

SETTLEMENT AGREEMENT

Between

ENVOY AIR, INC.

and the

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

in the matter of

ALPA Case No. MEC-0312
"Low Time First Officers"

In full and final settlement of all claims arising out of the above grievance, pursuant to the Award dated January 9, 2014 by Arbitrator John B. LaRocco, the parties hereto agree on a non-precedent, no-referral basis, to the following:

Upon receipt from the Association of a "Affected Pilot" list, the Company will award a cash settlement in the amount of \$520,000 to the affected pilots and will work with the Association to pay the settlement via a special payment no later than two pay cycles after the Association provides to the Company the names of the pilots that shall receive a monetary award and the gross amounts to be paid to each monetarily affected pilot. This distribution will be made in accordance with Appendix A. This distribution is not eligible for 401(k) deferral and will not be subject to a company match. It will, however, be subject to normal withholdings and deductions, such as federal and state taxes and union dues.

In addition to the monetary awards described above, each pilot listed on Appendix C of this Settlement shall be awarded two days free from duty without the loss of any pay. These days may be taken together or separate. These days will be coded with code "RD" (Return Day). At the Company's discretion, one or both of the RD days may be paid out by the Company in lieu of days free from duty at the "Value of a Day" rate. Pilots listed on Appendix C will use their Return Days or request to be paid by no later than April 30, 2017. The Company will make the return days available to the pilots on Appendix C as soon as practicable. Pilots may submit to use their Return Days through the filing of form RF 100 RTD and placing in the remarks "Low Time Settlement". Individual awards of days off under this settlement will be subject to operational staffing requirements.

Upon condition that the foregoing settlement terms are carried out, ALPA withdraws the above referenced grievance(s) without prejudice. Therefore, you may consider this matter closed.

Dated this 25th day of April, 2016.

For Envoy Air

For the Air Line Pilots Association



Captain Ric Wilson
Vice President – Flight Operation



Captain Sam Pool
Envoy MEC Chairman