

Article 21. Base Pay

A. GENERAL PRINCIPLES

1. A pilot will be placed in his appropriate pay scale based on the type of aircraft flown and his years with the Employer as a pilot, except where a pilot has been hired and given credit for appropriate previous experience.

2. On the first day of the first pay period in April of each year during the term of the Agreement, each pilot who was on the pilot payroll as of December 31st of the prior year, and who is not topped out in his respective pay scale, will move up one step on the appropriate pay scale.

3. Workover rate shall be computed by dividing the pilot's yearly basic salary, multiplied by the geographic differential and if applicable, plus grandfather pay by one hundred eighty-two (182) anticipated yearly workdays on his assigned work schedule plus 50%. This rate is referred to as the "regular workover rate."

4. A pilot who is required to participate in any training required by the Employer or a customer (other than initial new hire training) outside his normal work schedule will be paid a regular day's pay for that day (calculated by dividing his yearly base salary by the number of anticipated work days on his assigned schedule); provided, however, that he is in training for more than five (5) hours for that day. If the pilot spends five (5) hours or less in training as described above he shall be paid one-half (1/2) of a regular days pay for that day. Pilots participating in initial new hire training will be paid a regular monthly salary regardless of work schedule for the duration of this training.

5. Additional pay and benefits provided by customers, above and beyond those provided in this agreement, may be offered to pilots performing work for such customers. Also, upon advance notice and consultation with the Union, the Company may offer pilots signing or retention bonuses based on business needs.

[Retention Bonus language deleted due to Company's business decision to end the program in April 2017)

6. In the event it becomes necessary for the Company to employ pilots with fewer than 1000 helicopter flight hours, they will be hired as VFR or IFR co-pilots and placed into the CP-A step level listed in Article 21, Section B, Captain, VFR pay scale. Such pilots shall advance to the next step level (i.e., CP-B or CP-C) each April (so long as the pilot's hire date in the first year of employment is before January 1). Those pilots will be eligible to be upgraded to Captain, VFR (PIC) upon reaching 1000 hours of rotorcraft time, and 250 hours and one year of appropriate operational experience. A pilot who is employed as a co-pilot and does not at least meet the qualifications to upgrade to step 1 of the Captain, VFR pay scale within three (3) years of his employment date, shall have his employment status reviewed by the Company. Additionally:

- a. Aircraft qualifications obtained while in a co-pilot status shall not be considered as a qualification for job awards in any case where an existing Company pilot has bid on that vacancy.
- b. A pilot who is employed as a co-pilot in accordance with this section will not accrue bidding seniority until he is qualified and moves out of the co-pilot pay scale (i.e., CP-A, CP-B, or CP-C steps). At that time, his bidding seniority date will be adjusted to include the time spent as a co-pilot. In the event the Employer conducts a reduction-in-force, co-pilots will be the first to be laid off in reverse seniority order.

Should the Employer find it necessary to reduce the workforce, this program will be suspended and will not resume until all eligible furloughed pilots, except furloughed co-pilots, have been offered recall.

B. OIL & GAS AND TRAINING BUSINESS UNIT BASE PAY

1. Captain VFR (PIC)/First Officer, IFR(SIC)

<u>Step</u>	August 2013	August 2014
CP-A	\$49,195	\$50,671
CP-B	\$52,884	\$54,471
CP-C	\$56,574	\$58,271
1	\$61,792	\$63,646
2	\$63,028	\$64,919
3	\$63,956	\$65,874
4	\$65,994	\$67,974
5	\$68,590	\$70,647
6	\$72,080	\$74,243
7	\$74,769	\$77,012
8	\$76,406	\$78,698
9	\$78,600	\$80,958
10	\$79,403	\$81,785
11	\$81,565	\$84,012
12	\$82,864	\$85,350
13	\$84,161	\$86,686
14	\$85,273	\$87,831
15	\$85,521	\$88,087
16	\$85,705	\$88,276
17	\$86,045	\$88,626
18	\$86,448	\$89,041
19	\$86,725	\$89,327
20	\$87,343	\$89,963

