

TERRY FINK

Box 3

FO100222

COMPENSATION AND RULES OF EMPLOYMENT

FOR

U.S. CITIZEN PILOTS OF AIR AMERICA, INC.

29 January 1973

PREFACE

In the interest of good employer-employee relationships, plus the fact that the Company desires that each U.S. citizen pilot be fully aware of the terms and conditions of his employment, this pamphlet is being published.

We will endeavor to set forth all details known at this writing with the understanding that any subsequent additions, amendments or notice of deletions will be furnished to you. An attempt has been made to incorporate, to the extent practical, all the conditions of your employment in this pamphlet. Any item not covered herein will be governed by the appropriate Company manual. In the event of conflict between this pamphlet and any Company manual, the provisions of this pamphlet will govern. Should you have any questions concerning any provision herein, please contact the Personnel Manager at your base.

Please take time to read and understand the contents of this pamphlet. The Company stands ready to answer any questions you may have.

TABLE

TABLE OF CONTENTS

	Page
1. PURPOSE	1
2. DEFINITIONS	2
3. GENERAL	5
4. COMPENSATION	11
5. TRAINING	20
6. HOURS OF SERVICE	27
7. ANNUAL VACATION/TRAVEL	30
8. LEAVES OF ABSENCE	32
9. LEAVES	35
10. SENIORITY	36
11. BID/UPGRADE	42
12. DISPLACEMENT/FURLOUGH	49
13. GRIEVANCES: OTHER THAN FOR DISCIPLINE AND DISMISSAL	62
14. GRIEVANCES: DISCIPLINE AND DISMISSAL	66
15. DIVISION FIELD BOARD	70

16. PHYSICAL EXAMINATIONS	
17. INSURANCE AND RETIREMENT	77
18. BENEFITS FOR DEATH, INJURY, CAPTURE AND INTERNMENT	78
19. DEPENDENTS' EDUCATIONAL ALLOWANCE	79
20. PERSONAL/HOUSEHOLD EFFECTS	81
21. SEPARATION	82

SECTION 1

PURPOSE

The conditions herein are designed to maximize safety and continuity of air transportation, to further efficiency and economy of operations, and to establish reasonable hours, rates of pay, and other working conditions for the performance of flight duties as assigned by the Company.

It is recognized to be the duty of the Company and the employees to cooperate fully for the advancement of the above specified conditions.

The terms set forth herein in no way apply to the Company's operations that may be designated Special Projects or Special Assignments by the Company.

Provisions of Section 4 herein are effective January 1, 1973. All other provisions are effective January 23, 1973.

SECTION 2

DEFINITIONS

- A. "PILOT" means a Captain or a First Officer as herein defined.
- B. "CAPTAIN" means a pilot who is in command of an aircraft and its crew members while on flight duty and who is responsible for the manipulation of, or who manipulates, the controls of the aircraft while underway, including take-off and landing of such aircraft, and who is properly qualified to serve as, and holds a currently valid Pilot's Certificate authorizing him to serve as such pilot.
- C. "FIRST OFFICER" means a pilot any part of whose duty it is to assist or relieve the Captain of the aircraft while underway, including takeoff and landing of such aircraft and who is properly qualified to serve as, and holds a currently valid Pilot's Certificate authorizing him to serve as such pilot.
- D. "PILOT CLASS" means the respective designation of a pilot, i. e., Captain and First Officer.
- E. "BASE" means the geographical location designated by the Company where pilots are permanently assigned.

F. "BLOCK HOURS"

FOR FIXED WING aircraft means the time from the moment the aircraft first moves for purposes of flight until the moment it comes to rest at the next point of landing.

FOR ROTOR WING means the elapsed time starting with the commencement of rotor motion, and ending with the time at which the rotor is disengaged or rotor motion has ceased.

G. "FURLOUGH" means the removal of a pilot from active duty as a pilot with the Company without prejudice due to a reduction in force or the period of time during which such pilot is not in the active employ of the Company as a pilot due to such reduction in force.

