

Article 11. Leaves of Absence

1. A Leave of Absence (LOA) is intended to account for a reasonable period of time that a pilot may be required to be absent from the job for reasons other than VSTO or PTO, STO or Emergency Medical Leave (EML), or paid bereavement leave. A LOA may fall into one of the following categories:

- a. Personal LOA (a reasonable time not to exceed 30 days) without pay may be granted to a pilot for urgent personal matters. Some examples include attending special schools for personal benefit, a need to handle family affairs associated with the death or serious illness of a close family member, or other special reasons. Except as approved by the Director of Human Resources, a pilot may be granted no more than one (1) personal LOA in a 2-year period.
- b. Formal LOA (a reasonable time up to one (1) year, or in cases of non-occupational injury or illness which may be extended an additional year if the Company and the physician agree that the pilot is likely to return to active duty during the extension) without pay may be granted to a pilot to extend the time they are gone from work for recuperation from an injury or illness, or to allow a pilot with insufficient paid time off to fulfill the 90 day waiting period for the Long Term Disability Plan. A pilot on a Formal LOA may be required by the Company to provide periodic proof that he remains disabled from work. Except as approved by the Director of Human Resources, a pilot may be granted no more than one Formal LOA in a 2-year period.
- c. Military LOA- Military leaves of absence and reemployment rights upon return from such leave shall be granted in accordance with applicable laws. All orders for military duty, including National Guard and Reserve duty, shall be provided in writing to the Director of Operations, within four (4) calendar days of receiving the orders. A pilot on a military leave shall retain and accrue company and bidding seniority.
- d. Family & Medical LOA (leave granted under the Family and Medical Leave Act) will be granted to eligible pilots as required by law. The Company's separate policy on leaves associated with the Family and Medical Leave Act will apply in these type leaves of absence. A pilot on FMLA will continue to accrue all seniority rights. In a case of a serious non-occupational health condition of a pilot who does not return to work within the twelve (12) week period provided for under the FMLA, he will be placed on a Formal Leave of Absence.

2. A pilot who wishes to apply for a leave of absence must submit his request in writing to his supervisor. This written request must include the expected duration of the leave, the purpose of the leave and where the pilot may be contacted during the leave. It is the pilot's responsibility to keep Human Resources informed of any changes in his contact information for the duration of the approved leave.

3. All requests for leaves of absence must be submitted in writing and must be approved by the Department Manager and the Director of Human Resources. Except as approved by the Director of Human Resources, a pilot will not be granted a leave of absence (except a Military LOA or Workers Compensation LOA) without first using all VSTO or PTO or in the case of a Formal leave of absence for illness or injury without first using all STO or EML.

4. Prior to returning to duty from medical leave, a pilot may be required to present a physician's statement to the Company verifying that he is medically fit to perform all pilot duties.

5. A pilot on any non-medical leave of absence may continue certain benefits, if any, such as Medical, Dental, Life Insurance, and Long Term Disability/Loss of License for a maximum of one (1) month at premium rates comparable to what other represented pilots are paying. A pilot on any non-occupational leave of absence may continue certain benefits, if any, for a maximum of six (6) months at premium rates comparable to what other represented pilots are paying.

6. Continued pilot contributions and Company matching in the 401(k) plan, if any, are based exclusively on receipt of wages in any payperiod.

7. A pilot will continue to accrue VSTO or PTO and all seniority rights for a maximum of 90 days for any leave of absence. However, a pilot on a Military Leave of Absence, Worker's Compensation Leave of Absence and non-occupational serious illness or injury will continue to accrue company and bidding seniority for the duration of the leave.

8. Approval of any leave of absence for a probationary employee rests exclusively with the Company. If a pilot is granted a leave of absence during his probationary period, his probationary period shall be extended accordingly.

9. In the event of a reduction-in-force, a pilot on a leave of absence who would otherwise be laid off will have his leave of absence cancelled. The pilot will be notified that his rights under this agreement have been changed to those of a furloughed pilot.

