

THIS MEMORANDUM OF UNDERSTANDING (hereinafter “MOU”) is made and entered into on April 28, 2015 by and between Atlas Air, Inc. (the “Company” or “Atlas”) and the Pilots in the Service of Atlas Air, Inc. as represented by the International Brotherhood of Teamsters, Airline Division (“Union” or “IBT”) and in accordance with the Atlas Air, Inc. Collective Bargaining Agreement in effect (“CBA”) (the parties are collectively referred to herein as the “Parties”).

WHEREAS, the Union and the Company agree that when practicable, Crewmembers may be given the option of dropping Work Days (as defined in the CBA) when taking awarded vacation rather than taking vacation during scheduled days off ; and

WHEREAS, the Union and the Company have reached agreement on specific understandings on the circumstances when it is permissible for Crewmembers to adjust their vacation days so as to reduce the number of scheduled Day(s) Off (as defined in the CBA) that are lost;

WHEREAS, the Union and the Company have agreed to a number of examples that illustrate when it is permissible for Crewmembers to adjust their vacation days so as to reduce the number of scheduled Days Off that are lost and have attached a copy of the examples to this MOU as Appendix A;

NOW THEREFORE, the parties agree to the following understandings:

A. Vacation Adjustment Procedures:

1. Crewmembers awarded vacation in accordance with Section 7 of the CBA shall not be displaced from their awarded vacation period or otherwise negatively impacted by the vacation adjustment procedures set forth in this MOU. To the contrary, this MOU preserves existing rights and provides Crewmembers with new options as set forth herein.
2. If a Crewmember is scheduled for vacation in a Bid Period and the Crewmember’s vacation conflicts with one (1) or more scheduled Day(s) Off in his awarded or assigned schedule, the Crewmember may move his/her vacation so as to conflict with Work Days subject to the following:
 - a. Vacation day(s) must remain in a continuous block of days after any move has been completed.
 - b. After a vacation move is completed, at least one day of the vacation period must remain as originally scheduled (i.e. “anchored”).
 - c. If a vacation period overlaps with a Crewmember’s assigned block of Work Days and Days Off, then the Crewmember may slide vacation day(s) in the direction of the block of Work until a total conflict of vacation days with Work Days is initially achieved, if possible, at which point the vacation may not slide further. At least one vacation day must remain as originally scheduled (i.e. “anchored”).
 - d. If any vacation period does not overlap with a block of work the Crewmember may slide the vacation either way allowing a conflict with Work Day(s) but a minimum of one vacation day must remain as originally scheduled (i.e. “anchored”).
 - e. The procedure for communicating requests for vacation moves shall be described in the monthly bidding materials as described in Section 25.F and in accordance with Section

25.K of the CBA. The request must be submitted by the Crewmember no earlier than opening of the bidding under Section 25.K.1 of the CBA and no later than 24 hours after the initial bid awards are posted for the Bid Period containing the vacation in accordance with Section 25.K.2. The Crewmembers will send requests to Crew Planning at bidding@AtlasAir.com (or other reasonable means as communicated by the Company to Crewmembers) and the Union Scheduling Committee at schedulingAtlas@apa1224.org.