H. "AIRCRAFT TYPE" means a kind of aircraft, e. g., DC6, PC6, but shall not be deemed to differentiate between aircraft of different series of the same type. (For example, DC6, DC6A, DC6B shall all be considered the same aircraft type.)

I. "NIGHT FLYING" for pay purposes means all flying between the hours of 1800 local and 0600 local. In all cases the time of departure as used herein shall be the time of block departure of the aircraft. When changes in the regional time occur in flight, the regional time at the station of last take-off shall be

used in computing night flying for that leg
the trip.

- J. "PILOT REPRESENTATIVE" means that person designated by a pilot to act as his representative.
- K. "RESTRAINED" when applied to a pilot refers to one who under this document is prevented for a specified period from bidding or displacing because of his prior exercise of such rights. (The Company may at its option waive such restraints.)
- L. "AFFECTED" when applied to Section 12 refers to a situation wherein under the terms of this document a pilot may be required to accept a different assignment.
- M. "SUPERVISORY PILOTS" means those pilots employed by the Company who are salaried.

SECTION 3

GENERAL

A. REQUIRED EQUIPMENT

The Company will issue, without cost to a pilot, insignia and any equipment required by the Company. If circumstances warrant, the Company will replace or reissue equipment without charge to the pilot.

B. NON-LIABILITY FOR EQUIPMENT

A pilot shall not be required to pay for any required equipment which becomes unserviceable, damaged, lost, stolen or destroyed. A pilot shall not be required to pay for aircraft or ground equipment damaged while performing his duties, nor will the Company be liable for the loss of pilots' personal effects. A pilot will be required to take due care of the equipment furnished to him.

C. UNIFORMS

When a change in the uniform is contemplated the Company will give the pilots such advance notice as is practical and an opportunity to comment on the proposed change. For the purposes of this paragraph, the useful life of a uniform is established as two (2) years from date of purchase. When a pilot is required to purchase a new uniform, a pro rata share of the cost of his current uniform will be paid by the Company. If a pilot is furloughed, terminated, or resigns, he shall have the option of retaining his uniform or selling it to the

Company. If he chooses to sell, the Company shall pay a pro rata share of the uniform cost.

D. PARKING FACILITIES

The Company will make its best effort to furnish employee parking facilities at pilot bases of assignment to pilots on duty to the extent that such facilities are available to the Company.

E. INFORMATION CONCERNING PILOTS

A pilot shall be advised by copy of any material of a commendable, critical, favorable, or unfavorable nature relating to his proficiency or performance as a pilot, or to his status as an employee at the time such material is made a part of his Company record. This file shall be available for inspection by the pilot or his designated representative during regular business hours. In the event the Company takes disciplinary action against a pilot which results in grievance action, the Company will be precluded from supporting its position by the use of written material which the aggrieved pilot had not previously been furnished.

Material received immediately prior to such disciplinary action shall be furnished at or before the time such action is taken. Where disciplinary or dismissal action is taken at the request of or pursuant to information received from any Government or agency thereof, the Company shall be required to furnish only such material as is available to it and which it has been authorized to submit to the pilot.

F. COMPANY PAID FEES

The Company shall pay official fees for passports, visas, inoculations and physical examinations required by the Company for pilots and their dependents. The Company shall pay official fees for licenses required of pilots by the Company except for US FAA Certificates.

G. IN-FLIGHT MEALS

In-flight meals will be provided by the Company for all pilots while aboard Company operated aircraft at no expense to the pilot, or where not available per diem for such meals shall be paid. Such meals will meet reasonable sanitary and nutritional standards.

H. ACCIDENT INVESTIGATION

A pilot may designate a Company employee representative to attend the investigation of an accident of an aircraft in which he was involved; such representative may also accompany the pilot to any related accident hearing.

I. EXTENT OF EMPLOYMENT

No pilot shall be required to perform duties outside of his regular employment. Nothing shall preclude a pilot from voluntarily accepting an assignment outside of the scope of his regular employment.

