

LETTER OF AGREEMENT

BETWEEN

BIG SKY TRANSPORTATION CO.

AND

INTERNATIONAL ASSOCIATION OF MACHINISTS  
AND AEROSPACE WORKERS, AFL-CIO  
MECHANIC AND RELATED PERSONNEL

Since the last negotiations of the agreement between Big Sky Transportation Co. and the International Association of Machinists and Aerospace Workers, an opportunity now exists for Big Sky to expand its maintenance operation to add additional maintenance bases as well as maintenance line stations.

This letter of agreement constitutes a revision to Article 5, Paragraphs B and G, with regard to the RII Inspection Qualifications of the Labor Agreement between the above-mentioned parties.

The following will apply:

1. Requirements to hold a Lead Mechanic or Maintenance Control position will no longer require a mechanic to hold a company RII (Required Inspection Item) Inspection Qualification in the initial award, but the following requirements will apply.
  - A. Within the first six (6) months from entering the position, must complete the RII Concept Training Course.
  - B. Within one (1) year from entering the position, must be RII qualified.
2. As new maintenance bases as well as new maintenance line stations are to be added to the system, the company will post these new positions to be filled by job classification at all existing stations on the system in accordance with ARTICLE 11, VACANCIES AND BULLETINED JOBS.  
  
**Each posting will include any applicable COLA/Station Allowance, if applicable (New).**
3. Positions of Lead Mechanic or Maintenance Control will be awarded in accordance with ARTICLE 11, VACANCIES AND BULLETINED JOBS, and ARTICLE 12, SENIORITY, Paragraph B.

This letter of agreement constitutes a revision to Article 5, Paragraph D (ADD D.1.), since an opportunity now exists for Big Sky to expand its maintenance operations to add additional maintenance bases as well as maintenance line stations.

**GROUND SUPPORT EQUIPMENT MECHANIC (GSE).** The Ground Support Equipment Mechanic must possess a general knowledge of all Big Sky Airlines ground support equipment as well as general fabrication experience skills. The Ground Support Equipment (GSE) Mechanic must maintain familiarization and knowledge of company power and hand tools as well as operational requirements ground support equipment. The Ground Support Equipment (GSE) Mechanic may do work in a lower classification. The Ground Support Equipment (GSE) Mechanic will not have applicable pay rate reduced for performing duties classification. Lower classifications for the Ground Support Equipment (GSE) Mechanic is the UTILITY MECHANIC (UM). (See attached GSE Mechanic Pay Scale)

Position of Ground Support Equipment Mechanic will be awarded in accordance with ARTICLE 11, VACANCIES AND BULLETINED JOBS, and ARTICLE 12, SENIORITY, Paragraph B.

This letter of agreement constitutes a revision to Article 5, Paragraph F (ADD F.1.) since an opportunity now exists for Big Sky to expand its maintenance operations to add additional maintenance bases as well as maintenance line stations.

**SENIOR TRAINING OFFICER (STO).** The Senior Training Officer must hold a current FAA A&P certificate. The Senior Training Officer must have been actively engaged in maintaining like aircraft for at least one (1) year. The Senior Training Officer must hold and maintain Maintenance Department qualifications. The Senior Training Office must have a minimum of two (2) years recent aircraft maintenance training experience. The Senior Training Officer must maintain familiarization and knowledge of company test equipment as well as all maintenance department policies and procedures. The Senior Training Officer may do work in a lower or higher classification. The Training Officer will not have applicable pay rate reduced for performing duties in lower classifications. The premium for Senior Training Officer will be \$2.50 U.S. per hour. (SEE ATTACHMENT: SENIOR TRAINING OFFICER FOR REFERENCE)

Positions of Senior Training Officer will be awarded in accordance with ARTICLE 11, VACANCIES AND BULLETINED JOBS, and ARTICLE 12, SENIORITY, Paragraph B.

This letter of agreement will also constitute revisions to ARTICLE 14, FURLOUGH, Paragraphs A.1 (a), A.1.(c), and A.2., since an opportunity now exists for Big Sky to expand its maintenance operation to add additional maintenance bases as well as maintenance line stations.

