

MEMORANDUM

TO : All BMs and FEPA Chapter Presidents, GM/J OKO,
SZ CNX, RZ HKG, SZ CRK

FROM : VPFO

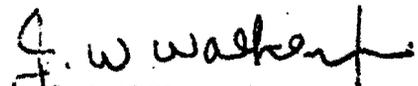
SUBJECT : Minutes of FEPA/Company Meeting, 12 - 14 July 1970

DATE: 17 July 1970

REF : VPFO-70-317

The attached Minutes of the FEPA/Company meetings held in Taipei 12 - 14 July are forwarded for your information. The Minutes have been reviewed by the Company and by Capt. Bigony for the Yokota FEPA Chapter. Such a review by each of the FEPA representatives present was not possible, however. This information is being provided as expeditiously as possible in order to minimize confusion and avoid generation of rumors. In the event any of the FEPA representatives not yet afforded the opportunity to review these notes discovers a significant departure from his understanding of agreements reached, such differences of opinion will be resolved jointly, and a revised version of the affected Minutes will be published.

Formal publication of manual changes necessary to implement the agreements set forth in the Minutes will be effected as soon as practicable.


J.W. Walker, Jr.

AIR AMERICA, INC. - FAR EAST PILOTS ASSOCIATION

Bid/Displacement Discussion - 14 July 1970

The company is concerned that there has been a serious misunderstanding of what was negotiated regarding displacement rights and procedures. Operational problems of some magnitude are foreseen if the FEPA interpretation of displacement prevails. The rights of both sides to have honestly differing views of what was negotiated is acknowledged. The Company concurs with the Agreement displacement procedure of Section 12, paragraph B.3. if interpreted to mean that "affected" Captains means those directly affected; not to be expanded to include all who could possibly be "affected". However, the company offered and FEPA agreed that any initial bid/displace procedure would be attempted using the following principles:

1st Stage

Whenever a program is in a surplus condition any pilot by seniority in that program may displace at any Base in any equipment by seniority.

2nd Stage (Only after a base move has been made)

Whenever a program has a surplus condition due to pilots by seniority displacing other pilots in that program, any pilot in that program based on seniority may displace in any equipment at that base.

3rd Stage

If a pilot elects to depart his present base, he will replace the most junior pilot in his pilot class in the system.

In the event that implementation of the above procedure would result in an uneconomic or unworkable operational situation, as mutually agreed to by the company and the Association, both parties agreed to reconvene promptly for the purpose of developing a satisfactory displacement procedure.

MINUTES OF MEETINGS OF 12 and 13 July 1970

Present:

Mr. Walker
Capt. Richmond
Capt. Teeters
Mr. Klamm
Mr. Merrigan

Capt. Bigony
Capt. Korbel
Capt. Mulholland
Capt. Peyton
Capt. Stevens

The following subjects were discussed and conclusions reached.

1. Leaves of certain pilots at Udorn were cancelled within less than the 15 day limit set forth in the agreement. Adjustment for such cases will be handled on an individual basis with CP, and the company stated its intention to do this should such cancellations occur in the future.
2. Recall of pilots from Leave discussed. It was agreed that pilots would not be recalled within the first 60 days of leave, and recalls after 60 days would be on an emergency basis only. The company could ask pilots to voluntarily return early. If a pilot is recalled (after 60 days) the company would entertain a request for reimbursement of extra expenses incurred by the pilot due to the recall (no commitment made as to amount or type of expenses that might be reimbursable).
3. If vacation is cancelled at company request, any resulting days accrued over 60 days would not be lost (see p. 21-A, 1). In such cases of cancelled vacation such side benefits as Station Allowance due would also be retained and carried over. (Mr. Klan noted that pilots/DFD should keep written evidence of any company cancellation; DP often gets statements that a person's leave was cancelled, but no evidence of this).
4. Special Projects: The company has the prerogative to assign pilots to special projects but Capt. Bigony requested that seniority be followed as much as possible. Discussion of whether the prerogative of "assigning" junior men to special projects also applied in case of furlough. FEPA stated their understanding that a senior man would not be furloughed prior to a junior man on S.P., and their understanding that furloughs would always apply to the most junior man even though there may be outside requirements to retain certain junior men (such as Thais). Discussion of this was temporarily postponed. Capt. Stevens suggested a general review of current and future projects to insure that it really was necessary for the company to use junior men out of order.
5. It was agreed that anyone hired prior to 12 March 1970 came under the old (3 months) probation system.
6. Discussion of Senior Instructor Pilots. Capt. Teeters agreed to put out a "job description" setting forth the SIP's functions and powers. Agreed that their "supervision" occurs only during flight, that SIPs cannot give reprimands or exercise such other supervisory duties nor have any scheduling function. The company will investigate the recent transfer of Capt. Lister and advise FEPA on this.

