

LETTER OF AGREEMENT No. 17
between
ENDEAVOR AIR, INC.
and
FLIGHT ATTENDANTS
in the service of
ENDEAVOR AIR, INC.
as represented by the
ASSOCIATION OF FLIGHT ATTENDANTS AFL-CIO, INT'L

THIS LETTER OF AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between ENDEAVOR AIR, INC. (hereinafter referred to as the "Company") and the FLIGHT ATTENDANTS in the service of ENDEAVOR AIR, INC., as represented by the ASSOCIATION OF FLIGHT ATTENDANTS AFL-CIO, (hereinafter referred to as the "Association").

WHEREAS, the Company and the Association are Parties to a collective bargaining agreement setting forth the rates of pay, rules and working conditions for the Company's Flight Attendants, effective March 31, 2020 (the "CBA");

WHEREAS, the Company and the Association recognize the long-term success of Endeavor Air is in part dependent on the Company's ability to retain its existing cadre of Flight Attendants; and

WHEREAS, the parties have met to discuss options to increase success for both Flight Attendant hiring and retention in a manner that is equally beneficial to the Company, its existing Flight Attendants, and other employees; and

NOW, THEREFORE, it is mutually agreed as follows:

A. Flight Attendant Retention Program

Subject to the terms and conditions of this Letter of Agreement, the Company agrees to pay all Flight Attendants covered by this Letter of Agreement retention payments of up to \$5,000.00 or a prorated portion thereof) in exchange for such Flight Attendant meeting the eligibility requirements discussed herein including, primarily, the obligation of the Flight Attendant to remain employed with the Company for the retention periods covered by this Agreement.

B. Payment Amounts, Structure, and Timing

1. Current Seniority List Flight Attendants

- a. Subject to the proration language and examples below, a Flight Attendant on the Flight Attendants' System Seniority List as of the effective date of this Letter of Agreement will be eligible for retention payments for the following Retention Periods:

- i. as of August 1, 2022, who remains on the Seniority List on the last day of the November 2022 Bid Month will receive a retention payment of \$1,666.67 ("Retention Period 1");
- ii. as of the first day of the December 2022, Bid Month who remains on the Seniority List on the last day of the March 2023 Bid Month will receive a retention payment of \$1,666.67 ("Retention Period 2"); and
- iii. as of the first day of the April 2023, Bid Month who remains on the Seniority List on the last day of the July 2023 Bid Month will receive a retention payment of \$1,666.67 ("Retention Period 3"); and

2. Flight Attendants With Seniority Dates After Effective Date of This Letter of Agreement

- a. Subject to the proration language and examples below, a Flight Attendant who has a seniority date after effective date of this Letter of Agreement will be eligible for retention payments for the following Retention Periods:
 - i. as of the first day of the Bid Month following his/her seniority date, who remains on the Seniority List on the last day of the fourth (4th) Bid Month following his/her seniority date, will receive a retention payment of \$1,666.67 ("Retention Period 1"); and
 - ii. as of the first day of the fifth (5th) Bid Month following his/her seniority date, who remains on the Seniority List on the last day of the eighth (8th) Bid Month following his/her seniority date, will receive a retention payment of \$1,666.67 ("Retention Period 2"); and
 - iii. as of the first day of the ninth (9th) Bid Month following his/her seniority date, who remains on the Seniority List on the last date of the twelfth (12th) Bid Month following his/her seniority date, will receive a retention payment of \$1,666.67 ("Retention Period 3").

3. Proration of Retention Payments

- a. A Flight Attendant who is not in active service for more than fourteen (14) days in any Bid Month during one or more of the Retention Periods will have his/her retention payment prorated. For each Bid Month that a Flight Attendant is not in active service for the than fourteen (14) days during a Retention Period, their retention payment will be reduced by one-quarter (see proration examples).
- b. A Flight Attendant will be considered in active service unless he/she is on:

- (1) a medical leave, other unpaid leave of absence, Long Term Disability, and in the case of military leave, a military leave greater than ninety (90) days; or
 - (2) Furlough, periods of de-qualification that cause the Flight Attendant to be removed from pay status and that are not caused by the Company, or suspension without pay.
- c. A Flight Attendant who is on short term disability or approved FMLA will be considered in active service.
 - d. A Flight Attendant who is Occupational Injury Leave (OJI) will be considered in active service for the first ninety (90) days from the date of injury.

Proration Examples

Example 1 – Inactive on Effective Date

A Flight Attendant who is on a personal leave of absence on August 1, 2022, and does not return to active service until September 23, 2022, and remains in active service for the remainder of Retention Period 1 will have his/her retention payment prorated to reflect two (2) months of active service (October and November). The Flight Attendant will receive credit for two of four months in Retention Period 1, and will receive one-half of the \$1,666.67, or \$833.34).

