following purposes:

- Personal
- Family/Medical
- Unpaid Medical
- Military
- Company Offered
- Educational
- Union (Long and Short term)

B. These leaves will have the following features:

1. Personal

   a. Eligibility – 6 months continuous employment and written supervisory approval.

   b. Maximum length – 6 months.

   c. Effect on seniority – Beginning on the 31st day of leave, Company Service Date and Pay Seniority will be adjusted for remaining period of inactive service.

   d. Effect on vacation – Existing vacation retained. Additional vacation not earned during leave.

   e. Effect on pass travel privileges – No pass travel permitted.

Return to work conditions – Return to former position/location or, if after 90 days & position filled, comparable position when vacancy permits, if qualified & bidding seniority permits.

Other conditions/requirements – Subject to operational requirements; other employment permitted with written departmental approval.

Family and Medical (FMLA)

a. Employees may use sick leave, vacation or deferred holidays during FMLA.
b. Eligibility – 1 year of service and worked for at least 1,250 hours in prior year.
c. Maximum length – Up to 90 days per “rolling” calendar year.
d. Effect on seniority – Continues for all purposes during leave.
e. Effect on vacation – Earned vacation used during or after leave. Additional vacation not earned during leave.
f. Effect on pass travel privileges – Permitted with written supervisor approval or with documentation that travel is required for medical purposes.
g. Effect on sick leave accrual – Existing sick leave retained. Additional sick leave not earned during leave.
h. Return to work conditions – At expiration of leave, to position vacated.
i. Other conditions/requirements – Other employment is permitted with written authorization from supervisor. 30 day advance notice required if foreseeable and supporting medical documentation required. The Company and the Union hereby agree to comply with all provisions of the Family Medical Leave Act (FMLA) and the Americans with Disabilities Act (A.D.A.). Both parties acknowledge that there are times when these laws are in conflict with certain provisions of this Agreement, and agree to meet and confer as necessary to administer these laws as they relate to the Agreement.

Unpaid Medical

a. Eligibility – Upon written application, accompanied by proper written certification from an employee’s doctor confirming the need, a Medical Leave of Absence without pay will be granted, for illness, injury, or pregnancy that prevents an employee from working or to those employees who are not eligible for the Transitional Duty Programs, and who have exhausted or elected not to use sick or OJ accruals.
b. Maximum length – Not to exceed 90 days, renewable for 90 day periods, upon reapplication and re-certification until the employee is able to return to work, to a maximum of the shortest of:
   i. period of incapacity, or
   ii. except as otherwise provided by law, 24 months, or
   iii. a period equal to the employee’s length of employment.
c. Effect on seniority – Beginning on the 91st day of leave, Company Service Date and Pay Seniority will be adjusted for the remaining period of inactive service.
d. Effect on vacation – Retained. Additional vacation not earned during leave.
e. Effect on pass travel privileges – Permitted based on medical need with written supervisor approval.
f. Effect on sick leave accrual – Additional sick leave not earned during leave.
g. Return to work conditions – Once the employee is released without restrictions by his Doctor to perform his normal job functions, he shall be returned to his normal assignment. If such job has been filled, he may exercise his seniority.
4. Military

a. Eligibility – Enlisted or inducted into Armed Forces of U.S. or reserve unit member including National Guard ordered to active duty.

b. Maximum length – Duration of the employee’s active service in the Armed Forces, not to exceed 5 years.

c. Effect on seniority – Accruals continue for all purposes.

  Effect on vacation – Taken upon approval of military leave. Additional vacation not earned during leave.

  Effect on pass travel privileges – Permitted for military personnel inducted into Armed Forces or called to active duty. Not permitted for enlistees.

  Effect on sick leave accrual – Existing sick leave retained. Additional sick leave not earned during leave.

g. Return to work conditions – Employee must apply for reinstatement within 90 days after discharge, or 31 days, if a Reservist.

h. Other conditions/requirements – Employee to provide written notification of induction or orders to report to duty with effective date of LOA & last day of work. The Company and the Union hereby agree to comply with the requirements of state and federal laws that apply to employees who are military reservists or who otherwise are called to active duty in the armed forces. Any employee hereunder who enters and serves in the National Guard will be granted a Leave of Absence in accordance with all applicable Federal Law.

5. Company Offered

a. Company offered leaves will be posted for bid prior to a furlough. Prior to posting, the duration and terms of the leave will be reviewed with the Union. Company offered leaves may not be taken by employees who are being furloughed. The leaves will be granted in bid seniority order in a station. In the event of a station closure, this paragraph will not be applicable.

b. Effect on seniority – Beginning on the 91st day of the leave, Company Service Date and Pay Seniority will be adjusted for remaining period of inactive service unless a longer time frame for accrual is stated in the offer.

c. Effect on vacation – Retained. Additional vacation not earned during leave.

d. Effect on pass travel privileges – Travel is permitted, and employees will be issued travel authorization letters.

e. Effect on sick leave accrual – Retained, no additional accruals earned during leave.

f. Return to work conditions – Upon expiration of leave, return to position vacated.

g. Other conditions/requirements – Subject to operational requirements; Outside employment permitted, but must provide prior written notice to supervisor.

6. Educational

a. Eligibility – 6 months continuous employment and full-time enrollment in accredited academic or vocational institution, and written supervisory approval.

b. Maximum length – In relation to academic term, but not longer than employee’s length of service.

c. Effect on seniority – Beginning on the 31st day of leave, Company Service Date and Pay Seniority will be adjusted for remaining period of inactive service.

d. Effect on vacation – Retained. Additional vacation not earned during leave.
e. **Effect on pass travel privileges** - Reasonable requests will be permitted with written authorization from Human Resources.

f. **Effect on sick leave accrual** - Retained, no additional accruals earned during leave.

g. **Return to work conditions** - Former position and location, or if after 90 days position has been filled, comparable position when vacancy permits, if qualified and bidding seniority permits.

h. **Other conditions/requirements** - Subject to operational requirements; Other Employment permitted with written departmental approval.

7. **Union Leave**

a. **Eligibility** - With 48 hours written notice by a Union Business Agent, the Company will grant to an employee covered by this Agreement a Short Term Union Leave of Absence. With 14 days written notice the Company will grant a Long Term Union Leave of Absence.

b. **Definitions - Long Term and Short Term Leaves**

A Long Term Union Leave of Absence will be a period of up to 6 months in any calendar year. The Union shall pay the wages or salary, inclusive of fringe benefits, of an employee on Long Term Union Leave and shall reimburse the Company for any cost of participation in the Company's benefit plans.

A Short Term Union Leave of Absence shall be for a period of up to 5 days monthly for no more than 1 steward per Local Union unless mutually agreeable to the Union and the Company. A Short Term Leave of Absence shall not exceed 60 days in a calendar year. The Union may request more than 1 steward at any one time except, however, for each steward off the Union shall be charged 1 day against the yearly total.

A Short Term Union Leave of Absence is to be used for business associated with the Company only and as long as restricted to that purpose, the Company will continue its policy of not requiring reimbursements for the cost of wages and benefits for employees on Short Term Leave. The Union Business Agent shall review and submit requests for such leaves to the Company.

c. **Effect on seniority** - Retained and accrued for all purposes.

d. **Effect on vacation** - Retained and accrued.

e. **Effect on pass travel privileges** - Permitted.

f. **Effect on sick leave accrual** - Retained and accrued.

g. **Return to work conditions** - Any employee returning from a Union Leave of Absence will be returned to his former position unless the position has been filled by a more senior employee, in which case the returning employee may exercise his seniority.

8. **Personal Emergency**

In the event of a death or critical injury in the employee's immediate family, the employee will be allowed up to 40 hours off at straight time pay as Personal Emergency (PE) time depending on the employee's needs. No more than 2 instances for a total of 80 hours of PE time will be paid per individual family member for the period of employment. Additional time off without pay will be made available to employees covered by the F.M.L.A. if requested. Otherwise, additional time off without pay is within the discretion of the employee's supervisor. PE is not charged against an employee's sick bank or counted as an absence for disciplinary purposes and PE time does not disqualify an employee from the attendance recognition program. For purposes of PE, immediate family is defined as spouse, children, parents, siblings, brothers, grandparent, grandchildren, parents of employee's spouse, or dependents living in the same household as the employee. Proper documentation of PE will be required upon return to work.

