



**AGREEMENT
BETWEEN
HORIZON AIR INDUSTRIES, INC.
AND THE
FLIGHT ATTENDANTS
IN ITS SERVICE
AS REPRESENTED BY THE
ASSOCIATION OF FLIGHT ATTENDANTS, AFL-CIO
1992-1994**

TABLE OF CONTENTS

ARTICLE	SUBJECT	PAGE
	Preamble	i
1	Recognition	1
2	Definitions	2
3	Compensation	5
4	Duty-Time Expenses	6
5	Hours of Service	8
6	Crew Scheduling	11
7	Training	18
8	Sick Leave	19
9	Physical Examinations	22
10	Vacation	23
11	Uniforms	28
12	Seniority	31
13	Leaves of Absence	33
14	Furlough and Recall	38
15	Transfers Between Domiciles	40
16	Moving Expenses	42
17	Hostage Benefits	43
18	Benefits	44
19	Management Rights	45
20	Union Activities	46
21	Union Security and Dues Collection	49
22	Grievance Procedure and Board of Adjustment	50
23	No Strikes or Lockouts	54
24	General	55
25	Duration	56

AGREEMENT

between

HORIZON AIR INDUSTRIES, INC.

and the

ASSOCIATION OF FLIGHT ATTENDANTS, AFL-CIO

Covering
Flight Attendants

Effective April 21, 1992

PREAMBLE

This is an Agreement made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between HORIZON AIR INDUSTRIES, INC., and the Flight Attendants in the service of Horizon Air, as represented by the ASSOCIATION OF FLIGHT ATTENDANTS.

ARTICLE 1

RECOGNITION

In accordance with the certification R-5732 made by the National Mediation Board, the Company hereby recognizes the Union as the duly designated and authorized representative of the Flight Attendants in the employ of the Company for the purposes of the Railway Labor Act, as amended.

ARTICLE 2

DEFINITIONS

1. Administrative Employees means those employees of the Company whose positions are covered by the Company's merit pay practices, but excluding those employees who are officers and directors.
2. Bidline means the individual work schedule for a Flight Attendant for a specified period of time (the bid period).
 - a. Scheduled Bidline means a Bidline that contains no Reserve assignments.
 - b. Reserve Bidline means a Bidline that contains no Trip assignments.
 - c. Mixed Bidline means a Bidline that contains Trip assignments and Reserve assignments.
 - d. Coverage Bidline means a Bidline that contains no assignments when bid and may contain Trip assignments and Reserve assignments when awarded.
3. Block Hour, or Block to Block, or Block Out-Block In means the period of time when an aircraft first moves for the purpose of flight from the ramp blocks, under its own power, and ending when the aircraft comes to a stop at the ramp blocks.
4. Check Flight Attendant means a qualified Flight Attendant who is designated by the Company to review, advise, and evaluate the performance of Flight Attendants.
5. Check-ride means a planned evaluation of Flight Attendant proficiency and performance of all of her duties according to standards established by the Director of Inflight.
6. COBRA means the federal law that permits employees and certain dependents of employees to continue coverage under employer provided medical and dental insurance plans as such law may change from time to time.
7. Company means Horizon Air Industries, Inc., doing business as Horizon Air.
8. Company Seniority means total length of service as an employee of the Company as described in Article 12, Section B.

9. Continuous Duty Overnight means a Trip or portion of a Trip for which the period of duty extends from one day to the next, with a scheduled layover of less than eight hours.
10. Deadheading means that portion of a trip pairing during which a Flight Attendant, on duty, is not scheduled as a working crew member.
11. Domicile means a geographical location from which a Flight Attendant's trip pairings originate and end.
12. Day Off means a calendar day originally designated on a final bid award, as a day with no duty scheduled, at a Flight Attendant's domicile.
13. Draft means the assignment of a Flight Attendant to duty on a Day Off.
14. Duty Day means a calendar day originally designated on a final bid award, as a day with duty scheduled, except that for the Schedule Provisions Section of Article 5, Duty Day shall have the meaning as therein defined.
15. Flight Attendant means an employee trained and qualified in accordance with Federal Aviation Administration (FAA) regulations governing flight attendants, who has responsibility for certain aspects of passenger safety, comfort and welfare, and who holds a position on the Flight Attendant seniority list.
16. Flight Attendant Seniority means the length of service with the Company as a Flight Attendant as described in Article 12, Section A.
17. IOE (Initial Operating Experience) means the supervised first duty a Flight Attendant performs on an aircraft in revenue service after completion of initial ground school.
18. Per Diem means the compensation paid to a Flight Attendant for meals and any other duty time expenses not paid by the Company pursuant to Article 4.
19. Premium Pay means the pay rate for certain extra duty assignments described in Article 6.

20. Reserve means a duty assignment as described in Article 6, Section C.

21. Special Assignment means duty that is not part of Company regular scheduled flight operations, such as a charter or an air show.

22. Trip or Trip Pairing means a coded designation of a sequence of flights and/or deadheading assignments, beginning and ending at a Domicile, and designated as such by the Company.

23. Trip Key means the detailed description of a Trip or Trip Pairing, including the report time, flight number, arrival and departure time, and type of aircraft for all included flights.

24. Trip Hour means an hour of Trip Time.

25. Trip Time means that period of time a Flight Attendant is away from her Domicile, beginning at required reporting time, and ending when the Flight Attendant is released from duty.

26. Union means the Association of Flight Attendants.

ARTICLE 3

COMPENSATION

A. Salary. Effective with the pay period starting April 26, 1992, the monthly salaries of Flight Attendants shall be as follows:

Start	Begin Yr 2	Begin Yr 3	Begin Yr 4	Begin Yr 5	Begin Yr 6	Begin Yr 7	Begin Yr 8	Begin Yr 9	Begin Yr 10	Begin Yr 11
925	1050	1155	1255	1325	1375	1425	1475	1525	1550	1575

The salary of any Flight Attendant who has more than four years of Flight Attendant Seniority on December 9, 1990 shall be advanced one year on the above scale.

B. Premium Pay. Effective January 27, 1991, Premium Pay, shall be \$7.50 per Trip Hour. A minimum of \$50.00 per calendar day shall be paid for drafting and on-call assignments. All Premium Pay must be authorized by the Director of Inflight, her designee, or the Duty Officer via Crew Scheduling and have an **authorization number** with a "P" prefix to identify Premium Pay. The authorization number must be recorded on the per diem/premium pay/open trip pay record sheet next to the hours claimed. If no authorization number is written, the Premium Pay will not be paid.

C. Overtime Pay. Effective the first bid period starting after the date of this Agreement, a Flight Attendant who works more than 300 Trip Hours in a 35-day bid period shall be paid overtime pay at the rate of \$5.00 per trip hour in excess of 300. For the purpose of overtime pay calculation, Premium Pay assignments and Block or Trip Hours in a traded trip that are in excess of those originally scheduled shall be disregarded. Duty Time for training shall count as Trip Hours.

D. Check Flight Attendant Pay. A Flight Attendant will be paid a premium of 10% of her salary as shown above, for any period she works as a Check Flight Attendant.

E. Per Diem. Effective the first bid period starting after the date of this Agreement, a Flight Attendant will be paid *per diem* at the rate of \$1.05 per Trip Hour.

ARTICLE 4

DUTY-TIME EXPENSES

A. Lodging. A Flight Attendant will be provided a single-occupancy room with private bath, paid for by the Company, when:

1. She has a scheduled layover away from Domicile in excess of five hours between the hours of 2000 and 0800 the following day unless it is known at the time of arrival that the actual time of layover will be two hours or less.
2. The Director of Inflight gives express consent in the case of any other layover.

During daytime layovers, the Company may provide single or multiple occupancy dayrooms or other crew rest areas. In determining whether, and what type of accommodations, to provide, the Company will consider the rest needs of the Flight Attendants and their preferences.

In selecting layover accommodations, the Company will consider the fire safety and physical security of the premises, the cleanliness and quietness of the rooms, the availability of nearby eating facilities and the recommendations of interested Flight Attendants; however, the Company retains the right to determine the suitability of layover accommodations.

B. Transportation. When the Company provides layover accommodations, it shall also provide transportation from and to the airport and to and from restaurant(s) designated by the Company, if no designated restaurant is within one quarter mile of the layover accommodations. Normally such transportation will be by hotel van or Company-provided crew car; however, if no such transportation is available within 30 minutes from call, a Flight Attendant may request authorization to use an alternate means of ground transportation and, if such request is approved by the Director of Inflight or her designee, then she may claim reimbursement for her expense by submitting a Company expense report.

C. Parking. Consistent with such regulations as may be set forth by the applicable airport authority, the Company will pay up to \$12 per month for airport parking of a Flight Attendant's personal

automobile at her domicile. If monthly parking is available, the Company will direct pay the appropriate airport authority unless the Flight Attendant and the Company have agreed upon another arrangement.

D. In-flight Meals. On those flights which the Company serves meals or snacks, one of the meals or snacks may be consumed by each working Flight Attendant on board, provided that it does not interfere with her cabin service and is consumed out of the sight of passengers.

ARTICLE 5

HOURS OF SERVICE

A. Schedule Provisions. The following provisions shall apply in the preparation of the Flight Attendant bidlines:

1. Scheduled bidline block hours in a 35 day bid period shall average approximately 85 and shall not exceed 95 block hours. A coverage line, when assigned, shall not exceed 95 block hours.
2. No more than 30 block hours shall be scheduled in a 7 day period.
3. Trip hours shall average approximately 300 in a 35 day bid period for the scheduled lines and shall not exceed 320 trip hours. A coverage line, when assigned, shall not exceed 320 trip hours.
4. No more than 13.5 hours of Duty shall be scheduled normally in a Duty Day, except for continuous duty overnight and charter trips, which will not exceed 16 hours of Duty. Except for continuous duty overnight and charter trips, the maximum number of hours that may be scheduled in a Duty Day is 14.
5. No more than 8 block hours shall be scheduled during any Duty Day.
6. Scheduled bidlines shall contain a minimum of 14 calendar days off in a 35 day bid period.
7. Coverage and mixed bidlines shall contain a minimum of 13 calendar days off in a 35 day bid period.
8. Reserve bidlines shall contain a minimum of 12 calendar days off, including at least one block of 4 consecutive days off.
9. At domiciles where there are mixed bidlines, at least 50% of the bidlines shall contain a minimum of 14 calendar days off in a 35 day bid period.

10. The minimum rest period at a Flight Attendant's domicile shall be 10 hours free of Duty, except for continuous duty overnight trips.

11. The minimum rest period to break a Duty Day away from a Flight Attendant's domicile shall be 8 hours free of Duty.

12. The maximum number of flight legs in a Duty Day will be 9 of which no more than 8 will be worked as a crew member.

13. Within any 7 day period there shall be scheduled at least one period of 24 consecutive hours off, free of any Duty. Except during bid period transitions, consisting of the last 6 days of the old bid period and the first 6 days of the new bid period, the 24 hour period shall be a calendar day.

14. Awarded bidlines shall only vary from the foregoing provisions as may result from those changes specified in paragraph 5 of the Schedule Publication and Bidding Section of Article 6.