10. A pilot returning from a leave of absence will be returned to his duty position if it still exists or any other vacant position where his seniority and qualifications permit. Any pilot returning from a leave of absence who requires training prior to returning to flying will be scheduled for required training within seven (7) duty days or the next scheduled class from the time the pilot notifies the Company he is returning from such leave and has met all requirements to return to flight duty. Pay shall resume when the pilot commences training.

11. All leaves of absence shall specify the date on which the pilot will return to duty unless mutually agreed otherwise or by operation of law.

12. All leaves of absence shall be without pay unless otherwise specified in this agreement.

13. Failure of any pilot to return to active status at the end of any leave of absence shall be deemed a voluntary resignation and his name will be removed from the seniority list.

14. Any pilot on a leave of absence who enters the services of another employer or who enters into a business of his own without first obtaining written permission from the Company, will be terminated and will forfeit his seniority rights.

Article 12. Paid Days Off and Banked Days

A. PAID TIME OFF AND LEAVE ACCRUAL

There will be two types of leave accrual banks: a Vacation or PTO and Scheduled Time Off Bank (VSTO or PTO) and a Sick Time Off (STO or EML) Bank. These two banks are used to give a pilot more flexibility and control for his paid time off. Paid time off will be calculated on a bi-weekly basis.

B. PTO or VACATION SCHEDULED TIME OFF (VSTO) ACCRUAL (in Air Medical operations these hours are called Paid Time Off or PTO)

1. The number of VSTO or PTO days earned each year is dependent on a pilot's years of active service with the Employer. NOTE: Accrual units are different for Air Medical pilots (and other Air Medical employees) due to the "40-hour waiting period" required for the use of Emergency Medical Leave accrued hours.

Effective January 1, 2018, the chart below applies with the following exception.
Exception: For pilots with 14+ years of service as of the effective date, if the difference between PHI Air Medical Accrual Units and Accrual Units, is less than 5, those pilots in January 2018 will be given a one-time transition PTO allotment of up to 4 units, in addition to the PHI Air Medical accruals listed below.

<u>Completed Years of Active Service As A Pilot</u>	<u>Accrual Units</u>	<u>PHI Air Medical L.L.C. Accrual Units</u>
<11 Months	0	5
1-3 Years	10	15
4-5 Years	10	18
6 Years	11	18
7 Years	12	18
8 Years	13	18
9 Years	14	21
10-11 Years	15	21
12-13 Years	16	21
14-15 Years	17	21
16-17 Years	18	21
18-19 Years	19	21
20 Years and More	20	21

To compute work days vacation or PTO due:

- 5&2, 8&4, 10&5 schedules: Multiply accrued units by 1.0
- All one for one schedules: Multiply accrued units by 0.7 & round to nearest day

2. In order to accrue VSTO or PTO days, a pilot must be an active pilot on the payroll for at least fifteen (15) days in a month.

3. A new hire pilot will accrue VSTO or PTO in a month only if he is on the payroll prior to the fifteenth (15th) of the month.

4. A pilot does not earn and is not eligible to take VSTO days until he completes one (1) year of active duty with the Employer.

Because of the required forty (40) hour waiting period, a pilot working for PHI Air Medical L.L.C. will be given 5 units of PTO upon hire and pilot can begin using after 90 days of employment.

C. SCHEDULING AND BIDDING VSTO

1. For the Air Medical, IHTI and Training Business Units, scheduling of VSTO or PTO will continue in accordance with past practice. For the Oil & Gas Business Unit only (excluding IHTI), the scheduling of VSTO shall be handled as set forth in Sections 2 through 5 below.

2. One-Hitch Vacation Scheduling

- a. On or before October 1 of each year, all Pilots eligible for vacation during the following year may submit a vacation request form for a one-hitch vacation not to exceed seven (7) days (except that eligible Pilots on a 14/14 schedule may request a full hitch vacation). The Pilot may list up to five choices for vacation dates on the vacation request form. Any Pilot not submitting a vacation request form will be treated as not desiring this first one-hitch vacation at this time. In the first round of bidding, if the total number of pilots submitting one-hitch vacation requests exceeds the number of initial vacation slots determined by the Company, the Company will increase the number of vacation slots available, and shall apportion the slots as provided below.
- b. By October 15 of each year, the Company will publish both a list of approved one-hitch vacations and a list of open vacation weeks.
- c. On or before November 15 of each year, all eligible Pilots who are not granted a one-hitch vacation may resubmit a vacation request form, listing up to five (5) alternate choices, for a one-hitch vacation for any week not filled in accordance with Section a. above.
- d. By November 25 of each year, the Company will publish a revised vacation schedule including all vacation requests granted, based on the criteria listed in Sections a. and b. above.
- e. Pilots who, after completing the steps described in Sections a. through d. above, have been unable to schedule a one-hitch vacation should contact the Company to discuss an acceptable time for the vacation in a week not filled in accordance with Sections a. through d. above.