9. **Jury Duty**

a. **The Company recognizes jury duty as a civic responsibility and will release employees for jury duty. Employees will not suffer any loss of pay for jury duty. Employees may retain payment received for jury service. An employee who gets a jury summons must submit a copy of it to the employee's supervisor.**
SECTION II

SICK LEAVE & OCCUPATIONAL INJURY

A. Sick/Occupational Injury

Sick/Occupational injury time is provided to allow the necessary time off to recuperate from illness or injury. An employee on sick or occupational injury leave may not accept employment or receive pay from other organizations without prior written approval from the employee’s supervisor/manager and Human Resources.

B. Definitions

1. Sick Pay - is pay to an eligible non-probationary employee who cannot perform his regular duties because of sickness (physical or psychological) or non-occupational injury, including maternity. Sick pay may also be utilized when an employee’s presence would jeopardize the health of others because of exposure to a contagious disease. Sick pay does not cover time for routine physical examinations or dental check-ups. Pay during a period of sick absence will be based on the employee’s base rate and scheduled hours.

2. Occupational Injury Pay - is pay to an eligible non-probationary employee who is unable to work because of an injury on the job at ExpressJet Airlines, Inc. The injury must be one that is covered by the applicable state Workers' Compensation law, and must be verified in writing by the treating physician. Pay during a period of occupational injury absence will be based on the employee’s scheduled hours. Pay received from the Company for an occupational injury will be at a rate equal to the employee’s base rate, reduced by the amount of Worker’s Compensation Temporary Disability Pay received by the employee from the Company's insurance carrier or the state.

3. Worker’s Compensation Temporary Disability Pay - is pay to an eligible employee unable to work because of an injury on the job at ExpressJet Airlines, Inc.

   a. The injury must be one that is covered by the applicable state Worker’s Compensation law, and must be verified in writing by the treating physician. Pay during the period of occupational injury absence is based upon a seven-day work week, whether or not an employee is scheduled to work.

C. General

1. Employees on an approved Leave of Absence must receive written permission from Human Resources to engage in gainful employment while on a Leave of Absence.

2. Requests to be absent from work without pay for less than 30 days are not considered a leave of absence but rather are regarded as excused absences without pay.

Leaves Of Absence
b. Payment for occupational injury by the company's insurance carrier, or the state, is generally set at a percentage of the employee's average weekly wage. However, this rate and the maximum weekly payment may vary from state to state. Occupational injury pay (described above) is used to make up the difference between Worker's Compensation Temporary Disability Pay and the employee's base rate of pay for his scheduled straight time hours.

4. State Mandated Benefits - are disability income benefits required by law in certain states. State mandated benefits may include or require payments from an outside source.

a. In no event may an employee be entitled to State Mandated Benefits and Sick Pay or Occupational Injury Pay in excess of the employee's normal rate of pay times his scheduled straight time hours.

b. Adjustments to reimburse any excess compensation may be made by payroll deduction after the employee has received notification of the intent to do so. Any such adjustments will not result in restoring hours to the employee's accrued sick/occupational injury pay credits.

5. Base Rate or Regular Rate, as used in this Section, is an employee's base hourly rate plus all premiums he normally receives.

C. Sick and Occupational Injury Accrual

Full time employees accrue 8 hours of Sick Pay credits and 8 hours of Occupational Injury Pay credits, for each month that they are in a paid status, up to a maximum of 1,000 hours for Sick Pay and a maximum of 700 hours for Occupational Injury Pay (See paragraphs 1., below). New hire employees will be credited with 300 hours in their OJI bank, and will accrue an additional 8 hours each month for the OJI bank up to 700 hours. Employees in the bargaining unit as of the effective date of this Agreement, shall have their OJI banks supplemented, if necessary, to bring them up to the 300 hour level.

D. Commencement and Payment of Paid Sick Time

Sick time is paid based on the number of hours in the employee's regular work schedule. Pay will be at the employee's normal rate until his/her sick bank has been exhausted.

E. Commencement of Occupational Injury Pay

1. Occupational Injury Pay is based on the number of hours in the employee's regular work schedule. An employee's failure to report an injury to his supervisor (or lead if no supervisor is available) at the time of the occurrence may result in his not being paid for the first eight hours of the unexpected absence. However, a manager or director has the discretion to pay Occupational Injury Pay for the first day of occupational injury based on individual circumstances. No deduction from the occupational injury bank will be made for the first day if it is unpaid.

2. Occupational Injury Pay cannot commence until the employer's first report of injury (state form) has been completed and a copy has been submitted to Payroll.

F. Combining Sick Pay and Occupational Injury Pay

Employees may not use Occupational Injury Pay to extend paid sick time. However, if an employee exhausts Occupational Injury Pay, Sick Pay may be used to extend Occupational Injury Pay.

G. Exclusion of Sick Pay/Occupational Injury Pay

When an employee exhausts all paid sick/occupational injury time, the employee will be placed on involuntary leave of absence without pay. An employee will not accrue Sick Pay or Occupational Injury Pay while on an involuntary leave of absence.

H. Physical Examinations

1. ExpressJet Airlines, Inc. may require an employee to submit to a physical examination by a company approved physician. This may be requested to verify the employee's illness, disability, occupational injury, fitness for duty, or release to duty. The cost of this examination will be at Company expense. In addition, an employee will be paid for time lost because of said examination if he is not at work.

2. If the employee does not agree with the findings of the Company doctor, the employee may be examined by a doctor of his own choosing. Should a dispute arise between the findings of the two doctors concerning the employee's physical ability to return to work, after either an occupational injury or use of sick leave, a third doctor, selected by mutual agreement by the first two doctors will make a third examination, and the decision of the third doctor will be determinative. The expense of the third doctor shall be borne by the Company.
I. Travel While on Sick or Occupational Injury Status

Employees on sick or occupational injury status may not use their own or another employee’s pass privileges or reduced rate travel for personal travel unless written permission is secured in advance of the travel from the appropriate supervisor and Human Resources Manager, which permission will not be unreasonably withheld. Eligible family members (and buddies if accompanied by the employee’s spouse or other eligible family pass riders), are permitted to travel while the employee is in a paid status. To allow time for family members to return from trips in progress or be notified to make alternate travel arrangements, eligible family members may continue to travel for 30 days from the date an employee’s status changes to “unpaid” (i.e., an employee has exhausted Sick/Occupational Injury Pay).

J. Occupational Injury Pay

1. Eligibility

To be eligible to receive Occupational Injury Pay, an employee’s disability must be covered by the state Worker’s Compensation law applicable to the employee’s base, station or work site. The employee must also provide a medical doctor’s written verification of disability by occupational injury.

2. Limited Duty

To the extent work needs to be performed, Limited Duty assignments will be available for employees who are unable to return to full duty after an on-the-job injury but are capable of performing work with some physical restrictions.

3. Payments

Worker’s Compensation Temporary Disability payments will be made directly to the employee by the Worker’s Compensation carrier (or the state) in the amount equal to the statutory requirements. Payments will be made to the employee, by the Company, in the amount calculated to be the difference between the employee’s regular base pay and the statutory payment amount, until such time as the employee’s Occupational Injury Pay and (if elected) Sick Pay are exhausted. After the employee has returned to work and occupational injury payments have ceased (from both the Company and the third party), reconciliation will be performed to determine that the employee was appropriately paid during this period. Final adjustments will then be made. If it is established that the employee was overpaid, arrangements will be made with the employee for prompt recovery.

II-4

Sick Leave And Occupational Injury

A pay inquiry will be initiated if, after all adjustments have been made, the employee believes that he was paid improperly.