2. Captain IFR (PIC), Aircraft configured to 9 passenger or less

Step	August 2013	August 2014
1	\$67,442	\$69,465
2	\$69,420	\$71,503
3	\$71,682	\$73,832
4	\$73,618	\$75,827
5	\$75,809	\$78,803
6	\$77,525	\$79,851
7	\$78,977	\$81,346
8	\$80,074	\$82,476
9	\$81,368	\$83,809
10	\$82,658	\$85,138
11	\$83,628	\$86,137
12	\$85,242	\$87,799
13	\$86,398	\$88,990
14	\$87,449	\$90,072
15	\$88,499	\$91,154
16	\$89,762	\$92,455
17	\$91,377	\$94,118
18	\$92,668	\$95,448
19	\$94,089	\$96,912
20	\$95,575	\$98,442
21	\$96,865	\$99,771
22	\$98,481	\$101,435
23	\$99,837	\$102,832
24	\$101,387	\$104,429
25	\$103,001	\$106,091

3. Captain Medium IFR (PIC), Aircraft Configured to 10 Passenger or More

Step	August 2013	August 2014
1	\$87,184	\$89,800
2	\$88,056	\$90,698
3	\$88,936	\$91,604
4	\$89,826	\$92,521
5	\$90,724	\$93,446
6	\$91,632	\$94,381
7	\$92,548	\$95,324
8	\$93,474	\$96,278
9	\$94,408	\$97,240
10	\$95,352	\$98,213
11	\$96,306	\$99,195
12	\$97,269	\$100,187
13	\$98,241	\$101,188
14	\$99,224	\$102,201
15	\$100,940	\$103,968
16	\$103,824	\$106,939
17	\$106,708	\$109,909
18	\$109,592	\$112,880
19	\$112,476	\$115,850
20	\$115,360	\$118,821
21	\$118,244	\$121,791
22	\$121,128	\$124,762
23	\$124,012	\$127,732
24	\$126,896	\$130,703
25	\$129,780	\$133,673

4. Captain Heavy IFR (PIC), Aircraft Configured to 10 Passenger or More

Step	August 2013	August 2014
1	\$92,700	\$95,481
2	\$93,511	\$96,316
3	\$94,327	\$97,157
4	\$95,151	\$98,006
5	\$95,984	\$98,864
6	\$96,822	\$99,727
7	\$97,669	\$100,599
8	\$98,523	\$101,479
9	\$99,384	\$102,366
10	\$100,252	\$103,260
11	\$101,128	\$104,162
12	\$102,012	\$105,072
13	\$102,903	\$105,990
14	\$103,803	\$106,917
15	\$105,060	\$108,212
16	\$108,047	\$111,288
17	\$111,034	\$114,365
18	\$114,021	\$117,442
19	\$117,008	\$120,518
20	\$119,995	\$123,595
21	\$122,982	\$126,671
22	\$125,969	\$129,748
23	\$128,956	\$132,825
24	\$131,943	\$135,901
25	\$134,930	\$138,978

4 In the event that an O&G IFR Medium or Heavy Helicopter PIC demotes for any reason out of these two pay scales, or transfers to PHI Air Medical (unless such transfer is to the Air Medical IFR Medium PIC pay scale), that Captain's step level will be adjusted to his/her step level pre-July 2, 2012, plus one step level for each April following the July 2, 2012 date.

5 A pilot who moves from the "Captain IFR (PIC), Aircraft Configured to 9 Passenger or Less" pay scale to the "Captain IFR (PIC), Aircraft Configured to 10 Passenger or More" pay scale is considered an Upgrade, while movement in the opposite direction between these two pay scales is considered a Downgrade. Any rotary wing pilot, who by the execution date of this Agreement has accepted an IFR Captain position in an aircraft configured to 9 passenger or less, and who is above the maximum pay of the new "Captain IFR (PIC), Aircraft Configured to 9

Passenger or Less” pay scale will be “grandfathered” at his pay rate until the earlier of: 1) the date that pilot transfers to a duty position covered by a different pay scale; or 2) the date the pay scale catches up to him; or 3) the amendable date of this Agreement.

