



**2019 - 2025**

**AGREEMENT**

**BETWEEN**

**PHILIPPINE AIRLINES, INC.**

**AND**

**INTERNATIONAL ASSOCIATION OF  
MACHINISTS AND AEROSPACE WORKERS,  
AFL – CIO**

**Clerical, Office, Fleet and Passenger  
Service Employees**

**Table of Contents**

<b>SECTION I</b> .....	5
PURPOSE OF AGREEMENT .....	5
<b>SECTION II</b> .....	5
RECOGNITION .....	5
<b>SECTION III</b> .....	6
SCOPE OF AGREEMENT .....	6
<b>SECTION IV</b> .....	7
MANAGEMENT RIGHTS .....	7
<b>SECTION V</b> .....	7
STATUS OF AGREEMENT .....	7
<b>SECTION VI</b> .....	8
CLASSIFICATION AND WORK REQUIREMENTS .....	8
<b>SECTION VII</b> .....	8
HOURS OF SERVICE .....	8
<b>SECTION VIII</b> .....	10
HOLIDAYS .....	10
<b>SECTION IX</b> .....	12
OVERTIME .....	12
<b>SECTION X</b> .....	13
TRAVEL PAY .....	13
<b>SECTION XI</b> .....	14
SENIORITY .....	14
<b>SECTION XII</b> .....	15
FILLING OF VACANCIES .....	15
<b>SECTION XIII</b> .....	18
PART-TIME EMPLOYEES .....	18
<b>SECTION XIV</b> .....	18
LEAVE OF ABSENCE .....	18
<b>SECTION XV</b> .....	19
VACATIONS .....	19
<b>SECTION XVI</b> .....	21
SICK LEAVE/OCCUPATIONAL INJURY LEAVE .....	21

<b>SECTION XVII</b> -----	24
TRANSPORTATION -----	24
<b>SECTION XVIII</b> -----	29
GRIEVANCE PROCEDURE -----	29
<b>SECTION XIX</b> -----	31
SYSTEM BOARD OF ADJUSTMENT-----	31
<b>SECTION XX</b> -----	33
SAFETY AND HEALTH -----	33
<b>SECTION XXI</b> -----	34
WAGE RULES -----	34
<b>SECTION XXII</b> -----	35
INSURANCE-----	35
<b>SECTION XXIII</b> -----	36
RETIREMENT -----	36
<b>SECTION XXIV</b> -----	37
SEVERANCE PAY -----	37
<b>SECTION XXV</b> -----	37
NO STRIKE / NO LOCK OUT-----	37
<b>SECTION XXVI</b> -----	38
UNION SECURITY -----	38
<b>SECTION XXVII</b> -----	39
GENERAL -----	39
<b>SECTION XXVIII</b> -----	41
SAVING CLAUSE -----	41
<b>SECTION XXIX</b> -----	42
EFFECTIVE DATE AND DURATION -----	42
<b>AGREEMENT WITH RESPECT TO THIRD PARTY HANDLING</b> -----	44
<b>SCHEDULE A: WAGE APPENDIX</b> -----	47
<b>SCHEDULE B: CLASSIFICATION AND WORKER REQUIREMENTS</b> -----	53
<b>SCHEDULE C: LONGEVITY SCHEDULE</b> -----	56
<b>SCHEDULE D: INSURANCE</b> -----	57
<b>LETTER OF AGREEMENT I</b> -----	60
<b>LETTER OF AGREEMENT II</b> -----	61
<b>LETTER OF AGREEMENT III</b> -----	62

LETTER OF AGREEMENT IV-----63  
LETTER OF AGREEMENT V-----64  
LETTER OF AGREEMENT VI-----65  
LETTER OF AGREEMENT VII -----69  
LETTER OF AGREEMENT VIII -----70  
LETTER OF AGREEMENT IX-----71  
LETTER OF AGREEMENT X-----72  
LETTER OF AGREEMENT XI-----73  
LETTER OF AGREEMENT XII -----74  
LETTER OF AGREEMENT XIII -----75

THIS AGREEMENT is made and entered into this 17<sup>th</sup> day of February 2023 in accordance with the provisions of the Railway Labor Act, as amended, by and between **PHILIPPINE AIRLINES, INC.** (hereinafter referred to as the “Company”) and the **INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS, AFL-CIO** (hereinafter referred to as the “Union”).

**SECTION 1**  
**PURPOSE OF AGREEMENT**

- A. The purpose of this Agreement is, in the mutual interest of the Company and of the employees, to provide for the operation of the services of the Company under methods which will further, to the fullest extent possible, the safety of air transportation, the efficiency of operations, efficient and courteous service to customers, crews, and the general public, and the continuation of employment under conditions of reasonable hours, proper compensation, and reasonable working conditions. It is recognized by this Agreement to be the duty of the Company, the Union, and the employees to cooperate fully, both individually and collectively, for the attainment of these purposes.

To further these purposes, the Company or an accredited representative of the Union may request a conference to discuss and deal with any dispute which arises under the application of the Agreement or otherwise:

- B. Wherever in this Agreement an employee is referred to in the male gender, it will be recognized, as referring to both male and female employees and the provisions of this Agreement will apply to all employees regardless of sex, color, race, creed or national origin.

**SECTION II**  
**RECOGNITION**

In accordance with National Mediation Board certification R-4573 dated March 26, 1976 the Company recognizes the Union as the collective bargaining representative, for purposes of Railway Labor Act, as amended, for the craft or class of clerical, office, fleet and passenger service employees of Philippine Airlines, Inc.

And in accordance with the National Mediation Board order in the case docketed as Case No. R-7573, the craft or class includes Sales Representatives effective as of February 9, 2022. This means that Sales Representatives are considered members of the Union and shall be entitled to the benefits and/or governed by the work rules under this Agreement as of February 9, 2022.

For avoidance of doubt, the Company recognizes the years of service of each Sales Representative from their actual date of hire.

**SECTION III**  
**SCOPE OF AGREEMENT**

- A. This Agreement will govern the hours, wages, and working conditions of all employees employed by the Company in the United States whose duty is to perform work in the classifications listed below in the following departments.

Administrative Department

Secretary

Customer Service Department

Customer Service Representative

Customer Service Representative / Secretary

Sales Representative

- B. The Company retains the right to contract out and transfer out (intracompany) that work which was contracted out or transferred out of the time of the March 14, 1979 Agreement and to continue contracting out work contracted out and transferred out prior to this Agreement. Effective September 30, 1988, the Company shall have the right to contract out work presently performed by employees involved in airport operations. This side letter of agreement with respect to third party handling shall remain in effect and become part of this Agreement.
- C. In the event the Company opens or operates any new or existing facility or operation during the term of this Agreement with less than four (4) flights per week, the Company may staff or operate that facility in any manner it deems necessary; the Company may subcontract the types of work in paragraph B above, without regard to the number of flights per week.
- D. In the event the Company has need to contract out work or transfer work (intracompany) during the life of the Agreement to an extent greater than permitted in B above, it will give the Union thirty (30) days' advance notice in writing of its intention and agrees to negotiate in detail the plans for implementation. If an employee's job is eliminated due to a decision to subcontract or transfer work (intra-company) the Company will retrain and retain the employee for another position at no loss of pay and will not force employee relocation.

- E. The Company agrees not to exercise its rights under this Article in a discriminatory or arbitrary manner for the purpose of undermining the Union as the collective bargaining representative.

**SECTION IV**  
**MANAGEMENT RIGHTS**

- A. The management of the Company and the direction of its employees; the establishment of reasonable working conditions; the hiring and promoting of employees; the disciplining and discharging of employees for just cause; maintaining the efficiency of employees; the continuance or discontinuance of routes to be flown in whole or in part; the appointment of a general sales agent (provided that a general sales agent shall not perform ticketing and reservations functions); the equipment to be used; the location of stations and offices; the scheduling of airplanes; and the layoff and recall of employees in connection with increases or decreases in the work force are the exclusive functions of management to the extent that such rights and functions are not otherwise expressly covered or provided for in this Agreement, provided that the actions of the Company hereunder will not conflict with the terms of this Agreement.
- B. Management and supervisory personnel will be permitted to perform contract work under the following situations: peak periods of less than four hours in a workday; contract employees on duty unavailable; training; and circumstances beyond the control of the Company. In city ticket offices, management and supervisory personnel will be permitted to perform contract work to the extent performed prior to the execution of this Agreement. The letter of agreement with respect to third party handling shall remain in effect through December 31, 1990, and shall be the status quo as of that date.