4. Denial/Investigation of Worker’s Compensation Claims

Occupational Injury payments will not be made if there is an unresolved controversy as to whether the injury is compensable or if the claim is denied. An employee who is denied Occupational Injury Pay may use other benefits such as sick pay or vacation pay. If an injury is later deemed eligible for Worker’s Compensation Temporary Disability Pay, payments will be retroactive and the necessary adjustments/changes will be made.

K. Limited Duty

1. Eligibility

a. Limited Duty assignments are available only for employees who sustain occupational injuries and are temporarily unable to perform their full duties.

b. The employee must provide a treating and/or consulting physician’s statement stating that the employee’s physical limitations are not expected to restrict him from regular work duties for more than 90 days.

c. Work of economic benefit to the Company must be available.

d. The employee must be capable of performing the work that is available within the doctor’s written restrictions.

2. Limited Duty Requirements

a. Limited Duty assignments may last as long as 90 days. In addition, one 30 day extension may be allowed with the treating and/or consulting doctor’s approval.

b. An employee may not be in Limited Duty status for more than 120 days for the same injury. An employee whose restrictions are not removed after 120 days of a limited duty assignment will be returned to either Sick Pay, Occupational Injury Pay or unpaid leave status.

c. Employee participation in Limited Duty is mandatory, if the treating and/or consulting physician releases the employee for Limited Duty, work is available within the identified restrictions, and the Company directs the
employee to do Limited Duty. The Company will offer Limited Duty assignments in all cases to the extent that appropriate work is available.

d. Once the treating and/or consulting physician issues a full release, an employee on Limited Duty must return to his normal job duties immediately.

e. An employee who has incurred a permanent disability will receive consideration for return to duty in accordance with the Company's policies regarding reasonable accommodation for handicapped individuals. That is, an employee who has suffered an occupational injury and has medical restrictions defined as permanent and stationary, but remains unable to perform his normal duties, will be given consideration for other work that does not exceed the restrictions, to the extent it is available and he is qualified to perform such work. Once a limitation defined as permanent and stationary is recognized by the Worker's Compensation Board, that determination cannot be changed unless the Company elects in its discretion to accept the diagnosis of another physician.

f. An employee on Limited Duty will only be assigned work at his Station/Point (including corporate offices located at or near the Station/Point). Employees will not be given Limited Duty assignments which require supervision of employees covered by this Agreement.

g. An employee assigned Limited Duty will be paid at his regular base rate as used in this Article, even if the Company would otherwise pay a lower rate for the assigned work.

3. Effects on Employee Benefits/Privileges

a. Seniority

An employee on a Limited Duty assignment will continue to retain and accrue Seniority for all purposes.

b. Overtime

Overtime is not available to employees on Limited Duty assignments.

c. Trade Days

An employee on Limited Duty assignment is not permitted to use trade privileges.

d. Occupational Injury Pay

Employees on Limited Duty assignments are paid their regular rate. No deductions are made from their Sick or Occupational Injury Pay for hours actually worked while on the assignment.

e. Attendance

Employees will be held accountable for attendance and tardiness while on Limited Duty assignments, except in circumstances where the employee's attending physician requires the employee to be absent or tardy for treatment or therapy.

f. Travel Privileges

Pass and reduced-rate travel is available to employees and their eligible dependents while employees are on Limited Duty assignments.

g. Vacation, Sick Pay and Occupational Injury Pay Accruals

During a Limited Duty assignment, accruals will be credited in the same manner as if the employee were performing his regular assignment.

h. Transfers

Transfers are not available to employees on Limited Duty.

II. Sick Pay Bank

The maximum 1,000 hour Sick Pay bank provided for in paragraph C above is divided into accounts of 700 and 300 hours. Only after accruing the maximum 700 hours in the first account may an employee begin accruing toward the maximum 300 hours in the second account. The 300 hour account may only be used for major, long term illness or injury (i.e. longer than 30 calendar days).
Non-Critical Illness in the Family:

If an employee's spouse or dependent child is injured, or becomes ill, or is hospitalized so that the employee is unable to report for work, the employee will be entitled to use up to 3 working days of personal sick leave. Beginning with the third such absence in a rolling 12 month period, absences of this nature are treated the same as employee sick time, and will count for attendance/disciplinary purposes.

The Company will, on a monthly basis, provide a copy of the Sick Leave and OJI accrual to each covered employee.

The Company agrees to notify the Union of any changes to the Attendance Control Program prior to implementation.

SECTION 12

FIELD TRIPS

A. A Field Trip may be either planned (one for which more than 48 hours advance notice prior to the scheduled flight departure is provided to the employee), or unplanned (one for which 48 hours or less advance notice prior to the scheduled flight departure is provided to the employee). A Field Trip may involve:

1. Returning Company aircraft or equipment requiring normal and non-recurring type maintenance to service, or

2. Performing maintenance at a point where regular line maintenance is not assigned.

B. Employees on Field Trips away from their station to restore Company airplanes or equipment to service shall be paid at their normal hourly rate, with a minimum of their normal shift hours for each 24 hour period. For pay purposes the 24 hour period starts with the beginning of the employee's last regular shift.

C. For unplanned Field Trips, all time in excess of their normal shift hours in any one day spent working, traveling, or waiting will be paid at the applicable overtime rates. For planned Field Trips travel time will be at the employee's base rate of pay, including hours in excess of their normal shift hours in any one scheduled work day.

D. If a Field Trip is interrupted for any reason, and the employee is released by the Company for a period of 8 consecutive hours or more, he shall not be paid for the time released.

E. For planned Field Trips, an employee may have his shift starting time and scheduled days off established at the time of assignment. It is understood that the Company may schedule the employee to take his normally scheduled days off without compensation. See Section 15 (f), Compensations, regarding expenses.

F. Employees required to work after the completion of travel in conjunction with a Field Trip shall be paid for the time worked after returning, at the applicable overtime rates for all hours worked in excess of their normal shift hours including travel, time waiting to travel to a maximum of 4 hours, and working time for the day in question.
ExpressJet Airlines, Inc.

SECTION 13

TRAINING

A. Training

1. Training assignments are part of an employee's regular job.

2. A new hire mechanic will be scheduled for the first available Basic Indocration Training class.

3. Time spent in training will be paid at an employee's basic hourly rate, unless training exceeds 8 hours in a day or 40 hours in a week (in which case overtime provisions will apply). All necessary travel time to or from the employees' station and training on a day off, or in excess of his scheduled shift, will be paid at 1 1/2 times his hourly rate.

4. Employees who travel home on weekends during extended training assignments will not receive paid travel time, but will be provided positive space travel passes.

5. The Company will provide positive space passes to employees assigned to travel for training purposes.

B. No employee will suffer any loss of pay as a result of attending an assigned training class.

C. The Company will make every reasonable effort to schedule training classes during an employee's regular shift, however, it is expressly understood and agreed that the Company may change an employee's shift and/or days off, on a temporary basis, for the purpose of attending training classes of several days duration, provided the employee is given at least 30 calendar days notice of the change, unless otherwise mutually agreed to by both the employee and management.

D. When the Company provides training on any aircraft type or component thereof, the employees usually performing the type of work involved will be scheduled to attend the training in order of their seniority on their shift, to the extent of the available room in the training class. The Company may, if necessitated by the operation, bypass an employee and send a more junior employee to training, however, prior to the bypass, the Company will inform the bypassed employee that he will attend the next training of the same class offered.
E. When an employee attends training outside his station, and there is no provided transportation, upon request the Company will provide a reasonable size rental car for each 4 employees as long as the employee provides receipts for the rental. Expense amounts must be in accordance with the Travel and Expense Policy of ExpressJet, Inc.

SECTION 14
SAFETY & HEALTH

A. Introduction

1. Safety is ExpressJet Airlines, Inc.'s most important priority and accordingly, the responsibility of both management and of every employee. In furtherance of this priority, all employees are expected to help maintain a safe, sanitary, clean and healthful working environment.

2. The Company will maintain emergency first aid equipment on all shifts to take care of employees in case of accident or illness.