7. The question of SIPs taking charge of flights, when a more senior man was present, was discussed. It was agreed that the senior pilot would always be in charge of flights unless special circumstances are present (e.g. area familiarization, check rides). When, due to special circumstances, a junior man is in charge of a flight, then that junior man has primary responsibility for the conduct of the flight, including responsibility for any incidents.
8. The company can, where serious offenses are involved, request an extension of the 10 day time period contained in the Grievances Section, paragraph B (3). In regard to the 10 day period specified in paragraph B (2), a pilot is entitled to the notification within ten days of first being held "out of service" and a pilot is "out of service" anytime he is taken off the normal flight schedule for disciplinary reasons even though he may remain on the payroll.
9. When pilots are asked to make reports to the company, such as on hostel conditions, these would be treated in a confidential manner. VPFO will stress this to Base Management personnel.
10. Meal allowances should be for the geographical location at which taken. Meals will be furnished to pilots on B727, DC6 and DC4 aircraft plus the 40¢ per hour per diem specified in the Personnel Manual. The per diem rate of 40¢, however, is subject to future negotiations.
11. Letters of reprimand will be furnished within 15 days of the alleged offense. Letters of reprimand may be given for a detrimental pattern of behavior even though relatively minor in nature. When other forms of discipline are taken, notice thereof must be given to the pilot within 30 days of the alleged offense. Letters of reprimand will be delivered only to the pilot concerned, with a copy which the pilot may voluntarily give to FEPA.
12. On maintenance ferry flights, Project Pay will not be paid for the time the aircraft is outside project pay areas in SEA; e.g., over the water on flights to Hong Kong or Tainan. However, for regular flights, such as supply support, Project Pay will be paid for the entire flight at applicable percentages including time over water. If such flights, however, are put on a regular scheduled basis the question of project pay will be open to negotiation. Pilots from BKK/Chiang Mai will log actual project time for the purpose of Project Pay.
13. Tachikawa based pilots will continue to receive "waiver" pay at the rate of \$8.00 per hour (plus any actual project pay as presently earned, such as landings at Saigon).
14. The one half month pay specified in Section 4 (m) will be paid prior to the pilots going on leave.
15. Station Allowance will be payable during Sick Leave; on other forms of leave Station Allowance will be paid up to 14 days per year (except that the 14 days will be carried over if a pilot's vacation is cancelled by the company).
16. It was agreed, in regard to the seniority list, that all past total time

of LWOP and other types of absences from flight status (such as E/L, S/L or non-flying supervisory duties) (prior to 12 March 1970) of less than one year would be ignored. Periods of LWOP in excess of a total of one year will be subject to the contract provisions on Seniority.

Captains Abadie and Barnhisel will remain on the Seniority List until the expiration of three years Leave of Absence from flight duties as evidenced by RPA dates at which time they must return to flight status or be removed from the list. (seniority will not be accrued during the last two years of such three years absence).

17. Where the pilot demonstrates to an SIP or IP satisfactory proficiency during that training ride scheduled prior to a proficiency check, this may then be accepted as having satisfactorily met the requirements for his proficiency ride. The SIP or IP or MFSD will give proficiency and route checks except that SIPs and MFSD only will give the up-grade proficiency check.
18. Pilots on LWOP as of 12 March 1970 shall be subject to contract provisions.
18. Early voluntary returns from Leave of Absence will be subject to company concurrence.
20. A policy statement will be furnished in regard to STO. STO can be combined with vacation leave and there is no maximum limit to the number of days of STO that can be taken; however, STO will be subject to company operational requirements.
21. It was agreed that trip hour pay is related to the location that a pilot is assigned by formal travel orders. Thus if a pilot is assigned temporarily to a new location, trip hour pay is payable for the flights out of that location; not for the total time spent away from his permanent (original) base. This type of TCS assignment, however, will require formal travel orders signed by Chief Pilot's office, not Crew Scheduling, and is subject to bid.
22. Regarding Trip Hours, if a pilot is scheduled and reports for the intention of flying (not airport standby), but does not fly, for such reasons as an inoperative aircraft, he will accrue trip hours in accordance with the agreement.
23. If a pilot is on stand-by (at Home Base) and subsequently does fly, Trip Hours begin from the time a pilot reports for flight duty at his Base, or is scheduled to report whichever is later.

If a pilot flies a series of flights (at Home Base) in any day, Trip Hours will accrue from the time a pilot reports for flight duty at his Base for the first flight or is scheduled to report whichever is later, until 30 minutes after final block-in time.

Flight Operations Circular OA-C-70-01 dated 23 April 1970 will be corrected to conform with the above.