**SECTION V**  
**STATUS OF AGREEMENT**

- A. It is expressly understood and agreed that when this Agreement is accepted by the parties and signed by their authorized representatives, it will supersede any and all agreements existing or previously executed between the Company and any Union or individual affecting the employees covered by this Agreement.
- B. The Company retains the right to adopt and put into effect rules and regulations, which rules and regulations are not in conflict with the terms embodied in this Agreement. All employees will be subject to such rules and regulations. After the signing of this Agreement, all such rules and regulations will be reduced to writing and made available

at each work location. A copy of all such rules and regulations will be supplied to the accredited Union representative. Company rules and regulations may be amended at any time by the Company, copies of said rules and regulations to be supplied to the accredited Union representative when made.

**SECTION VI**  
**CLASSIFICATION AND WORK REQUIREMENTS**

- A. The following job classifications (attached as Schedule "B") define the general duties of the employees covered by the Agreement. Except where provided herein, they do not impose staffing requirements on the Company. Nothing contained in these descriptions will be construed to be a limitation on the other duties to be performed by the employees to the extent historically performed by employees in a classification at any location of the Company. Should any new or revised classification become necessary; Company and Union will discuss to determine such need.
- B. At any new location, the Company reserves the right to assign duties to be performed by the employees as provided in each job description and to the extent historically performed by employees at any comparable existing work location.
- C. It is understood that the Company may hire part-time employees in accordance with Section XIII of this Agreement.

**SECTION VII**  
**HOURS OF SERVICE**

Except for part-time employees and Sales Representatives whose work hours practiced or observed prior to the National Mediation Board order dated February 9, 2022 shall remain, the following shall govern the hours of service of covered employees:

- A. A day's work will consist of eight (8) consecutive hours for airport and reservations employees, including a meal period of one-half (1/2) hour, and eight consecutive hours for other city office employees, excluding one-half (1/2) hour of a one-hour meal period. The workweek will consist of five (5) consecutive days of work and two (2) consecutive days off.
- B. The regular starting and stopping time for work shifts will be scheduled and posted and will not be changed without five (5) calendar days' written notice to any employee affected by such change, except in instances of emergency or circumstances beyond the control of the Company.

C. It is agreed that a work week schedule committee shall be formed consisting of one employee representative and the appropriate manager for the purpose of consultation concerning the work schedule. The employee representative for the committee will be assigned by the chief union steward at the point. This committee will also meet and agree on overtime distribution procedures for each station.

(1) The Company agrees to prepare a list of shift assignments showing all shift assignments and days off within such classification. The list will be posted for ten (10) calendar days. The employees in each classification will indicate, in order of seniority, their preference on the list by signing opposite the particular shift and days off desired. The bidding of shifts and days off will be at least every twelve (12) months. There will be a maximum of nine (9) starting times of shifts in any classification in any twenty-four (24) hour period. Overtime will not be paid as a result of an employee bidding a change of days off or shifts.

(2) In work classifications where there are specialized functions, there may be locally agreed upon procedures for assignments utilizing classifications seniority without considering seniority accrued in other classifications.

(3) No employee will be required to report for duty without being given at least eight (8) hours' rest after the completion of the previous tour of duty, including overtime.

D. Non-working days due to an act of God such as hurricane, flood, fire, blizzards and others of similar nature, officially declared as such by government (whether by federal, state or city) shall be considered as a paid leave provided that the paid leave will be up to a maximum of two (2) days only.

Any employee called to work or permitted to come to work on a regular shift when there is temporarily no work because of an act of God as defined above, strikes or other circumstances over which the Company has no control, will receive a minimum of four (4) hours' pay at his regular hourly rate unless the employee is notified at least four (4) hours before the start of his shift that he is not to report for work. Failure on the part of the employee to keep the Company informed as to any change in telephone number and / or address will cause an employee to forfeit any claim to the pay for report to work under these conditions.

E. Employees may continue to swap shifts and days off subject to the restrictions set forth below:

(1) Such request must be made in writing to the swap coordinator on a standard form. This form will be forwarded to the immediate supervisor or manager.

- (2) All swapping must be done by employees within the same classification and there must be adequate coverage of all work done by the employees involved in the swap.
  - (3) All swaps will be settled within four (4) pay periods from the date of the swap. Actual pay back must be indicated on the form. Dates may be changed in writing but the swap still must be completed within the four pay period provision.
  - (4) No employee will be permitted to swap more than three (3) shifts in any one pay period. The three (3) swaps per person per pay period may either be single swaps or involve a payback.
  - (5) A lead may swap shifts, in accordance with the above, with an employee whom he leads. No premium pay will be made to the employee who fills in for the lead who has initiated an exchange.
  - (6) Overtime and hourly restrictions caused by an exchange will be waived.
  - (7) In order for a swap to take place, the employees must, on the last day worked prior to swap day, reconfirm with the swap coordinator who will be working the swap day and the availability of one of the employees to cover the scheduled work. It is the responsibility of the swap coordinator to look for a replacement in case an employee cannot fulfill his swap for any reason. The employee who is to work on a particular day as the result of a swap is responsible for reporting to work and may be subject to disciplinary action if he does not report.
  - (8) Any employee who engages in an exchange runs the risk the employee with whom he exchanges a day off may terminate his employment before the swap is completed leaving the remaining employee responsible for completion.
- F. Reasonable refreshments, during the hours of duty, will be permitted in designated areas, provided an employee will not leave the job to indulge in such refreshment without permission. A lounge / rest area shall be maintained separate from the lunch area.

**Section VIII**  
HOLIDAYS

- A. For purposes of holiday pay, the following holidays will be observed:

New Year's Day	Thanksgiving Day
Martin Luther King, Jr. Day	Day after Thanksgiving
Presidents' Day	Christmas Day
Memorial Day	Employee's Birthday

Fourth of July  
Labor Day  
Veterans Day  
Juneteenth

Floating Holiday

- B. 1. An employee will observe his birthday on the actual date except that the employee may observe this holiday on any other day other than another holiday after the employee has given not less than ten (10) days' notice in writing of his intention of doing so, and no other employee on the same assigned shift for that day is scheduled to observe his birthday. Any exceptional operating problems will be worked out on a local basis.
2. In the event an employee's birthday falls on his day-off, holiday, or February 29, the employee will be allowed to avail of his birthday leave on the next scheduled work day, subject to ten (10) days prior notice. March 1 shall be considered as his birthday for purposes of this Paragraph, and if the employee's birthday falls on another of the holidays specified above, his next following work day shall be considered his birthday.
- If an employee opts to defer his birthday leave in accordance with the above rule, the employee may avail his birthday leave within the year, subject to ten (10) days prior notice and management approval. Otherwise, such leave shall be commuted to cash at the end of the year.
3. The floating holiday will be treated in the same manner as prescribed above. The Company will allow as many employees within each department as the operations permit to observe their floating holiday on Good Friday utilizing company seniority.
- C. An employee required to work on a holiday will be paid double time and one-half (2 ½) times his regular rate of pay for all hours worked on a holiday and will receive no additional time off. The company may at its opinion grant, in lieu of premium holiday pay, compensatory time off on a one to one basis which shall be treated like any other vacation leave, if the employee so requests. Part-time employees will also be paid at the rate of double time and one-half (2 ½) times the regular straight time rate) for work performed on holidays.
- D. Employees not required to work on a holiday will be compensated for the day at the straight time rate; provided further, should any of the foregoing holidays fall on an employee's first regular day off; the preceding scheduled workday will be observed; should the foregoing holidays fall on an employee's second regular day off; the following scheduled workday will be observed. Except for Christmas and New Year's, if federal

law designates a date other than the calendar date for a holiday, then the federal law will govern unless mutually agreed otherwise.

- E. Employees will be allowed reasonable time off with pay, not to exceed three (3) hours on each occasion, to exercise their right to vote on election days, provided, an employee is qualified to vote in a state where assigned and provided further an employee is unable to vote during the time outside his scheduled workday. An employee must provide the stub and personally vote.