6 Effective January 1, 2007, all medium and heavy ship IFR Captains are required to hold an Airline Transport Pilot (ATP) certification in the aircraft category and class for which the rating applies. Subject to Company approval, those Pilots successfully bidding on an IFR Captain position will be given the opportunity to obtain such rating within six (6) months following the date he accepted the position, and the Company will provide these Captains the required classroom training (either internally or externally), and reasonable aircraft time for training and the check ride. All eligible IFR First Officers in medium and heavy ship aircraft are strongly encouraged to obtain such certification, and subject to availability of training and aircraft, the Company will provide these First Officers required classroom training (either internally or externally) and reasonable aircraft time for training and the check ride.

7 An Oil & Gas or Training Instructor Pilot who moves to Air Medical and receives an additional Step level(s) due to meeting CAMTS standards (or one or more of the other factors used in determining step level), and who later returns to the Oil & Gas or Training Business Units will be adjusted to a step level commensurate with their colleagues; i.e., his step level will be adjusted to the step level at which he left the Oil & Gas or Training Business Unit plus one step level for each April of each year that elapsed for the duration of his absence from the Oil & Gas or Training Business Unit.

8 An Oil & Gas, or Training Instructor Pilot, who is assigned to a location outside the Gulf Coast area and is required to live within an hour’s drive of his new assignment may be eligible for a geographic differential based upon weighted criteria such as: 1) Cost of living (based on the Economic Research Institute database); 2) Quality of life (generally defined as the nearest city with a population greater than 50,000 as recorded in the most recent census, being 50 miles or greater from the base); and 3) Market analysis of air medical pilot salaries in that region (based on the Economic Research Institute database) and pilot availability.

C. AIR MEDICAL BUSINESS UNIT BASE PAY

1. Captain VFR (PIC)/First Officer, IFR(SIC)/First Officer, Fixed Wing (SIC)

Step	August 2013	August 2014	U.S. National Average Effective October 2017
CP-A	\$47,762	\$49,195	N/A
CP-B	\$51,344	\$52,884	N/A
CP-C	\$54,926	\$56,574	N/A
1	\$61,166	\$63,001	\$72,977
2	\$62,161	\$64,026	\$75,166
3	\$63,303	\$65,202	\$77,421
4	\$64,513	\$66,448	\$79,743
5	\$66,333	\$68,323	\$81,338
6	\$67,743	\$69,775	\$82,965
7	\$69,155	\$71,230	\$84,624
8	\$70,220	\$72,327	\$86,317
9	\$71,474	\$73,618	\$88,043
10	\$72,728	\$74,910	\$89,804
11	\$73,669	\$75,879	\$90,702
12	\$75,236	\$77,493	\$91,609
13	\$76,358	\$78,649	\$92,525
14	\$77,378	\$79,699	\$93,450
15	\$78,396	\$80,748	\$94,385
16	\$79,625	\$82,014	\$95,329
17	\$81,192	\$83,628	\$96,282
18	\$82,446	\$84,919	\$97,245
19	\$83,824	\$86,339	\$98,217
20	\$85,268	\$87,826	\$99,200
21	\$85,716	\$88,287	\$100,192
22	\$86,321	\$88,911	\$101,193
23	\$87,228	\$89,845	\$102,205
24	\$88,648	\$91,307	\$103,227
25	\$90,084	\$92,787	\$104,260

