

LETTER of AGREEMENT
between
PSA Airlines, Inc.
and
THE FLIGHT ATTENDANTS
in the service of
PSA Airlines, Inc.
as represented by the
THE ASSOCIATION OF FLIGHT ATTENDANTS
Enhanced Personal Leave of Absence Program

This Letter of Agreement (LOA) is entered into in accordance with the terms of Title II of the Railway Labor Act, as amended, between PSA Airlines, Inc. (PSA) and the Flight Attendants in the service of PSA, as represented by the Association of Flight Attendants (AFA) (collectively, the Parties).

WHEREAS, PSA and AFA have a mutual interest in jointly and successfully navigating the impact of current Flight Attendant staffing levels relative to the number of aircraft PSA can support in the foreseeable future. The program described in this LOA is not being provided generally going forward, but has been agreed to by PSA and the AFA on a one-time basis, lasting through September 30, 2023. The Parties agree the Enhanced Personal Leave of Absence Program in this LOA is not comparable to and is in addition to any existing leaves provided under the Collective Bargaining Agreement (CBA) or any other leave currently provided by PSA.

NOW THEREFORE, the Parties agree:

Enhanced Personal Leave of Absence (ELA) Program

A. Eligibility and Bidding for ELA

1. Flight Attendants on active payroll during a special election period described below have the opportunity to elect an ELA.
2. ELAs will be offered as one- or three-month leaves. Three-month leaves will be awarded first.
3. ELAs will be offered during a special election period (or periods) that will be posted at the Company's discretion. ELA elections will be made via a form to be housed on the myPSA Portal. The first election period is planned to be held from November 30 to December 5, 2022.
4. All Flight Attendants in active status during the special election period(s) for ELAs will be eligible to bid for an ELA. "Active" status here means the Flight Attendant is not on any kind of leave.
5. ELAs for Flight Attendants will be granted by domicile and domicile seniority (not Company seniority), consistent with the Company's assessment of its staffing needs at each domicile.

6. Whenever the Company, in its sole discretion, decides to offer ELAs, the Company will determine the number and duration of ELAs to be offered in accordance with the provisions of this LOA.
7. There is no requirement for the Company to offer ELAs.

B. Benefits While on ELA

1. Flight Attendants on an ELA will have no flying or availability obligations, except for training as outlined below, and that a Flight Attendant on reserve the first day of the contractual month following an ELA will verify via Crew Mobile their next RAP or assignment.
2. Flight Attendants will not have the option of picking up flying while on ELA.
3. Flight Attendants will continue to be eligible for all benefits for which the Flight Attendant is enrolled or eligible for at the time the ELA commences, and all such benefits will continue to be offered throughout the leave period at active employee rates. Flight Attendants on ELA shall be treated the same as an active Flight Attendant for ongoing enrollment, changes within, and participation in available benefits plans.
 - a. Flight Attendants will be responsible for the payment of the employee portion of their benefit premiums. This payment will be paid to PSA on a monthly basis. A Flight Attendant's failure to make timely premium payments may result in the loss of coverage, subject to the Company's regular premium collections process.
 - b. Flight Attendants who elect and are awarded an ELA, and who participate in the PSA benefit plans, will have vouchers mailed to their home address listed in Workday. Payment of benefit premiums are the sole responsibility of the Flight Attendant. Premiums that cannot be deducted from payroll are due at the end of the month.
4. Flight Attendants on ELA will be provided travel benefits under Company policy as though the Flight Attendant were in active status.
5. Flight Attendants will accrue seniority and longevity.
6. Flight Attendants will earn vacation based on their longevity as provided for in the CBA. Flight Attendants will retain and accrue sick leave during an ELA.
7. Flight Attendants will not be eligible to use sick leave during the period of the ELA.
8. Flight Attendants who have vacation which was previously awarded for a month within the ELA period will not be paid vacation time during ELA. The Flight Attendant's previously-awarded vacation will be available for bid upon return from ELA, or the Flight Attendant will be paid all earned and unused vacation at the end of the 2023 calendar year.
9. Each month a Flight Attendant is on ELA, she/he will be credited with 75 hours of "FML credit" solely for the purpose of qualifying for FML. The FML credit will be

added with any other qualifying FML time the Flight Attendant may have accrued during time(s) of active service for their 12-month qualifying period.