J. SUBSTANTIATION OF COMPENSATION

The Company will exercise reasonable efforts to minimize the number and complexity of reports required from pilots to substantiate their pay and expenses. The accuracy and

timeliness of these reports shall be the responsibility of the pilot and any falsification thereof shall be grounds for disciplinary action, including dismissal.

K. PROFESSIONAL SERVICES

Pilots shall devote their entire professional flying services to the Company except as may be otherwise approved by the Company.

Nothing herein shall be construed to prevent any pilot from affiliating with the military services of the United States of America.

L. CONFLICT OF INTEREST

The pilots recognize that their or their sponsored dependents' investment, management, ownership or employment directly or indirectly in a business in the Far East countries where the Company operates may be in conflict with U.S. or local laws and Company contract sponsorship of their foreign residency. Pilots will comply with any such applicable limitations.

M. DISCOUNT TRAVEL

Space available air transportation will be furnished to pilots and their dependents on Company operated flights subject to any applicable customs, immigration, quarantine and civil aviation laws and regulations as well as any contract, safety and insurance requirements applicable to Company operations.

The Company will provide a current list of those carriers with whom the Company has interline discount travel agreements showing

the extent of each agreement. All such discounted air transportation made available to pilots who have completed three months service will be subject to the carrier's procedures. It will be subject to any limitations contained in the individual agreements, including the definitions of dependents and immediate families, and to applicable limitations contained in relevant laws, regulations and IATA resolutions.

N. NOTIFICATION OF CHANGE

All orders to pilots involving a change in assignment, or equipment, or base, promotions, demotions, furlough and leaves of absence shall be stated in writing, and shall stipulate manner and amount of compensation and expense, if any.

O. PILOT DUTIES

No pilot shall be required to perform duties outside the scope of his regular employment.

P. ENGINE OUT FERRY FLIGHTS

No line pilot will be required to perform any engine out ferry flight.

Q. SUPERVISORY PILOTS

No pilot shall be required to accept or remain in a position as a supervisor.

R. EMERGENCY WAIVER

In the event of an emergency situation wherein strict adherence to the provisions herein would endanger lives of personnel or

substantial property of the Company and its customers or make it impractical for the Company to meet its operational requirements, the provisions hereof may be suspended by the Company.

SECTION 4

COMPENSATION

Pilots shall be paid in accordance with the following:

A. Flight Pay

Flight Pay per Block Hour

Captain	\$25.75
First Officer	\$16.10

A pilot shall be guaranteed Flight Pay for not less than seventy block hours per month, subject to paragraph C. below.

B. Night Pay

Captain	\$ 4.00
First Officer	\$ 2.00

Night Pay will be computed on the hours between 1800 hours local and 0600 hours local.

C. Average Pay

1. Average Daily Flight Time will be the total block hours flown in the previous calendar year divided by 360 days minus the number of days on leave of any type, e.g., sick leave, annual leave, annual vacation leave, home leave, leave of absence, and LWOP.

2. Average Daily Pay is the Average Daily Flight Time multiplied by the pilot's current flight pay rate plus longevity rate. For this paragraph the term current flight pay rate shall mean that rate applicable to the pilot class at the time leave is taken.

3. While on a paid leave status of any type, pilots will be paid Average Daily Pay for each day of leave taken. For leaves covering an entire month the Average Daily Pay will be 30 days.

4. While on a paid leave status of any type, the 70 hours monthly guarantee for the pilots will be reduced by two hours and 20 minutes for each day of leave taken. For leaves covering entire month the monthly guarantee will be reduced to zero.

D. Area Pay

1. Area Pay is a premium paid over and above flight pay for Captains and First Officers for airborne operations conducted in geographical areas where unusual hazards to aircraft operations other than hostile actions exist.

2. Area Pay may be reviewed by the Company to reflect changes in hazards to aircraft operations.

3. Except as otherwise provided at the time of the assignment, Area Pay will not be paid on any ferry flight after an aircraft has departed a land mass and is en route over water or for local FCF, local training or any other operational flight that is not exposed to unusual hazards. The word "local" means SEA bases.

