

## SECTION 23 - REDUCTION IN FORCE

- A. When a reduction in force is deemed necessary, the Company will notify and confer with the APFA as soon as possible after the reductions are anticipated. After notifying APFA of the projected number of Flight Attendant positions needed to be reduced and the duration of time that the reduction in force will be in effect, a general notice indicating the number and expected duration of furloughs will be placed on Flight Attendant bulletin boards and communicated electronically to Flight Attendants. The Company shall also provide an up-to-date Seniority List to the APFA.

### **B. ALTERNATIVES TO INVOLUNTARY FURLOUGHS**

1. When such a reduction in force is deemed necessary, the Company will offer the following on the basis of system wide seniority, except Leave in Lieu of Furlough, which shall be offered by crew base seniority:

a. Voluntary Furlough

The Company will offer Flight Attendants who would not have been involuntarily furloughed the opportunity to accept a Voluntary Furlough. The commencement of such Voluntary Furloughs will coincide with the date(s) established for involuntary furloughs. The benefits of a Voluntary Furlough will include on-line passes in accordance with Company policy for the duration of the Voluntary Furlough. The Company will not actively contest claims for unemployment benefits filed by Flight Attendants accepting Voluntary Furlough. Voluntary Furloughs shall be for a set duration(s) established by the Company. A Flight Attendant on a Voluntary Furlough shall accrue longevity for pay and vacation purposes up to the Expiration Date of the Voluntary Furlough.

b. Voluntary Travel Separation Program (VTSP)

In the event of an involuntary furlough as described above, the Company will offer a Voluntary Travel Separation Program (VTSP) pursuant to Company policy for Flight Attendants who would not otherwise have been furloughed. The VTSP will provide a fixed number of passes annually based on years of service and other additional incentives may be discussed with the APFA National President.

c. Leave in Lieu of Furlough

A Leave in Lieu of Furlough will be offered on the basis of crew base seniority in lieu of a reduction of force at a particular crew base. The leave will be offered for a set duration with the understanding that the Company may not cancel the leave without the agreement of the Flight Attendant. The Leave in Lieu of Furlough provisions will be in accordance with Leaves of Absence, Section 25. The Company will have satisfied its obligation to offer a Leave in Lieu of Furlough if the provisions of the Voluntary Furlough Program are the same as or better than those of the Leave in Lieu of Furlough.

2. In the event of a circumstance over which the Company does not have control as defined in Recognition and Scope, Section 1, the Company shall offer the alternative to involuntary furlough specified in Paragraph B.1.a, simultaneously with the notice of involuntary furlough as specified in Paragraph C.2.
3. At the time a Flight Attendant is due to return from Voluntary Furlough because her/his Voluntary Furlough is terminating (the date of termination is referred to herein as the "Expiration Date"), she/he may choose from the following options:

- a. Return to service as a Flight Attendant with the Company;
  - b. If Flight Attendants remain on involuntary furlough or the Company does not need some or all of the Voluntary Furlougees to return from furlough, the Flight Attendants may elect, in seniority order, to remain on furlough status and shall remain on such status in accordance with the following provisions:
    - i. Extension of the voluntary furlough for an indefinite duration until recalled;
    - ii. Non-revenue, space-available travel privileges (on-line, no companion passes) for the duration of the furlough;
    - iii. If currently receiving medical and/or dental coverage under the Voluntary Furlough, the option to continue the medical and/or dental coverage pursuant to COBRA, i.e., for a maximum of eighteen (18) months from the Extension Date, at the full monthly premium plus a two percent (2%) administrative fee;
    - iv. Retain and accrue longevity through the Expiration Date, but no accrual of longevity beyond the Expiration Date;
    - v. Carry-over of pre-furlough sick bank, if any, but no accrual of sick leave; and,
    - vi. Carry-over of pre-furlough vacation, if any, but no additional accrual of vacation.
  - c. Accept a VTSP, with terms and conditions set at the Company's sole discretion.
4. The recall of voluntary and involuntary furlougees shall occur in the following order:
- a. Involuntary furlougees will be offered recall in accordance with Paragraph C;
  - b. After all procedures for recall under Paragraph C, have been exhausted, voluntary furlougees who have elected to remain on furlough status in accordance with Paragraph B.3.b.i, will be offered recall in inverse seniority order. Any voluntary furlougee who declines recall will be deemed to have resigned and the Flight Attendant's name will be removed from the system seniority list.
5. A Flight Attendant who was granted a VTSP or any other separation incentive program by the Company prior to the date of this agreement will continue to be covered by the terms and conditions of the program in effect at the time the Flight Attendant accepted entry into the program.

### C. INVOLUNTARY FURLOUGH

1. When a Flight Attendant is furloughed because of a reduction in force, it shall be done in inverse order of system seniority.
2. Once the election process in Paragraph B.1.a is completed, and it is known which Flight Attendants will be involuntarily furloughed, the Company shall mail a Flight Attendant written notice of furlough postmarked at least fifteen (15) calendar days before the effective date of the furlough. The APFA shall be given a listing of Flight Attendants who have been sent furlough notices.
3. In the event a Flight Attendant is assigned to a duty period beyond the effective date of the furlough notice, that Flight Attendant's furlough date and any Flight Attendant senior to her/him scheduled to be furloughed on the same date, will have her/his furlough date adjusted to reflect the completion of the extended duty period.