10. Flight Attendant on an ELA will not have deductions made for their uniform while on an ELA. Uniform deductions will resume in the bid month following their return from an ELA.
11. Flight Attendants will not be prohibited from performing military duty or employment of any type while on an ELA.
12. The Company will not challenge any claim for unemployment benefits made by the Flight Attendant on an ELA, but will honestly answer requests for information from unemployment agencies.
13. The Company will provide Flight Attendants who are awarded an ELA a letter that states, in pertinent part, the following:

“PSA implemented the Enhanced Personal Leave of Absence (ELA) Program due to staffing and supportability challenges. Your participation in the ELA Program will assist PSA in addressing these challenges. As such, for purposes of unemployment benefit eligibility, PSA views your voluntary participation in the ELA Program as constituting good cause connected with the work for taking temporary leave from PSA.

For additional details of this unpaid leave of absence program, please see the information on the employee portal at myspsa.aa.com.”

C. Training

1. Flight Attendants on ELA are required to be qualified to fly on the first day following their ELA. Thus, Flight Attendants will be obligated to complete required recurrent training during an ELA to ensure they are able to fly upon their return to work. Any other Company-required trainings may be completed after Flight Attendants return from an ELA.
2. For these and other required trainings, Flight Attendants will be paid and credited in accordance with the applicable CBA section.
3. If a Flight Attendant returning from ELA is not qualified on the first day following the ELA, such Flight Attendant will be placed in an unpaid status until the day the Flight Attendant begins training, unless the Flight Attendant is not qualified or not current due to circumstances beyond the Flight Attendant’s control, in which case the Flight Attendant will be placed in an awaiting training/qualification status.
4. Flight Attendants on ELA are required to remain contactable while on leave via phone number on file and e-mail address, in order to be able to contact them about training dates.

D. General

1. A Flight Attendant with a carry-in trip that carries time into the beginning of the Flight Attendant's ELA will be obligated to complete the carry-in trip and will be paid for the carry-in portion under the CBA; if staffing permits, such Flight Attendant may trade the trip per Section 8 of the CBA. Drops of carry in trips may be approved based on adequate staffing.
2. A Flight Attendant on reserve shall be unavailable for any trip which flies into any contractual month in which the Flight Attendant participates in an ELA, unless the Flight Attendant is the only reserve available in their domicile, in which case the Flight Attendant may be given an assignment that operates into the ELA.
3. Flight Attendants will maintain all normal access to, and ability to use, Company computer and software systems, including but not limited to, PSA Employee Portal, Travel Planner, Workday, and FLICA. Flight Attendant domicile vacancy preferences will continue to be processed during an ELA. Flight Attendants should maintain and update their permanent bid in accordance with CBA Section 20.A while on an ELA. Flight Attendants shall return from a ELA to the applicable domicile bid. Flight Attendants awarded a domicile bid while on a ELA will receive any applicable pay protection on the published effective date of the new bid award.
4. An approved ELA may be cancelled by the Company with at least 30 days' notice, unless the Flight Attendant agrees to a shorter notice of cancellation. Cancellations should first be offered in seniority order by bid-status; involuntary cancellations will be done in reverse seniority order by bid-status.
5. An ELA shall not be involuntarily extended but may be reoffered.

Temporary Trade Floor Modifications for Duration of LOA

The Company will first award three-month ELAs and then one-month ELAs. If, after awarding these ELAs, the Company determines that it has not sufficiently reduced staffing levels, then the Company may trigger the following modifications to the CBA for any month in which staffing levels have not been sufficiently reduced, with written notification to the Union (modifications to current contract language in bold):

Section 8 (Scheduling)

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I. Administration of Schedule After Award

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5. Trip Trades/Trip Swaps or Adds

...

c. Trips Swaps or Adds with open time will be subject to the following:

...

v. A Flight Attendant will not be permitted to swap trips below ~~sixty (60)~~ **twenty (20)** hours of credit and her/his minimum monthly guarantee will be adjusted accordingly.

d. Trip Trades between lineholders or build-up line holders for other trips or for days off will be subject to the following:

...


v. A Flight Attendant will not be permitted to trip trade below ~~sixty (60)~~ **twenty (20)** hours of credit and her/his minimum monthly guarantee will be adjusted accordingly.

Effective Date and Duration

This LOA will become effective on the date of signing by both PSA and AFA and will remain in full force until September 30, 2023.

The Parties have signed this Letter of Agreement on this 30th day of November, 2022.

For AFA:



Sara Nelson
President, AFA

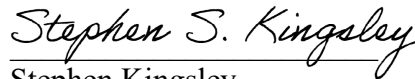


Lee Wilkes
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For PSA Airlines:



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