4. Area pay per block hour for aircraft based at:

<u>Udorn</u>		<u>Vientiane</u>		<u>Saigon *</u>	
H-500	3.61	PC-6	3.34	204B/UH-1H	3.53
S-58T	3.61	DHC-6	3.34	PC-6	3.87
UH-34	3.61	C7A	2.98	DHC-4	3.78
204B/205	3.61	C-123	2.89	VTB	3.78
CH-47	3.61	C-46	2.80	C-47	3.29
VTB	3.16	VTB	2.35	C-46	3.29
C-130	2.89	U-4	2.35		

* Adjusted, effective 1 June 1973.

E. Hostilities Pay

1. Hostilities Pay is payable to both Captains and First Officers.

2. Hostilities Pay is a premium paid over and above flight pay for airborne operations conducted in geographical areas where hostile conditions are known to exist and

is intended to identify those areas and the level of hostilities therein.

3. Hostilities Pay may be reviewed by the Company and adjusted to reflect changes in the area or level of hostilities.
4. Hostilities Pay will not be paid on any ferry flight after an aircraft has departed a land mass and is en route over water or for local FCF, local training or any other operational flight that is not exposed to areas declared hostile by the Company.

5. Hostilities Pay per block hour for aircraft based at:

<u>Udorn</u>		<u>Vientiane</u>		<u>Saigon *</u>	
H-500	11.41	PC-6	10.33	204B	6.48
S-58T	11.41	DHC-6	10.33	PC-6	6.22
UH-34	11.41	C7A	8.88	DHC-4	4.10
204B/205	11.41	C-123	8.51	VTB	4.10
CH-47	11.41	C-46	8.15	C-47	2.35
VTB	9.60	VTB	6.34	C-46	2.35
C-130	8.51	U-4	6.34		

* Adjusted, effective 1 May 1973.

F. Longevity Pay

A pilot will receive Longevity Pay for each block hour in accordance with his active service with the Company as a qualified pilot as follows:

2. Area Pay may be reviewed by the Company to reflect changes in hazards to aircraft operations.

3. Except as otherwise provided at the time of the assignment, Area Pay will not be paid on any ferry flight after an aircraft has departed a land mass and is en route over water or for local FCF, local training or any other operational flight that is not exposed to unusual hazards. The word "local" means SEA bases.

4. Area pay per block hour for aircraft based at:

<u>Udorn</u>		<u>Vientiane</u>		<u>Saigon</u>	
H-500	3.61	PC-6	3.34	204B	3.07
S-58T	3.61	DHC-6	3.34	PC-6	2.98
UH-34	3.61	C7A	2.98	DHC-4	2.80
204B/205	3.61	C-123	2.89	VTB	2.80
CH-47	3.61	C-46	2.80	C-47	2.44
VTB	3.16	VTB	2.35	C-46	2.44
C-130	2.89	U-4	2.35		

E. Hostilities Pay

1. Hostilities Pay is payable to both Captains and First Officers.
2. Hostilities Pay is a premium paid over and above flight pay for airborne operations conducted in geographical areas where hostile conditions are known to exist and

2. Deadhead Area Pay will be one-half the Area Pay.
3. Deadhead Hostilities Pay will be one-half the Hostilities Pay.
4. A pilot shall be paid Deadhead Pay, Deadhead Area Pay and Deadhead Hostilities Pay as applicable, whenever a pilot travels from one point to another, at the direction of the Company for the purposes of protecting a flight.
5. If surface transportation is utilized, scheduled flight time between points of travel will be used to compute Deadhead Pay.