15. For schedule selection purposes under this Section:

- a. Duty shall begin at the Report Time for a Duty Day shown on the trip key and shall end 15 minutes after the last scheduled arrival time for the Duty Day, except that if the last leg is a deadhead leg, the Duty Day shall end 5 minutes after the scheduled arrival time;
 - b. Duty Day shall mean the period between the end of a rest period and the beginning of the next rest period; and
 - c. Report Time shall be no less than one hour before the first scheduled departure of a Duty Day at the Flight Attendant's domicile, and no less than 30 minutes before the first scheduled departure after a rest period away from domicile.
- B. Duty Limitations. The federal regulation governing duty times and rest periods for flight crews operating under Part 121 of the Federal Air Regulations shall be applied to limit the actual duty periods of a Flight Attendant unless the Company is unable to substitute a Reserve or Drafted Flight Attendant in time to prevent a flight cancellation. If a law or regulation that is binding on the Company specifically governs Flight Attendant duty times or rest periods during the term of this Agreement, then that law or

regulation shall apply and not the regulations governing flight crew members.

ARTICLE 6

CREW SCHEDULING

A. General Principles. Except as provided elsewhere in this Article, Flight Attendant work assignments shall be incorporated into individual work schedules and offered for selection as bidlines. The Company will prepare bidlines taking into consideration economy of operations, efficient utilization of employees and the equitable distribution of work. Bidlines may include Company-required training, mandatory meetings and special assignments, such as air shows and charter trips. There shall be no Mixed Bidlines at the Portland Domicile so long as there are more than 25 Flight Attendants based at the Domicile. The Union shall have the opportunity to make recommendations regarding the make-up or general method of construction of bidlines. For each bid period (currently 35 days, commencing on Sunday and ending on Saturday) the Company shall develop a bidline for each Flight Attendant who it anticipates will be working during the bid period. Insofar as is practicable and consistent with the efficient utilization of personnel and the Schedule Provisions section of Article 5, every reasonable effort shall be made to eliminate scheduled aircraft changes on trip pairings. The Schedule Provisions of Article 5 shall be adhered to in the development of bidlines for each bid period. If there is an urgent need to exceed these limitations because of a shortage of Flight Attendants, the MEC President or her designee will be consulted for suggestions on minimizing the impact on Flight Attendants.

B. Schedule Publication and Bidding. Flight Attendants at each domicile shall select bidlines for each bid period according to their Flight Attendant seniority. The following bidding procedures will apply except as provided in paragraph 7 of this section.

1. Prior to the 20th day of each 35-day bid period, the Company shall post a seniority list at each domicile, indicating the current status of each Flight Attendant (active, leave of absence, furlough, etc.).
2. Prior to the 21st day, usually not later than 1700, all the available individual bidlines for the next 35-day period shall be made available to all Flight Attendants. Bidline Trips and Trip

Pairings shall be placed in each Flight Attendant's Company mail box. Bids will remain open for no less than 5 days. Along with the Bidlines and Trip Pairings Flight Attendants shall also be provided with the date bids will close, and the date the Company's Crew Scheduler then plans to make the final Bid Awards available.

3. Bids must be recorded on the bid pyramids posted at the domiciles by 0900 of the specified bid closing day to insure being considered. However, any bid recorded before the Company's crew scheduler collects the bid pyramid will be considered. Bids may be submitted by proxy. A Flight Attendant who is on vacation or who is unable to submit her bid in person due to an unexpected illness or injury on the day that bids are due may submit her bid by telephone or telegram. Bids will be awarded on the basis of the bids shown on the bid pyramids when they are collected.

4. Bid awards will be made available to Flight Attendants as soon as practicable after they are final. A list of the awarded bidlines (including reserve lines), showing the name of each Flight Attendant next to her awarded bidline, shall be provided to each Flight Attendant by 1700 of the 31st day. The cover letter of the final schedule will include the date on which the bidlines and trip pairings will be available for the next bid period and the bid closing date for the next bid period.

5. After bidlines have been awarded, they shall not be changed by the Company without cause, such as adjustments for vacation, training and circumstances that were not foreseen, and those necessary to accommodate the transition from one bid period to the next. An overnight on the last day of the bid period normally will be flown by the Flight Attendant holding that trip in that bid period.

6. A Flight Attendant who fails to bid may be assigned a bidline.

7. In the event the Company is unable to comply with the above procedure in any way, the MEC President or her designee will be given notice in advance, supported by written verification as to which provision(s) will not be met for that bid period and the reason(s) therefor.

C. Rules for Reserves. Flight Attendant Reserve days may be mixed in with other trips within a Mixed or Coverage Bidline or may be contained entirely in separate Reserve Bidlines. Except for changes caused by the extension of a trip commencing on a scheduled duty day, scheduled days off in a bidline that is exclusively reserve may only be changed once during the bid period without the consent of the Flight Attendant.

1. A day of reserve assignment shall commence at 0001 hours and end at 2400 hours and, if contacted, a Flight Attendant may be required to take any trip (including a trip that ends the following day) commencing during that period. However, a Flight Attendant shall only be required to be contactable between 0400 and 2200 hours (local time at domicile). During that period, the Flight Attendant shall remain contactable at the phone number that she provides to the Company's crew scheduling department, unless released by the Director of Inflight or her designee.

2. If a Flight Attendant has a compelling reason to be excused, such as a long-standing engagement that cannot be rescheduled, and if the Director of Inflight determines that there are sufficient other reserves available or that no further assignments are likely that day, the Company may release the Flight Attendant for the remainder of a day.

3. If a Flight Attendant on reserve will not be available at her primary contact number, she shall advise the crew scheduling department how she may be contacted at any time during her absence. A Flight Attendant who elects to use a "beeper" shall insure that she may be contacted on it at any time it is in use as her contact number.

4. Consistent with its need to match assignments of various trip lengths with the schedule of Reserve Flight Attendants available, the Company shall use its best efforts to distribute flight time evenly among the Reserve Flight Attendants who are on call.

5. A Reserve Flight Attendant shall be notified as soon as possible, taking into account other priorities of the Company and the time of day, after the need for her assignment is known. Assignment of a trip does not relieve the Flight Attendant from her Reserve status and the requirement that she be immediately contactable if the Company changes her Reserve assignment.

a. If a trip assignment is made at least one and one half hours before the Report Time shown on the Trip Key, A Flight Attendant shall be expected to report in accordance with the Trip Key instructions for the trip.

b. When there is a short call, a Flight Attendant shall check in for duty as soon as possible, but shall not be late if she checks in one hour after the call.

6. A Flight Attendant on reserve who is assigned a trip which extends into her scheduled day off is eligible for Premium Pay beginning at 0001 of the day off until released.

D. Trip Trades. Each Flight Attendant may trade trips during each bid period subject to the following conditions:

1. Only full periods of scheduled duty may be traded.
2. All trips traded must be within the same bid period.
3. Portions of a Trip Key may only be traded if they return to the Domicile from which they started and are specifically approved by the Director of Inflight.
4. Mixed Line and Coverage Line holders may trade time on Reserve with Mixed Line, Coverage Line or Scheduled Line holders, but only if all consecutive days of Reserve assignment are traded as a block and the Company determines that the trade will not reduce its coverage flexibility or utilization.

5. Reserve Line Holders may not trade any portions of their schedules.

6. Generally, a request for a trip trade must be submitted at least five days prior to the first trip affected by the trade. However, a later submitted request may be considered at the discretion of the Director of Inflight, and a request that could not have been submitted earlier involving trips at the beginning of a bidline because of the time the final bid awards were made available to Flight Attendants will be considered.

7. A Flight Attendant involved in a trip trade is responsible for reviewing her revised work schedule to determine if it is consistent with the Duty Limitations Section of Article 5 and does not violate any provision of this Agreement.

8. Planned trip trades shall be submitted on forms supplied by the Company. The Crew Scheduling Department will advise the Director of Inflight, or her designee, whether the revised schedules of both parties are likely to result in either Flight Attendant exceeding the Duty Limitations Section of Article 5. No trip trade shall be effective until confirmation is received by the Flight Attendant.

9. If the Company determines that a Flight Attendant has repeatedly been involved in trip trades that are not consistent with this Agreement, it may suspend her trip trading rights under this Agreement.

E. Cancelled trips. If a Flight Attendant is relieved from a trip because it was cancelled or for any other reason, she may be required to be on reserve status for the duration of her scheduled trip time. Unless no other reserve flight attendant is available, she shall not be assigned a trip that is scheduled to return to her domicile more than two hours after the scheduled return time of her cancelled trip. The Company shall endeavor to build IOE training into the final schedule. However, if the Company does remove a Flight Attendant from her scheduled trip to provide IOE training and she is asked to be on Reserve, she will only be called to avoid a Drafting or On call assignment.

F. Charter Trips and other Special Assignments. Charters not included in Bidlines as outlined in Section A above that are received by the Crew Scheduler more than 7 days prior to departure of the trip shall be posted for bid as soon as practicable. Flight Attendants shall have until 5:00 pm of the 5th day before the trip departure date to bid for the trip. Bidders shall list their name and seniority number. The charter trip will be awarded no later than 5:00 pm of the third day before the trip departure date.

Charter bidders at the Domicile will be considered in order of Flight Attendant seniority. If more than 5 Flight Attendants bid for a charter, consideration may be limited to the 5 with the greatest seniority. If a Bidline holder's scheduled trip conflicts with the charter, the switch will only be made if it can be done without

reducing the Company's overall utilization of Flight Attendants. No Premium Pay shall be paid. Once awarded, the assignment will not be changed, except that if the charter trip is cancelled, the Crew Scheduler will attempt to reassign the original trips if there is sufficient time to do so. If not reassigned, the bidder will be required to be on Reserve for the days of the charter trip.

Charters which are not staffed after consideration of bidders and charters received less than 7 days prior to departure shall be treated the same as any other open trip, which is as follows:

1. Reserves. No Premium Pay shall be paid.
2. Flight Attendants who have placed themselves On Call for Premium Pay on the dates of the charter. Premium Pay shall be paid.
3. Drafted Flight Attendants. Premium Pay shall be paid.

Notwithstanding the above procedures, no charter shall be assigned if it will cause a violation of the Duty Limitations Section of Article 5 for the bid period, and the Company may assign a specific Flight Attendant to work a charter or other Special Assignment that has not been included in her bidline if the Marketing Department or the customer so requests.

G. Drafting. When there is a crew replacement needed that cannot be covered by assignment of a Reserve Flight Attendant, the Company may Draft a Flight Attendant who is not otherwise scheduled for duty.

1. If a Flight Attendant is Drafted, she will be paid Premium Pay unless she indicates at the time she is drafted that she prefers to be given day(s) off equivalent to the number of days she was Drafted. If she elects to take day(s) off instead of Premium Pay, it is the Flight Attendant's responsibility to arrange mutually agreeable dates with the Director of Inflight. If mutually agreeable dates have not been set within three days after the Flight Attendant returns from the Drafting assignment, the days off election shall be cancelled. After agreement has been reached, the Company may not change the days off without consent of the Flight Attendant.

2. The Company will attempt to Draft the least senior Flight Attendant available who may be assigned the duty without violating

the Duty Limitations Section of Article 5. However, the Company may excuse a Flight Attendant from any Drafting assignment.

H. On Call Assignments. Any Flight Attendant who wants to earn Premium Pay (but not days off) for working on any of her scheduled days off when the Company would otherwise draft may submit a list of her available days to the Director of Inflight or her designee. The Company will call, in seniority order, those volunteers at the domicile who could work the trip without interfering with the rest of their schedule before Drafting for a special assignment. In addition, the Company may solicit volunteers for days on which no Flight Attendant has indicated availability, and for such days, may select the first Flight Attendant who volunteers.