3. Second One-Hitch Vacation Scheduling

- a. On or before December 1 of each year, all Pilots who are eligible for a second week of vacation during the following year may submit a second vacation request

form for a second one-hitch vacation not to exceed seven (7) days, based upon a list published by the Company of open vacation weeks. The Pilot may list on his vacation request form up to five (5) choices for a second week of vacation during any week not already filled. Any Pilot not submitting a vacation request form will be treated as not desiring a second one-hitch vacation at this time.

- b. By December 15 of each year, the Company will publish a list of approved vacations based on the criteria listed in Section 3 a. above, and a list of remaining open vacation weeks.
- c. If an eligible Pilot does not receive a second one-hitch vacation, he may submit another vacation request form requesting a vacation in any week not already filled in accordance with Section 3 a. above.
- d. Pilots who, after completing the steps in Sections 3 a. through c. above, have been unable to schedule a second one-hitch vacation should contact the Company to discuss an acceptable time for the vacation.

4. As outlined below, the Company will ensure that a sufficient number of weekly vacation slots are available for bid each calendar year by those eligible Pilots who desire to take vacation so that they will be allowed to bid for at least one work-hitch of vacation, and a second work-hitch for those eligible pilots who desire a second work-hitch of vacation. The Company will use historical vacation request information from previous years with an allowance for unforeseen increases in vacation demand to determine the number of required slots. The Company will allocate the total number of vacation slots to be made available by using the prior year's actual required number of vacation slots, adjusted either upward or downward, based on changes in the number of pilots employed by the Company, and those eligible for vacation, except that the minimum number of slots available for bidding will be no less than fifty percent (50%) of the expected vacation accrual for that year. The Company will determine a full allocation of weekly full-hitch vacation slots each year by dividing the total number of full-hitch vacation slots as calculated above by 52. The Company may allocate these slots differently throughout the year based on anticipated business activity, except that the Company may reduce an allocation to no less than fifty percent (50%) of a full allocation for any given hitch. If the Company determines that there has been a substantial change in the number of pilots employed by the Company, it may adjust the number of vacation slots (either upward or downward) that it makes available in order to meet operational needs. After the completion of vacation scheduling as described in Sections C 2. and 3. above, the Company will maintain a list of open vacations weeks, if any. Eligible pilots may request and will be awarded vacations during those open weeks on a first-come, first-served basis, provided that such requests must be made to Payroll Personnel Records at least thirty (30) days in advance of the start of the week requested. The Company reserves the right both to reallocate open vacations and to limit the number of pilots permitted time off at any one time in accord with operational needs and aircraft type (e.g., the S-92). All published vacation lists required by this Article shall be posted on the Company Intranet.

5. Day-at-a-Time Vacations

- a. All Pilots who have accrued vacation may request a one-day (or several days) vacation at any time. Such requests are submitted to the Pilot Scheduling Department, and will be granted on a first-come, first serve basis, consistent with operational needs. Operational needs permitting, the Company will make available to eligible Pilots such vacations up to three (3) consecutive days, but may grant up to seven (7) consecutive days. Requests for day-at-a-time vacations in November and December should be submitted no later than November 1; however, a request may be submitted at any time.
- b. When a pilot has a special occasion (e.g., the marriage or graduation of a dependent child), to the extent possible and business conditions allowing, consistent with current practice, the Pilot Scheduling Department will attempt to provide such pilot the necessary VSTO time off for this occasion.
- c. As with other requests for vacations and other time off, the Company may limit the number of pilots permitted time off at any one time due to operational needs and aircraft type.