2. Captain IFR, Aircraft Configured to 9 Passenger or Less/Captain IFR, Fixed Wing non-Turbo Jet (PIC)

Step	August 2013	August 2014	U.S. National Average Effective October 2017
1	\$65,479	\$67,443	\$80,457
2	\$67,398	\$69,420	\$82,871
3	\$69,594	\$71,682	\$85,357
4	\$71,474	\$73,618	\$87,918
5	\$73,601	\$75,809	\$89,676
6	\$75,266	\$77,524	\$91,470
7	\$76,677	\$78,977	\$93,299
8	\$77,742	\$80,074	\$95,165
9	\$78,998	\$81,368	\$97,069
10	\$80,250	\$82,658	\$99,010
11	\$81,192	\$83,628	\$100,000
12	\$82,759	\$85,242	\$101,000
13	\$83,882	\$86,398	\$102,010
14	\$84,902	\$87,449	\$103,030
15	\$85,921	\$88,499	\$104,060
16	\$87,148	\$87,148	\$105,101
17	\$88,716	\$89,762	\$106,152
18	\$89,969	\$92,668	\$107,214
19	\$91,349	\$94,089	\$108,286
20	\$92,792	\$95,576	\$109,369
21	\$94,044	\$96,865	\$110,462
22	\$95,613	\$98,481	\$111,567
23	\$96,929	\$99,837	\$112,683
24	\$98,433	\$101,386	\$113,809
25	\$100,001	\$103,001	\$114,947

3. *Captain Turbo Jet IFR (PIC)*

Step	August 2013	August 2014	U.S. National Average Effective October 2017
1	\$71,292	\$73,431	\$88,704
2	\$73,213	\$75,409	\$91,365
3	\$75,407	\$77,669	\$94,106
4	\$77,290	\$79,609	\$96,930
5	\$79,415	\$81,797	\$98,868
6	\$81,082	\$83,514	\$100,846
7	\$82,494	\$84,969	\$102,862
8	\$83,559	\$86,066	\$104,920
9	\$84,812	\$87,356	\$107,018
10	\$86,067	\$88,649	\$109,158
11	\$87,007	\$89,617	\$110,250
12	\$88,575	\$91,232	\$111,353
13	\$89,698	\$92,389	\$112,466
14	\$90,717	\$93,439	\$113,591
15	\$91,736	\$94,488	\$114,727
16	\$92,964	\$95,753	\$115,874
17	\$94,530	\$97,366	\$117,033
18	\$95,786	\$98,660	\$117,033
19	\$97,165	\$100,080	\$117,033
20	\$98,606	\$101,564	\$117,033
21	\$99,861	\$102,857	\$117,033
22	\$101,427	\$104,470	\$117,033
23	\$102,744	\$105,826	\$117,033
24	\$104,248	\$107,375	\$117,033
25	\$105,816	\$108,990	\$117,033

4. *Captain, Medium IFR (PIC) (currently only S-76)*

Step	August 2013	August 2014	U.S. National Average Effective October 2017
1	\$71,390	\$73,532	\$84,480
2	\$72,848	\$75,033	\$87,015
3	\$74,305	\$76,534	\$89,625
4	\$75,763	\$78,036	\$92,314
5	\$77,220	\$79,537	\$94,160
6	\$78,678	\$81,038	\$96,043
7	\$80,135	\$82,539	\$97,964
8	\$81,592	\$84,040	\$99,924
9	\$83,050	\$85,542	\$101,922
10	\$84,507	\$87,042	\$103,960
11	\$85,965	\$88,544	\$105,000
12	\$87,422	\$90,045	\$106,050
13	\$88,880	\$91,546	\$107,111
14	\$90,337	\$93,047	\$108,182
15	\$91,795	\$94,549	\$109,263
16	\$93,252	\$96,050	\$110,356
17	\$94,710	\$97,551	\$111,460
18	\$96,167	\$99,052	\$112,574
19	\$97,624	\$100,553	\$113,700
20	\$99,082	\$102,054	\$114,837
21	\$100,539	\$103,555	\$115,985
22	\$101,997	\$105,057	\$117,145
23	\$103,454	\$106,558	\$118,317
24	\$104,912	\$108,059	\$119,500
25	\$106,430	\$109,623	\$120,695

5. In the event that an Air Medical IFR Medium Helicopter PIC demotes for any reason to the Air Medical VFR/IFR SIC pay scale, or to the IFR 9 passenger or less pay scale, or transfers to PHI Oil & Gas Division (unless such transfer is to the IFR Medium or Heavy Ship Captain pay scale), that Captain's step level will be adjusted to his/her step level pre-July 2, 2012, plus one step level for each April following the July 2, 2012 date.