   Each station will have at least one safety representative, who is either subsequently selected by his fellow employees or appointed by the Union. He will work with and assist local management in reviewing, investigating, and resolving issues and complaints regarding unsafe and unsanitary working conditions. Time off with pay will be approved by local management to permit the safety representative to fulfill these duties. Time spent on these duties shall not impede the Company's operation nor shall the Company unreasonably withhold approval of time off.

B. General Safety Rules

1. Employees are not required to work in an unsafe area or under unsafe conditions. Employees are expected to report unsafe areas, conditions, equipment, and tools to their immediate supervisor.

2. Each employee has the responsibility to work in a safe manner and remove equipment or eliminate conditions or unsafe acts within that employee's control that create a hazard.

3. An employee with a concern about, or knowledge of a potential safety problem in any facet of the Company's operation, should immediately bring it to the attention of the employee's supervisor for prompt investigation and/or corrective action. If there is not an appropriate and timely response from the supervisor, the employee has an obligation to continue up the chain of command as high as necessary to resolve the concern.
4. No employee will be disciplined for calling to the attention of the Company any actual or potential safety concern.

C. Safety Training

Initial and recurrent employee training will cover at least those areas required for regulatory compliance, including the hazard communication standards of OSHA, emergency plans, fire extinguisher use, and specific safe work practices to cover hazards or conditions that may exist in the work location and/or shop. Complete safety training requirements for each shop and/or location can be obtained by contacting the Safety and Regulatory Compliance Department.

D. Safety Equipment

1. Safety devices and personal protective equipment are provided for all employees working in hazardous environments. Employees are required to use such devices while performing their work. The Company will provide ear protection, headsets, safety glasses, respirators, rubber gloves, etc.

2. Employees will not be required to use unsafe tools or equipment or work in an unsafe area or under unsafe conditions. Employees are expected to report unsafe tools, equipment, areas or conditions to their immediate supervisor and safety representative immediately.

3. All unsafe equipment will be tagged and held out of service until repaired.

4. Complete safety equipment requirements for each shop and/or location can be obtained by contacting the Safety and Regulatory Compliance department.

E. Dress for Safety

Each employee is expected to dress appropriately for work. Personal items such as jewelry, scarves, ties, etc., which could cause an unsafe condition, will not be worn.

F. On an annual basis, the Company will provide, without cost to the employees, medical evaluations required by OSHA/DOT/FAA such as health screening, urinalysis, blood tests and physical examinations for employees working with or around hazardous substances and materials, including employees working in the Paint and Composite shops.

G. Health

1. The Company will furnish good artificially cooled drinking water and/or sanitary water fountains.

2. The floors of restrooms and toilets will be kept in good repair and in a clean, dry, and sanitary condition. Employees will cooperate in maintaining these conditions.

3. Shops, hangars and washrooms will be lighted, heated and cooled in the best possible manner consistent with the source of light, heat and cooling available.

4. Suitable foul weather gear, including rain suits, boots, galoshes and parkas will be made available by the Company.

5. An annual hearing exam will be provided by the Company.

H. Inclement Weather

1. Employees covered by this Agreement shall not be required to perform maintenance on aircraft or ground equipment outside during inclement weather when hangars or garages are available.

2. Paragraph H.1 shall not apply to employees working on aircraft for immediate service or in servicing aircraft for through service, or performing maintenance work normally performed outside the hangar.

3. Paragraph H.1 shall not apply to employees working on ground equipment for immediate service or ground equipment in immediate need to support the through service of aircraft or other routine maintenance. "A" checks and above; along with heavy maintenance (e.g., transmission drops, engine changes, etc.) will be performed indoors where facilities are available.

I. The Company will reimburse each employee up to $75.00 dollars annually for the purchase of approved safety shoes upon submission of a copy of the original receipt.
SECTION 15
COMPENSATION

A. Employees are paid for actual time worked in hours and fractions of an hour properly reported and verified. The employee may be required to punch in and out at time clocks. Employees who are late for work will be docked on an actual minute basis after the first six minutes, adjusted to the nearest 1/4th of an hour.

B. Licensed Technicians and Avionics Technicians will receive a basic hourly rate of pay as follows:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1st (0 - 1)</td>
<td>12.15</td>
<td>12.63</td>
<td>13.14</td>
<td>13.66</td>
<td>13.66</td>
</tr>
<tr>
<td>3rd (2 - 3)</td>
<td>14.15</td>
<td>14.72</td>
<td>15.31</td>
<td>15.92</td>
<td>15.92</td>
</tr>
<tr>
<td>4th (3 - 4)</td>
<td>15.13</td>
<td>15.74</td>
<td>16.37</td>
<td>17.02</td>
<td>18.11</td>
</tr>
<tr>
<td>5th (4 - 5)</td>
<td>16.11</td>
<td>16.75</td>
<td>17.42</td>
<td>18.12</td>
<td>19.70</td>
</tr>
<tr>
<td>6th (5 - 6)</td>
<td>16.66</td>
<td>17.33</td>
<td>18.02</td>
<td>18.74</td>
<td>21.45</td>
</tr>
<tr>
<td>7th (6 - 7)</td>
<td>17.64</td>
<td>18.34</td>
<td>19.08</td>
<td>19.84</td>
<td>23.42</td>
</tr>
<tr>
<td>8th (7 or more)</td>
<td>22.36</td>
<td>23.25</td>
<td>24.18</td>
<td>25.15</td>
<td>26.15</td>
</tr>
</tbody>
</table>

Tool Room Attendants will receive a basic hourly rate as follows:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1st (0-1)</td>
<td>10.40</td>
<td>10.82</td>
<td>11.25</td>
<td>11.70</td>
<td>12.05</td>
</tr>
<tr>
<td>2nd (1-2)</td>
<td>10.92</td>
<td>11.36</td>
<td>11.81</td>
<td>12.28</td>
<td>12.65</td>
</tr>
<tr>
<td>3rd (2-3)</td>
<td>11.44</td>
<td>11.90</td>
<td>12.37</td>
<td>12.87</td>
<td>13.25</td>
</tr>
<tr>
<td>4th (3-4)</td>
<td>11.96</td>
<td>12.44</td>
<td>12.94</td>
<td>13.45</td>
<td>13.86</td>
</tr>
<tr>
<td>5th (4-5)</td>
<td>12.74</td>
<td>13.25</td>
<td>13.78</td>
<td>14.33</td>
<td>14.76</td>
</tr>
<tr>
<td>6th (5-6)</td>
<td>13.52</td>
<td>14.06</td>
<td>14.62</td>
<td>15.21</td>
<td>15.66</td>
</tr>
<tr>
<td>7th (6-7)</td>
<td>14.04</td>
<td>14.60</td>
<td>15.19</td>
<td>15.79</td>
<td>16.27</td>
</tr>
<tr>
<td>8th (7-8)</td>
<td>14.36</td>
<td>15.14</td>
<td>15.75</td>
<td>16.38</td>
<td>16.87</td>
</tr>
<tr>
<td>9th (8 or more)</td>
<td>15.34</td>
<td>15.95</td>
<td>16.59</td>
<td>17.26</td>
<td>17.77</td>
</tr>
</tbody>
</table>
1. Employees' "hourly base rate of pay" is determined by a combination of a "basic hourly rate" and any of the premiums listed below to which an employee is entitled.

2. Employees temporarily transferred to work in a higher classification will be paid the higher rate for all hours worked in the higher classification with a minimum of 1 hour. Employees temporarily transferred to work in lower paid classifications will receive their regular base rate pay.

3. Where there is a shortage equal to 1 day's pay or more in the pay of an employee, the employee will be reimbursed for such shortage as soon as possible or no later than 3 working days.

4. Paychecks will include an itemized statement of all hours, wages, adjustments and deductions for the pay period, year to date wages, FICA and withholding taxes.

