SETTLEMENT AGREEMENT by and betwixt ENVOY AIR INC. and the ASSOCIATION OF FLIGHT ATTENDANTS-CWA, AFL-CIO

PBS Minimum Credit AFA Grievance # 22-99-2-26-15

Envoy Air Inc. (the Company) and the Association of Flight Attendants-CWA, AFL-CIO (the Union) have met and agree to resolve the above-referenced grievance as follows:

1. The parties agree that language in the CBA is unclear and contradictory regarding the application of the minimum credit bidding option, therefore, the parties agree to the following changes to the existing contract language:

8. B. 2.:

Minimum/Maximum Bid Options [SL-N 15]

A bidder may choose the minimum or maximum range of credit hours to be awarded for a bid period during PBS line construction. The minimum normal credit range will be 75 to 91 credit hours. The minimum credit range will never be less than 75 65 hours and will never exceed 91 hours. The maximum credit range will be 91 to 110 credit hours and will never exceed 110 hours. The lowest number of minimum credit lines awarded will never be less than 5% of the domicile population.

8. & Side Letter CC

Global Option Table, # 34, High/Low Bid OptionMinimum/Maximum Credit Bid Option:

High/Low Time Option. Flight Attendants desiring a low time option may elect whether to work the first or last half of the bid month. If PBS is unable to grant a low time option in either half of the month, then FA may elect to revert to a regular bid line option. A Flight Attendant desiring minimum or maximum credit may elect minimum credit or maximum credit in accordance with Section 8.B.2., which may will waive some contractual restrictions. The minimum pay credit awarded will never be lower than 75 hours in conformity with line guarantee. The maximum pay credit awarded will never be higher than 110 hours.

Side Letter N, Paragraph 15: Low/High Bid Options Reduced Guarantee/Maximum Credit Options a. Low Bid Option Reduced Guarantee Option (referred to as "Part Time" on the pre-bid website):

The Company will offer low time reduced guarantee bid options when feasible. This option would allow a Flight Attendant to bid a line in the domicile not to exceed 45.5 hours. The pay guarantee for low bid option reduced guarantee lines will be fifty percent (50%) of the regular monthly guarantee as defined in Section 4 (Compensation) of this Agreement. If the Company offers a low bid reduced guarantee option in a specific domicile, it will specify the number of Flight Attendants who will be able to hold that option, and conduct a bid, based upon seniority order.

b. High Time Maximum Credit Option:

A Flight Attendant may elect to bid a high time maximum line option. Lines constructed as high time maximum credit may exceed the ninety-one hour (91) cap as set forth under Section 8.B.4. of this Agreement, but in no event will they exceed one-hundred ten (110) hours.

2. The parties further agree that (number) Flight Attendants in the DFW domicile and (number) Flight Attendants in the JFK domicile were denied pairings lines as a result of the application of the minimum credit option during the awarding of schedules in April 2015 without prior notification to the Flight Attendants. As remedy to this, each affected Flight Attendant named below will be paid and credited 16 hours above guarantee at their applicable hourly rate:

Silvestry Duke-Hussein Martinez Ullah McGuinness McIntyre Mathurin	JFK JFK JFK JFK JFK JFK
Gage Virani Lyton Frederick Reyes-Webb Duff Su Piper Edwards Nguyen Cruz	DFW DFW DFW DFW DFW DFW DFW DFW

Fowler	DFW
Castaneda	DFW
Manchester	DFW
Briggs	DFW
Bonilla	DFW
Rivera	DFW
Andrus	DFW
Washington	DFW
Brown	DFW
Sloman	DFW

3. The parties further agree to the following related amendments to the contract:

8. E. 3. c.

Award of RBLs

The number of RBL lines posted and multi-awarded shall be determined by the below provisions:

- i. Each domicile shall have a minimum of three (3) RBLs (one each of A,B and C) awarded, if bid.
- ii. A minimum of ten percent (10%), rounded up, of awarded projected reserve lines will be RBLs (if bid) in each domicile. RBLs will be multiawarded if all three (3) RBLs are bid.
- iii. The number of RBL lines awarded may not exceed twenty percent (20%) of a base's total awarded projected reserve lines.
- iv. If insufficient Flight Attendants bid the RBLs, the un-awarded lines shall be dropped and may not be involuntarily assigned to a Flight Attendant.
- v. The percentage limitations in c.ii and iii. above may be amended by mutual agreement.
- vi. The minimum monthly guarantee of 75 hours in accordance with Section 4.B. shall apply to RBL lines.
- 4. In conformity with the MOU dated 1/30/2013 entitled "All Weekends Off Reserve Lines" the parties agree that one reserve schedule with all weekends off will be added to the published PBS bid packet. Such lines will be bid upon during the pre-bid period of the bidding time line and will be

multi-awarded in accordance with paragraph 1. of the MOU mentioned above.

AGREED

ENVOY AIR INC.

ASSOCIATION OF FLIGHT ATTENDANTS-CWA, AFL-CIO

LINDA KUNZ

Vice President-Flight Service

President-Master Executive Council