6. An Air Medical pilot who transfers to an Oil & Gas position with limited or no experience in Oil & Gas may have their step level adjusted to reflect that lack of experience.

7. Any rotary wing pilot, who by the execution date of this Agreement has accepted a position within Air Medical under the "Captain IFR (PIC), Aircraft configured to 10 Passenger or More" pay scale and who is above the maximum pay of the new "Captain IFR (PIC), Aircraft Configured to 9 Passenger or Less" pay scale will be "grandfathered" at his pay rate until the earlier of: 1) the date that pilot transfers to another position outside that base; or 2) the date the

program at that base is converted to a VFR program, if ever; or 3) the date the pay scale catches up to him; or 4) the amendable date of this Agreement.

8. A Pilot who transfers from other Business Units to Air Medical will be reviewed for appropriate experience and may have his step level adjusted upward based on such factors as meeting CAMTS pilot standards, prior civilian air medical industry flying experience, local area flying experience, mountain flying experience and night vision goggle flying experience.

9. An Air Medical Pilot who is hired at a higher step level (e.g., a step level higher than he normally would have been offered) as a result of a program acquisition or takeover, and who later moves to a different Air Medical location may have his step level adjusted based on the step levels of similarly situated pilots at the new location.

10. In accordance with the Air Medical Geographic Pay Policy, and consistent with geographic differentials applied to all other Air Medical employees, an Air Medical Pilot is eligible for a geographic differential based on the Cost of Labor information, data based on the Economic Research Institute database.

The Geographic Differentials (“geo diffs”) are set at 100% of the U.S. Average. The geo diff multiplier is based on the cost of labor wages where the Base is located. The geo diff is used to determine the annual basic salary.

Geographic Differential Chart.

STATE AND CITY	GEO DIFFERENTIAL	STATE AND CITY	GEO DIFFERENTIAL
AZ - Buckeye	100%	MO - Odessa	99%
AZ - Casa Grande	99%	MO - Trenton	88%
AZ - Mesa	100%	MS - Columbus	86%
AZ - Miami	93%	MS - Jackson	91%
AZ - Payson	94%	MS - Greenwood	86%
AZ - Phoenix	100%	MS - Meridian	87%
AZ - Safford	97%	NJ - Netcong	115%
AZ - San Tan Valley	100%	NJ - Vernon	115%
AZ - Show Low	93%	NM - Albuquerque	98%
AZ - Sierra Vista	95%	NM - Milan	91%
AZ - Wickenburg	100%	NM - Socorro	90%
CA - Sonora	110%	OH - Akron	97%
CA - Modesto	113%	OH - Cleveland	101%
CA - Redding	108%	TN - Blountville	88%
CA - Susanville	108%	TX - Arlington	101%
FL - Opa Locka	99%	TX - Bryan	94%
FL - Stuart	97%	TX - Cedar Creek	99%
IA - West Burlington	89%	TX - Conroe	104%
IL - Colona	95%	TX - Corsicana	94%
IN - Anderson	94%	TX - Dallas	106%
IN - Evansville	95%	TX - Denton	106%
IN - Greencastle	96%	TX - Galveston	105%
IN - Indianapolis	99%	TX - Houston	106%
IN - Rushville	92%	TX - Lufkin	91%
IN - Seymour	92%	TX - McKinney	105%
IN - West Lafayette	96%	TX - Richmond	104%
KY - Greenville	90%	TX - Temple	93%
KY - Lexington	93%	TX - Uvalde	92%
KY - London	87%	TX - Victoria	95%
KY - Monticello	86%	VA - Fredericksburg	111%
KY - Morehead	87%	VA - Front Royal	110%
LA - Lafayette	100%	VA - Leesburg	111%
MD - Baltimore	107%	VA - Lynchburg	94%
MI - Troy	107%	VA - Manassas	112%
MO - Clinton	90%	VA - Weyers Cave	95%
MO - Harrisonville	99%	WI - Neenah	99%
MO - Kansas City	99%	WI - Wausau	96%