I. Trip Extensions. If a Flight Attendant is assigned additional duty to be performed after returning to her domicile after the last leg of her trip, she will be paid Premium Pay for that extra duty, even though it was not performed on a day off. A Flight Attendant working on a reserve day is excluded from this provision.

ARTICLE 7

TRAINING

Except when there are unforeseen training requirements, the names of Flight Attendants scheduled for training during a bid period and the dates that training will be scheduled will be made available in the cover letter accompanying the Bidlines and Trip Pairings furnished to Flight Attendants (or by other suitable means) before the bid period. The scheduled training will then be shown on the final bid award schedules of line holders and Reserves, and trips will be dropped from the awarded bidlines of Flight Attendants as necessary to prevent conflicts or an increase in duty days.

1. Unless approval of a vacation bid or leave of absence is conditioned upon a requirement to attend training, a Flight Attendant shall not be required to return from vacation or leave of absence to participate in training. In developing training schedules, the Company shall endeavor to avoid conflicts with known vacation schedules. If a Flight Attendant participates in training on request of the Company while on a leave of absence, she shall be paid \$50 for each day of training, provided she returns to work with the Company upon completion of her leave.
2. For purposes of applying the Company's crew scheduling guidelines, a Flight Attendant shall be considered on duty during the time she is attending training. Per diem, lodging and transportation shall be paid by the Company if required by Article 4 of this Agreement.
3. No Flight Attendant training shall be conducted in an aircraft that is in flight while a pilot is undergoing pilot training or a check ride.
4. Training during flights and Check Rides shall be conducted only by supervisory employees in the Inflight Department, Inflight Training instructors or managers, and those persons designated by the Company as Check Flight Attendants.

ARTICLE 8

SICKLEAVE

Flight Attendants who are absent from work as result of any illness or injury, because of a medical or dental appointment that cannot be scheduled during off-duty time, or because of the need to care for an injured or ill child, spouse, or parent may use accrued sick leave to avoid loss of pay in accordance with the following provisions:

A. ACCRUAL. Beginning with the Flight Attendant's employment date, a full-time Flight Attendant will accrue sick leave at the rate of 3.69 hours for each two week pay period for which she receives a regular paycheck. This accrual rate is designed to provide one work day of sick leave per month. The maximum amount of sick leave that may be accrued is 2080 hours (1 year); however the maximum that may be used in connection with one continuing absence is the amount necessary to bridge the waiting period for benefits under the Company's LTD insurance plan (currently, 4 months, or 693.33 hours).

When a Flight Attendant's service with the Company is terminated, either voluntarily or involuntarily, including furlough, and expiration of leave of absence status, there will be no payment for accrued sick leave and all accrued sick leave will be cancelled. However, accrued sick leave will be reinstated if the Flight Attendant is rehired or returns from furlough within one year of last day worked.

B. SICK LEAVE USEAGE. When sick leave is approved, a Flight Attendant will receive compensation at her normal salary rate for scheduled work time missed. A Flight Attendant will be charged for a full day (8 hours) of sick leave if she misses the first flight of the day; however the Director of Inflight may approve a partial-day pro ration if the Flight Attendant works a portion of her duty day before leaving duty at her Domicile. If a Flight Attendant is replaced on a trip because of illness or injury, she will be charged for sick leave usage for the remainder of the days of the trip unless she reports to her supervisor that she is fit for duty and she is asked to perform duty. Claims for sick leave will be made on the Flight Attendant's time-sheet and must be approved by the Director of Inflight. In the

case of an absence that continues and becomes a Medical Leave of Absence, a Flight Attendant shall be paid regular salary (excluding per diem and any Premium Pay) and charged for usage at the rate of 40 hours per week, prorated for partial weeks on the basis of the percentage of the week (Sunday through Saturday) missed. However, no sick leave will be paid for any period of absence if the Flight Attendant is employed by another employer during any portion of the period of absence.

Unless the absence is on account of an injury or illness for which a claim for workers' compensation has been filed, a Flight Attendant who is injured or ill will continue to be paid sick leave until all accrued sick leave is used or for the length of the waiting period under the Company's Long Term Disability Insurance Plan, whichever is less. When an employee has no accrued sick leave, the pay reduction for a portion of work time missed in a pay period shall be calculated in the same way as sick leave pay.

A Flight Attendant who is absent from work on account of an injury or illness for which a workers' compensation claim has been filed, will only be paid sick leave during the waiting period specified in the applicable workers' compensation law (currently 3-6 days, depending on the state). As a condition to receiving sick leave during the waiting period, the Company may require the Flight Attendant to sign an agreement to pay over to the Company any temporary total disability (time-loss) payment received that covers the waiting period. Except for payment during the waiting period, no sick leave shall be paid to a Flight Attendant who is absent from work because of an injury or illness for which workers' compensation benefits are claimed.

C. Makeup of Sick Leave. A Flight Attendant who is called for an assignment pursuant to the On Call procedures of Article 6, Section H, may choose to have any sick leave used during that bid period reinstated on a day-for-day basis, in lieu of accepting Premium Pay. The Flight Attendant shall make this choice known at the time she accepts the assignment.

D. CONTROL OF SICK LEAVE USAGE. A Flight Attendant shall provide as much advance notice as is possible of a sick leave absence. On a day on which a Flight Attendant is scheduled to work (including reserve), notification shall be provided by calling the crew scheduling office (or the dispatch office if not during crew scheduling

duty hours) at least 3 hours before the Flight Attendant's reporting time (or available for duty time if on reserve). As soon as possible thereafter, but not later than noon of the same day the Flight Attendant shall also contact her supervisor to report the nature of her illness or injury and receive instructions with regard to further notification and the need to report to a Doctor for diagnosis. The notification requirement shall continue as a daily requirement until another arrangement has been approved by the Flight Attendant's supervisor.

If a Flight Attendant becomes unable to work due to illness or injury while on duty she shall immediately notify the flight crew captain and the crew scheduling office (or the dispatch office if not during crew scheduling duty hours). If such inability occurs while on duty away from Domicile, her per diem shall continue and necessary rest accommodations, as determined by the Company, shall be provided until she is able to return to Domicile. A Flight Attendant who becomes unable to work due to illness or injury while on Reserve shall immediately notify the crew scheduling office (or the dispatch office if not during crew scheduling duty hours).

The Director of Inflight may require that a Flight Attendant provide a Doctor's statement if, in her judgment, it is needed to verify that the Flight Attendant is unable to work.

The failure of a Flight Attendant to comply with the foregoing procedures for the control of sick leave may be reason for denial of sick leave pay, even if the absence would otherwise be paid under the Company's sick leave policy. Abuse of sick leave may be used as a basis for disciplinary action. Excessive absence may result in termination of employment, if it is unlikely that the Flight Attendant will regularly work her schedule on an ongoing basis.

ARTICLE 9

PHYSICAL EXAMINATIONS

A. A Flight Attendant may be required to submit to one physical examination during each twelve (12) month period of employment. In addition, the Company may require a Flight Attendant to submit to a physical examination any time it believes that her health or physical condition is impaired. When an additional physical examination is required, the Flight Attendant will be notified in writing of the reason. A Company required physical examination shall be performed by a Company physician or by a physician designated by the Company. Any physical examination or tests required by the Company shall be paid for by the Company. The physician's report of such examination shall state whether the Flight Attendant is medically fit to perform Flight Attendant duties.

B. Access to medically privileged information obtained during physical examinations shall be limited to the physician(s) performing the examination(s), the Company's Director of Inflight, officials of the Company designated by the President as having a "need to know", and such others as the Flight Attendant may designate in writing. Except as provided in the previous sentence, medical confidentiality between the Flight Attendant and examining physician shall be maintained.

ARTICLE 10
VACATION

A. Accrual. While employed as a full-time Flight Attendant, a Flight Attendant shall accrue vacation in accordance with her Company seniority as follows:

<u>Years of Service</u>	<u>Biweekly pay period</u>	<u>Accrual rate per Year</u>
First five	4.31 hours	112 hours
Over five	6.46 hours	168 hours

Vacation only accrues while on the payroll. Flight Attendants may accumulate vacation hours up to 150% (one and one half times) of their maximum yearly accrual (e.g. a Flight Attendant with five years of Company seniority or less is limited in her total vacation accrual to 168 hours). Each year, on December 31, vacation accrual in excess of the maximum accumulation permitted will be forfeited unless the Director of Inflight authorizes retention for a Flight Attendant who has been prevented from taking her vacation by the Company.

B. Vacation Scheduling. Vacation periods will be made available only as calendar weeks. Flight Attendants may bid for vacation periods designated by the Company in accordance with procedures set forth below. If more Flight Attendants bid for a vacation period than the number designated as available for bid, then Flight Attendant Seniority shall be used to determine which Flight Attendants may take vacation during the period. A Flight Attendant may not use vacation until she has completed her initial probationary period with the Company.

1. By October 1 of each year, the Company shall post at each Domicile the number of vacation hours that each Flight Attendant has accrued as of the end of the most recent pay period and a projection of each Flight Attendant's hours of accrued vacation as of the end of the year (December 31).
2. At the same time, the Company will post all of the vacation periods available for bid at each domicile during the following year.

periods involved in the trade or exchange. Each originally bid vacation period may be traded or exchanged only once.

12. If a Flight Attendant changes Domiciles she may be required to select other vacation periods if the ones she has selected are not still available at the new Domicile; however, the Director of Inflight will attempt to accommodate vacation plans if staffing permits.

13. Awarded vacations may only be cancelled in extraordinary circumstances and with notice to the Flight Attendant prior to the beginning of the bid period in which the vacation period was scheduled.

C. Payment for Vacation Time. Upon termination of employment (including death, or transfer to a position other than as a full-time or part-time employee of the Company), a Flight Attendant will be paid for accrued vacation not taken or forfeited, except that a Flight Attendant who terminates employment during her initial probationary period with the Company shall forfeit and not be paid for any accrued vacation. Vacation time shall be paid at the Flight Attendant's base salary rate in effect at the time the accrued vacation is used, or, in case of termination, at the base salary rate in effect at the time of termination. For each week of vacation taken, 40 hours will be deducted from the the Flight Attendant's accrued vacation.

D. Vacation Schedule Adjustments. The vacation week shall start on Sunday and end the following Saturday. All trips in the Flight Attendant's bidline that begin or end within the vacation week will be dropped. A Flight Attendant's awarded bidline shall have at least 4 less duty days for each vacation week than the original bidline. Since the week selected for vacation may cause trip drops that result in missing days of work that are more or less than 4, the awarded bidline of a Flight Attendant with scheduled vacation shall be adjusted as follows:

1. If the number of duty days dropped due to the scheduled vacation is 4 or less, then the Flight Attendant's awarded bidline for the bid period shall contain 4 less days of duty than the original bidline. The Company will add any additional days off to the beginning or end of the scheduled vacation period if scheduling

3. Preference sheets for bidding vacation shall be distributed at all Domiciles. Completed preference sheets should be turned by each Flight Attendant to her supervisor no later than October 14.

4. The vacation awards for the first round of vacation bids shall be posted on all Domicile bulletin boards no later than October 21.

5. The balance of the vacation periods not taken during the first round of bidding will be posted for a second round of bidding.

6. Preference sheets for the second round of bidding will be distributed by October 22. Completed preference sheets should be submitted no later than November 5 and the second round vacation awards will be posted at all Domiciles by November 12.