### SECTION IX OVERTIME

The following overtime provisions shall apply to covered employees, except Sales Representatives:

- A. Overtime at the rate of time and one-half of the regular hourly rate of pay, adjusted to the nearest quarter of an hour, will be paid for: (1) work performed in excess of eight (8) hours during one working day; and, (2) work performed on an employee's regular scheduled day off. Overtime at the rate of double the regular hourly rate will be paid for: (1) work performed in excess of twelve (12) hours in any twenty-four (24) hour period; and, (2) work performed on the seventh (7<sup>th</sup>) day worked in an employee's workweek.
- B. Overtime will be offered in accordance with locally agreed upon overtime distribution procedures. The Company may assign employees to work overtime where necessary. It is agreed, in order to distribute overtime as equitably as possible, that an appropriate overtime list will be kept on a current basis for each classification at a location upon which all overtime worked or refused will be recorded in a straight time breakdown and such record will be posted on a bulletin board. The overtime list will not be started again but all credits will be reduced by one hundred when every employee is credited with more than one-hundred hours.
- C. No overtime will be worked except by direction of proper supervisory personnel.
- D. There will be no pyramiding of overtime rates provided in this Agreement.
- E. In lieu of overtime time pay, an employee may be allowed to avail compensatory time-off based on applicable laws, subject to ten (10) days prior notice and management approval. The company has the discretion to waive the ten (10) days prior notice in availing the compensatory time-off. Unused compensatory time off shall be commuted to cash at the end of the year in accordance with the applicable laws/rate.

**SECTION X**  
**TRAVEL PAY**

- A. Employees who travel away from their work domicile on Company business will be paid for the time in working, necessary traveling, and necessary waiting in accordance with the provisions of this Agreement, except in the case of Sales Representative on account of the nature of their functions.

Notwithstanding the above, familiarization and training trips for all covered Employees shall be governed by the rules provided below.

- B. Employees on familiarization and training trips will receive their regular salary without regard to time spent in activities incident to the trip, traveling and waiting. The Company will endeavor to equalize within each department the opportunity of a familiarization or training trip, when such trips are given. Employees assigned to a familiarization or training trip will be given at least three days' notice before date of departure and eight hours off without loss of pay before scheduled departure. Upon return, employees will not be scheduled to work within twenty-four hours after arrival. On domestic trips, the 8-hour provision of Section VII © will apply.
- C. An employee who is required to travel in relation to familiarization and training as provided in this Section will be:
- (1) Compensated for attendance at a training program on any paid holiday prescribed by this Agreement as time worked; and
  - (2) Employee's days off will be worked on a debit/credit basis, i.e., an employee who is away for two weeks would receive a credit of four regular days off (excluding the day of arrival). Against this credit would be debited the days off he received while in training. The day of travel back to his home station will not be counted as one of his days off.
- D. For temporary assignments within the United States, away from work domicile, employees will receive per diem expenses of \$30.00 for a hotel or actual hotel expenses with prior approval of the Company, \$65.00 for meals and transportation subject to submission of reporting forms as may be required by the Company effective as of the date of the signing of this Agreement. For travel to Manila for training and other purposes, employees will receive per diem expenses of \$35.00 exclusive lodging and transportation.
- E. The Company reserves the right to provide lodging, meals and ground transportation in lieu of respective per diem expenses. Upon request of employee, the Company shall provide single occupancy for lodging.

- F. Adequate expense advance will be made to employees prior to their leaving their work domicile.

## SECTION XI

### SENIORITY

- A. Company seniority is based on continuous length of service as an employee with the Company from the last date of hire. Effective as of July 01, 2000 employees hired on the same date will be placed on the seniority list based on the lowest last four (4) digits of their SSN, unless an employee has spent time in temporary employment in which case such time will be used for determining priority for placement on the seniority list.
- B. Classification seniority will accrue from the date of entering a classification specified in Section VI, Entitled Classifications and Work Requirements. Employees who have the same classification date will be placed on the seniority list in the following order:
  - (1) Company seniority
  - (2) Temporary time in classification
  - (3) The lowest last four (4) digits of their SSN.
- C. Company seniority plus the ability to perform the work required for the job will govern in cases of promotions, filling of vacancies, layoff and recalls.
- D. For the purpose of shifts and days off within the classification at a location, and for lead positions, classification seniority will govern. For the purpose of vacation selection, layoff and recall and the exercise of displacement rights, Company seniority will govern.
- E. Employees will be on probation for the first ninety (90) calendar days of continuous employment. During the probationary period an employee may be disciplined or discharged without recourse to the Grievance Procedure.
- F. If a new employee is retained in the service of the Company after his probationary period has ended, his name will then be placed on the Company seniority list as of the date of his original hiring and on the classification and the department seniority lists as of the date he first entered his current classification and department.
- G. Seniority lists as provided herein will be furnished to the Union and will be posted and will be revised every October 1. All employees who hold seniority due lay-offs,

promotion, etc., will be included in seniority listings. Employees must report any seniority errors within thirty days after posting or their position will be assumed to be correct.

- H. An employee will forfeit all employment and seniority rights under anyone of the following conditions:
- (1) He retires or resigns;
  - (2) He is discharged for just cause;
  - (3) He fails to return to his previous position within fourteen (14) calendar days after being notified to return. This provision will not apply to recall the temporary vacancy; and
  - (4) He is recalled to active service within three (3) years from date of lay-off.
- I. In a reduction of force, the junior employee in a classification at a point will be laid off on the basis of company seniority, provided said employee is given 14 calendar days notice lay-off. The employee will have five (5) calendar days after notification of lay-off to decide whether he will accept lay-off or fill a vacancy or if no vacancies are available, displace a junior employee, whichever may be applicable. An employee will be prepared to exercise his seniority after the initial notification of lay-off. An employee who is laid off may exercise his company seniority to displace the most junior in another equal or lower rated classification at the point where the laid off employee is qualified to perform work of the employee whom he had displaced provided the employee meets the testing requirements in the Letter of Agreement IV.

## SECTION XII FILLING OF VACANCIES

- A. Vacancies of sixty (60) days or longer (not caused by reasons such as illness, training, vacation, pregnancy or other leave of absence), covered by the Agreement, will be filled through a permanent bid system. Any employee who desires to file a bid within their classification or transfer to another classification, will file a permanent bid on a form furnished by the Company. An employee filling a permanent bid with the Company will provide one (1) copy to his chief steward. Each employee must update his bid every January of each year. If employee fails to update his bid, the existing bid on file becomes the basis of an award if applicable to the available position.

In the event that there are no bids for vacancies from full-time employees within the classification at the point, then bids will be considered on the basis of company seniority

provided the employee meets the testing requirements in the letter of agreement in the following order:

- (1) From full-time employees within the classification system-wide;
  - (2) From part-time employees within the classification both at the point and system-wide;
  - (3) From any employee within another classification both at the point and system-wide; and
  - (4) From any employee on lay-off.
- B. An employee bidding for more than one (1) vacancy will indicate the order of preference on each bid and if he is the senior bidder for more than one (1) vacancy, he will have the opportunity to accept only the job ranked highest in his preference.
- C. A successful bidder will hold the bulletined job for a reasonable time not to exceed sixty (60) working days on a trial basis in order to demonstrate his ability to perform the work required by the job. During such a period, if the employee is unable to demonstrate his ability to perform the duties required by the job, he will be reverted to his previous position.
- D. The Company will not be required to consider bids submitted by an employee within six (6) months after the date on which he was notified that he was a successful bidder.
- E. Within fifteen (15) days after the close of bids, an award will be made or the posting will be cancelled. After an employee has been chosen to fill a bulletined job, the Company will within five (5) days, post a notice of same on all appropriate bulletin boards showing the name of the employee selected and his seniority date, with a copy to the Union. After an employee is awarded a vacancy, a maximum of thirty (30) days will elapse before the employee reports to the new position. With good reason, this thirty (30) day period may be extended by mutual agreement.
- F. During the interim period required to bulletin and fill a vacancy, the Company may assign an employee to fill the vacancy temporarily and the employee selected will be paid his regular rate or the rate of the job, whichever is higher.
- G. In case of temporary vacancies in classifications covered by this Agreement, the Company may assign an employee to fill such vacancies on a temporary basis without bulletining the job and the employee selected will be paid his regular rate or the rate of the job, whichever is higher.