6. Penalty for Vacations Cancelled for Company Business Reasons

In cases where, for valid business reasons, the Company cancels a Pilot's scheduled and approved vacation, he will be reimbursed for any non-refundable expenses incurred associated with the cancellation of his vacation in accordance with Section D. 3 below, and he will have the choice of:

- a. Electing to be paid one-half (1/2) times his base salary for the vacation period was scheduled and then later cancelled by the Company, and the Company will attempt to reschedule his vacation; or
- b. He may elect to be paid time and a half (1 ½) times his base salary for the vacation period cancelled by the Company and he will lose those vacation hours.

7. A pilot who has been scheduled and approved for vacation, who subsequently desires to cancel that vacation, either: (a) may be required by the Company to take that scheduled vacation; or (b) if he is not required to take that scheduled vacation, he will forfeit the right to reschedule those vacation days, unless the Company otherwise approves, and he shall not be eligible for any penalty payment (as described in C. 6 above), and instead will be paid his straight time base pay for those days.

8. Unscheduled full week requests for non-listed vacation weeks (i.e., weeks that are not open vacation weeks as described in Section 4 above) must be made at least sixty (60) days in advance and should be submitted to Payroll Personnel Records. The Company's decision will be given to requesting pilots within fourteen (14) days, but in no case will it be given to pilots less than thirty (30) days prior to the start date of the pilot's requested vacation.

9. Business conditions permitting, the Company may approve vacation swaps among similarly qualified pilots.

10. The Company will make a good faith attempt to accommodate the previously

scheduled and approved vacation of a pilot who transfers from one Business Unit to another Business Unit, but failing that, the pilot may have to reschedule his vacation as operational conditions allow. In cases where the pilot's previously scheduled vacation cannot be accommodated, there shall be no penalty paid by the Company (as described in Section C. 6 above).

11. A pilot may request that the Company purchase up to one hundred sixty (160) hours accrued VSTO or PTO once each calendar year. In this case the pilot must submit his request in writing to the Director of Human Resources. As soon as practical following the end of each calendar year, the Employer will automatically purchase up to one hundred sixty (160) hours of a pilot's VSTO or PTO, less any VSTO or PTO hours the Employer previously purchased from that pilot during the calendar year. Unless the Company approves more, a pilot may carry over no more than one half (1/2) of his annual VSTO or PTO accrual from year to year. In instances where a pilot accrues VSTO or PTO in excess of one and one half (1 ½) of his normal annual accrual amount, the pilot will be paid for the excess VSTO or PTO in a lump sum payment at his rate of pay in effect at the time of the payment.

12. A pilot may elect to use his VSTO or PTO bank to supplement any Workers Compensation payments due an injury/illness incurred on the job with the Company as described in Article 13, On-the-job Injuries/Worker's Compensation. When this occurs, a pilot will be charged only the necessary VSTO or PTO hours required to make up his Workers Compensation payment equal to his normal base pay earnings.

13. All VSTO or PTO days are paid at a pilot's applicable daily rate, except as provided for by Company policy.

D. VSTO or PTO CANCELLATION DUE TO OPERATIONAL NECESSITY

1. In the event VSTO or PTO days are canceled due to operational necessity, the Company shall notify the affected pilot. Cancellations shall first be offered to volunteers in reverse seniority order. If an insufficient number of pilots voluntarily accept cancellation, remaining cancellations shall be involuntarily cancelled and assigned in inverse seniority order.

2. In any case where the Company cancels a pilot's scheduled and approved vacation for business reasons, and the pilot ultimately sells that vacation to the Company, the hour limit described in C. 11 above does not apply (i.e., the number of sold hours can exceed 160 hours).

3. In the event the Company cancels a pilot's full week VSTO or PTO for operational needs and it was involuntary on the pilot's part, all non-refundable vacation deposits which the pilot, with the assistance of the Company, is unable to recover shall be reimbursed to the pilot. In order to receive reimbursement, the pilot shall provide the Company with proof of the deposit.

E. TREATMENT OF VSTO or PTO UPON TERMINATION

In the event a pilot's employment ceases, he will be paid for his earned VSTO or PTO hours, except when the pilot terminates employment prior to 90 days of service.