7. The balance of vacation periods not taken during either the first or second rounds will be posted at each Domicile and a third round of vacation bidding will be conducted in December with awards posted at all Domiciles by December 31.

8. During each round of bidding, a Flight Attendant may bid all, part, or none of her vacation; however the amount bid in each round must be in one continuous period.

9. A Flight Attendant may bid for as many weeks of vacation as the number of 40-hour weeks she will have accrued by December 31 of that year.

10. After the third round vacation awards, Flight Attendants will be awarded any remaining available vacation periods on a "first come first served" basis; however, a Flight Attendant may not request a vacation unless she has an uncommitted 40-hour week of vacation time accrued at the time she makes the request and the request must be submitted to the Director of Inflight at least thirty (30) days prior to the bid period containing the vacation period.

11. A Flight Attendant may change an awarded vacation period by trading with another Flight Attendant or exchanging it for any available period. However, the trade or exchange must be submitted to the Director of Inflight for approval at least thirty (30) days prior to the bid period containing the earlier of the vacation

limitations, such as coverage availability, permit, and no other
bidline changes are made necessary.

2. If the number of duty days dropped due to the scheduled
vacation is 5 or more, then the Flight Attendant's awarded bidline
may contain extra days of duty in substitution for any duty days
dropped that are not within the vacation week in accordance with
the following:

a. The addition (or non-addition) of duty to a Flight Attendant's
awarded bidline to compensate for days of duty dropped that are not
within the vacation week shall be at the sole discretion of Crew
Scheduling.

b. No rescheduled duty days will be between the last day
scheduled to be worked before the vacation week and the first day
scheduled to be worked after the vacation week.

c. Any kind of duty (e.g. flying trips, reserve, training) may be
assigned for the number of days that are added to a Flight
Attendant's schedule as a result of a vacation adjustment; however in
the case of a Scheduled Line Holder:

(1) the number of Reserve days that may be scheduled shall be
limited to the number of duty days dropped within the vacation
week in excess of 4.

(2) if scheduled for Reserve, she will only be called to avoid a
Drafting or On call assignment.

(3) if scheduled for Reserve, she may ask to be excused in
accordance with procedure specified in the Rules for Reserve section
of Article 6.

EXAMPLES OF THE APPLICATION OF SECTION D2 (The number of duty days dropped will always be 4 or more)

VACATION WEEK													
FR	SA	SU	MO	TU	WE	TH	FR	SA	SU	MO			
			531	→							812	PDX	
			BOI	PDX	MFR	PSC	PDX						

All six days of trips will be dropped. No additional work days
may be added to schedule.

VACATION WEEK													
FR	SA	SU	MO	TU	WE	TH	FR	SA	SU	MO			
			501	PDX	502	→					547	MFR	PSC
					YKM	PDX							

All six days of trips will be dropped. One additional work day
may be added to the schedule, which may be Reserve duty.

VACATION WEEK													
FR	SA	SU	MO	TU	WE	TH	FR	SA	SU	MO			
			547	→							547	MFR	PSC
				PDX									

All six days of trips will be dropped. Two additional work days
may be added to schedule, neither of which shall be Reserve duty.

VACATION WEEK													
FR	SA	SU	MO	TU	WE	TH	FR	SA	SU	MO			
			531	→							531	BOI	PDX
			BOI	PDX	501	PDX	502	→					
					YKM	PDX							

All eight days of trips will be dropped. Two additional work days
may be added to schedule, both of which may be Reserve duty.

VACATION WEEK													
FR	SA	SU	MO	TU	WE	TH	FR	SA	SU	MO			
			531	→							531	BOI	PDX
			BOI	PDX	501	PDX	502	→					
					YKM	PDX							

All seven days of trips will be dropped. Two additional work days
may be added to schedule, one of which may be Reserve duty.

ARTICLE 11

UNIFORMS

- A. A Flight Attendant shall wear the standard uniform(s) as prescribed in Company regulations at all times while on duty.
- B. From time to time, the Company shall set the standard uniforms to be worn by Flight Attendants, including the items supplied by the Company, those furnished by Flight Attendants, and any optional items. The Company will notify the Union of any change in uniform items. As of April 21, 1992, the uniform items are as set forth below.

1. Items supplied by the Company are as follows:

- 6 shirts or blouses (3 winter, 3 summer)
- 2 skirts or slacks/pants
- 1 pair shorts
- 3 pair socks for use with shorts uniform
- 1 blazer
- 1 sweater
- 1 coat (raincoat with zip in/out lining)
- 1 smock with embroidered first name
- 2 ties or scarves
- 1 belt
- 2 pocket squares
- 2 name tags
- 1 insignia pin
- 1 set of wings
- 1 suitcase
- 1 purse (female)
- 1 briefcase (male)

2. Items to be furnished by the Flight Attendant in conformance with Company standards are as follows:

- shoes
- socks (or stockings)
- wristwatch

3. In addition, Flight Attendants may wear/carry the following items provided they comply with Company standards:

- eyeglasses
- jewelry
- gloves (black)
- wool scarf (black)
- garment bag (black)
- tote bag (black)

C. Uniform Maintenance Each Flight Attendant shall maintain her uniforms so that while on duty, the uniform is in good condition, fits properly and is cleaned and pressed. As provided below, the Company will pay for certain alterations, uniform replacement, and maintenance charges. Except as so expressly provided, all uniform costs shall be paid by the Flight Attendant.

1. Initial Issue Uniform Fee As a condition of its initial employment offer to a Flight Attendant, the Company shall require payment of an amount that approximates the Company's cost of the initial-issue new items provided. As of December, 1987, the initial-issue new Uniform fee is \$500. The Company may allow the Flight Attendant to pay a portion of the initial-issue fee by payroll deduction after she is employed, provided the Flight Attendant signs a written agreement allowing the Company to deduct any amount still owing on termination of employment from her final paycheck. When payroll deduction is used, the deduction may not exceed \$25.00 per bi-weekly pay period.

2. Alteration The Company shall pay for the initial alterations required to properly fit a Flight Attendant in a new uniform or resulting from a Company required style change in the uniform. Such alterations must be requested by the Flight Attendant within one (1) month of uniform issue or style change. The Company may designate a tailor to measure the Flight Attendant and perform the alterations or allow the Flight Attendant to select a tailor. If the Company allows the Flight Attendant to select her own tailor, it may limit the number of fittings it will pay for, and shall require the Flight Attendant to submit an estimate of costs in advance, and the submission of an invoice or paid receipt for payment or reimbursement.

3. Uniform Maintenance Expenses A full-time Flight Attendant shall be paid \$13.85 bi-weekly for the maintenance of her uniform.

ARTICLE 12

SENIORITY

4. Uniform Replacement The Company will exchange items of initial-issue at no cost to the Flight Attendant when replacement is necessary due to normal wear or defective manufacture, as determined by the Director of Inflight, or in case of uniform style change.

D. Return of Uniforms All uniform replacement items furnished by the Company without cost to the Flight Attendant shall remain the property of the Company. Flight Attendants shall retain their uniforms while on furlough or leave of absence; however, upon termination of employment, all uniform items paid for by the Company shall be returned. The Company may require each Flight Attendant to sign an agreement allowing the Company to withhold from the Flight Attendant's final paycheck 50% of its cost for any issued item not returned. No part of the initial issue uniform fee shall be refunded upon termination; however, initial issue uniform items may be retained.

A. Flight Attendant Seniority. Flight Attendant seniority is length of service as a Flight Attendant. It shall begin to accrue on hiring as a Flight Attendant, after completion of training. The Company shall establish the relative order of hire among Flight Attendants who complete training in the same class. Except as it may be extended in case of furlough or leave of absence (see Articles 13 and 14), or as described below in the case of transfer to other positions, it shall end on the day a Flight Attendant ceases to work for the Company as a Flight Attendant. Any Flight Attendant who resigns or whose services with the Company are permanently severed for just cause shall forfeit her Flight Attendant seniority rights.

1. A Flight Attendant who transfers to a supervisory/management position within the Inflight Department shall continue to accrue seniority for a period of six months. Thereafter, she shall retain, but not accrue, seniority for an additional six months.

2. A Flight Attendant who transfers to any other position within the Company shall retain, but not accrue, seniority for one year.

Flight Attendant seniority shall be used for computing pay, determination of bidding rights, order of furlough and recall, vacation preferences and Domicile assignments in accordance with the provisions of this agreement and as otherwise stated in this agreement. In accordance with Article 6, bidlines shall be awarded in order of Flight Attendant seniority at each Domicile.

B. Company Seniority. Company seniority is length of service with the Company. Company seniority shall be used by the Company for computing years of service for determining vacation accrual rate, accrued sick leave, eligibility for on-line and interline reduced rate travel benefits, and for any other purpose that is not inconsistent with any specific provision of this Agreement. The Company may compute Company seniority differently for different purposes, so long as it is consistent with this Agreement.

ARTICLE 13

LEAVES OF ABSENCE

C. Probationary Period. The regular probationary period for a Flight Attendant shall be six (6) months, beginning with the start of her I.O.E.. Any period of thirty (30) consecutive days or more during which a Flight Attendant performs no Flight Attendant duties during the probationary period shall be added on to the probationary period. The Company shall have the unilateral right to extend the probationary period for up to six (6) additional months for performance-related reasons, provided that the Flight Attendant is given written notice of such extension prior to the conclusion of her regular probationary period. Such notice shall contain the specific performance-related reasons for the extension, the length of the extension, and the date on which the extended probationary period is to be completed.

Neither the actual extension of a Flight Attendant's probationary period, nor the reasons for the extension shall be subject to review under the grievance procedure.

D. Flight Attendant Seniority List. Attached hereto is the Horizon Air Flight Attendant Seniority list, which is accurate and binding as of April 24, 1992.

E. Correction of Flight Attendant Seniority. The Company shall post a Flight Attendant Seniority list on a bulletin board at each domicile. Unless there have been no changes, this list shall be updated no less frequently than once every six months. In addition, a copy of the most current Flight Attendant Seniority list will be provided to any Flight Attendant upon request. The Company shall correct any error in the list that is submitted in writing to the Director of Inflight within 60 days after the list was posted, except that a Flight Attendant who is on vacation, leave of absence or furlough at the time the list was posted may ask for a correction of any error affecting her within 60 days after returning to work. No Flight Attendant shall be entitled to any retroactive pay or other form of retroactive relief on account of an error in the Flight Attendant Seniority list, nor shall the Company be required to change any bid awards already made at the time an error is brought to its attention.

A. General. The Company will grant Flight Attendants Leaves of Absence required for medical reasons, and may grant Leaves of Absence for personal reasons or for recuperation in conjunction with a medical condition. In addition, Flight Attendants who perform military service may be entitled to reinstatement, and if they are reinstated, the period of excused service is a Military Leave of Absence. The following apply to all Leaves of Absence:

1. Except as expressly authorized (as in a Military Leave of Absence or a medically approved rehabilitation job while on a Medical Leave), a Flight Attendant may not work for another employer while on Leave of Absence. Unauthorized work will result in termination of the leave of absence.
2. Reinstatement from a Leave of Absence shall be at the Flight Attendant's last Domicile, but may be delayed until the beginning of the next bid period by the Director of Inflight. If a Flight Attendant has not been awarded a bidline, she may be assigned Reserve for the remainder of the bid period.
3. If a Flight Attendant does not return to work on her scheduled return date, she shall be terminated unless appropriate arrangements for an alternate return date have been made in writing with the Director of Inflight prior to the scheduled return date. In any case, the Company may reassign the remainder of her current bidline and require her to be available for Reserve assignment for the remainder of the bid period.