- H. An employee assigned to a temporary job will, upon discontinuance of the job, be returned to his former job.
- I. When a new employee is hired in any classification under this Agreement, the Company may recognize his previous experience and the type of work for which he is hired by awarding him a starting rate higher than the minimum for the classification.
- J. The position of Secretary and Secretary to the Station Manager of HNL / SFO / LAX / NYC and other airports which the Company may open and operate to and covered by this Agreement, will be excluded from the provisions of this agreement pertaining to filling of vacancies and reduction in force. An employee terminated from a position in the above classifications may exercise his seniority to displace the most junior employee in another classification covered by this Agreement in accordance with the Letter of Agreement # 6, if not terminated for just cause. An employee in these classifications may exercise his seniority to bid into another classification covered by this Agreement.
- K. Temporary employees may be hired to fill temporary vacancies existing under Paragraph A of this section. The Company will inform the Union and employee, in writing, of the reason and the contemplated duration and the daily hours of the job (s). Employees hired as temporary will not accrue seniority, but will be subject to the wage provisions governing other employees covered by the Agreement and Section XXI.
- L. If temporary employees are subsequently hired as regular employees in the same classification, the period of temporary employment will be credited against and deducted from their probationary period, but in no case will the probationary period in the regular position be less than sixty (60) days. Seniority will accrue from the date hired as regular employees.

In the filling of temporary vacancies, the company will give first preference to employees on lay-off who have the qualifications to fill the vacancy and who have filed a permanent lay-off bid form. However, they will not accrue classification seniority.

At submission, any employee whose qualification is questioned will be notified by the Company. Otherwise, the bid will be considered as accepted. After an employee is notified of a temporary position, he will have three (3) working days to respond.

Laid-off employees who fill temporary vacancies in excess of sixty (60) days will accrue sick leave and vacation where applicable. Time worked in such temporary employment will be credited towards trip pass entitlement.

**SECTION XIII**  
**PART-TIME EMPLOYEES**

- A. Part-time employees are those who are regularly scheduled to work twenty (20) hours or less in a workweek. The regular starting and stopping times for work shifts and days off will be scheduled and posted. The Company reserves the right to adjust starting and stopping times to meet the requirements of flight arrivals and departures, notwithstanding the provisions of Section VII, paragraphs A, B, and D.
- B. Part-time employees will be paid on an hourly basis, in accordance with Scheduled A.
- C. Part-time employees will be entitled to overtime compensation for all hours worked in excess of eight hours in a day at a rate of time and one-half (1 ½) his hourly rate. Part-time employees will receive double time on the seventh consecutive day of work.
- D. Part-time employees will receive the following: (1) seniority, holiday pay, sick leave, injury leave, vacation, and perfect attendance policy on a pro-rata basis; (2) uniforms, when required, in accordance with Section XXVI; (3) trip passes in accordance with Section XVII; (4) medical insurance coverage in accordance with Section XXII; (5) shift premium as applicable; (6) parking as applicable; and (7) a paid meal period when working eight (8) consecutive hours in accordance with the method in Section VII, paragraph A.
- E. No full-time employee on payroll on the effective date of this Agreement will be laid off while a part-time employee is maintained in the particular classification at the facility.
- F. The Company will not schedule part-time employees back – to – back in a particular classification at a facility. Part-time employees shall be given consideration with respect to the necessity to perform services for another employer when they are required to work beyond their normal schedule.

**SECTION XIV**  
**LEAVE OF ABSENCE**

- A. An employee hereunder may, upon proper application in writing and approval of the Company, be granted a leave of absence without pay for a period not in excess of ninety (90) days. If leaves of absence in excess of ninety (90) days are requested, and granted, the vacancy created will be bulletined. Such leaves may be extended when approved by the Company in writing. When on leave of absence, an employee will continue to accrue seniority; however, other benefits (e.g., vacation, sick leave, and holidays) will not accrue or apply during this period. The employee will be continued on the group medical and

life insurance plans, provided he makes full and timely payments to the Company for premiums on the medical and life insurance plans. The foregoing notwithstanding, the Company will provide eligible employees up to 12 weeks of unpaid job protected leave in any 12-month period in accordance with the Family and Medical Leave Act (FMLA). It shall be understood that all leave of absence will be without pay unless specified.

- B. An employee accepting full-time employment with the Union will be granted an indefinite leave of absence without pay for the term of the employment. An employee on such leave continue to accrue seniority and will be continued on group medical and life insurance plans, provided that he makes full and timely payments to the Company for all premiums and costs required to provide such insurance. An employee on such leave will not accrue other fringe benefits.
- C. An employee who enters military service under applicable federal law and regulations thereunder shall be considered on military leave of absence and shall retain and accrue seniority during such leave of absence.
- D. An employee returning from an authorized leave of absence or extension thereof, will be returned to the job held when the leave was granted. If the job no longer exists, the returning employee may exercise his seniority.
- E. An employee on leave of absence, other than provided in B above, who engages in any gainful employment during the leave will be considered to have voluntarily resigned from the Company.
- F. An employee who fails to report for work at the expiration of an authorized leave will be considered to have voluntarily resigned from the Company.

#### SECTION XV VACATIONS

All employees will receive vacations with pay in accordance to the following terms:

- A. Vacation credits and entitlement will be based upon the calendar year.
- B. Pay for accrued vacation entitlement will be computed on a basis of eight (8) hours at the employee's straight time rate.
- C. All employees who have been in continuous service with the Company six (6) months or more will be entitled to vacation benefits in accordance with the provisions of this section.

- D. An employee will not be eligible for vacation or vacation compensation until completion of six months service; provided, however, that accrued vacation entitlement will be paid to any employee who leaves the Company because of resignation, provided the employee has completed at least six (6) months of service and has given the Company at least seven (7) days' written notice of resignation. An employee will not be eligible for paid vacation if he has been discharged for just cause involving monetary or material loss to the company.

In the case of death of an employee, the amount due will be paid to his estate.

- E. A vacation will be given subject to the needs of the Company, to an employee during the year following the calendar year in which it was credited. Ordinarily, earned vacation is not cumulative and must be taken during the year after which it was earned. However, with Company permission, earned vacation may be deferred and accumulated only up to thirty (30) working days. The Company will not require an employee to defer his vacation unless it is an emergency beyond the control of the company and involving operational requirements. If an emergency arises and the company has requested an employee, in writing, to postpone his vacation, the employee will be entitled to defer such vacation until the succeeding year, or in lieu thereof, choose to accept cash equivalent of his vacation entitlement. Provided, however, that accumulated vacation beyond thirty (30) working days shall be paid automatically at the end of January of each calendar year.

Once vacation periods are established, they will not be changed thereafter unless the demands of the service require such a change or an employee, due to hardship, is unable to take his scheduled vacation. If such changes are made, the Company will endeavor to reschedule the affected employee's vacation at a time mutually agreeable to both the employee and the Company. When an employee does not take their vacation as bidden, the open dates will be filled by company seniority.

- F. Unless otherwise agreed upon, earned vacation may be divided into a maximum of three (3) periods during the year after it was earned; for employees with twenty (20) days vacation, earned vacation may be divided into four (4) periods; for employees with twenty-five (25) days vacation, earned vacation may be divided into five (5) periods.
- G. Vacation entitlement will accrue as follows: after six months but less than twelve months, 5/6 day per month; after one year, but less than four years, ten workdays; after four years but less than seven years, fifteen workdays; after seven years or more, one additional day per year thereafter to a maximum entitlement of twenty-five workdays.
- H. Regularly scheduled days off or recognized holidays at the beginning or end of a vacation period will not be considered as part of the vacation period. If recognized holidays fall

- within the employee's vacation period, said vacation period will be extended by an additional regular workday with pay for the same.
- I. Schedules for selection of such vacations will be bid in November prior to the beginning of each vacation year. Thereupon, employees will choose their vacation preference in accordance with seniority. Any employee who has not so chosen prior to December 15 will have his vacation assigned. However, senior employees will not be permitted to take vacation leave already assigned to a junior employee.
  - J. An employee with less than one year of service can bid under paragraph I above for a vacation to be taken in the following calendar year; however, the number of days of his entitlement will be measured as of December 31<sup>st</sup> of the year in which he first bid and started work.
  - K. Employees will be given their vacation pay prior to taking their vacation if they request same, provided the employee makes application in writing to his immediate supervisor or manager at least two (2) weeks prior to starting his vacation. The Company reserves the right upon termination of employment to recover for any vacation leave taken but unearned.
  - L. Vacation credit will not be accrued during a leave of absence of more than thirty (30) days or during a lay-off.
  - M. Subject to the requirements of the Company, employees covered by this Agreement will be permitted to select their vacation in the classification at the location in which they are employed in accordance with their length of service with the Company.
  - N. Part-time employees will take vacation in accordance with a vacation schedule approved by their supervisors.