5. Longevity increases are effective with the pay period beginning nearest the employee's anniversary date.

C. License Premiums

Effective on the date of signing of this Agreement, excepting only those employees whose primary job functions involve identifying and checking tools, test equipment and commodities in and out of the Tool Room and Parts Room, as well as the service, cleaning, inventory, storage and accounting of tools, test equipment and commodities used in the daily operation of the Tool Room and Parts Room and related tasks, all Technicians, Lead Technicians, Operations Maintenance Coordinator, and Inspectors covered by this Agreement will receive the following hourly license premium for all hours worked:

Airframe ("A") License - $1.40 per hour;
Powerplant ("P") License - $1.40 per hour;
FCC General License - $2.00 per hour.

Regardless of the number of licenses an employee may hold, an employee's total license premium may not exceed the license premium for an FCC General License. License premium pay will be added to the employee's base rate of pay for all pay purposes.

D. The basic hourly rate for lead technicians, inspectors and maintenance coordinators is the appropriate mechanic rate of pay from B, above, plus an additional $2.00 per hour premium for those with less than 5 years longevity, and $2.50 per hour for those with 5 years longevity or more. The basic hourly rate for tool room leads is the appropriate tool room attendant pay from B, above, plus an additional $2.00 per hour. Inspectors, regardless of longevity, will receive an additional $2.25 per hour, up to a maximum of $3.50 per hour, for each Non-Destructive Testing procedure (Ultrasonic and Eddy Current) they are qualified to perform. Technicians who are taught specific procedures shall receive this $2.25 per hour premium for as long as they are performing the procedures.

E. Technicians will receive an additional $1.50 per hour (less than 5 years longevity), and $2.00 per hour (5 years longevity, or more), for each hour he performs the duties of an RII inspector, rounded off to the next highest whole number of hours. The RII premium is only paid for the hours worked exercising or using the RII designation. Inspectors and lead technicians will not receive the RII premium.

F. Technicians and Inspectors who occupy a bid position requiring a Taxi/Rental license will receive a basic hourly rate of the appropriate technician base rate of pay from B, above, plus an additional $1.00 per hour.

G. Any employee who is receiving a basic hourly rate of pay in excess of the maximum for the employee's longevity will not have his rate of pay reduced because of any changes to the pay scales. Rather, the employee will remain at his current rate until his longevity requires an increase under the normal application of the pay scales.

H. Covered employees based in EWR, BDL and IAD will receive a market differential of $1.10 per hour. This differential is in addition to any other premiums for which the employee is eligible. At any locations where Stores employees receive a market differential, all employees covered by this Agreement will receive that differential.

I. Employees shall be paid bi-weekly. The pay week will be from Monday to Sunday for a two week period. Pay day will fall 10 calendar days after the pay period ends. Accurate time sheets must be completed and turned in by 9:00 a.m. local time on Monday following the end of the pay period. Payroll checks will be distributed during working hours on pay day. It will cover work performed in the previous pay period. If a payday falls on a Company recognized holiday, employees will be paid on the previous day.

J. All employees covered by this Agreement who are required to perform work, attend school, or for any other reason be away from their base station for at least one overnight shall be provided suitable single occupancy accommodations and shall receive an expense allowance (per diem) for time away from base, for each hour (or fraction thereof) from the scheduled or actual report time of departure, up to the time the employee returns to his base. The hourly per diem shall be $1.40 per hour. Employees required to be away from their base station for periods which do not include an overnight
will be reimbursed for reasonable actual receipts expenses in accordance with the Company’s usual and customary policies and practice.

K. Shift Differential

1. Employees working a shift with a scheduled starting time after 19:00 hours and before 00:00 hours shall receive a shift differential of $50 per hour for all hours paid. Effective 8/1/2007 this rate shall increase to $70 per hour for all hours paid.

2. Employees working a shift with a scheduled starting time after 13:00 and before 19:00 shall receive a shift differential of $30 per hour for all hours paid. Effective 8/1/2007 this rate shall increase to $35 per hour for all hours paid.

SECTION 16
MOVING EXPENSES

A. When an employee hereunder is transferred at the Company’s request, he shall be allowed actual reasonable moving expenses for household effects up to 12,500 pounds, when substantiated by properly receipted bills for shipping, loading, storage, packing and unpacking. The receipt must indicate the number of cubic feet or its equivalent of household effects being handled. The Company may at its option prescribe or control the shipment from the time of packing at the point of departure to the time of unpacking at the appointed arrival.

B. The cost of moving mobile homes will be reimbursed by the Company for employees who use such mobile homes as their sole residence up to the allowable limit for household effects. Charges in excess of this amount will be billed to the employee.

C. When an employee hereunder is transferred at the Company’s request and drives his vehicle or vehicles (up to 2) from his former domicile to a new station he shall be granted travel time at the rate of 400 miles per day, to a maximum of 5 days, the direct route, and shall be paid $32 per mile. If a second vehicle is moved the Company will pay $24 per mile for each vehicle up to a maximum of 2 vehicles. He shall also be paid his regular 8 hours pay for each day needed for traveling. Any mileage pay increase granted under the Company’s General Administrative Manual shall be granted to all employees covered by this Agreement.

Actual and reasonable hotel expenses to a maximum of $70.00 per night for the employee and spouse, plus an additional $50.00 per night for family for each night of travel, and actual and reasonable meal expenses with a daily limit of $36.00 for the employee and $20.00 per day for each immediate family member will be paid after the employee has submitted receipts.

Payment of hotel and meal expenses will be made for a period not to exceed 7 full days. However, when circumstances beyond the control of the employee necessitate additional time, the situation may be reviewed and an extension approved by the Division Vice-President.

D. When an employee is transferred from one station to another as a result of being the successful bidder on a bullion job, he will bear his own expenses, except that space available plane transportation shall be furnished to him and his immediate family to the extent permitted by law.
E. The maximum total cost payable by the Company for any move shall be $10,000.00 for a family and $5,000.00 for a single employee.

F. An employee will be eligible for moving expense for 6 months after commencement of duty at his new base. For an employee with a child enrolled in school the period shall be 9 months. If an employee voluntarily terminates his employment with the Company within 6 months from his first day on the job at the new base, the employee will be required to repay the moving expense that the employee received from the Company.

G. If the Company determines that special circumstances exist, the Company may discuss with the Union procedures not outlined in this section.

SECTION 17
BENEFITS

A. Except as otherwise expressly provided herein, covered employees shall be eligible to participate in those benefit programs which have been established as Company-wide programs, on the terms and conditions established in the benefit programs for Technical Operations employees' participation. Except as provided herein, these benefit programs will not be altered or diminished for Technical Operations employees unless done so on a Company-wide basis. Before any changes are made, the Company will notify the Union in writing in advance of the effective date of such change(s). Upon request by the Union, the Company will meet to explain the change(s). These programs presently include:


   An employee's monetary contribution(s) for life, personal accident, medical, denial and vision insurance, including, but not limited to contribution(s) for monthly premiums and co-pays shall not exceed or be increased more than the monetary contributions required of other Company employees for the same insurance.

2. Pass Travel Privileges

3. On-Time Bonus Program

4. Stock Purchase Plan

5. Retirement Bridge Medical Plan

6. Perfect Attendance Program

B. Retirement Benefits

1. Employees will be eligible to participate in the ExpressJet Airlines, Inc. 401(k) Savings Plan ("the Plan"), pursuant to the terms and conditions of the Plan, which allows an employee to save specified amounts on a pre-tax basis.
SECTION 18

OVERTIME

A. All time worked over normal 8 or 12-hour shifts, whichever is greater, will be considered overtime. Overtime will be paid at 1 1/2 times the regular rate of pay. In addition to normal pay, all employees will be paid at a rate of $15.00 per hour for all time worked in excess of 40 hours per week. In addition to normal pay, all employees will be paid at a rate of $15.00 per hour in excess of 40 hours per week. Overtime pay will be calculated on a weekly basis, with the exception of employees who work less than 40 hours per week, in which case the overtime pay will be calculated on a bi-weekly basis.

B. Time and one-half of the employee's regular rate of pay will be paid for all hours worked in excess of 8 hours in addition to the employee's regular rate of pay.