- A. When a furlough becomes necessary, the Company will give the affected employee(s) a minimum of fourteen (14) calendar days notice or eighty (80) hours pay in lieu thereof, except in cases of work stoppage by other Company employees, acts of God, or other circumstances beyond the control of the Company. The employee(s) directly affected may exercise seniority in the following manner:

1.
  - (a) Displace an employee in his own classification on another shift or work schedule according to his seniority in that work classification **at the station.**
  - (b) Displace any employee at the station in any lower classification in which he holds seniority.
  - (c) Displace any employee on the system **in the same or** any lower classification in which he holds seniority.
  - (d) Go on layoff status at the station where affected by a reduction in force provided he has exercised seniority at the station to the fullest extent possible in any classification in which he holds seniority. An employee who is unable to exercise seniority in the classification, from which he was furloughed and holding seniority in a lower classification may elect to go on layoff status rather than exercise seniority in a lower classification, in which event he shall lose seniority in all classifications lower than that from which he was furloughed.
2. An employee electing option (b) above shall retain seniority in all classifications from which laid off or displaced, but will be required to accept recall in the classifications at the stations.

An employee electing (c) above shall retain seniority in all classifications from which laid off or displaced, but will **not** be required to accept recall in the classifications at the station **from which furloughed if the employee exercised seniority on the system in which case the employee would lose recall rights to his former station.**

An employee electing option (d) above shall accrue seniority in all classifications in which he retains seniority.

This letter of agreement will also constitute revisions to ARTICLE 12, SENIORITY, Paragraph B, since an opportunity now exists for Big Sky to expand its maintenance operation to add additional maintenance bases as well as maintenance line stations.

- B. Seniority by work classification shall be recognized at all shops and points where employees hereunder are employed on a system basis in all reductions of force, in recalling after a layoff, in bidding for vacancies or new jobs, and in all promotions, demotions, or transfers involving classifications covered by this Agreement. Part-time Lead Mechanic and Duty Inspector positions of less than 24 hours will not accrue seniority in the Lead and Duty Inspector classifications and will be awarded on a basis of mechanic seniority. Individuals retaining, but not currently exercising, seniority in Lead or Duty Inspector classifications, will have first rights to those classifications should they become available. Next rights would be on a senior qualified mechanic basis.

1. If no qualified employee bids the Lead Mechanic or Maintenance Control classifications in accordance with Article 11.C., the employee hired from outside the company will only permanently establish Lead Mechanic or Maintenance Control classification seniority if he meets the RII qualifications of this Letter of Agreement.
2. If the employee hired from outside the company described in paragraph B.1. above of this Letter of Agreement does not meet any of the RII qualifications of this Letter of Agreement, he will be placed on layoff status at his station without a right of recall and will only be allowed to bid on open positions on the system.
3. If the employee hired from outside the company as described in paragraphs B.1. and B.2. above, and did not meet the RII qualifications of this Letter of Agreement, he will not have established classification seniority in the position held but will have established mechanic seniority going back to the date he entered the positions described in paragraphs B.1. and B.2. above.

This letter of agreement will also constitute revisions to ARTICLE 2, STATUS OF AGREEMENT, Paragraph D, since an opportunity now exists for Big Sky to expand its maintenance operation to add additional maintenance bases as well as maintenance line stations.

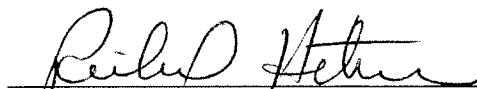
- D. As a condition of employment, all regular full-time **and part-time** employees covered by this agreement must, after ninety (90) days of employment, become members of the Union and maintain such membership in good standing as a condition of employment during the life of this Agreement.

AGREED TO this 1 day of September, 2007.

FOR BIG SKY TRANSPORTATION CO.