**SECTION XVI**  
**SICK LEAVE/OCCUPATIONAL INJURY LEAVE**

**SICK LEAVE**

- A. All employees who have completed their probationary period with the Company will be credited with one (1) day sick leave credit for each month of continuous service up to the maximum of one hundred and twenty (120) days. Each January 1<sup>st</sup>, any employee who has accumulated one hundred twenty (120) days sick leave credit earned but not used during that year up to a maximum of twelve (12) days.

The sick leave cash commutation of the eligible employees will be paid through a separate check.

- B. Sick leave pay will be computed at employee's straight time rate of pay and will be issued on his regular payday.
- C. Sick leave credit will not be earned for any period during layoff or leave of absence.
- D. In case of actual sickness, employees will be paid for time lost up to the number of days to his personal credit, provided that in the case of continuous absence of three (3) days or more the employee will furnish, on request, to the Company a medical certificate in support of such absence. The Company reserves the right to require medical certificates whenever an employee's absentee record or circumstances indicate probable abuse by him of the sick leave policy. The employees and the Union recognize the obligation of being truthful in preventing unnecessary absences or other abuses of sick leave. Abuse of the sick leave policy will result in disciplinary action.
- E. If the Company, at any time in its discretion, grants additional sick leave or assistance to any employee it will not constitute a precedent requiring additional sick leave or assistance in any other case.
- F. It is the responsibility of the employee absent from work, because of illness, to report such absence to his immediate supervisor or manager as soon as possible.
- G. Any unused sick leave at the time of termination shall be added to the employee's length of service for purposes of retirement benefits.
- H. Sick leave may be used by employees for doctor appointments.

#### INJURY LEAVE

If an employee, other than a probationary employee, is disabled by an occupational injury or illness which is compensable under the applicable workmen's compensation laws, he will receive his regular rate of pay for a period not to exceed fifty (50) calendar days. He will return any workmen's compensation benefits to the Company. At the conclusion of the above-mentioned period, an employee may request sick leave pay for absence continuing beyond said period to the extent of his accrued sick leave. In the event that he receives workmen's compensation because of such absence, he will turn over such compensation to the Company and will have his sick leave restored to the extent that the compensation offsets the sick leave pay

granted, provided, however, that the sick leave credit will be restored only in units of one half (1/2) days.

The refunding of benefits to the Company shall not apply to any workmen's compensation benefits received as an award for partial or permanent injury, and which might exceed his total wages for the period of time lost from employment.

#### EXTENDED ILLNESS LEAVE

- A. An employee who exhausts his sick leave, vacation leave and injury leave may apply in writing for and be granted an extended illness or occupational injury leave without pay for a period of up to two (2) years. The employee shall, when placed on extended illness status, file his address with the Company and shall thereafter promptly advise the Company of any change in address. The Assistant General Chairman will be notified by two (2) copies of a letter stating the employee's name, home address, work location, job title and the date he is placed on extended illness status.
- B. While on extended illness status, the employee:
  - (1) shall retain and continue to accrue seniority;
  - (2) may continue insurance coverage according to the provisions of the Company's insurance plan;
  - (3) shall not accrue or be entitled to any other employee's benefits, such as vacation accrual, sick leave accrual, holiday pay, etcetera, except that an employee who is off work because of occupational illness or injury will continue to accrue vacation credit;
  - (4) may be granted free or reduced rate travel if in connection with treatment of occupational illness or injury provided employee submits a medical or doctor's certificate recommending such treatment and treatment unavailable in employee's area of residence.
- C. All provisions of Section XIV not inconsistent with these provisions shall apply to such leave. At the end of such leave, if the employee is unable to return to his former job, the employee shall lose seniority status and his name shall be removed from the seniority list.

**SECTION XVII**  
**TRANSPORTATION**

- A. After completing one (1) year of continuous employment, an employee in the bargaining unit and his authorized dependents shall be entitled to trip pass and reduced rate privileges in accordance with regulations hereunder.
- B. Definitions
- (1) Trip Pass – authorization for non-revenue transportation on PAL aircraft to employees and /or dependents to points served by the Company, one-way or round trip.
  - (2) Reduced Rate Transportation – paid transportation on PAL aircraft at special discount rates made available to employees and/or dependents to points served by the Company, one-way or round trip.
  - (3) Regular employment – construed as commencing from date of employee’s initial probationary appointment, except in case of conversion from temporary to regular status where regular employment shall be construed to have begun from date of regular appointment.
  - (4) Domestic Pass – travel from work domicile in one (1) U.S. station to another U.S. station served by PAL.
  - (5) International Pass – travel from work domicile to all other PAL routes.
  - (6) Dependents refer to spouse, registered domestic partner where the law provides, unmarried children under 24 and natural parents of married employees or parents of single employees. Dependents shall be entitled to the same priority as the employee when traveling with the employee.
  - (7) Semi-qualified dependents refer to brothers, sisters, and children (married and / or 24 and over) of married employees, or brothers and sisters of single employees.
  - (8) For purposes of TP entitlement, parents refer to the employee’s natural parents. For single employees, in the event of death or divorce of one parent and remarriage of remaining parent, a step-parent will become qualified. However, only one (1) set of parents is qualified.
  - (9) Brothers and sisters refer to the natural brothers and sisters of the employee.

- (10) Dependent children refer to the employee's natural children, unmarried and under 24 years of age, or to the employee's stepchildren who live in the same household as the employee, are dependent, unmarried and under 24 years of age.

C. Trip Pass

(1) Domestic

After one (1) year up three (3) years of service	Entitlement Per Year		Priority and Space Classification	PSS Priority Classification
	Free	w/ \$20 Service Fee		
Employee	1	2	S/H3/Y	S3Y
Dependent (s)	1	2	S/H5/Y	S4Y
Semi-qualified dependent (s)		2	S/H6/Y	S5Y
After four (4) years and thereafter				
Employee	1	5	S/H3/Y	S3Y
Dependent (s)	1	5	S/H5/Y	S5Y
Semi-qualified dependent (s)		5	S/H6/Y	S6Y

(2) International

After two (2) years of service	Entitlement Per Year		Priority and Space Classification	PSS Priority Classification
	Free	w/		
Employee	1	-	S/H3/Y	S3Y
Dependent (s)	-	-	S/H5/Y	S5Y
After one (1) year up three (3) years of service	Entitlement Per Year		Priority and Space Classification	PSS Priority Classification
	Free	w/		
Employee	1	-	S/H3/Y	S3Y
Dependent (s)	1	-	S/H5/Y	S5Y

\*Schedule of Service Fees (SF) for dependent's international travel:

Less than 10 years of service	8%
10 years up to 15 years	4%
15 years service or more	0%

- 
- (3) On international trips for familiarization and training, the service charge for a spouse or registered partner where the law provides will be waived, without regard as to time of service.
  - (4) Trip passes are “on subject to space” basis.
  - (5) Upon check-in and subject to seat availability in business class, an employee may be allowed to buy up for a \$70 fee, one-way. This shall be applicable to both vacation and business travel. Further guidelines on the coverage and process of availing of this benefit is provided in Letter of Agreement XII.

Stop-over’s may be allowed at stations on direct route in either direction.

- (6) Periods of travel embargo may be imposed on any or all routes served by the Company.
- (7) Trip passes that are partially used or totally unused may be returned for cancellation such that original entitlement is restored for use at another time and corresponding service charges, if any, refunded.

Employees will not be assessed fees for the re-issuance or re-routing for common rated sectors.

- (8) Any current employee who retired after having completed twenty (20) years of continuous service will be entitled to lifetime trip pass and reduced rate privileges for him and his dependents as defined in Paragraph B (6), during the lifetime of the employee. This benefit is defined as one (1) set of passes per calendar year plus trip pass benefits at ten percent (10%) service charge for the employee, spouse and dependents qualified at the time of availment on a space available basis.

Upon death of an employee eligible to the lifetime travel privilege, his dependents will be given additional two sets of trip pass and reduced rate tickets. The eligible dependents will be given five (5) years from date of employee’s demise to avail of the said trip pass and reduced rate tickets.

#### D. Reduced Rate Transportation

- (1) Industry Discount 75% (ID 75) and Industry Discount 50% (ID50) Fare Based on Special Employee AMA Rate

Employee/Qualified Dependents and Semi-Qualified dependents may avail of AMA rate on Y or J classes upon payment of prescribed rates. Upon application,

employee must indicate class of service for ticketing purposes. Upon check-in if Y is full and ticketed on Y class, it may be upgraded to J class subject to payment of fare difference.