H. Trip Hour Pay

1. Trip Hours are defined as the total time elapsing from the time a pilot reports for flight duty at his base or is scheduled to report, whichever is later, until he blocks in at his base after completion of a flight or series of flights plus thirty (30) minutes. For the purpose of this paragraph, base will include a temporary assignment to another base. However, if a pilot is assigned to a base as the result of posting and awarding of a temporary bid, the elapsed time for trip hours will begin and end at the base to which he is temporarily assigned.
2. On DC-4/DC-6 aircraft based in Japan a pilot shall be paid trip hour pay whenever

one-fifth of his elapsed hours compiled on a trip basis exceeds his actual block flight hours, provided that in no case shall less than the minimum guarantee pay be paid. Deadhead hours shall be additional.

3. On any other aircraft based in other than Japan a pilot shall be paid trip hour pay whenever one-fourth of his monthly net elapsed hours (elapsed hours minus deadhead hours) plus one-half of his deadhead hours compiled on a monthly basis exceeds the sum of his actual block flight hours plus one half of his deadhead hours, provided that in no case shall less than the minimum guarantee pay be paid.
4. Trip Hour Pay shall be at the same rate as Flight Hour Pay plus Longevity Pay.

Per Diem and Expenses

1. The Company will pay per diem and expenses in accordance with the amounts set forth in the then current Personnel Manual, which shall be updated periodically.
2. In the case of an inter-base transfer, the per diem transfer allowance shall be as follows:
 - a. 12 days' per diem at full rate for the pilot
 - b. 12 days' room per diem at half rate and 12 days' food and laundry per diem at

full rate for his spouse.
c. 12 days' room, food and laundry per die
at half rate for each dependent child.

3. Transfer per diem for the pilot will date from his arrival at his new base and that for his spouse and dependent children from their arrival to reside with him at his new base.
4. Twelve days per diem is payable to a pilot newly hired on arrival at his assigned base but not to his dependents.
5. The twelve days per diem in 4. above or Station Allowance will be paid whichever is the greater.

J. Station Allowance

The Station Allowance payable to pilots is as follows:

Yokota	\$110.00 per month
Saigon	355.00 per month
Udorn	250.00 per month
Vientiane	265.00 per month
Bangkok/Chiang Mai	185.00 per month
Hong Kong	125.00 per month

K. Miscellaneous

1. Pay for pilots on DC-6 and DC-4 type aircraft based in Japan shall be computed by the time and distance method in effect on 31 December 1969.

2. While on any form of paid leave (other than Home Leave), a pilot will be paid on a day for day basis a maximum of fourteen days' station allowance per year.

3. Additional to other pay pilots employed prior to April 1, 1967 will be paid at the time of taking annual vacation one-half (1/2) of their average monthly pay. If no vacation is taken during the year, the average one-half month pay will be included in the year-end pay check. If a pilot leaves the Company during the year, the one-half average monthly pay will be reduced proportionately.

4. All the variable pay items including but not limited to, over guarantee hours, deadhead hours, trip hours, night hours, and IP hours shall be paid at the month end applicable pay rate.

SECTION 5

TRAINING

. GENERAL

The Company shall provide, and pilots shall be required to satisfactorily complete such training as may be required by appropriate governmental agencies and by the Company, to maintain professional flying standards and pilots' proficiency.

. PROCEDURES

Pilots will be scheduled for and notified of training no less than 24 hours in advance, but in case of return from vacation 48 hours notice will be provided. Pilots shall not be scheduled for more than nine consecutive hours of training duty in any calendar day, with a scheduling objective of not more than eight hours. A training day shall commence at the scheduled reporting time or the actual reporting time whichever is later and shall terminate when the pilot is released from duty.

1. A training day may consist of not more than eight classroom hours per day on a six day week basis during any ground school program.
2. There shall be not more than four hours per day of simulator or link training or a combination thereof.

