1. I am a pilot based in PHL. When will I be able to get a bid in PHX?

You will be able to obtain a bid position in PHX when there is an opening available for an East pilot in accordance with the Conditions and Restrictions and you can hold it with your system-wide seniority. New positions in PHX or LAS (if the base should re-open) will be open to East pilots when there is growth in the West above the 1 June 2008 staffing levels. Existing positions in PHX or LAS will become available to East pilots when West pilots voluntarily bid East positions, thus releasing previously protected positions to the integrated system bid process. (Note: this is true provided that the West staffing has returned to the June 1, 2008 level). These restrictions are in place to protect the West pilots from bump and flush. Should there be new equipment (not pay-equivalent replacement aircraft) introduced in LAS or PHX, vacancies will be filled based upon a system-wide seniority bid (with the possible exception that some EMB190 flying would need to be considered protected flying should West 757, A320 or 737 flying be reduced).

2. Please explain the way things work when the company furloughs pilots.

Furloughs will be administered on a date-of-hire basis.

3. How does the ratio system work when the company reduces the amount of flying we do?

First of all, the ratio system is only applicable when there are reductions to the amount of flying that either pilot group is performing as of contract signing, and as subsequently adjusted one year after the contract signing. The ratio system only applies to captain positions; it does not apply to first officer positions.

The mechanics of the process are as follows:

A snapshot of the number of positions available in each applicable aircraft position will be recorded. For this example, we will say there are an equal number of AB320 captain positions West and East, 100 each. Now we will assume that 20 AB320 positions are eliminated in PHX. There are now 180 total positions available, down from the original 200. In order to maintain the original ratio of 1 to 1, system-wide there will be 90 positions allocated for East pilots and 90 positions will be allocated for West pilots. The overall result is that there will be a loss of 20 actual bid positions in PHX, the loss of which will be shared with the East pilot group. This means that 10 West pilots will lose their seat and 10 West AB320 captains will be permitted to displace to the East operation, displacing 10 East AB320 captains, and thus maintaining the original ratio. Displaced pilots will be placed within any base bid category in system-wide seniority order. Displacement captain positions will be filled by a seniority bid from within the existing applicable aircraft type captain bid category. Keep in mind that this procedure is bidirectional; East pilots may displace West if East flying is reduced. West captains displaced to the East will retain protected position rights in PHX and LAS.

4. As an East pilot, I am concerned that USAPA has abandoned date-of-hire principles with the ratio system. Why was this done?

Date-of-hire principles have not been abandoned. The US Airways integrated pilots system seniority list took the two premerger pilot groups' 1 January 2007 certified seniority lists and integrated them on a date-of-hire basis (there was no reordering of the preexisting lists). All pilots hired subsequent to the certification of those lists have been added in date-of-hire order. As the representative for all pilots at US Airways, USAPA determined this it was appropriate to provide West pilots with the ability to obtain career advancement out of seniority order within West operations and to provide West captains with extra protection from force reductions leading to loss of position. USAPA is committed to DOH principles but at the same time recognizes the need for a transition period with special conditions to accommodate the large disparities in seniority.

5. I fly out of PHX. How is my job going to be affected under the terms of the conditions and restrictions?

Assuming a static fleet and no transfer of flying, the near-term short answer is very little, if at all. Subject to the terms of the proposal, your position is protected. You may bid into the East system now if your seniority allows you to capture a job opportunity you desire, or you may stay in your current seat.

6. If the company pulls all the 737s out of PHX, what happens to the jobs?

If the company replaces the 737s with a pay-equivalent aircraft (or the EMB190), the protective provisions apply and the jobs remain with the West pilots subject to the terms of the proposal. If the company transfers the 737s to the East bases or the 737 reduction in PHX represents a system-wide reduction in 737 flying, the reduction ratio system would apply for the captain positions affected.