F. SICK TIME OFF (STO) or EMERGENCY MEDICAL LEAVE (EML) for PHI Air Medical L.L.C. Employees.

1. Sick Time Off (STO) is used for Oil & Gas pilots only, while Emergency Medical Leave (EML) is used for Air Medical pilots only) Days are granted to a pilot to provide an opportunity for him to recover from an illness or injury. A pilot may elect to use his STO (in Oil & Gas) or PTO (in Air Medical) bank to supplement any Workers Compensation payments due to an injury/illness incurred on the job with the Employer as described in Article 13, On-the-job Injuries/Worker's Compensation.

PHI Air Medical Pilots - Waiting Period: To qualify for Extended Medical Leave, pilots must be out for forty (40) consecutive work hours. A healthcare provider's note must be provided to access EML hours. Upon receipt of healthcare provider's note, hours in excess of forty (40) will be processed according to the biweekly payroll schedule. Pilots can use Paid Time Off (PTO) hours to cover the waiting period, if pilot does not have PTO hours available, such time will generally be without pay, however, a pilot can apply to the PTO Donation Program.

2. The number of STO or EML days accrued each year is dependent on a pilot's years of active service with the Employer according to the following schedule:

<u>Completed Years of Active Service As A Pilot</u>	<u>Accrual Units/year</u>
6 months but less than 1 Year	1
1 Year but less than 2 Years	1
2 Years but less than 3 Years	2
3 Years but less than 4 Years	3
4 Years and over	4

To compute work days STO accrued:

- 5&2, 8&4, 10& 5 schedules: Multiply accrued units by 5
- All one for one schedules: Multiply accrued units by 3.5

3. A pilot may accrue a maximum of 560 hours STO or EML, except that any pilot who has greater than this maximum at the time this agreement is executed shall be grandfathered with his accrued STO or EML and will not accrue any additional STO or EML until such time as his total STO or EML hours drops below the 560 hour maximum. STO or EML days will be accrued to a pilot only after he has completed six (6) months of active duty with the Employer. PHI Air Medical Pilots and all other employees hired after October 2, 2017 will be able to access EML hours after four (4) years of employment with the company.

4. All STO or EML days are paid at a pilot's applicable daily rate, except as provided for by Employer policy.

5. Unscheduled absences are taken in the following order:

- a. Unscheduled absences due to personal illness or injury off the job will be taken from the STO or EML Bank after meeting the waiting period.
- b. Once the STO or EML Bank is exhausted, a pilot may use his remaining unused VSTO or PTO days.
- c. Unbid accrued VSTO or PTO days must be used for any additional unscheduled absences.

6. Use of VSTO or PTO and STO or EML on Family Medical Leave shall be required pursuant to Family Medical Leave Act policy of the Employer. Use of VSTO or PTO days for other leaves of absence will be pursuant to the Employer's leave policies.

7. A pilot who is out on STO or EML days for seven (7) consecutive work days will be required to provide a physician's statement at that time and on a monthly basis until he is released by the physician to return to active duty. The pilot is responsible to ensure the FAA has cleared the pilot to return to active duty if such illness or injury requires this FAA clearance.

8. Maternity leave and disabilities caused or contributed by pregnancy, miscarriage, abortion, childbirth and recovery therefrom shall be treated as time covered by STO or EML.

9. Pilots and the Union share in the responsibility for preventing unnecessary absences and shall assist the Employer in its efforts to minimize any abuse of excessive absenteeism.

- a. A pilot who cannot perform his duties due to a non-occupational injury or illness shall immediately report such absence and the reason for it to his immediate supervisor. A pilot shall personally contact his supervisor on a daily basis during his scheduled work hitch unless physically unable to do so and shall advise the supervisor of his expected date of return and a telephone number where he can be reached during his absence.
- b. Upon reasonable suspicion of misuse of such leave, the Employer reserves the right to require a physician's certificate or an examination by a Employer-designated physician. To the extent any Employer-requested examination is not covered by insurance, it shall be paid for by the Employer provided the pilot submits receipts for reimbursement in a timely manner.