1. Industry Discount -  
International, Regional  
and Domestic Flights  
75% (ID75)

After one (1) year of service	Entitlement Per Year	(Old) Priority and Space Classification	(New) PSS Classification
Employee	1	Q/F6/Y or J	Q6 Y or J
Dependent (s)	1	Q/F7/Y or J	Q7 Y or J
Semi-qualified dependent (s)	1	S/H6/Y or J	S6 Y or J

2. Industry Discount -  
International, Regional  
and Domestic Flights  
50% (ID50)

After one (1) year of service	Entitlement Per Year	(Old) Priority and Space Classification	(New) PSS Classification
Employee	4	PS/Y or J	M9 or J
Dependent (s)	4	PS/Y or J	M9 or J
Semi-qualified dependent (s)	4	PS/Y or J	M9 or J

- (3) Interline discounts will be granted according to the interline agreements in effect at the time of a request being made by an employee. The Company will post a list of all interline agreement in effect in all amendments thereto with a copy to the Union.
- E. An employee who is on emergency to death of an immediate family member (parent, spouse, registered domestic partner where the law provides, son or daughter) shall be assigned boarding priority N / C 4 / to assist in accommodating the employee on the flight.

- F. An employee, his dependent(s) and semi qualified dependent(s) may be extended one (1) Regional travel (road trip from MNL to any point in the Philippines, Asia and Australia) in conjunction with an international travel.
- G. Trip passes and reduced rate privileges are non-transferrable and non-cumulative.
- H. Any ticket, full fare or reduced rate, purchased and used by an employee for personal travel of any of his dependents may not be subsequently substituted for a trip pass or a reduced rate order, nor may the money be refunded. Partially used or totally unused tickets, full fare or reduced rate, may be returned for refund provided such are not substituted for a trip pass or reduced rate orders and subject to the applicable service fees.
- I. Holders of trip passes or reduced rate orders are entitled to the same baggage allowance granted to revenue passengers.
- J. Trip passes and reduced rate privileges cannot be earned during an employee's period of suspension.
- K. The accredited international representative or his designee will be furnished space available transportation (no service charge) over the Company's system during the life of this Agreement, to be used in administering this Agreement.
- L. Use of separated employee:
  - (1) Employees separated from the Company for reasons other than for cause may avail of their earned trip passes or reduced rate privileges for themselves and their immediate family within ninety (90) days from date of separation.
  - (2) Employees separated for cause shall cease to enjoy trip passes and reduced rate privileges effective on the date of termination.
  - (3) Retired employees may take advantage of their trip passes and reduced rate privileges within certain prescribed periods and depending on their length of service.
- M. Industry Discount 90% (ID90) is being extended to covered staff with at least twenty (20) years of service, as well as their eligible dependents.

**SECTION XVIII**  
**GRIEVANCE PROCEDURE**

- A. The representation for the effective handling of grievances and disputes between the parties under this Agreement will be:
- (1) The Union will be represented by a properly designated representative in each department or facility who will be known as the Union Steward. The Union will be further represented at the SFO, NYC, HNL and LAX points by a Chief Steward, selected from the Union stewards at the respective locations.
  - (2) The Company will be represented by an authorized representative in each location who will be empowered to settle all local grievances not involving changes in Company policy or the intent and purpose of this Agreement.
  - (3) The Union and Company will at all times keep the other party advised through written notice of any change in authorized representatives.
  - (4) The accredited representatives of the Union will be permitted to enter facilities of the Company, for the purpose of investigating grievances and disputes after contacting the Company official in charge and advising him of the visit. The accredited representative may assist in the investigation and / or handling of any complaint at any step in the grievance procedure.
- B. Any employee who has grievance concerning any action of the Company affecting him shall avail of the following procedures:
- (1) The employee will present a written grievance in person, or through his Union representative, within ten (10) days from the date the grievant discovered the facts, or should have discovered the facts, giving rise to the grievance. The grievance will be presented to the grievant's Department Head (or his designee) who will evaluate the grievance and render the decision in writing within fifteen (15) days thereafter.
  - (2) If the decision of the Department Head (or his designee) is unsatisfactory, the accredited representative may appeal the decision in writing within ten (10) days to the Country Manager – Americas (or his designee) who will consider the appeal and hold a hearing if requested. The Country manager will render his decision in writing within fifteen (15) days from receipt of the written appeal or the close of the hearing, if held.
  - (3) If the decision of the Country Manager (or his designee) is unsatisfactory, the accredited representative may appeal the decision in writing within thirty (30) days to the System Board of Adjustment, established herein.
- C. (1) An employee who has satisfactorily completed his probationary period will not be disciplined to the extent of loss of pay or discharged without being advised in writing of

the charge, or charges preferred against him leading to such action, with a copy to the Union.

- (2) No employee will be discharged or suspended without a prompt investigate hearing to be conducted by the Department Head at which he may be represented by a Union representative and afforded the opportunity to present evidence in support of his case. The Department Head will render a decision within ten (10) days after termination of the hearing. The employee may appeal the decision of the Department Head to the Country Manager within ten (10) days from receipt of the decision for review on appeal, provided, that if the decision is to discharge or discipline over thirty (30) days, the Union may elect to elevate the case to the System Board level for review.
  - (3) The Country Manager or his designee will render a decision in writing within fifteen (15) days from receipt of the written appeal.
  - (4) If the decision of the Country Manager is unsatisfactory, the accredited representative may appeal the decision in writing within thirty (30) days to the System Board of Adjustment established therein. By mutual agreement of the parties, cases properly referable to the Board may be submitted directly to arbitration.
- D. All hearings and investigations will be conducted during regular day shift working hours, and necessary Committee members and necessary employee witnesses will not suffer loss of pay while handling grievances or attending investigations. Such hearings and investigations will be conducted at a time that does not interfere with the operations of the Company.
- E. All reference to days in this section refers to calendar days. All time limits for decisions and appeals will be exclusive of Saturdays, Sundays and holidays.
- F. If a grievance is not presented or appealed within time provisions of this Article, the Company will not be required to give further consideration. Time limits may be extended by mutual agreement between the Company and the Union.
- G. Failure upon of the part of the Company to issue its decision within time stipulated will be treated as denial of the grievance, allowing an appeal to the next step of the grievance procedure provided for herein.

**SECTION XIX**  
**SYSTEM BOARD OF ADJUSTMENT**

- A. There is hereby established, pursuant to the provisions of the Railway Labor Act, as amended, an Adjustment Board. This Board will handle such matters as may be properly referred to it.
- B. This Board will be composed of two (2) members, one (1) selected by the Company and one (1) selected by the Union and will meet semi-annually. The venue of the meeting will be mutually agreed upon.
- C. This Adjustment Board will have no jurisdiction whatsoever over proposals or disputes relating to changes in hours of work, rates of pay, rules or working conditions.
- D. The members of the Board will select a Chairman whose term of office will be one (1) year, provided that the office of the Chairman will be filled alternatively by a member representative of the Company and a member representative of the Union.
- E. The Chairman will preside at meetings of the Board and will have a vote on the adoption of all decisions of the board.
- F. All disputes properly referred to the Board for consideration will be addressed to the Chairman. Three (3) copies of each petition, including all papers and exhibits in connection therewith, will be forwarded to the Chairman who will promptly transmit one copy to the other Board member.

Each case submitted will show:

- (1) Questions or questions at issue;
  - (2) Statement of facts;
  - (3) Position of employee or employees and on / or Union; and
  - (4) Position of the Company.
- G. A majority vote of all members of the Board will be sufficient to make a finding or decision with respect to any dispute properly submitted to it, and such findings or decision will be final and binding upon the parties to such dispute.
  - H. Upon failure of the Board to agree upon the finding or decision because of inability to secure a majority vote of all members of the Board, the Board will forthwith agree upon and select an impartial person to be known as a "referee" to sit with the Board as an

additional member thereof in the further hearing and determination of the case. If the Board is unable to agree upon the selection of such additional member within fifteen (15) days, the moving party will have an additional fifteen (15) days, within which to request the National Mediation Board to name a panel of seven (7) referees from which each party may strike three (3). If a request is not made, the matter will be deemed closed but without precedential value. When a panel is requested and stricken, the remaining referee will be appointed to the System Board as the referee and when so named, the Board will immediately arrange for a determination of the dispute by such "referee".