C. The following guidelines for pay will apply:

1. If an employee works a regular shift of less than 8 hours, the employee will receive pay for the entire shift.
2. If the employee works a shift of at least 8 hours, the employee will receive pay for the entire shift and for any overtime worked in excess of 8 hours.
3. If an employee works a shift of at least 8 hours, the employee will receive pay for the entire shift and for any overtime worked in excess of 8 hours, provided the employee works a shift of at least 40 hours per week.

D. Any active employee of the company who participates in the tax-sheltered annuity program shall have the same employee contribution level and participation as employees of the Express Airline, Inc. Profit Sharing Plan. Employees shall receive contributions in the form of a cash contribution, which will be made at the discretion of the company and will be paid at an annual rate of 5% of the employee's annual salary.

E. Any employee who is on the payroll of the company shall be eligible for the following contributions:

1. 5% of gross income
2. 10% of gross income
3. 15% of gross income
4. 20% of gross income

F. The following contributions shall be made on a regular basis:

1. 5% of gross income
2. 10% of gross income
3. 15% of gross income
4. 20% of gross income

G. The following contributions shall be made on a regular basis:

1. 5% of gross income
2. 10% of gross income
3. 15% of gross income
4. 20% of gross income

H. The following contributions shall be made on a regular basis:

1. 5% of gross income
2. 10% of gross income
3. 15% of gross income
4. 20% of gross income

I. The following contributions shall be made on a regular basis:

1. 5% of gross income
2. 10% of gross income
3. 15% of gross income
4. 20% of gross income

J. The following contributions shall be made on a regular basis:

1. 5% of gross income
2. 10% of gross income
3. 15% of gross income
4. 20% of gross income

K. The following contributions shall be made on a regular basis:

1. 5% of gross income
2. 10% of gross income
3. 15% of gross income
4. 20% of gross income

L. The following contributions shall be made on a regular basis:

1. 5% of gross income
2. 10% of gross income
3. 15% of gross income
4. 20% of gross income

M. The following contributions shall be made on a regular basis:

1. 5% of gross income
2. 10% of gross income
3. 15% of gross income
4. 20% of gross income

N. The following contributions shall be made on a regular basis:

1. 5% of gross income
2. 10% of gross income
3. 15% of gross income
4. 20% of gross income

O. The following contributions shall be made on a regular basis:

1. 5% of gross income
2. 10% of gross income
3. 15% of gross income
4. 20% of gross income

P. The following contributions shall be made on a regular basis:

1. 5% of gross income
2. 10% of gross income
3. 15% of gross income
4. 20% of gross income

Q. The following contributions shall be made on a regular basis:

1. 5% of gross income
2. 10% of gross income
3. 15% of gross income
4. 20% of gross income

R. The following contributions shall be made on a regular basis:

1. 5% of gross income
2. 10% of gross income
3. 15% of gross income
4. 20% of gross income

S. The following contributions shall be made on a regular basis:

1. 5% of gross income
2. 10% of gross income
3. 15% of gross income
4. 20% of gross income

T. The following contributions shall be made on a regular basis:

1. 5% of gross income
2. 10% of gross income
3. 15% of gross income
4. 20% of gross income

U. The following contributions shall be made on a regular basis:

1. 5% of gross income
2. 10% of gross income
3. 15% of gross income
4. 20% of gross income

V. The following contributions shall be made on a regular basis:

1. 5% of gross income
2. 10% of gross income
3. 15% of gross income
4. 20% of gross income

W. The following contributions shall be made on a regular basis:

1. 5% of gross income
2. 10% of gross income
3. 15% of gross income
4. 20% of gross income

X. The following contributions shall be made on a regular basis:

1. 5% of gross income
2. 10% of gross income
3. 15% of gross income
4. 20% of gross income

Y. The following contributions shall be made on a regular basis:

1. 5% of gross income
2. 10% of gross income
3. 15% of gross income
4. 20% of gross income

Z. The following contributions shall be made on a regular basis:

1. 5% of gross income
2. 10% of gross income
3. 15% of gross income
4. 20% of gross income
SECTION 19

UNION SECURITY AND REPRESENTATION

A. It shall be a condition of employment that all employees of the Company covered by this Agreement shall on the effective date of this Agreement, become and remain members in good standing of the Union or, in the alternative, render the Union a monthly sum equivalent to the standard monthly dues required of the Union members, such sums to be recognized as "Service Fees."

B. It shall be a condition of employment that all employees of the Company covered by this Agreement and hired on or after its effective date shall on or before the 60th day following the beginning of the initial seniority date, become and remain members in good standing in the Union, or, in the alternative, render the Union a monthly sum equivalent to the standard monthly dues required of the Union members, such sums to be recognized as "Service Fees."

C. The Company will deduct from the wages of any employee covered by this Agreement said employee's initiation fees and dues as a member of the Union upon receiving the employee's voluntary and individual written authorization for the Company to make such deductions, signed by the employee. Such authorization form will be provided by the Union. The Company will pay over to the proper officer of the Union the wages withheld for such initiation fees and/or dues. The amount so withheld shall be deducted from the appropriate paycheck, reported and paid to the Union monthly. The employee's Social Security number, full name, dues rate, rate of pay and status of employment will be transmitted with the monthly fees/dues.

D. The Union agrees that it shall indemnify the Company and hold the Company harmless from any and all claims which may be made by the employee or employees against the Company by virtue of the wrongful application or misapplication of any of the terms of this Article.

E. In the event of termination of employment there shall be no obligation upon the Company to collect dues until all other deductions have been made.

F. The Union shall give the Company at least 30 days written notice before requesting the removal of employees from employment for failure to maintain membership in good standing in the Union in accordance with Paragraph A of this Section.

G. The Company will advise the Union of the name(s), hire dates, and addresses of any new hires and the names and dates of all other employees covered by the Agreement who
SECTION 20

GRIEVANCE PROCEDURE

A. In the event of a grievance arising over the interpretation or application of this Agreement, or in the event of disciplinary action, not involving loss of pay, the following procedure shall be followed:

1. The aggrieved employee will first present the complaint to his supervisor for discussion and possible solution. During this discussion, the employee may be represented by his shop steward or Local Business Representative. It is understood and agreed that decisions made at the first step of the grievance procedure by the supervisor, employee and/or his representative shall not constitute a precedent of any kind unless otherwise agreed to by the Union and the Company.

2. If the complaint cannot be resolved through a discussion, the grievance shall be reduced to writing by the employee or his representative, signed by the employee or his representative, and presented to his supervisor within 10 business days from the incident upon which the grievance is based.

3. The grievance will be answered in writing by the supervisor, who will send a copy to the grievant, the shop steward and the Union Representative, within 10 business days after he receives the written grievance.

4. If the decision of the supervisor is not satisfactory, the employee or his Union Representative may appeal the grievance to the Company designee, provided such appeal is presented in writing within 10 business days after the written decision of the supervisor has been presented to the grievant, the shop steward, and the Union Representative.

5. The Company designee will answer the grievance(s) in writing to the Local Business Representative within 10 business days following the receipt of the written appeal.

6. Within 14 business days after the receipt of the written decision of the Company designee, if the decision is not satisfactory to the employee and his Union Representative, the employee may appeal such grievance to the System Board of Adjustment by serving a written notice upon the Company directed to the Staff Vice President of Maintenance or his designee at the Company’s office of its intention to do so. If the System Board deadlocks, the case may be appealed to
arbitration by the Union.

B. Discharge and Disciplinary Procedure:

1. In the event an employee is suspended pending investigation and is subsequently found innocent of the charges, he will be paid for such lost time from work.

2. In those instances where the Company discharges or disciplines a non-probationary employee to the extent of loss of pay, such disciplinary action will not be imposed until a fact-finding meeting is held between the employee’s supervisor, the employee, and his steward. Nothing shall preclude the Company’s right to suspend any employee without loss of pay pending such meeting. The purpose of such meeting is to interview pertinent witnesses, establish pertinent facts and determine any possible solution, it being understood and agreed that decisions at such level shall not constitute a precedent. The Company representative involved will, within 10 business days after such meeting, render a decision in writing to the employee, unless further investigation is required, in which case the Company will notify the affected employee and the Union of the reasons for the delay.