B. Medical Leave of Absence. A Medical Leave of Absence shall be granted to a Flight Attendant who is unable to work due to illness or injury, provided such illness or injury did not arise out of her employment with the Company. The period of the leave shall coincide with the duration of the disability and, except for pay purposes, Flight Attendant seniority shall continue to accrue during a Medical Leave of Absence. Sick leave and Vacation shall continue to accrue while the Flight Attendant remains on the payroll. If the Flight Attendant returns to work within one year from the first date of missed work due to illness or injury, her Company seniority and

years of service for pay purposes shall be restored. If the leave exceeds one year, she will be regarded as a new hire for these purposes.

If a Flight Attendant is expected to be disabled for four weeks or more, or is excused from work on account of illness or injury for a period of two consecutive weeks or more without furnishing sufficient information for the Company to ascertain her expected return date, the Company may place her on a Medical Leave of Absence and re-assign the remainder of her awarded bid lines. Any disagreement over whether the Flight Attendant is medically fit to work shall be settled by use of a Physical Examination pursuant to Article 9 of this Agreement.

Sick leave will be paid during a Medical Leave of Absence until it is exhausted, unless or until the Flight Attendant elects that it not be paid. Once discontinued, sick leave may not be resumed during the Leave. Vacation pay may be requested in conjunction with the start of the Leave of Absence.

A Flight Attendant on Medical Leave of Absence shall continue to be covered by the Horizon Air group insurance plan and may continue dependent coverage, so long as timely payment is made therefor, for up to six months. Thereafter, the Company will process an administrative payroll separation and the Flight Attendant may continue group insurance coverage to the extent provided by COBRA, provided she complies with all COBRA requirements.

C. Workers' Compensation Leave of Absence. A Workers' Compensation Leave of Absence shall be granted to a Flight Attendant for the period of time that she receives temporary total disability (time-loss) payments under a workers' compensation statute.

A Flight Attendant will be paid any accrued sick leave during the statutory waiting period and may be required to pay over to the Company all or a portion of the temporary total disability (time-loss) payments she receives for the waiting period if the combined sick leave and time-loss payments exceed her regular pay. No other sick leave or vacation will be paid while a Flight Attendant is on a Workers' Compensation Leave of Absence.

Flight Attendant seniority shall continue to accrue during a Workers' Compensation Leave of Absence. A Flight Attendant on a Workers' Compensation Leave of Absence shall continue to be covered by the Horizon Air group insurance plan and may continue dependent coverage, so long as timely payment is made therefor, for up to six months. Thereafter, the Company will process an administrative payroll separation, and the Flight Attendant may continue group insurance coverage to the extent provided by COBRA, provided she complies with all COBRA requirements.

D. Recuperative Leave of Absence. A Flight Attendant may be granted a Leave of Absence for a period not to exceed 90 days for the purpose of rest or recuperation when related to a medical condition, such as pregnancy. A request for a Recuperative Leave of Absence must be submitted at least two weeks in advance of the intended start date for approval by the Director of Inflight. A Flight Attendant shall continue to accrue Flight Attendant seniority while on a Recuperative Leave of Absence. Except during any period she remains on the payroll, neither sick leave nor vacation shall accrue.

A Flight Attendant may utilize accrued vacation during a Recuperative Leave of Absence provided a request is made in conjunction with the the request for the Leave of Absence.

A Flight Attendant on a Recuperative Leave of Absence shall continue to be covered by the Horizon Air Group insurance plan and may continue dependent coverage so long as timely payment is made therefor.

E. Personal Leave of Absence. When the requirements of the service permit, as determined by the Company, a Personal Leave of Absence may be granted to a full-time Flight Attendant who has successfully completed her probationary period. A Flight Attendant shall retain, but not accrue, Flight Attendant seniority while on a Personal Leave of Absence. Neither sick leave nor vacation shall accrue.

A Personal Leave of Absence shall not exceed six months and may be granted for reasons such as family illness or education. A Personal Leave of Absence may not be granted for the purpose of seeking or engaging in other employment.

A request for a Personal Leave of Absence must be submitted in writing and requires approval of the Director of Inflight. The request must state the reason for the leave, the commencement and expected date of return, both of which must coincide with the beginning of a bid period. A Flight Attendant desiring to return to work prior to the date of expiration of the leave must give at least two weeks notice prior to the new expected date of return and may only return to work early with Company approval.

A Flight Attendant on a Personal Leave of Absence may continue group insurance coverage to the extent permitted by COBRA, provided she complies with all requirements of COBRA.

F. Military Leave of Absence. A Military Leave will be granted as required by Federal law and regulations applying thereto. A Flight Attendant's right to return to employment, seniority, and benefits shall be governed by and limited to the protection afforded in the Universal Military Training and Service Act as currently in effect or as hereafter amended.

A Flight Attendant participating in reserve or National Guard training is required to give the Company notice and is encouraged to submit written notification indicating the inclusive dates of anticipated duty accompanied by military orders, as early as possible. Although Military Leave is unpaid, a Flight Attendant may elect to collect any vacation pay to which she is entitled during the period of her absence.

G. Leaves of Absence for Maternity. A pregnant Flight Attendant may request a Personal leave of Absence to cover the period of pregnancy before she is entitled to a Medical Leave of Absence and a Recuperative Leave of Absence for the period after her period of disability. She may submit a combined request for these leaves to cover the entire period of time from when she wants to stop working until the time she plans to return to work. The Company will provide a single form for Flight Attendants to make a combined request for a maternity Leave of Absence. The Director of Inflight may delay the beginning of the Personal Leave of Absence or curtail the Recuperative Leave of Absence if she believes that a serious staffing shortage will exist; if not, the maternity Leave of Absence will be granted for the period requested.

In the case of a combined maternity Leave of Absence, or if a Flight Attendant wants to plan her Medical Leave of Absence before she is disabled, the Company will presume the Flight Attendant is disabled commencing with the 19th week of pregnancy and ending four weeks after the actual date of childbirth or miscarriage and will treat that period as a Medical Leave of Absence; however a Flight Attendant shall be entitled to a Medical Leave for any period (not to exceed one year) that she is disabled and not medically fit to perform her Flight Attendant duties.

A Flight Attendant is encouraged to notify her supervisor upon discovering that she is pregnant, but shall not be required to do so until she enters her 4th month of pregnancy. Provided that she remains medically fit to perform her work, a pregnant Flight Attendant may continue to work through the bid period ending after the 21st week of her pregnancy. If a Flight Attendant continues to work while she is pregnant, it will be her responsibility to procure and maintain, at her expense, a properly fitting uniform.

H. Bereavement Pay. A full-time Flight Attendant may be granted up to three consecutive working days off with pay when needed in connection with the death of an immediate family member. Immediate family members include the Flight Attendant's parents, grandparents, spouse, children, brothers and sisters and her spouse's parents and children. Bereavement pay must be approved by the Director of Inflight and shall only be granted as needed to attend the funeral and to handle affairs made immediately necessary by the deceased person's death, such as arranging the funeral. The Director of Inflight's determination of the amount of time off shall be final.

ARTICLE 14

FURLOUGH AND RECALL

A. Furlough

1. When the Company plans to reduce the number of Flight Attendants working a Domicile, it will notify the Flight Attendants at the Domicile of the names of the Flight Attendants tentatively selected for furlough at the time it puts out the bidlines for a bid period. For any furlough not coinciding with the beginning of a bid period, tentative notification will be provided no less than 15 days prior to the furlough date. After consideration of requests for Voluntary Furlough, written notification of furlough shall be sent no later than 10 days before the furlough date by certified mail to all those finally selected.

2. Any Flight Attendant may request a Voluntary Furlough for any bid period. However, if a furlough does not coincide with the beginning of a bid period, or if the Company wants to establish a definite return date, the Company may set the Voluntary Furlough for any period of time not to exceed 70 days. If the Company has excess bidlines at a Domicile, it will grant requests for Voluntary Furlough in order of Flight Attendant seniority of the requesters at that Domicile. However, the Company need not recall any furloughed Flight Attendant because of a request for Voluntary Furlough by a more senior Flight Attendant.

3. In the event there are an insufficient number of requests for Voluntary Furlough at a Domicile, the most junior Flight Attendant at the Domicile shall be furloughed, unless she is a probationary employee, in which case she will be permanently laid off.

4. A Flight Attendant furloughed (including a Flight Attendant or Voluntary Furlough) shall retain her Flight Attendant seniority for a period of eighteen (18) months. During the first bid period of Voluntary Furlough in any calendar year, a Flight Attendant shall be eligible for air travel benefits, to the extent provided other employees excluding any interline prohibitions.

B. Recall

1. Recall at a Domicile shall be in order of seniority of the furloughed employees at that Domicile. While on furlough, a flight Attendant may bid to fill a vacancy at any other Domicile. The Company shall attempt to fill a vacancy by recall before it transfers a Flight Attendant from another Domicile, or fills the vacancy with a new hire.

2. A written recall notice shall be sent to each Flight Attendant entitled to recall by certified mail to the last address provided by the Flight Attendant. A Flight Attendant must notify the Company within ten (10) days after mailing of any written recall notice of her intent to return to work on the date specified in the recall notice. It is the Flight Attendant's responsibility to keep the Company informed of her correct address and provide coverage of her mail in case a recall notice is sent while she is away from her address.

3. If a Flight Attendant has not accepted recall by the tenth day, the Company shall attempt to contact any other furloughed Flight Attendants at that Domicile by mail or telephone in order of seniority.

4. A Flight Attendant who is recalled shall not be furloughed again for at least one full bid period after accepting recall. However, a Flight Attendant who accepts a recall offer and fails to report for work on the date specified, or who doesn't respond to a written recall notice by the required tenth day may be terminated.

C. Emergency Service

Notwithstanding Section B above, the Company may ask any furloughed Flight Attendant to return to work for a period of time that does not exceed one bid period. When so doing, it shall attempt to contact the furloughed Flight Attendants in order of seniority, but no Flight Attendant who is not contacted shall have any right to claim pay or any other benefits under this Agreement. If the vacancy is a continuing one, it shall be filled in accordance with Section B above at the beginning of the next bid period. No Flight Attendant shall be terminated for failure to respond to an Emergency Service request under this Section C.

ARTICLE 15
TRANSFERS BETWEEN DOMICILES

A. Voluntary Transfers.

1. When a Domicile vacancy occurs or a new Domicile is established, the Company will post a notice at each other Domicile indicating the number of vacancies, the date the Flight Attendant will be required to be available for duty at the new Domicile and the date by which all bids must be received by the Director of Inflight.

2. If there are bids for the vacancies, the Company will transfer those bidders with the greatest Flight Attendant Seniority. A Flight Attendant may withdraw her bid at any time prior to the time she is offered an opportunity to transfer.

3. A Flight Attendant transferred to fill a vacancy shall be available to begin the assignment on the date set by the Company. Prior to or during her first bidline at the new Domicile, her work schedule shall include a period of no less than four consecutive days off to relocate to be taken in accordance with the procedures of Article 16 (Moving Expenses). However, a Flight Attendant that voluntarily transfers shall not be entitled to any moving expense reimbursement under such Article.