- I. In cases involving medical disputes, the parties agree that the members of the System Board should give consideration to all evidence presented, including evidence, if any from a Company or employee physician.
- J. Findings and decisions of the Board will be stated in writing, and the decision of the Board will be final and binding upon all parties thereto.
- K. The Board will keep a complete and accurate record of all matters submitted for its consideration and of all findings and decisions made.
- L. All expenses of the Board, including those incurred by reason of participation of a "referee" in the determination of the controversy, as herein provided, will be borne one-half (1/2) by the Company and one-half (1/2) by the Union. The salary or compensation of members of the Board will be paid by the parties selecting such members. So far as space is available, Board members shall receive free transportation, subject to pay load, over the lines of the Company from point of duty to point of a Board meeting and return.
- M. Each of the parties hereto will assume the compensation, travel expenses, and other expenses of the witnesses called or summoned by it.
- N. It is understood that each Board member will be free to discharge his duty in an independent manner without fear that his individual relations with the company or with the employees hereunder may be affected in any manner by any action taken by him in good faith in his capacity as a Board member.
- O. If the Union elects to appeal any discharge or discipline over thirty (30) days, it shall go directly to the System Board level.

**SECTION XX**  
**SAFETY AND HEALTH**

- A. The Company agrees to maintain safe, sanitary and healthful conditions in all facilities and to maintain at all times a first aid kit to take care of its employee in case of accident or illness; and, provided that nothing in this Agreement will compel the Company to maintain a doctor or nurse at any of the Company's offices. The Company agrees to furnish good drinking water and sanitary fountains will be provided wherever possible. The floors of the toilets and washrooms will be kept in good repair and in a clean, dry and sanitary condition, and properly supplied with sanitary health aids. The Union and the employees recognize their duty and responsibility to assist in maintaining safe, healthful and sanitary conditions. Facilities and washrooms will be lighted, ventilated and heated in a proper manner consistent with the source of heat, ventilation and light available. In order to eliminate as far as possible accidents and illness, an adequate Safety Committee will be established at each facility composed of one Union representative and one Company representative.
  
- B. The duty of the Safety Committee will be to make recommendations for the maintenance of proper safety and health standards, and to receive and investigate complaints on standard forms regarding unsafe and unsanitary working conditions and to make recommendations for correction. The Committee will meet every two (2) months, where necessary, and issue a report.
  
- C. The Company agrees to continue furnishing all necessary safety devices including earmuffs for employees working on or near hazardous or unsanitary work and employees will be required to use or wear such devices in performing such work. The Company also agrees to continue providing rain repellent apparel for employees required to work in inclement weather and adequate cold weather apparel (parkas, gloves, head gear). The Company will assume 50 % of the cost of safety shoes when required to be worn at its cargo and airport facilities.
  
- D. Employees injured while at work will be given medical attention at the earliest possible moment and employees will be permitted to return to work provided they are given medical approval, without signing any release of liability pending the disposition or settlement of any claim for damage or compensation. Injured employees will be allowed to obtain medical attention during the shift in which the injury occurred without loss of pay. It is the responsibility of the injured employee to report any injury to his immediate supervisor during the work period which the injury occurred.
  
- E. Employees entering the service of the company may be subject to a physical examination. The Company reserves the right to require an employee to submit to further physical

examinations during employment, if there is a question as to an employee's abuse of sick leave or his physical fitness to perform his assigned work. Any physical examination required by the Company will be paid by the Company.

**SECTION XXI**  
**WAGE RULES**

- A. Rate of pay covering the employees hereunder will be set forth in Schedule A shall be increase as follows:
- Effective July 1, 2019 – 3%
  - Effective July 1, 2020 – 3%
  - Effective July 1, 2021 – 3%
  - Effective July 1, 2022 – 3%
  - Effective July 1, 2023 – 3%
  - Effective July 1, 2024 – 3%

Provided, however, that in the case of Sales Representatives, the increase shall become effective as of February 9, 2022.

- B. When an employee transfers from a lower classification to a higher classification or to another classification within the same wage group, he will be placed in the appropriate pay step either maintaining or slightly increasing his present wage and thereafter secure increases in accordance with the steps in the new pay scale.
- C. Shift premium pay will be included in the computation of overtime pay. The monthly base wages in Schedule "A" and any longevity will be the basis for computing pay for vacations, holidays and sick leave. The hourly rate (straight time or regular rate) of an employee is determined by dividing the monthly wages by 173.3.
- D. An employee will be paid \$0.30 per hour shift differential if he works a shift beginning after 12:00 noon but before 6:00 p.m. An employee will be paid \$0.38 per hour shift differential if he works a shift beginning at 6:00 p.m. or later, but before 6:00 a.m.
- E. Longevity pay will be paid at the amount of ten dollars (\$10.00) a month for each year of service after reaching the top rate of his classification to a maximum of sixty dollars (\$60.00), then at fifteen dollars (\$15.00) a month for each year of service to a maximum of three hundred dollars (\$300.00), and thereafter, at ten dollars (\$10.00) a month per year to a maximum of \$350.00. (See Schedule C).

- F. Paychecks will include a statement of all wages and deductions made of the pay period. The employee's statement will include the number of hours worked. The overtime pay will be listed separately from straight time. A separate check for sick leave commutation will be issued.
- G. Should the regular payday fall on a holiday, or days when the office facility is closed, employees will be paid on the preceding day.

**Section XXII**  
**INSURANCE**

- A. The Company will continue to provide medical and dental insurance as mutually agreed upon by the parties Schedule D.
- B. The Company agrees to establish a Premium Conversion Plan, which will allow employees to convert their insurance premiums from an after-tax to a pre-tax basis. Insurance premiums converted will be exempt from Federal Income, State Income, FICA, and FUTA taxes.
- C. The Company agrees to establish a Flexible Spending Account (FSA) which will enable employees to set aside their own money, on a pre-tax basis via salary deduction, to help pay for health care and dependent care. Under the health care spending account, employees are permitted to utilize any money they have set aside to cover eligible health care expenses that are not covered or reimbursed under the employee's health plan as provided for by annual IRS guidelines. In addition, the Company agrees to give each employees \$75, plus \$25 for those covered dependents (must be enrolled in a Company sponsored Health Plan) on an annual basis to fund their Health Care Spending Account. Under the dependent care spending account employees are permitted to utilize any money they have set aside to cover eligible dependent care coverage for their qualified dependents or as updated by IRS guidelines.
- D. Effective July 1, 2006. The Company shall make available Vision insurance, premiums to be paid 100% by the employee (except HNL).
- E. The Company will continue a bomb insurance program with the signing of this Agreement.
- F. There shall be an annual review of the medical and dental insurance as provided in this Section XXII. For this purpose, Union and Management shall, before July 1<sup>st</sup> of each year, discuss issues related to medical and dental insurance. Any changes in the medical

and dental insurance mutually agreed upon by the parties should be documented and must be made part of the collective bargaining agreement.

**SECTION XXIII**  
**RETIREMENT**

- A. The Union and the Company adopt and agree to be bound by, and hereby assent to, The Trust Agreement, dated May 1, 1960, as amended, creating the I.A.M. National Pension Fund and the Plan rules adopted by the Trustees of the I.A.M. National Pension Fund in establishing and administering the foregoing Plan pursuant to the said Trust Agreement, as currently in effect and as the Trust and Plan may be amended from time to time. The Company hereby acknowledges receipt of a copy of said Trust Agreement.
- B. Effective July 1, 2022 the Company's contribution to the I.A.M. National Pension Fund, National Pension Plan would be as follows:

Effectivity	Increase	New Amount
1-Jul-22	US\$ 0.10	US\$ 2.45 per hour
1-Jul-23	US\$ 0.10	US\$ 2.55 per hour
1-Jul-24	US\$ 0.10	US\$ 2.65 per hour

The above contributions shall be made on or before the 20<sup>th</sup> day of each month for hours during the preceding calendar month.

- C. The contributions required on behalf of any employee shall not exceed forty (40) hours per week. The Company shall continue contributions on the basis of a regular work week while an employee is off work due to paid vacation, paid sick leaves and holidays. An employee shall receive both vesting and benefit accrual credit for all hours compensated to a maximum of 40 hours per week. Contributions for new part-time, temporary and full-time employees will be made only after the employee has completed the probationary period in accordance with Paragraph F of Section XI.
- D. The parties acknowledge that the Trustees of the I.A.M. National Pension Fund may terminate the participation of the employees and the Employer in the Plan if the successor collective bargaining agreement fails to renew the provisions of his retirement Section. The parties may increase the contribution rate, job classifications or categories of hours for which contributions are payable.
- E. This Section contains the entire agreement between the parties regarding pensions and retirement under this Plan and any contrary provision in this Agreement shall be void. No

oral or written modifications of this Agreement shall be binding upon the Trustees of the I.A.M. Pension Fund. No grievance procedure, settlement or arbitration decision with respect to the obligation to contribute shall be binding upon the Trustees of said Pension Fund.