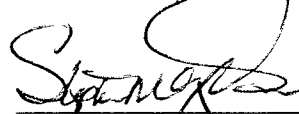


Fred DeLeeuw, President

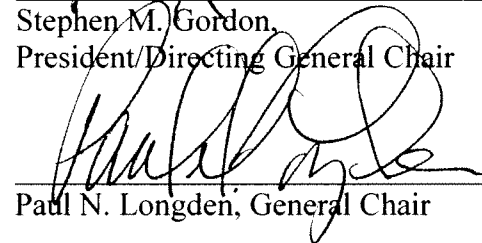


Richard Hatcher  
Vice President Maintenance

FOR INTERNATIONAL ASSOCIATION  
OF MACHINISTS AND AEROSPACE  
WORKERS, AFL-CIO:



Stephen M. Gordon,  
President/Directing General Chair



Paul N. Longden, General Chair

GSE MECHANIC PAY SCALE

Effective Date	Start	6 Mos.	12 Mos.	18 Mos.	24 Mos.	36 Mos.
9/1/2003						
9/2/2004						
9/3/2005						
9/4/2006	13.91	14.96	16.00	16.96	17.63	18.15
9/5/2007	14.16	15.23	16.29	17.27	17.96	18.49
9/6/2008	14.43	15.52	16.60	17.59	18.29	18.83
9/7/2009	14.71	15.81	16.91	17.92	18.64	19.19

**CAMP MAINTENANCE OPERATIONS MANUAL**

ORGANIZATION

Revision: 39 Date: 03/05/07

Page: 2-4-1

**CHAPTER 4: MAINTENANCE DEPARTMENT PERSONNEL – FAR 121.135 (b)(2)****:01 SENIOR MAINTENANCE TRAINING OFFICER****A. Responsible To:**

Director of Maintenance

**FOR REFERENCE  
ONLY****B. Qualifications:**

Hold an FAA A & P certificate. Have been actively engaged in maintaining like aircraft for at least 1 year. Hold and maintain Company Aircraft Fueling, Airworthiness Release, Maintenance Control, Start/Taxi, Engine Run-up, Required Inspection Item/Inspection Airworthiness Release, Receiving Inspection, Nicad Battery, and OJT Instructor qualifications. Maintain familiarization and knowledge of company test equipment.

**C. Basic Function:**

Oversee the development and implementation of all maintenance training for all Company Maintenance Personnel and required Outsourced Maintenance Personnel.

**D. Authority:**

Train and authorize Maintenance Organization Personnel in accordance with the policies and procedures of the CAMP including the MOM and CMIP. Will authorize personnel to hold qualifications as listed on TR-804. The Senior Training Officer has the authority to direct a Maintenance Training Officer in the performance of their duties. The Senior Training Officer has the authority to perform Airworthiness Release for Maintenance and any Inspections.

**E. Responsibilities:**

1. (FAR 121.375) Oversee the development and continuance of the Maintenance Training Program to ensure that each person performing maintenance and or preventative maintenance (including inspection personnel) who determine the adequacy of work, are fully informed in aircraft maintenance and aircraft maintenance documentation necessary to maintain its fleet of aircraft.
2. Research and identify the requirements for training in the Maintenance Department and schedule/coordinate training.
3. Direct or perform Indoctrination and Continuing Training for all Maintenance Personnel.
4. Conduct classroom instruction, either singularly, or in concert with other instructors.
5. Maintain a record-keeping file on all training provided to meet the requirements of the FAR's.
6. Revise existing programs to maintain currency with applicable maintenance practices.
7. Perform training and maintain training records of available On-call agencies at outstations. Provide Maintenance Management with a current copy of the On-call Maintenance Authorization List (OCMAL). Update the OCMAL in MXC.
8. Perform or have designee perform training of newly established Company refueling stations. Issue memo/letters whenever it is advisable to alert all appropriate personnel to items, conditions or procedures requiring attention. Perform training functions as detailed in the Weight and Balance Manual.
9. The Senior Training Officer will perform Airworthiness Release for Maintenance, Routine Inspections, and Phase or Block Inspections.
10. Other duties as assigned.