4. If a Flight Attendant is furloughed when a Domicile is closed or because the flying is reduced at a Domicile, she may continue to bid for vacancies at other Domiciles during the 18 month period she retains her Flight Attendant seniority while on furlough.

B. Involuntary Displacement.

1. If there are vacancies at a Domicile that have not been filled by voluntary transfers, the Company may fill these by hiring additional Flight Attendants, or transferring Flight Attendants from other Domiciles. When Flight Attendants at any Domicile are involuntarily transferred to another Domicile for any reason, they shall be the most junior Flight Attendants at that Domicile. Each may be assigned to any Domicile, and, if so transferred, shall be considered transferred at Company request for purposes of Moving Expenses reimbursement (Article 16)

2. If the Company closes a Domicile, it will notify the affected Flight Attendants in writing at least one full bid period prior to the effective date of the closing of the Domicile.

C. Transportation Furnished to Transferred Flight Attendants
The Company will provide on-line, space-available transportation to a Flight Attendant, her spouse and dependent children as necessary to move from her old domicile to her new domicile.

ARTICLE 16

MOVING EXPENSES

A. Qualifying for Expenses. A Flight Attendant shall be eligible to receive Company paid moving expenses under this Article if she moves to another domicile at Company request pursuant to Article 15 (Transfers Between Domiciles). A Flight Attendant shall not be eligible for moving expenses under this Article for her initial domicile assignment. Prior to or during her first bidline at the new Domicile after any new assignment, a Flight Attendant's schedule shall be reduced, as necessary to include a period of no less than four consecutive days off to relocate. A Flight Attendant may select the time to relocate provided there are adequate crews and reserves then available as determined by the Director of Inflight. If the time the Flight Attendant selects results in her being relieved from duty more days than if the Company selected the most advantageous time to it, then the Company may assign the Flight Attendant duty for the number of excess days off during either her first or second bidline at the new Domicile.

B. Allowable Expenses.

1. Truck or trailer rental of a total capacity not to exceed 15,000 pounds plus necessary moving accessories, pads and hand carts. The Company may specify the Company from which the equipment will be rented.
2. Automobile mileage for 1 (one) vehicle used by the Flight Attendant and/or her immediate family for the distance between the Domiciles, at the rate of \$.225 (twenty-two and one half cents) per mile. In establishing the mileage the Company may use the shortest road distance specified in the Rand McNally road atlas or other similar mileage source.
3. A relocation allowance of \$200.00 to cover miscellaneous expenses incidental to moving, such as motels and meals. Company.

ARTICLE 17

HOSTAGE BENEFITS

A. If a Flight Attendant is held hostage as a result of hostile action on the aircraft on which she is working or deadheading in uniform, she shall continue to be paid her regular base salary until she is released or until her death, whichever first occurs, but in no event longer than 12 months. Such compensation shall be in lieu of all salary and any other compensation to which she might otherwise be entitled under this Agreement. The Company may offset from the amount paid any compensation provided for by any law, Workers Compensation or otherwise, which the Flight Attendant is paid as a result of the hostile action. If the Company does not exercise any alternative for compensation to the Flight Attendant under any law, then its payment to the Flight Attendant of her regular salary during any period of hostage shall be in lieu of all compensation provided for by any such law.

B. The Flight Attendant shall retain and continue to accrue Flight Attendant seniority while held hostage and the time during which she is held hostage shall be considered a period of service with the Company for pay increase purposes. Unless the Flight Attendant has made arrangement for automatic direct deposit of her pay, the monthly compensation allowable under this Article shall be credited to the Flight Attendant on the books of the Company and thereafter held for her account without interest.

ARTICLE 18

BENEFITS

The Company shall provide each of the following benefits to Flight Attendants on the same terms, conditions and employee cost as it does to its Administrative Employees, so long as it provides such benefit to such employees.

1. Group Life Insurance.
2. Accidental Death and Dismemberment (AD&D) Insurance.
3. Medical and Dental Benefits (for employees and dependents).
4. Long Term Disability (LTD) Insurance (for full-time employees only).
5. On-line and interline non-revenue and reduced rate travel benefits (for employees and certain eligible dependents).
6. Savings Investment (401k) Plan.
7. Profit Sharing Plan.

The Company shall notify the Union in advance of any changes to any of these benefits.

ARTICLE 19

MANAGEMENT RIGHTS

The Company has and retains, and the Union recognizes that the Company has and retains, the sole and exclusive right to exercise all rights or functions of management, the discretion and authority to manage its operations and direct its work force, except to the extent that such rights of management are expressly limited by this Agreement and so long as the exercise of such rights does not conflict with the express terms of this Agreement. By not exercising rights reserved to it, or by exercising such reserved rights in a particular way, the Company shall not be deemed to have waived such rights nor to have created an obligation to continue such a practice, unless such waiver or practice is based upon the express provisions of this Agreement.

ARTICLE 20

UNION ACTIVITIES

A. Bulletin Boards. The Company agrees to provide space in an area accessible to Flight Attendants at each Flight Attendant domicile on which the Union may place a bulletin board to be used for the posting of notices relating to Union meetings and other Union matters. Notices posted on such bulletin board shall not contain political or inflammatory material or material that is derogatory with respect to the Company or its employees. Material shall not be removed from the bulletin board by the Company before it has discussed such action with the MEC President or her designee unless such person can not be immediately contacted in accordance with contact instructions given to the Company by the Union for such purpose. If the bulletin board has restricted access (such as a locking, glass enclosed board) the Company will be provided access (such as the key). There shall be no other distribution or posting of Union information or mail on the Company's properties.

B. Transportation. The Company shall allow pass travel for Union business on Horizon Air as follows:

1. Up to five round-trip Union business passes will be provided each calendar month at no cost. These passes may be used for travel by Flight Attendants or AEA International Representatives to meetings with the Company or other purposes approved by the Company. All requests for Union business passes shall be made by the MEC President or her designee to the Director of Inflight or her designee. The boarding priority for these passes will be the same as for Company business travel.

2. Pleasure Passes may be used for other Union business trips by Flight Attendants. The MEC President shall provide to the Director of Inflight a summary of all Pleasure Pass Union business travel monthly, listing the persons who traveled, the date of travel, and the business conducted.

C. Furnishing of Company Information. The Company shall provide to the MEC President each month upon request (1) the names of Flight Attendants who have resigned, been hired,

transferred, discharged, furloughed, recalled, or placed on leave of absence; (2) changes in Flight Attendant names, addresses, and telephone numbers; (3) planned domicile closings if a final decision has been made.

D. Time Off for Union Business. A Flight Attendant may be given an unpaid leave for Union business involving the Company subject to the following conditions:

1. Requests shall be submitted in advance to the Director of Inflight by the MEC President and shall include the name(s) of the Flight Attendant(s), the date and time of release from duty, the date and time of return to duty, and the specific business for which release is requested.
2. A request made at least eight weeks prior to the beginning of a bid period for a leave that includes the whole bid period (or that bid period plus subsequent whole bid periods) shall be approved.
3. A request for time within a bid period, made at least three weeks prior to the beginning of the bid period, shall be approved if the time off can be accommodated by rearranging the work within the bidlines with available staffing.
4. Any other request shall be approved when staffing levels permit replacement of all dropped trips with available Reserves or when the Union has provided the Company with a Flight Attendant volunteer (or volunteers) willing to cover all the dropped trips, and able to do so without exceeding the duty limitations specified in Article 5, Section B. When such a volunteer (or volunteers) has been identified, the following will apply:

- a. The Union shall provide the Company with the name(s) of the volunteer(s) willing to cover the trip(s), indicating the trip(s) to be covered and the compensation to be paid in accordance with paragraph c. below.
- b. The volunteer(s) shall be responsible to cover the trip(s) but shall not be considered to be on reserve duty.
- c. The Company will pay: (1) the normal salary for the days missed to the excused Flight Attendant, (2) coverage pay to the volunteer(s) who perform duty for the excused Flight Attendant in

ARTICLE 21

UNION SECURITY AND DUES COLLECTION

the amount \$10 per service or deadhead segment, or \$40 per day, whichever provides the greater compensation, and (3) Premium Pay to any Flight Attendant who is drafted because of the need to provide coverage for a volunteer who fails to cover the trip(s) for which she volunteered.

d. The Company shall invoice the Union for any Premium Pay or coverage pay paid pursuant to paragraph c plus an additional charge of 20% to cover payroll based taxes and benefits and administrative costs, and the Union shall pay the Company within 30 days of receipt of the Company's invoice. The invoice shall provide an explanation of Premium Pay to include the trip(s) that were required to be covered by drafting as a result of a volunteer's failure to cover her assigned trips, and/or the volunteer's claim for coverage pay in which she shall list the service and deadhead segments in the trip(s) she covered. The Company shall provide the LEC President copies of the invoices.

e. If the Union business is cancelled, the excused Flight Attendant may reassume responsibility for her trip(s) by providing notification to the duty supervisor in time for Crew Scheduling to correct its flight crew records before the flight.

5. Flight Attendant seniority shall continue to accrue during a leave for Union business, and if the time off is two weeks or less, the Union may request the Flight Attendant be retained in an active employment status. If the Union requests retention of active status, it shall reimburse the Company for its full cost for the time of release, except that, when a volunteer has been provided pursuant to the procedures of paragraph 4 above, the payments therein described shall be the extent of the Union's reimbursement obligation.

6. The maximum number of weeks of a Flight Attendant's schedule during which leave for Union business will be granted pursuant to this section shall be 26.

7. Nothing in this section will preclude trip-trading in accordance with the provisions of this agreement for the purpose of allowing a Flight Attendant time for Union business.

A. Dues Collection Assistance. The Company shall assist the Union in the collection of monthly dues, fees, and periodic assessments from Union members in amounts that are now or may hereafter be established in accordance with the Constitution and By-laws of the Union in the following ways:

1. Union Introduction to New Flight Attendants. The Company will provide a mutually agreed explanation to new hire Flight Attendants of the Union's role at Horizon Air and of how Union dues are needed and used to provide services for the Flight Attendants. The explanation will include an introduction of the Union's local officers and indicate a time and place designated by the Union where such officers will be available to discuss the Union, dues, membership and various Union programs. The explanation shall stress the positive benefits of the Union for the Flight Attendants and the commitment of the Union and the Company to working together to maintain a positive working relationship between Flight Attendants, the Company and the Union. Neither the Company nor the Union will in any way use threats or coercion on Flight Attendants to join (or not join) the Union or to maintain (or discontinue) Union membership.

2. Dues Collection. The Company and the Union shall jointly develop a dues check-off form which will provide Flight Attendants a method by which Union dues can be automatically deducted from a Flight Attendant's bank or credit union account for direct transmittal to the Union's account. The Company shall also provide a mutually agreed written explanation to each Flight Attendant of the advantage of the Company's direct deposit payroll system.

B. Union Security. In the event that any other U.S.-based employee group of the Company is granted or agrees to payroll deduction of union dues and/or other union security protection, the Union shall, at its option, be granted such payroll deduction and/or other union security protection.

ARTICLE 22

GRIEVANCE PROCEDURE AND BOARD OF ADJUSTMENT

A. General. 1. A Flight Attendant shall not be disciplined or discharged without written notice of the specific reason(s). A Flight Attendant may only be held out of service without pay for 3 days pending preparation of such written notice. Thereafter, if the Company continues to hold the Flight Attendant out of service pending preparation of such notice, she shall be returned to pay status and paid at her base salary rate. A Flight Attendant is entitled to have a Union representative or any other Company employee accompany her to any meeting concerning discipline.