3. Employees of the Company who are on duty and are called as witnesses will suffer no loss of pay. The number of witnesses summoned at any one time shall not be greater than the number that can be spared from the operation without interference with the services of the Company.

4. If the decision of the Company’s representative is not acceptable to the Union, the decision may be appealed by the Union to the System Board of Adjustment within 14 business days after receipt, by serving written notice to the Staff Vice President of Maintenance at the Company’s Administrative Office of its intention to do so.

5. The System Board of Adjustment shall be composed of two members designated by the Company and two members designated by the Union. The Board shall meet at Houston, unless another city is mutually agreed to. The Board shall meet as needed. In the case of a discharge, the Board of Adjustment shall convene within 10 business days of the date the discharge is appealed to the System Board of Adjustment.

6. The System Board shall only be empowered to make a finding or decision with respect to any non-probationary employee covered by this Agreement who is terminated or disciplined to the extent of loss of pay by the Company, and such finding, or decision shall be final and binding upon the Teamsters Airline Division, the Company and the individual employee or employees to such dispute.

7. If the Board deadlocks, the Union may appeal the case to arbitration.

8. In the event the Union appeals the disciplinary action to arbitration the Company and the Union shall attempt to agree on a mutually acceptable impartial arbitrator. If the parties are unable to agree on an arbitrator they shall select an arbitrator as provided in Section 21, Board of Arbitration.

C. All time limits will be complied with by the Company, the employee(s), and the Union.

D. The Company recognizes the right of the Union to file a group grievance when the issue is common and identical to those employees in the group.

E. In the event of permanent change of the parties responsible for answering grievances at any step of this grievance procedure, the Company will notify the Union as soon as possible.

F. The time limits set forth in this Article may be extended by mutual agreement of the parties involved.

G. The Union, or its representative, and the Grievant shall have access to the Grievant’s personnel file(s) for review in any discipline or discharge case. Upon request the Company will provide copies of relevant documents from the file(s).
SECTION 21

SYSTEM BOARD OF ARBITRATION

A. After the receipt of the notice of the intent to submit the unsettled grievance to arbitration, the parties shall attempt to mutually select an impartial arbitrator. If the parties are unable to agree on an arbitrator, they shall request the National Mediation Board to submit a list of 7 persons qualified to act as the impartial arbitrator. Each party may reject the NMBB list once. A representative of the Company and a representative of the Union shall meet within 5 days of the receipt of the list and shall alternately strike 3 names from the list, the party to strike first to be selected by lot. The 7th remaining person shall thereupon be selected as the impartial arbitrator. The Board of Arbitration shall consist of 1 member selected by the Union and 1 selected by the Company, and the impartial Arbitrator.

B. The parties shall enter into a submission agreement, which shall clearly state the arbitrable issue or issues to be decided. If the parties are unable to agree on a joint statement of the arbitrable issue or issues to be decided by the arbitrator, the submission shall contain the written grievance and the Company's disposition of the same with notation that the parties could not agree upon a submission agreement. Either party may also submit its proposed version of the arbitrable issue or issues to be decided by the arbitrator.

C. During the hearing, each Party shall have full opportunity to present evidence and argument, both oral and documentary. The impartial arbitrator may render his findings and award in writing no later than 60 days after the conclusion of the hearing. The decision of the impartial arbitrator shall be final and binding. The impartial arbitrator shall have no authority to modify, amend, revise, add to or subtract from any of the terms or conditions of the Agreement.

D. All arbitration hearings will be held in Houston unless another place is mutually agreed to by the Company and the Union.

1. Each of the parties hereto shall assume the compensation, traveling expenses and other expenses of its witnesses called or summoned by it and each of the parties shall assume 1/6 of the expenses of the arbitration, except that the employees of the Company who are necessarily summoned to serve as witnesses and the grievant, if not discharged or on suspension, should suffer no loss of pay as a result of participation in the arbitration proceeding.
SECTION 22

GENERAL & MISCELLANEOUS

A. Any employee leaving the service of the Company will, upon written request, be furnished with a letter setting forth the Company's record of the employee's Crafts and job summary, stating his length of service and rate of pay at the time the employee leaves the service of the Company.

B. The Company will print and distribute to each employee and all new employees, a copy of the Agreement and shall provide the Teamsters Airline Division with 100 copies.

C. Uniforms

1. At no expense to the employee, all maintenance employees will be supplied with uniforms including a jacket. The Company has also made arrangements to have these uniforms laundered on a regularly scheduled basis. All employees will wear the uniforms which are provided by the Company in accordance with Company Policy.

2. Insulated coveralls will be available for use in cold weather stations. Cold weather stations are CLE, EWR, BTV and other locations as may from time to time be agreed upon by the parties.

D. The Company will provide special outer clothing to employees who are required to perform extended work outdoors during inclement weather. Where conditions warrant, these items are issued on an individual basis. Other uniform items are checked out to an employee when needed. The employee is responsible for all Company property in his/her possession.

1. Items checked out to an employee remain Company property. It is the responsibility of the employee to ensure that any item checked out is returned to the proper source in a timely manner.

2. In the event of termination of employment, items checked out to the employee must be returned to the Company. If items are not returned, their replacement cost will be deducted from the employee's final paycheck.

E. Employees are required to furnish their own personal tools. The minimum approved complement of personal tools is as follows:

---

System Board GM Arbitration
<table>
<thead>
<tr>
<th># Required</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 each</td>
<td>Slotted Screwdrivers (one should be 24&quot; long)</td>
</tr>
<tr>
<td>1 each</td>
<td>Slotted Stubby</td>
</tr>
<tr>
<td>2 each</td>
<td>Phillips #1 and #2 Tip</td>
</tr>
<tr>
<td>1 each</td>
<td>Stubby Phillips</td>
</tr>
<tr>
<td>1 each</td>
<td>Ball Peen Hammer</td>
</tr>
<tr>
<td>1 each</td>
<td>10&quot; Adjustable Joint Pliers (Water Pumps)</td>
</tr>
<tr>
<td>1 each</td>
<td>Utility Pliers</td>
</tr>
<tr>
<td>1 each</td>
<td>Duck Bill Pliers</td>
</tr>
<tr>
<td>1 each</td>
<td>Diagonal Pliers</td>
</tr>
<tr>
<td>1 each</td>
<td>Needle Nose Pliers</td>
</tr>
<tr>
<td>1 each</td>
<td>Vise Grip Pliers</td>
</tr>
<tr>
<td>1 each</td>
<td>Snap Ring Pliers</td>
</tr>
<tr>
<td>1 each</td>
<td>8&quot; Adjustable Wrench</td>
</tr>
<tr>
<td>1 set</td>
<td>1/4&quot; Drive Sockets reg. dept (1/4 - 9/16) 12 point</td>
</tr>
<tr>
<td>1 set</td>
<td>1/4&quot; Drive Sockets deep-depth (1/4 - 9/16) 12 point</td>
</tr>
<tr>
<td>1 set</td>
<td>Hex Key Wrenches 1/16 - 5/16</td>
</tr>
<tr>
<td>1 each</td>
<td>Drive Speed Handle Wrench</td>
</tr>
<tr>
<td>2 each</td>
<td>Apex Holder 1/4 &amp; 3/8</td>
</tr>
<tr>
<td>1 each</td>
<td>Extension Bar 1/4 drive (2&quot; - 4&quot; - 10&quot;)</td>
</tr>
<tr>
<td>1 each</td>
<td>Extension Bar 3/8 drive (4&quot; - 6&quot; - 10&quot;)</td>
</tr>
<tr>
<td>1 each</td>
<td>Hack Saw</td>
</tr>
<tr>
<td>1 each</td>
<td>Line Up Punch</td>
</tr>
<tr>
<td>1 each</td>
<td>Cotter Key Extractor</td>
</tr>
<tr>
<td>1 each</td>
<td>Break Over Handle Bar 3/8 drive 18&quot; long</td>
</tr>
<tr>
<td>1 set</td>
<td>Chisel small (1/4 - 5/8)</td>
</tr>
<tr>
<td>1 each</td>
<td>&quot;T&quot; Handle for EZ outs &amp; tags</td>
</tr>
<tr>
<td>1 each</td>
<td>Inspection Mirror</td>
</tr>
<tr>
<td>1 set</td>
<td>Files</td>
</tr>
<tr>
<td>1 each</td>
<td>15 - Leaf Feeler Gauge</td>
</tr>
<tr>
<td>1 each</td>
<td>Flashlight</td>
</tr>
<tr>
<td>1 each</td>
<td>Soft Tip Hammer</td>
</tr>
<tr>
<td>1 each</td>
<td>Knife</td>
</tr>
<tr>
<td>1 each</td>
<td>Awl</td>
</tr>
<tr>
<td>1 each</td>
<td>90° Offset Common &amp; Phillips Screwdrivers</td>
</tr>
<tr>
<td>1 each</td>
<td>Adapters to 3/8&quot; to 1/4&quot;</td>
</tr>
<tr>
<td>1 set</td>
<td>3/8&quot; Drive Sockets (3/8&quot; to 1&quot; reg.)</td>
</tr>
<tr>
<td>1 set</td>
<td>3/8&quot; Drive Sockets (3/8&quot; to 1&quot; deep)</td>
</tr>
</tbody>
</table>