- f. Examples of vacation moves are incorporated into this MOU as Appendix A.
3. If Paragraph A.2.d above precludes a Crewmember from conflicting his scheduled vacation with Work Days, the Crewmember may request a move of vacation in accordance with Section 7.C.9 of the CBA. Any movement of vacation days under this paragraph requires mutual agreement.
 4. Except as provided for in Paragraph C.2., the Company may designate up to four (4) vacation weeks as exempt from the provisions of Paragraph A.2 above with a maximum of one (1) exempt week per calendar month. The Company shall identify all exempt vacation weeks in the bidding materials distributed in accordance with Section 7.C.1. Notwithstanding the foregoing, nothing in this Paragraph A.4 shall preclude a Crewmember from sliding his vacation days outside of the designated exempt week (s) pursuant to the terms provided herein.
 5. Subject to the exceptions provided in Paragraphs A.2, A.3, A.4 and B or as otherwise provided herein, the Company shall grant the Crewmember's request.
 6. If a Crewmember exercises rights under Paragraph A.2 above, and there are three (3) or fewer Work Days remaining on the trip pairing to which vacation was moved, the Company will designate such days as "AWRD" days which are not subject to flying or assignment days. However, if the Crewmember so chooses, he may volunteer to fly on his original Work Days. The terms of this Paragraph A.6 shall be set forth in the bidding materials prepared by the Company in accordance with Section 25.F.
 7. Nothing in this MOU limits a Crewmember's right to substitute a remaining available vacation period for his awarded vacation in accordance with Section 7.C.8 of the CBA or to change his awarded vacation by mutual agreement of the Crewmember and the Company in accordance with Section 7.C.9 of the CBA.
 8. The Company shall not schedule a Crewmember in a manner that prevents him from taking all of his awarded vacation prior to resuming duty. In that regard the Company shall, at the Crewmember's election, schedule the Crewmembers so that:
 - a. All flight duty is scheduled to end at or before 1200Z on the Work Day immediately prior to his first day of vacation; and/or
 - b. Such Crewmember will be scheduled for R1 (Home Reserve) on the first Work Day after his vacation ends.
 - c. Such requests must be made by the Crewmember within the same time frame described in Paragraph 2.e above.

9. Prior to exercising its rights under Section 7.D.3 of the CBA and/or when the Company has concerns about staffing levels resulting from vacation, the Company shall first consult with the IBT Scheduling Committee Chairman or his designee to resolve the issue(s).

B. TRAINING ADJUSTMENT PROCEDURES

1. After the Bid Lines are awarded or assigned, the Company shall allow a Crewmember who is scheduled for training during that Bid Period and whose training overlaps one or more scheduled Day Off to move his training to any open training slot in the same Bid Period. The Company shall make available a means by which the Crewmember can make this election.
2. The Company shall not be required to add class dates or adjust other Crewmembers' training dates in order to meet the provisions of Paragraph B.1 above.
3. The Company shall permit a Crewmember who has training scheduled on Days Off to trade his training slot with any other Crewmember who has the same type of training in the same Bid Period.
4. Crewmembers may not drop or change their training slot if the change would result in a loss of FAA required currency.

C. IMPLEMENTATION

1. This MOU shall become effective and the provisions shall be applicable upon the opening of the first bid window described in Section 25.K.1 of the CBA that occurs subsequent to the date this MOU is executed. Any schedules for Bid Periods that were awarded or assigned prior to the execution of this MOU shall be excluded from the provisions of this MOU.
2. During 2015, The Company shall designate 2 weeks which are exempt from the provisions of this MOU. vacation week 26 (June 28-July 4, 2015) and vacation week 47 (November 22-28, 2015) are designated as exempt from the provisions of this Paragraph A.2. A.3 and A.5 of this MOU in accordance with Paragraph A.4.

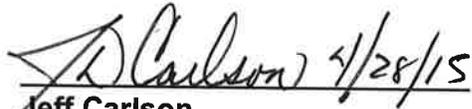
D. MISCELLANEOUS

1. This MOU sets forth the entire agreement and understanding between the Parties with respect to the subject matter hereof except as otherwise provided for in the CBA, and supersedes all prior agreements, arrangements, and understandings about this subject matter between the Parties.
2. This MOU may be executed in counterparts, in which case each executed counterpart will be deemed an original and all executed counterparts will constitute one and the same instrument. If any term or provision of this MOU is held to be invalid or unenforceable, the remaining provisions shall remain in full force.
3. This MOU shall not be amended except by a written agreement signed by the Parties, through authorized representatives, as applicable.

In witness whereof, the Parties, through their authorized representatives, as applicable, have signed this MOU as of the date first set forth above.

AGREED AND ACCEPTED BY:

FOR THE COMPANY:

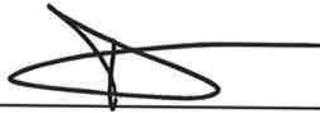
 4/28/15

Jeff Carlson
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FOR THE UNION:

 04/28/15

Robert J Kirchner
Atlas Executive Council Chairman
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