3. Aircraft flight training shall not be scheduled to exceed eight hours per day. Proficiency check flights will not exceed four hours per day. Proficiency check flights will normally be completed within two flying days.
4. Upon completion of six consecutive days of training a pilot shall be afforded a minimum of 24 hours free from duty. Upon completion of six consecutive days of training a pilot may elect to travel at his expense to his base during the duty free period specified herein. Reduced fare or Company transportation may be utilized, when approved.
5. For each day or portion thereof that a pilot is assigned to training, whether or not he engages in any training activity, ground school, simulated or flight training, or qualification on routes or on line operation, a pilot shall be deemed to be on duty.
6. When a report concerning a pilot's performance or proficiency in any training activity is prepared by or for the Company, the pilot shall be furnished a copy thereof.
7. When a pilot's performance in any simulated flight training device is considered to be unsatisfactory, he shall not be prejudiced thereby; but he shall have the opportunity to demonstrate his proficiency in an aircraft of the type he is currently flying, or

when qualifying or upgrading, shall be given the opportunity to meet required standards on the aircraft type for which he is being trained.

8. Maneuvers or navigational procedures satisfactorily performed in a simulated flight device need not again be performed in the aircraft, at Company discretion. When approved by the appropriate governmental agency, a flight simulator may be substituted for an aircraft during semi-annual proficiency checks, if the Company so elects.
9. When a pilot is required to take training at a location other than his base, he shall receive applicable per diem.
10. A pilot scheduled to receive an annual or semi-annual proficiency check on the type he is then flying shall receive at least two (2) hours of aircraft or four (4) hours of flight simulator training prior to such proficiency check. The Company check personnel may qualify and pass such pilot during this initial two (2) hour period on the aircraft or four (4) hour period in the simulator if he considers the pilot proficient.
11. All briefings or link time required will be completed prior to the commencement of any flight simulator or aircraft training or proficiency check.

22

12. A pilot whose first performance on any intended proficiency check is deemed to be unsatisfactory shall be considered to have been engaged in a practice flight and shall be afforded an additional opportunity of not less than two hours flying to demonstrate the required proficiency.

13. When a pilot fails to qualify on his initial line or route qualification check, he may be given sixty (60) days additional familiarization in the area in which the check will be given under the supervision of at least two instructor Captains, prior to a recheck. This time period may be shortened either by:

- a. Successful completion of another check ride.
- b. Lack of progress substantiated by administration of a check ride by a qualified Captain in that type and the base Chief Pilot.

A reasonable amount of such training is to be accomplished in the Captain's position.

14. The Company may require any First Officer who has completed one year in his current type aircraft and two years' total service as a pilot with the Company to accept and successfully complete Captain proficiency training in his current aircraft type. The intent of this requirement is to ensure

23

that all Company pilots shall be able to meet Captain proficiency standards, provided that the individual has been afforded reasonable training to meet such standards and meets the minimum time-in-type and time-in-grade requirements above. A First Officer required to meet Captain standards shall receive the training required for an initial Captain check-out in his aircraft type. In the event he fails to pass the Captain proficiency check flight administered upon completion of training, he shall be given the opportunity to receive four hours' flight training or eight hours' simulator training on that aircraft type prior to a recheck. If he then fails to pass such proficiency check flight he may be subject to termination.

Successful completion of such training does not necessarily signify that the individual is to be assigned as a Captain; such assignments shall continue to be in accordance with provisions of bidding set forth in Sec 11.

15. The Company will exercise its best efforts to provide pilots with the opportunity to obtain higher certificates and ratings.
16. A training pilot may request:
 - a. A qualified pilot observer to monitor any check flight.

- b. Instruction under the supervision of two instructor captains.

C. TRANSFER TRAINING

1. A pilot who has transferred to a different base or to different equipment will be provided the opportunity within a maximum period of ninety days to obtain the necessary training to fill the position to which he has transferred. If a change of base is involved, the transfer will be deemed a permanent one, and the station allowance of the new base will be paid. The ninety day period may be extended at the discretion of the Company if operational factors (e. g., weather, illness, aircraft availability) substantially limit the pilot's training opportunities.
2. Any qualified Captain or First Officer bidding or being displaced into and receiving training necessary for any vacancy will, if failing to complete successfully such training, be given one additional attempt to qualify. If he again fails to complete successfully the training he will be given a check flight observed by a representative of his choice who is a Captain in that type of aircraft and in addition a Company Supervisory Pilot. If the pilot fails the flight check he may, at the option of the Company, be terminated from the services of the Company.