Example 2 – Unavailability Due to Medical Leave – Current Flight Attendant

A Flight Attendant is on approved FMLA for the month of October 2022 and is then placed on an unpaid Medical Leave of Absence for the months of November and December 2022, and January 2023. The Flight Attendant would still be eligible for his/her retention payment for Retention Period 1, but it would be prorated to reflect only the months of active service, i.e., August, September and October (FMLA counted toward active service), so he/she would get credit for three of four months. He/she would also be eligible for Retention Period 2 payment, but it would be prorated to reflect only the months of active service, i.e., February and March (credit for two of four months). Thus, Retention Period 1 would equal three-fourths of \$1,666.67, or \$1,250.00, while Retention Period 2 would equal one-half of \$1,666.67, or \$833.34.

Example 3 – Unavailability Due to Unpaid Medical Leave – New Hire Flight Attendant

A Flight Attendant has a seniority date of October 15, 2022. Therefore, his/her first retention period is the 4-month period of November 2022 through the end of February 2023. As the Flight Attendant would not be eligible for FMLA, he/she is placed on an unpaid Medical Leave of Absence for the months of December 2022 and January 2023. He/she returns to active service for the month of February 2023. The Flight Attendant would still be eligible for his/her retention payment for Retention Period 1, but it would be prorated to reflect

only the months of active service, i.e., November 2022 and February 2023, so he/she would get credit for two of four months. Thus, Retention Period 1 payment would equal one-half of \$1,666.67, or \$833.34.

Example 4 - Proration Due to Movement to Delta

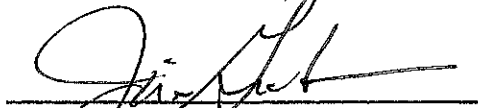
A Flight Attendant who is eligible for a retention payment but who leaves the Company prior to the end of a Retention Period in order to commence employment in any position at Delta will receive a prorated payment to reflect the number of months during the applicable Retention Period in which he/she remained active. Provided the Flight Attendant has provided timely notice to the Company of his/her movement to Delta, this pro-rated retention payment will be included in the Flight Attendant's last paycheck from the Company.

4. 401(k) Deferral. A Flight Attendant will have the option of electing to place all, or a portion of, the retention payment into his/her 401(k) account subject to IRS contribution limitations, however, such deferral will not obligate the Company to make a matching contribution. A Flight Attendant who elects to exercise this option must make a special pre-tax or Roth deferral election, separate from the normal deferral, through Fidelity Investment website. Such election must be made thirty (30) days in advance of the payment processing in order to allow for the election to be applied to the payroll system. All 401(k) deferrals are subject to applicable law.
5. The retention payment for each Retention Period will be paid no later than the 23rd of the month following the respective retention periods described above.
6. All Retention Payments are subject to all applicable state and federal tax withholdings as well as applicable AFA union dues.
7. The Company agrees to deduct up to the full amount of a Flight Attendant's membership dues or service charge delinquencies, as those obligations are provided for pursuant to Section 21.A. of the CBA, from a Flight Attendant's retention bonus payment. Should the Association elect to exercise the deduction of delinquent dues/service charges, it shall provide the Company with a list of Flight Attendants with dues/service charge delinquencies and the amount of such delinquencies sufficiently in advance of the issuance of the retention bonus payment so that deductions may be effectuated. The Company will not deduct dues/service charge delinquencies greater than 50% of a single retention bonus payment, unless the Association provides the Company with a written authorization by the Flight Attendant to deduct a greater amount.
8. The Company shall be held harmless and indemnified by the Association for any and all claims, awards or judgments, including court costs, which may result from action by any Flight Attendant for the deduction of dues/service charges from their retention bonus payment under the terms of this Agreement.

C. Duration

This Letter of Agreement will become effective on August 1, 2022, and subject to the provisions herein, shall run concurrently with the CBA effective March 31, 2020, subject to the provision pertaining to duration and amendment contained in Section 20. This Letter of Agreement shall not apply to Flight Attendants hired after July 31, 2023.

For ENDEAVOR AIR, INC.



Jim Graham
Chief Executive Officer
Endeavor Air, Inc.

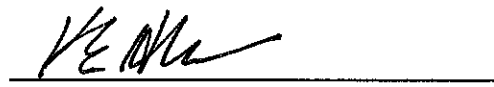


Patty Allen
Vice President, In-Flight Services
Endeavor Air, Inc.

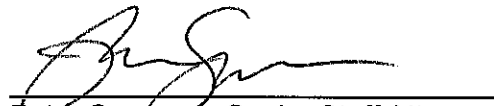
ASSOCIATION OF FLIGHT ATTENDANTS,
AFL-CIO



Sara Nelson, International President
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