24. The company will provide lists to local Personnel Managers showing the names of pilots from whom the company has received insurance application/information cards. Pilots may consult this list. PM's will be directed to treat this list in a confidential manner.
25. Capt. Bigony advised that the operation of the World Aircraft presented difficulties to pilots and suggested that any similar operations in the future be given careful consideration beforehand, in order to avoid the possibility of more serious problems arising. The Company expressed appreciation for the SAT pilots' performance.
26. Short discussion of problem of "local" interpretations of FEPA Agreement, which both parties will try to limit. Right of invocation of Sec. 3., para Y, shall normally be limited to the VPFO.
27. The company will give sympathetic consideration to requests for escorts to the U.S. for deceased employee's survivors. The company will sponsor such escorts when necessary, to be treated on an individual basis.
28. In general, time off for FEPA business will be for the account of the pilot (but paid leave or STO can be used). The company asked that requests for such time off be made through FEPA Chapter officers.
29. Personal weapons were discussed. No conclusion yet. Deferred.
30. The "check-in letter" at VTE signed by pilots will be reviewed/changed since it causes resentment.
31. The question of Exchange Orders was deferred (one point raised, to be discussed later, was question of paying cash value of accrued unused travel to terminating employees, or more especially, to widows of deceased employees).
32. The company will investigate/advise on the question of cutting off discount travel for furloughed/LWOP employee after 30 days.
33. The company will investigate/advise on the question of whether the company will pay expenses of employees when they are travelling on vacation on 50% confirmed tickets and are bumped off (when they are entitled to confirmed travel).
34. The company will attempt to keep pilots currently informed on furlough status.
35. If a pilot is required to take annual vacation (30 days) prior to having actually accrued 30 days vacation he will be given advance vacation (and not be required to take accrued H/L or A/L).
36. The company advised that D/SAFE is actively pursuing the question of flame-proof uniforms. VPFO advised that company would appreciate any information pilots could offer on this.
37. Capt. Mulholland requested that a pilot be allowed to see an accident Board's findings inasmuch as the pilot might note omissions/errors that would effect the investigation outcome. This was deferred.
38. The quarterly review of project pay rates was deferred. The company will provide an analysis of project pay elements. A joint formal review will be made after agreement on an evaluation system is reached. VPFO requested

that until an evaluation system has been developed, pilots furnish any information they might have concerning the pros and cons of hostile action in SEA. In the meantime pilots in SEA are logging for record purposes, actual hazard time. Capt. Korbelt advised that pilots would be happy to assist.

39. The company will review the applicability of any restrictions that may be contained in Part 91 to single engine IFR and night flying operations.
40. A program of dual qualification of pilots was discussed; deferred pending further study by FEPA. Capt. Bigony requested and Capt. Teeters agreed to correct any situations where a pilot is already being required to be qualified in 3 or 4 aircraft.
41. Pilots on furlough should give formal notice to the company of any change of address (e.g., a changed address on a letter related to some other subject is not sufficient). Such notice should be sent "registered return receipt requested" and may be sent to the Director of Personnel, Taipei, or to the Assistant for Personnel in the Washington office.
42. Capt. Stevens noted that the company has not been posting a list of successful and unsuccessful bidders. The company will correct this.

Adjourn 8 PM, 12 July 1970

10 AM, 13 July 1970 - Reconvened

43. Mr. K. K. Wong, described pay stubs/records - noted that longevity is based on "date of hire", but for future new hires longevity will be based on date of qualification as a pilot.
44. Mr. Wong will check the pay computations for Capt. Coulombe and advise Capt. Korbelt.
45. The time spent by FEPA members in Tokyo negotiations (January - March 1970) will be considered as time "Not Available for Flying". This was agreed at the time of negotiations. Thus it will not be considered in computing average pay (Note: This will require some type of special notice to T/C office).
46. Examples of the pay charts (exhibited by K.K. Wong) will be furnished to FEPA chapters.
47. The Director of Insurance came in to discuss insurance; he advised:
a) insurance coverage may be changed to another company, will keep FEPA advised; also medical coverage will be expanded as regards length of coverage and amount of daily room and board expense coverage, and other additions deemed appropriate. Mr. Barmon stated he had written to the Home Office concerning this matter and had received no answer. b) participation in the EKK Christian Hospital program will not negate coverage under the company plan (AIL); however, AIL would only pay for expenses not covered by the EKK Plan. c) Mr. Barmon stated that in regard to life insurance, a new employee is covered at once; the 90 days qualifying period still applies to the medical insurance; d) Chinese/Thai are covered with life/medical insurance the same as Americans, except the amounts of life insurance are

smaller; e) Mr. Barmon said pilots are covered by life insurance and medical insurance even though no card has been received; however, a card is necessary to increase the coverage or to name beneficiaries or add dependent medical coverage; f) company will take steps to provide pilots with information on how, when, where to file claims, and other procedural matters including furnishing pilots with cards or other evidence of coverage; g) the Director of Insurance will contact the insurers concerning continued coverage of life and medical when a pilot is on LWOP.