D. RECHECKS

Any pilot failing to pass satisfactorily a recurrent proficiency/line check will be provided a recheck as outlined in paragraph 2 above. If he again fails to pass the recheck, he will be permitted to displace into any pilot class of equipment available to his seniority at his base. If he should fail to qualify in the position displaced into, he may, at the option of the Company, be terminated from the services of the Company.

SECTION 6

HOURS OF SERVICE

A. DUTY TIME AND PERIODS

1. Hours of service and duty periods required of pilots will be as outlined in the Company Operations Manuals.
2. A pilot will not be required to devote more than 24 calendar days per month to the service of the Company except under emergency conditions.
3. The pilot shall retain final authority and responsibility to cease flying at any time that he determines that his ability to conduct such operations safely is impaired by fatigue, illness or similar causes.
4. The Company will make reasonable efforts to provide consecutive days off, subject to scheduling requirements reflecting Company flight time limitations.

B. DUTY FREE PERIODS

1. Duty free periods shall mean the uninterrupted time during which a pilot is relieved of any obligation to make his services available to the Company except under emergency conditions.
2. No pilot shall be required to keep the Company advised of his whereabouts on his

duty free periods unless he leaves the base or city where he is assigned, in which event he shall advise his supervisor and indicate the place where he can be reached.

C. SCHEDULING

1. Scheduling of pilots at each base shall to the extent practicable provide for a reasonably equitable distribution of block hours, trip hours, standby time at the base and related flying duties. Nothing herein shall be construed to preclude the use of different methods of pilot scheduling at different bases or different methods for the several aircraft types within the same base.
2. Base crew scheduling offices shall maintain individual and consolidated records and reports and shall permit individual pilots to review the records for their own aircraft type and pilot class.
3. Days off required to be provided by applicable law and governmental regulation shall be scheduled in advance to the extent practicable and each pilot shall be notified accordingly. Training, standby and pilot meetings shall also be preplanned and reasonable notification provided to each pilot.
4. Supervisory personnel may participate in flying operations up to the extent of 600 hours per year each.

D. WAIVER

Due to the character of the Company operations, it is agreed that if requested by the Company, pilots may waive any provisions of this section relating to scheduling procedures and hours of service.

SECTION 7

ANNUAL VACATION/TRAVEL

A. ANNUAL VACATION/TRAVEL BENEFITS

Annual vacation/travel benefits will be in accordance with Company policy except as noted below:

1. If an earned vacation is denied any pilot by the Director, Flying Division, he shall not lose said vacation or any of the benefits related to that vacation because of the denial. In order to protect the pilot's benefits under this section it is necessary that any denial of vacation be recorded in his file on record in the Personnel Division. All benefits shall be retained until such time as the pilot can be spared for vacation at which time the denial will no longer be valid. Such denied vacation will be rescheduled as soon as possible.
2. All Annual Leave and Home Leave and all related benefits accrued through December 31, 1969 shall be retained on the Company records until used.

B. GENERAL

1. A pilot shall be free from all duty for a period of forty-eight (48) hours prior to vacation for the purpose of attending to personal matters if during this period the

pilot is at his base. A pilot shall be free from all duty for a period of forty-eight (48) hours on return from vacation which period must be at his base. These duty free periods will be granted once a year and cannot be carried forth from one year to the next.

2. Prior to the cancellation of a pilot's vacation the Company will provide him with written notice to that effect of at least thirty (30) days, when possible, and in no event less than fifteen (15) days preceding the date such annual vacation is scheduled to begin, unless otherwise agreed to by the pilot.
3. Upon separation of employment for any reason, a pilot will be paid for unused Annual Vacation/Home Leave/Annual Leave time and shall, subject to completing the probationary period specified in Section 10. B. 2, receive repatriation travel or reimbursement thereof if the pilot is terminated on leave and he paid for such travel.
4. Annual vacation bid preference shall be based on seniority whenever operationally possible.