2. Any grievance of an alleged violation of the terms of this Agreement will first be brought to the attention of the Flight Attendant's immediate supervisor by the Flight Attendant for discussion and possible solution. The Flight Attendant may elect to be represented in such discussion by her Union representative. If the Flight Attendant is not satisfied with the outcome of the discussion with her supervisor, she may submit a written grievance for consideration in accordance with steps described in paragraphs B through E below. All Flight Attendants shall have access to the grievance procedure except that a probationary Flight Attendant may not grieve a disciplinary or discharge action against her.

B. Step 1. A Flight Attendant may present her grievance in person, or through her representative, to the Director of Inflight or her designated representative within ten (10) calendar days after the incident giving rise to the grievance. In disciplinary cases, where written notification to the Flight Attendant is required, the ten (10) day period shall start on the date the Flight Attendant receives the written notification.

The Director of Inflight shall investigate and evaluate the grievance or complaint by interviewing necessary witnesses and providing the Flight Attendant and her designated representative an opportunity to explain the Flight Attendant's position, and render a decision as soon as possible, but not later than fourteen (14) calendar days. Failure to answer within such time shall constitute a denial of the grievance, which may then be processed to the next step described in paragraph C.

C. Step 2. If the decision of the Director of Inflight is not satisfactory, it may be appealed within fourteen (14) calendar days after receipt by the Flight Attendant to the Vice President in charge of the Inflight Department or a designated representative, who shall render a decision thereon as soon as possible, but not later than twenty-one (21) calendar days after the appeal is submitted to him, unless extended by mutual agreement. Failure to answer within such time shall constitute a denial of the grievance, which may then be processed to the next step described in paragraph D.

D. Board of Adjustment. Failing settlement at an earlier step, any grievance may be forwarded in writing to the Board of Adjustment within thirty (30) calendar days of its denial at the previous step, or, by mutual agreement, directly to Arbitration.

The Board and/or Arbitrator shall have jurisdiction only over any dispute which arises out of a grievance filed by a Flight Attendant concerning either (1) discipline (including discharge) of the grievant(s), or (2) interpretation or application of any of the terms of this Agreement as it affects the grievant(s).

Neither the Board nor the Arbitrator may modify the terms of this Agreement or any other agreement between the Company and the Union.

E. Arbitration. If the Board is unable to agree upon a finding or decision, it shall forthwith agree upon and select an impartial arbitrator to sit with the Board and render a decision on the case. If no agreement is reached as to the impartial arbitrator with fifteen (15) calendar days, then either party may contact the National Mediation Board requesting a list of seven (7) proposed arbitrators who are members of the National Academy of Arbitrators. Each party will alternately strike a name from the list until one name remains who will be designated as the arbitrator for the case. Upon selection, the Board and the Arbitrator shall mutually agree upon a date for hearing the grievance. A majority decision of such Board shall be final and binding upon the parties. By mutual agreement, the Company and the Union members of the Board may appoint the arbitrator to hear the case alone and render the final and binding decision of the Board.

F. Procedural Rules. 1. All grievances shall be in writing, and shall be signed by the Flight Attendant whose grievance is being handled, and all decisions on said grievance shall be in writing.

2. Each Board of Adjustment ("Board") shall be composed of two (2) members: one (1) selected by the Company; and one (1) selected by the Union.

3. The members of the Board shall continue to serve until such time as the party selecting the member shall select a successor, which may be done at any time except during the consideration of a case.

4. The Board shall meet in the city where the general offices of the Company are maintained (unless a different place of meeting is agreed upon by the Board) at such times as may be agreed upon by the Company and the Union, but at least, during the first weeks of April and October (respectively) of each year, providing that at such times there are cases filed with the Board for consideration, and shall continue in session until all matters before it have been considered, unless otherwise agreed upon. In addition, the Company and Union agree that the Board will meet within 60 days of the request of either party to consider a case in which a Flight Attendant is protesting her discharge by the Company.

5. A grievance submitted to the Board shall be in the form of a written petition stating the position of the party submitting the grievance with a full statement of the facts and supporting data bearing on the dispute.

6. Two (2) copies of each petition shall be delivered to the Board. Upon receiving a submission or petition, the Board shall set a date for hearing which shall be mutually acceptable to both the Company and the Union. The Parties may be heard either in person, by counsel, or by other representatives as they may respectively select, and the Board shall give reasonable notice of all hearings to all parties involved in any dispute submitted.

7. A majority vote of the Board shall be competent to make a finding or a decision with respect to any dispute properly submitted to it, and such finding or decision shall be final and binding upon the parties to such dispute.

8. Findings and decisions of the Board shall be stated in writing and in each case a copy of the findings and decision shall be furnished to the Company, the Union, and such Flight Attendant or Flight Attendants as are parties to the dispute. If a dispute arises as to the interpretation of the findings or decision, then upon request of the Company, the Union, or such Flight Attendant or Flight Attendants as are parties to the dispute, the Board shall interpret the findings or decision in light of the facts stated as evidence presented in connection with its record and hearing in the case.

9. The Board shall keep a complete and accurate record of all matters submitted for its consideration and of all findings and decisions made.

10. Expenses of the Board for meeting places, if any, and those expenses incurred by reason of the participation of the arbitrator shall be borne one-half by the Company and one-half by the Union. The salary or compensation and expenses of the members of the Board, if any, shall be paid by the party selecting such member or members.

11. Each party shall bear its own respective expenses in the presentation of any case to the Board or arbitrator.

ARTICLE 24

GENERAL

A. A file will be maintained for each Flight Attendant by the Director of Inflight or her designee. The file will be routinely stored at the Flight Attendant's domicile and will be made available for her review by her supervisor by appointment. The file will contain a copy of the Flight Attendant's IOE training qualification form(s), line-check evaluations, reports regarding the Flight Attendant's performance and conduct, and such other documents as determined by the Company. An unfavorable report, one that is critical of her performance or conduct, will not be made a matter of record in a Flight Attendant's file until a copy of it has been provided to her. Such reports, and records of disciplinary action taken, shall not be taken into account in determining whether a Flight Attendant should be disciplined or how severely she should be disciplined if the prior report or disciplinary action is more than two years old, unless a longer period was prescribed and agreed to by the Flight Attendant when the document was made a matter of record in her file.

B. The Company will prepare the master copy of this Agreement. The Union will be responsible for printing sufficient copies of the Agreement for distribution to the Flight Attendants. The Company will pay one half of the cost of printing upon presentation of the invoice by the Union. The Company will provide a copy of the Agreement from the stock provided by the Union to any Flight Attendant upon request.

C. A Flight Attendant's duties shall include the tidying of aircraft in-flight and in-between segments of through flights. Except at RON stops, a Flight Attendant will leave the cabin and galley areas in a condition acceptable to the Flight Attendant relieving her at the end of her duty day. At RON stops, a Flight Attendant shall not be required to perform cleaning duties on a routine basis.

D. Feminine gender pronouns or nouns utilized in this Agreement are, when appropriate, to be read as substituting for the equivalent masculine gender pronouns or nouns.

ARTICLE 23

NO STRIKES OR LOCKOUTS

A. No Strikes. During the term of this Agreement, there shall be no strikes, concerted work stoppages, concerted slow downs, picketing, honoring of picket lines, sympathy strikes, or other concerted interference with the operation of the Company by the Union, its agents or representatives or by Flight Attendants.

B. No Lockouts. There shall be no lockouts by the Company during the term of this Agreement.



ARTICLE 25

DURATION

This Agreement shall become effective on April 21, 1992 and shall continue in full force and effect until April 20, 1994, and shall renew itself without change each succeeding April 21 thereafter, unless notice of intended change is served, in accordance with Section 6, Title I of the Railway Labor Act, as amended, by either party hereto, not sooner than ninety (90) days nor later than thirty (30) days prior to April 21, 1994 or any subsequent April 21.

In witness whereof, the parties hereto have signed this Agreement this 21st day of June, 1992.

WITNESS:

Arthur E. Thomas

For Horizon Air Industries, Inc.

George E. Bagley
Senior Vice President, Operations

WITNESS:

Shelby Hildahl
Dee Maki
Dannar

Dee Maki, National President
Association of Flight Attendants,
AFL-CIO

May 1, 1992

Mr. Shelby Hildahl
Horizon Air LEC President
Association of Flight Attendants
1625 Massachusetts Avenue, N.W.
Washington, D.C. 20036

Re: Seniority Retention for certain Flight Attendants

Dear Mr. Hildahl:

As part of the Agreement between Horizon Air Industries, Inc. (the "Company") and the Association of Flight Attendants, AFL-CIO (the "Union") effective April 21, 1992 (the "Effective Date"), new provisions were established regarding the retention of Flight Attendant Seniority of Flight Attendants (1) who are unable to work because of on-the-job injuries, and (2) who transfer to non-bargaining unit positions.

The purpose of this letter is to set forth our understanding and agreement as to how these provisions will be applied to those persons whose names appear on the Flight Attendant Seniority List incorporated into the agreement in accordance with Article 12, Section D (the "Seniority List") that on the Effective Date, either (1) are not working due to an on-the-job injury, or (2) are working in non-bargaining unit positions.

In the case of those Flight Attendants who are not working on the Effective Date due to an on-the-job injury, Flight Attendant Seniority accrual and retention shall be determined as if the injury occurred after the Effective Date. That is, any such Flight Attendant shall be on a Workers' Compensation Leave of Absence for the period of time that she receives temporary total disability (time loss) payments. During the period of time she is on a Workers' Compensation Leave of Absence, her seniority will continue to accrue. If a Flight Attendant does not return to work after the leave of absence period, her name shall be removed from the Seniority List.

In the case of those Flight Attendants who have transferred to other position in the Company prior to the Effective Date, Flight Attendant seniority retention and accrual shall be determined as if the transfer occurred on the Effective Date. For example, a Flight Attendant currently serving as an Inflight Supervisor shall



Mr. Shelby Hildahl
May 1, 1992
Page 2

continue to accrue Flight Attendant Seniority for six months after the Effective Date. Thereafter, her seniority shall be retained for an additional six months. If she has not returned to Flight Attendant duties within a year after the Effective Date, her name shall be removed from the Seniority List.

Please indicate your agreement by signing the copy of this letter and returning it to me.

Sincerely,

Arthur E. Thomas
Arthur E. Thomas
Vice President, General Counsel
and Secretary

Agreed: *Dee Maki*
Association of Flight Attendants

BY: _____
Title: National President

Witness: *Shelby Hildahl*

May 1, 1992

Mr. Shelby Hildahl
Horizon Air LEC President
Association of Flight Attendants
1625 Massachusetts Avenue, N.W.
Washington, D.C. 20036

Dear Shelby,

The purpose of this letter is to set forth the commitments Horizon Air (the Company) made on Tuesday, April 21, 1992 to induce the Association of Flight Attendants (AFA) to accept the Company's offer of a complete labor agreement between the Company and the Union. The commitments are as follows:

1. Signing Bonus. The Company will pay up to \$40,000, to be distributed among Flight Attendants on the payroll of the Company on the effective date of the Agreement in accordance with any reasonable allocation formula supplied by the Union. After the Union has decided upon its allocation method, it should submit a list to the Director of Inflight showing the share for each Flight Attendant. Unless the Company has any questions about the allocations, it will process the Union's proposed payment list through payroll for payment promptly after execution of the labor agreement.
2. Line Sharing. The Company has agreed that job sharing, already available to administrative employees, will also be made available to Flight Attendants in accordance with mutually agreed upon "Line Sharing" guidelines to be developed and set forth in a separate letter of agreement between the Company and the Union. You should contact the Director of Inflight in order to establish a mutually agreed upon way of developing the guidelines.