48. Refer to p.31 of the Agreement, Section E. The company will authorize on a travel order sending a pilot TCS for training after he has bid a vacancy or has displaced, 256 lbs. of excess baggage. Upon completion of the pilot's training into his new pilot class or equipment he will be PCS to a new station and a surface P/E shipment and dependent travel will be authorized. Either 300 (256) lbs., or the amount of excess baggage actually used, will be deducted from his 3,500 lbs. P/E shipping allowance for himself. Pilots filling temporary vacancies will be authorized 100 lbs. excess baggage on their travel order, since this has been traditional for TCS moves in which the pilot was always expected to return to his PCS station. (P/E allowance is to be provided also if a pilot is returned to his original base; i.e., does not qualify at the new base.)
49. The idea of a system of fines as a disciplinary measure was discussed. It was noted that a fine system would avoid the situation where the company loses a man's services (LWOP), or where a man is put on LWOP and still winds up making more money than others; and would provide more efficient scheduling, avoiding the occasional requirement of recalling people from Leave. It was agreed that both the company and FEPA would consider this further and offer proposals at the next meeting. It was suggested that any fines collected be put into a fund for scholarships or other charitable purposes.
50. Capt. Rigony advised that FEPA was, when necessary, willing to have the same person who investigated a disciplinary complaint (usually local Chief Pilot) also conduct the initial Base Level Hearing, but he stated that FEPA preferred that the hearing be held by another person. In regard to the use of tape recorders at Hearings, VPFO stated he had no objection except that it could inhibit testimony. He suggested that it be used primarily when stating conclusions and that both parties should be free to turn it off should they desire "off-the-record" conversation. Base Managers normally should not participate in Hearings. There is no provision in the FEPA contract nor was it the intent of the negotiated grievance procedure to have other than the Chief Pilot and his staff involved with the first step in the grievance procedure. The results of the investigation conducted by the Chief Pilot shall be made known to the pilot if it is to be used in a grievance hearing in conformity with the Agreement.
51. There was a discussion of a pilot remaining on duty until relieved, even though it violates the agreed maximum hours of service. Capt. Rigony stated FEPA wanted to consider this further, but stated it was acceptable if the company was willing to forego the 100 block hour per month restriction.

The company could not agree to this, but would consider changing the 30 day period to a calendar month. If this is done, FEPA will advise further on question of a pilot remaining on duty.

52. The company will investigate/advise on question of retroactive pay for Captains Merkel, Beardsley and Potter.
53. Chinese/Thai pilots can bid the same as Americans, subject to qualification and other requirements in the Agreement.
54. Merrigan will advise Korbil on any new Chinese law of retirement and its details.
55. Klamm will reconsider F/O Lavin's request for Emergency leave.
56. In regard to the two days off at the beginning and end of vacation, a pilot may waive these if desired, but may not use these days for flying.
- 57. The company will furnish each FEPA Chapter office space, equipment, air conditioning and office equipment subject to recall in case of retrenchment. The company offered to provide secretarial help, but FEPA advised they would bear this expense, but agreed that the secretary(s) would be employed by Air America and appear on the AAM payroll. FEPA would reimburse AAM for the salary.
58. In regard to the grandfather clause a Captain electing to revert to F/O shall have grandfather rights providing such election is in his present equipment at his present base. In the event such Captain so electing is unable to revert in his present equipment due to the equipment being withdrawn, or lack of seniority, he may revert to F/O in other equipment at his present base according to seniority and enjoy grandfather rights. If he refuses the first Captain vacancy on the base, he loses his grandfather rights.
59. The company and FEPA will treat pilots approaching retirement on an individual basis regarding payment for higher equipment where their seniority and bid entitles them to higher equipment, as passover pay for taking positions in other equipment. Such passover pay may also be offered on a temporary or permanent basis when mutually agreed by the pilot and the company on an individual case basis.
60. A F/O upgrades to Captain in SEA upon successful completion of that upgrade proficiency check flight which is administered just prior to the time a pilot begins the required 25 hours of supervised line flying as a Captain.
61. The company agreed to investigate tax free status for 0002 contract personnel.
62. It was mutually agreed to change Section 11, para. C.6.a. to permit pilots limited by the nine month provisions of this subparagraph to bid, with the approval of the Association and the company.
63. A discussion of bid/displace procedures resulted in the decision to conduct such procedures on a system wide basis in order to reflect all pilots seniority rights equitably, where such pilots elect to participate or become involved through displacements.