F. The Company will provide special tools to employees as required. Employees are responsible for proper care and return of tools checked out in their name. However, employees are not financially responsible for tools accidentally damaged.

G. If an employee's tool box is destroyed or damaged by fire or the complete tool box is stolen (including the tool box), while the box is properly stored on Company premises or in accompanying the Mechanic on an authorized Company field trip, the Company will assist in the purchase or reimburse the employee for loss up to a maximum of $8,000. In order to be entitled to reimbursement, the following requirements must be met:

1. The employee must report any loss hereunder to the Company immediately and must fill out a police report.

2. Stored tool boxes must have been locked to the roll-a-way or properly secured in a designated area.

3. An employee must have on file with the company at the time of the loss a complete and accurate inventory list signed by management, on a form provided by the Company. Tools which are not essential to the performance of the employee's job will not be permitted to be included in the inventory. The Company has the right to perform periodic verification of the inventory lists.

4. Losses will be settled directly with the employee based upon the replacement value of the lost items. An employee must provide paid receipts for replacement tools.

H. Employees must wear appropriate footwear while at work. Appropriate footwear consists of non-skid soles without metal objects having contact with the floor. Shoes must be dark in color, fluid resistant, leather uppers to protect against injuries from falling objects.

I. The Company shall allow employees a reasonable amount of time not to exceed 10 minutes, to wash up prior to punching out.

J. If there is any change during the term of this Agreement in the licenses employees...
covered hereunder are required to have, all employees affected shall be given a reasonable period of time from the date of such change in order to obtain each license.

K. Whenever the Company operates a charter that requires that a mechanic accompany the charter, the Company will select the employee to accompany the charter, and compensate the employee, using the Field Trip procedures.

L. In the event that free or Company provided parking is not available for employees covered hereunder at the facility where the employee is assigned or working, the Company will assume expenses associated with the employees’ parking.

M. It is understood and agreed that all formal agreements, amendments, deletions and additions to this Agreement shall be made by mutual agreement between the Company and the Teamsters Airline Division. Such mutual agreement must be in writing and signed by the parties thereto.

N. Each month the Company will provide the IBT Airline Division with a list of new hires, including the date of hire and the craft, bid area, and station into which they were hired, as well as a list of all employees covered hereunder who have terminated from the Company giving the date of the termination.

O. Employees and their eligible family members will be provided the same free and reduced rate travel privileges as are extended to other major non-management work groups in accordance with Company policy as may be amended.

P. Documented Discipline

1. Except as provided in Paragraph P.2, below, documented discipline/counseling will not be considered or used in the administration of progressive discipline if the employee has not been subject to any other instance of counseling or discipline for a period of 12 months. Employees who have not been subject to any other instance of counseling or discipline for a period of 12 months will be entitled to have notices of discipline removed from their files.

2. Documented discipline/counseling involving a violation of the Company’s prohibition against sexual, racial or other discrimination or harassment will not be removed from an employee’s files. Documented discipline/counseling involving a violation of the Company’s prohibition against sexual, racial or other discrimination or harassment may be considered for subsequent incidents which also involve a violation of the Company’s prohibition against sexual, racial or other discrimination or harassment regardless of the length of time between the incidents.

Q. Employees of the Union will be furnished positive space transportation over the lines of the Company for the purpose of administering this Agreement, at the level and to the extent such passes are provided to officials of other unions representing other Company work groups.

R. Employees may wear their union pin on their uniform.

S. The Company’s “Anti-Drug and Alcohol Misuse Prevention Policy” will apply to covered employees, except that the Company will provide conditional reinstatement for employees who have drug or alcohol related problems and who comply with all procedures for reinstatement listed in the Policy.
SECTION 23
DURATION

This Agreement shall become effective on the date of signing, and shall remain in full force and effect through July 31, 2009, and shall renew itself without change for successive 1 year periods thereafter unless written notice of intended change is served in accordance with Section 6, Title I of the Railway Labor Act as amended by either party hereto within 180 days prior to the renewal date. If conferences pursuant to such notice do not produce full agreement on all changes to the terms of this Agreement, then this Agreement shall terminate, and all of its terms become null and void 30 days after the National Mediation Board has finally acted upon the controversy as required by Section 5, Title I of the Railway Labor Act, or when 10 days have elapsed after termination of conferences without a request for or proffer of the services of the National Mediation Board. In such case, both parties hereto shall be fully entitled to exercise the complete panoply of self-help rights as they may individually deem desirable or advisable.

IN WITNESS HEREOF, the parties hereto have signed this Agreement this 23rd day of July, 2004.

For ExpressJet Airlines, Inc.:

James Ream
President

James Nides
Vice President, Maintenance

Dale Darco
Staff Vice President, Technical Operations

John Schrage
Senior Director, Labor Relations

For the International Brotherhood of Teamsters:

Don Treichler
Director, Airline Division

Rodney Brandes
President, Teamsters Local Union 19

Cari Frascone
Business Representative, Teamsters Local Union 19

Vic Cililova
Business Representative, Teamsters Local Union 964

28-1
Duration
ExpressJet Airlines, Inc.

For ExpressJet Airlines, Inc.:

Alex Klingon
Senior Director, Technical Services

Alex Trapp
Director of Finance

Mark F. Davis
Regional Director of Maintenance

For the International Brotherhood of Teamsters:

Bob Luciano
Business Representative, Teamsters Local Union 210

Todd Thompson
Business Representative, Teamsters Local Union 783

Curtis Hebert
Negotiating Committee

Mike Feuerer
Negotiating Committee

Bob Pachinger
Negotiating Committee

Ken Lee
Negotiating Committee

Day St. Croix
Negotiating Committee

Arthur Landgrafe
Negotiating Committee

23 - 2
Duration

23 - 3
Duration
ExpressJet Airlines, Inc.

August 11, 2004

Mr. Donald R. Treichler
Director, Airline Division
International Brotherhood of Teamsters
6242 Westchester Parkway, Suite 250
Los Angeles, CA 90045

Re: Retroactive Payments

Dear Mr. Treichler:

This will confirm our understanding concerning the retroactive payments to all employees.

We have agreed that employees will receive retroactive pay for all hours paid from 2/01/2004 through date of signing. The employees will have the option of allocating all, or any portion, as an employee contribution to the 401(k) Savings Plan to legal limits. These contributions will be subject to Company matching contributions.

As soon as practical after notice of ratification, the Company will issue a separate check to each eligible employee covering retroactive wages.

Please indicate your concurrence by signing one copy of this letter in the place indicated below, and returning it to the undersigned.

Very truly yours,

[Signature]

President

AGreed, this 11th day of August, 2004.

[Signature]

Donald R. Treichler
Director, Airline Division
International Brotherhood of Teamsters