7. Explain what is meant by "protected positions".

The <u>number</u> of captain and first officer positions in PHX and LAS as of 1 June 2008 are designated as "protected positions". This number of positions (all of which are now in PHX due to the LAS base closure) are reserved for West pilots and are unavailable to East pilots. However, if a West pilot chooses to exercise his system-wide seniority and take a bid in the East, then the number of protected positions is reduced accordingly and that opens up a West position for anyone to bid on a system-wide seniority basis. (Note: If the West staffing is less than the 1 June 2008 level, there will be more protected positions than West pilots. Until the West staffing level returns to the 1 June 2008 level or there is a drop in the number of protected positions to match the actual staffing level (through West pilots voluntarily and successfully

bidding to an East position), a West pilot accepting an East bid position will not open a West position for integrated system seniority bidding.) West first officers are able to move into West protected captain positions as retirements occur.

8. Is it possible for a West pilot to bid a position in CLT?

Yes, at any time. West pilots may bid a position in any base based on system-wide seniority. However, should a West pilot bid out of what was formerly a West base, the number of West protected positions is reduced and the West pilot gives up his/her right to all protected position provisions. To be clear, in this context, bidding a position means a pilot actually being awarded a position after a successful bid.

9. If international flying or A330 flying is introduced in PHX, would that flying be part of the protected positions?

No. Protected position provisions are limited to domestic flying (including Canada, Mexico, and the Caribbean) and pay-equivalent replacement aircraft.

10. If flying is transferred (with no net increase or reduction) between PHX and CLT, how will the positions be filled?

The reduction ratio system would apply because of the loss of flying to one of the premerger pilot groups. In this scenario, essentially the captains could follow the aircraft to the base where the flying was transferred to, with no displacements necessary. First officer positions would be filled by system bid.

11. What happens if there are no longer enough West pilots to fill the positions allocated to them as protected positions or West pilots choose not to fill other positions allocated to them?

The unfilled positions permanently revert to system-wide seniority bid positions.

Note: This does not apply when there are unfilled protected positions due to furlough.

12. What happens if there are insufficient bidders?

If any protected position is not filled by a West pilot during the bidding and awarding process, that protected position will be eliminated and the position will be subject to date-of-hire bidding in all subsequent system bids.

13. I have been a West F/O near the top of our list for a while. My opportunity for upgrade seems to be slipping, especially considering the recent reductions in flying. How will I be able to upgrade in PHX?

All West Captain positions that existed on 1 June 2008 have been designated protected positions for former West pilots. Once the 1 June 2008 level has been achieved, additional captain vacancies in PHX and LAS (should the base re-open) will be shared equally between former East and West pilots. Additionally, West captain vacancies due to attrition are reserved for West pilots. You can of course upgrade anywhere in the system at any time that your date-of-hire will permit.

14. If a new Base is announced, who will be able to bid for the new positions?

Positions in a new Base will be filled by a system bid. Anyone with sufficient system seniority will be eligible to bid for the newly created positions.

15. If I go out on a short term or long-term disability, will I lose the protected position in PHX and LAS for myself and the other protected pilots in those bases?

No.

16. It seems to me as a West pilot that these Conditions and Restrictions effectively "lock" West pilots into Phoenix. Why can't I bid an East position right away?

The Conditions and Restrictions were designed to handle the large difference in seniority that generally exists between the former East and West pilot groups. Broadly speaking, the Conditions and Restrictions function as a one-way fence to protect the West pilots from being overwhelmed by East pilots bidding for West vacancies. East pilots are restricted from exercising their seniority to obtain positions in the West except under limited, specific conditions. West pilots may bid and be awarded East positions at any time.

Practically speaking, the likely effect of the Conditions and Restrictions is that West pilots will remain in PHX and East pilots will remain in the East bases until the disparity in seniority begins to lessen as large amounts of East retirements occur over the coming years. Eventually, the entire US Airways pilot group will function on a pure date-of-hire system.

In closing, it is important to note that these conditions and restrictions represent USAPA's current proposal to the company. Nothing is set in stone until both parties have signed a joint contract and that contract has been ratified by a majority of USAPA members.