It is understood that these commitments are conditioned upon the ratification by Flight Attendants and subsequent execution by the Union of the labor agreement tentatively agreed to by the Company and the Union on April 21, 1992.

SEN #	LASTNAME	FIRST	BNO	HIREDATE	DOM	SENDATE	FGS	DUE DATE
1	CHRISTIANSEN	DONNA	2016	7/27/81	PDX	1/11/82		2/28/93
2	SUMPTER	MARY KAY	2533	4/26/82	PDX	4/26/82		3/30/93
3	AMSBARY	JOEY	5135	9/7/80	PDX	5/16/83		5/30/93
4	PHANUEF	DIANE	2592	3/15/84	PDX	3/15/84		2/28/93
5	LILLEY	SUZANNE	2609	5/25/84	PDX	5/25/84		7/31/92
6	EVANS	LOUISE	2604	5/25/84	PDX	5/25/84		3/30/93
7	FROST	LAURA	2619	8/27/84	PDX	8/27/84		1/30/93
8	OCONNELL	KIMBERLEY	2624	8/27/84	PDX	8/27/84		3/30/93
9	OSWALD	MARCELLA	2535	7/17/82	PDX	5/5/85		3/30/92
10	MERTEN	KATHY	2652	12/2/85	PDX	12/2/85		5/30/93
11	CAPTAIN	THERESA	2623	7/17/85	PDX	2/11/86		3/30/92
12	FITZ	DONNA	2660	2/12/86	PDX	2/12/86		6/30/90
13	LOUDEN	SANDRA	2661	2/12/86	PDX	2/12/86		3/30/92
14	BILLINGS	JOANN	4109	8/27/84	PDX	5/16/86		1/30/93
15	ANTHONY	TERI	2675	8/4/86	PDX	8/4/86		2/28/93
16	BALLESTRAZZE	TERRY	5546	9/16/85	PDX	8/17/86		1/30/93
17	QUALLS	KIMBERLY	2685	8/19/86	PDX	8/19/86		2/28/93
18	BOWEN	SUSAN	2694	11/9/86	PDX	11/9/86		1/30/93
19	DAVIS	LAURIE	2699	11/9/86	PDX	11/9/86		3/30/93
20	ELLSWORTH	TIM	2705	12/22/84	BOI	2/23/87		2/28/93
21	LAKOOLK	KIM	2716	3/9/87	PDX	3/9/87		3/30/91
22	HINES	MARLENE	1322	1/5/87	PDX	4/20/87		4/30/93
23	VALLELUNGA	JOLENE	2722	6/11/87	PDX	6/11/87		4/30/93
24	UPTAIN	JENELLE	2731	6/11/87	PDX	6/11/87		6/30/93
25	ROBINS	KEVIN	2744	2/11/88	BOI	2/11/88		10/30/92
26	MOORE	BOB	2745	3/7/88	PDX	3/7/88		10/30/92
27	ASHGRAFT	DALE	2740	3/14/88	BOI	3/14/88		10/30/92
28	HILDAHL	SHELBY	4221	5/2/88	PDX	5/2/88		4/30/93
29	FOSS	DAVID	2806	6/13/88	PDX	6/13/88		6/30/93
30	MCCHRYSAL	PAMELA	2805	6/22/88	BOI	6/22/88		8/30/92
31	WARDEN	SHARON	2812	9/21/88	PDX	9/21/88		9/30/92
32	CLOUR	ALISON	2825	12/15/88	BOI	12/15/88		12/30/92
33	KAMALUOHA	KAYLANI	2831	2/21/89	PDX	2/21/89		2/28/92
34	THORPE	KATHLEEN	2837	5/25/89	PDX	5/31/89		7/30/91
35	ANDREWS	JOHN	2836	6/4/89	PDX	6/4/89		4/30/93
36	CODER	MATTHEW	2844	7/5/89	PDX	7/5/89		6/30/93
37	COLLIER	KIMBERLY	2853	8/2/89	PDX	8/2/89		8/30/92
38	JOLLEY-BLANCHARD	RACHELLE	6415	12/16/87	BOI	8/2/89		8/30/92
39	CARTWRIGHT	LEIGHANNE	2852	8/8/89	PDX	8/8/89		8/30/92
40	DARROW	MONICA	2859	8/8/89	PDX	8/8/89		8/30/92
41	CURRY	LISA	2858	8/9/89	PDX	8/9/89		8/30/92
42	KLINGNER	CARRIE	2864	10/13/89	BOI	10/13/89		10/30/92
43	LONGFIELD	MARYLYNN	2863	10/17/89	PDX	10/17/89		10/30/92
44	GUILLEY	DONALIE	2868	10/18/89	BOI	10/18/89		10/30/92
45	FOX	CAREY	2866	10/18/89	PDX	10/18/89		10/30/92
46	HILDSON	ROBERT	2872	11/15/89	PDX	11/15/89		11/30/92
47	BURKER	MELANIE	2869	11/20/89	BOI	11/20/89		11/30/92
48	REGISTER	KIRBY	2876	12/11/89	PDX	12/11/89		12/30/92
49	HAHN	AMY	2879	1/19/90	PDX	1/19/90		1/30/93
50	GUTH	JENNIFER	2892	1/25/90	BOI	1/25/90		1/30/93
51	PETERSON	TAMMIE	2884	1/24/90	PDX	1/24/90		1/30/93
52	WIKSTROM	AMY	2888	1/25/90	PDX	1/25/90		1/30/92

Please indicate your agreement with the foregoing by executing the copy of this letter in the space indicated below and returning it to me.

Sincerely,
Nathan E. Thomas
Arthur E. Thomas
Vice President, General Counsel
and Secretary

AGREED:
ASSOCIATION OF FLIGHT ATTENDANTS

by *Dee Maki* Date: *June 3, 1992*

Witness *Sheryl A. Ouellet*

FLIGHT ATTENDANTS LIST BY SENIORITY

SEN #	LASTNAME	FIRST	ENO	HIREDATE	DOM	SENDATE	ROG	DUE DATE
157	JULMA	TAMARA	3949	4/13/92	BOI	4/13/92		4/30/93
158	FITZGERALD	TINA	3948	4/13/92	PDX	4/13/92		4/30/93
159	NELSEN	TYLENE	4403	8/13/91	PDX	4/14/92		4/30/93
160	MEYER	BECKY	3950	4/14/92	PDX	4/14/92		4/30/93
161	TOLLEN	TONIE	3953	4/15/92	PDX	4/15/92		4/30/93
162	CLARK	BILLIE JO	3947	4/20/92	PDX	4/20/92		4/30/93
163	SOPP	MARY	3952	4/20/92	PDX	4/20/92		4/30/93
164	RANDALL	GLENDA	3951	4/20/92	PDX	4/20/92		4/30/93
165	JULIAN	KIMBERLY	3959	5/17/92	PDX	5/17/92		5/30/93
166	WATERFIELD	BARBARA	3962	5/18/92	PDX	5/18/92		5/30/93
167	ABELL	BITA	3954	5/18/92	PDX	5/18/92		5/30/93
168	GUTIERREZ	JULIE	58	12/1/89	PDX	5/19/92		5/30/93
169	LATTA	CARLA	3960	5/20/92	PDX	5/20/92		5/30/93
170	MACTAVISH	LAUREL	85350	10/2/91	PDX	5/22/92		5/30/93
171	GALLO	TRIVA	3958	5/24/92	PDX	5/24/92		5/30/93
172	MCMAHON	JULIE	3961	5/25/92	PDX	5/25/92		5/30/93
173	COOK	LIBBY	3956		PDX			5/30/93
174								
175								
176								
177								
178								
179								
180								
181								
182								
183								
184								
185								
186								
187								
188								

INDEX	PAGE
- A -	
Allowable Expenses	42
Alteration	29
Arbitration	51
- B -	
BENEFITS	44
Bereavement Pay	37
Board of Adjustment	51
- C -	
Cancelled Trips	15
Charter Trips and Other Special Assignments	15
Check Flight Attendant Pay	5
Company Seniority	31
COMPENSATION	5
Control of Sick Leave Usage	20
Correction of Flight Attendant Seniority	32
Crew Scheduling	11
- D -	
DEFINITIONS	2
Drafting	16
Dues Collection	49
Dues Collection Assistance	49
DURATION	56
Duty Limitations	9
DUTY TIME EXPENSES	6
- E -	
Emergency Service	39
- F -	
Flight Attendant Seniority List	32
Flight Attendant Seniority	31

Furlough	38				
FURLOUGH AND RECALL	38				
Furnishing of Company Information	46				
		- G -			
GENERAL	55				
GRIEVANCE PROCEDURE AND BOARD OF ADJUSTMENT	50				
		- H -			
HOSTAGE BENEFITS	43				
HOURS OF SERVICE	8				
		- I -			
In-Flight Meals	7				
Initial Issue Uniform Fee	29				
Involuntary Displacement	40				
		- L -			
Leaves of Absence for Maternity	36				
LEAVES OF ABSENCE	33				
Line Sharing	Sideletter #2				
Lodging	6				
		- M -			
Makeup of Sick Leave	20				
MANAGEMENT RIGHTS	45				
Medical Leave of Absence	33				
Military Leave of Absence	36				
MOVING EXPENSES	42				
		- N -			
No Strikes	54				
No Lockouts	54				
		- O -			
On Call Assignments	17				
Overtime Pay	5				
		- P -			
Parking	6				
Payment of Vacation Time	25				
Per Diem	5				
Personal Leave of Absence	35				
PHYSICAL EXAMINATIONS	22				
Premium Pay	5				
Probationary Period	32				
Procedural Rules	52				
		- Q -			
Qualifying for Expenses	42				
		- R -			
Recall	39				
RECOGNITION	1				
Recurative Leave of Absence	35				
Return of Uniforms	30				
Rules for Reserves	13				
		- S -			
Salary	5				
Schedule Publication and Bidding	11				
Schedule Provisions	8				
SENIORITY	31				
Seniority Retention (O.J.I. and Transfers)	Sideletter #1				
Seniority List (6/1/92)	Appendix A				
Sick Leave Accrual	19				
Sick Leave Usage	19				
SICK LEAVE	19				
Signing Bonus	19				
		- T -			
Time Off for Union Business	47				
TRAINING	18				
TRANSFERS BETWEEN DOMICILES	40				
Transportation Furnished to Transferred FAs	41				
Transportation (Union Activities)	6				
Transportation (Duty-Time Expenses)	6				
Trip Trades	14				
Trip Extensions	17				

- U -

Uniform Maintenance	29
Uniform Maintenance Expenses	29
Uniform Replacement	30
UNIFORMS	28
UNION ACTIVITIES	46
Union Introduction to New Flight Attendants	49
Union Security	49
UNION SECURITY AND DUES COLLECTION	49

- V -

Vacation Leave Accrual	23
Vacation Scheduling	23
Vacation Schedule Adjustments	25
VACATION	23
Voluntary Transfer	40

- W -

Workers' Compensation Leave of Absence	34
--	----



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