

Clarifying the Vacation Buy Back Option

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Section 12.D. of our JCBA *Vacation Buy Back* requires the Company to offer this option to Flight Attendants to take pay in lieu of accrued vacation that would otherwise be used in the next Scheduled Vacation year. In this process, the Flight Attendant must agree to “sell” *at least* six (6) days of accrued vacation. Flight Attendants will be paid the value of the days sold back plus the .5% (1/2 of 1%) premium during the first quarter of 2018. The Buy Back earnings are subject to all applicable income tax withholding.

Vacation pay for the “Buy Back” option shall be calculated by multiplying the number of days times the applicable vacation pay credit (3:15) at outlined in Section 12.B.1. To calculate the dollar amount to which you would be entitled if you sold back six (6) vacation days, you would make the following calculation for Flight Attendants at the 5 & 15 year pay scales as of January 1, 2018:

Pay Scale pay rate	X	# days sold	X	Vacation day decimal value	X	Incentive Rate Decimal value	=	Value of Incentive for the vacation sold
(5) \$36.04		6		3.25		.005		\$3.51
(15) \$63.24		6		3.25		.005		\$6.17

Note: when electing the Buy Back option, it is important to know that Flight Attendants may opt to sell no less than six days of their accrued vacation and you will not be eligible to select the FLEX vacation option.

Additionally, our JCBA also provides the company with the option to offer a monthly Vacation Buy Back on a month by month or base by base basis. At its sole discretion, the Company will determine whether to offer an incentive payment for month-to-month or base-by-base buy back. Vacation buy back will be awarded in seniority order to those Flight Attendants at the base(s) where offered.

The dollar amount received for the value of the vacation “sold back” plus the incentive payment is subject to payroll 401(k) deferral elections and is profit sharing eligible.