**SECTION XXIV**  
**SEVERANCE PAY**

- A. An employee with one (1) up to ten (10) years of service who is laid off will be paid severance pay of one (1) week's pay per each year of service. An employee who has served more than ten (10) years of service will be paid severance pay of two (2) weeks' pay for each year of service. The employee will receive his severance pay entitlement on normal paydays while such employee is on layoff status. The amounts to be paid on such paydays will be his normal salary, until the severance pay entitlement is exhausted.
- B. An employee recalled to work after layoff who is again laid off under conditions which would entitle him to severance pay will begin to accrue severance pay from the date of last recall. Severance pay will not be paid twice for the same period of service and will cease immediately upon recall.
- C. Severance pay will not be paid if: (1) an employee is dismissed for cause, resigns or retires; (2) an employee refuses to work out his layoff notice, unless approved by the Company; and (3) the layoff is caused by an act of God, an emergency, strike or causes beyond the control of the Company.
- D. Severance pay for employees laid off in the event of consolidation, merger, sale, transfer or assignment of the Company, of any or all its property or effects or changes in any respect in the legal status, ownership or management of the Company shall be paid in the following manner: one (1) week per each year of service.

**SECTION XXV**  
**NO STRIKE / NO LOCK OUT**

The Company will not lock out employees covered by this Agreement. The Union will not authorize or take part in any strike or picketing of the Company's premises during the life of this Agreement, until the procedures for settling disputes provided by the Railway Labor Act, as amended, have been exhausted.

**SECTION XXVI**  
**UNION SECURITY**

- A. Except as otherwise provided in this Agreement, all employees now or hereafter employed in the classification and work covered by this Agreement shall, as a condition of continued employment in such work, become and remain members in good standing (as herein defined) in the Union within ninety (90) days following the beginning of such employment or the effective date of this Agreement, whichever is later.
- B. The conditions of employment outlined in this Section shall not apply with respect to employees to whom Union membership is not available upon the same terms and conditions as are generally applicable to any other member or with respect to employees to whom membership was denied or terminated for any reason other than failure of the employee to render the periodic dues, initiation fees and assessments (not including fines and penalties) uniformly required as a condition of acquiring or retaining membership in the employee's designated local Lodge.
- C. Membership in good standing in the Union shall consist of the payment by the employees of initiation fees (except in case of authorized and permissible transfers from other Lodges of the Union) uniformly required of other employees of like status, plus the payment of dues (as herein above defined); for each calendar month, plus the payment of such assessment (s) (within prescribed time limits), but not fines and penalties, as may be levied in accordance with the procedures set forth in the Union's "Constitution of the Grand Lodge, District and Local Lodges, Council and Conferences."
- The deduction of union dues for employees promoted or transferred to non-union positions shall automatically stop upon confirmation to their new positions.
- D. The Company will, within ten (10) working days after receipt of notice from the Union, discharge an employee who is not in good standing in the Union as required by the preceding paragraph unless the employee tenders the deficiency to the union. Other provisions of this Agreement to the contrary notwithstanding, the Company will not be required to terminate the employment of any employee until such time as the services of a qualified replacement are available. The Company may not, however, retain any employee in service under the provisions of this paragraph for a period in excess of thirty (30) calendar days from the date of the Union's original notice, except by mutual agreement by the parties hereto.
- E. At a time mutually agreed upon during the probationary period, the Union Chief Steward will be granted one (1) hour during a new employee's regular shift for the purpose of indoctrination of the employee (s) in Union and Company policy and procedure.

- F. Whenever payment of dues is referred to in this Agreement, the conditions of payment shall be met if the amount due is tendered to the Union within the prescribed time limitation. Use of the word "dues" herein shall, in all cases, include initiation fees, period dues, and assessments not including fines and penalties uniformly required as condition of acquiring or retaining membership.
- G. Upon receipt of an approved duly signed authorization form of the employee involved, the Company will deduct from the employee's check the initiation fee, dues and assessments payable by him to the Union during the period provided for in said authorization.
- H. All deductions will be made by the Company on account of initiation fees, dues and assessments once each calendar month from the first paycheck covering employee in such month, unless the Union previously advises the Company in respect to a particular employee. The Company will once each month remit to the Union financial officer, so designated by the Union, one check with a list of the employees it represents, the amount deducted in behalf of each employee.
- I. Company will not be liable for any time or wage claims by any employee discharged by the Company pursuant to a written order by an authorized Union representative.
- J. Any work previously done by union members in PAL US ticket offices will remain as union positions in accordance with this agreement in the event PAL management decides to reopen its US ticket offices.

## SECTION XXVII

### GENERAL

- A. Service records will be maintained for each employee and will be furnished to the employee and / or Union upon written request in cases of suspension, discharge or other disciplinary action. In cases where it is necessary that an employee be warned due to the caliber of his work and / or the general performances of his duties, such warning will be made to the employee in writing with a copy to the chief steward within ten (10) days of the infraction.
- B. An employee leaving the service of the Company will upon request be furnished a letter setting forth length of service and the position filled.

- C. An employee who is required to operate new machinery or equipment in performance of his assignments will be given every reasonable opportunity to become familiar with the new machine or equipment on Company time and without reduction in pay.
- D. The Company will provide business cards without cost to employees designated by the Company. Upon their request, other employees may be provided business cards by the Company at their own expense.
- E. The Company will pay the chauffeur's license fee, as required by law or airport regulations, of any employee who is required to have such license to perform his assigned duties.
- F. Nothing in this Agreement will prevent the Company from paying higher rates of compensation to any individual than those established herein.
- G. The Company will furnish the Union every August the names locations, classifications and rates of pay for all employees covered by this Agreement, and addresses to the Union where an employee agrees to the release of his/her address and it is understood that this is voluntary on the part of the employee.
- H. The Company will provide each employee with a convenient, pocket-size copy of this Agreement.
- I. Employees called for jury duty will, upon submission of proper proof, be paid straight time compensation for such time as they are detained from their regular shift work schedule by such duty, less jury compensation received. Employees attending court under a subpoena as a witness will be granted time off with pay.
- J. A suitable bulletin board will be provided inside of all Company facilities where Union notices of interest to employees may be posted; however, no political circulars, propaganda or advertisements will be placed on the bulletin boards.
- K. When employee's reprimands are reduced to writing, a copy will be given to the employee and the Union.
- L. In the event of death in an employee's immediate family (wife, husband, children, step-children, mother, father, brother or sister, grandparents, step-parents, father or mother-in-law), registered domestic partner where the law provides, and his father or mother or children, an employee will be granted three (3) days off with pay to be taken within 14 days of the demise. In the event the scheduled necessary air travel relative to the leave is

in excess of eight (8) hours in a twenty four (24) period, that employee will be granted five (5) days off with pay to be taken within 21 days of the demise. Additional time-off without pay may be granted if approved by the Company. Thereafter, this leave is not available.

- M. The Company will maintain the policy of providing the following sets of uniforms to covered Employees per calendar year –

Male	4 pants	4 shirts (short or long sleeves depending on position)	2 neck tie	1 jacket	
Female	4 skirts or pants or combination	4 printed or yellow blouse depending on position	2 scarves	1 jacket	1 belt

The cleaning allowance of \$60.00 per month will be provided effective as of the date of the signing of this Agreement. Honolulu employees may elect to have a tropical weight uniform for their second set.

All female employees will be given an option to choose between pants and skirts as uniform.

- N. The perfect attendance policy currently in effect will be maintained for employees during the life of this Agreement. The perfect attendance incentive pay for eligible employees will be paid through a separate check.
- O. The Company will provide parking at the San Francisco, Los Angeles and Honolulu airport for airport employees.

**SECTION XXVIII**  
**SAVING CLAUSE**

Should any part or provision of this Agreement be rendered invalid by reason of any existing or subsequently enacted legislation, such invalidation of any part or provision of this Agreement shall not invalidate the remaining portions thereof, and they shall remain in full force and effect.

**SECTION XXIX**  
**EFFECTIVE DATE AND DURATION**

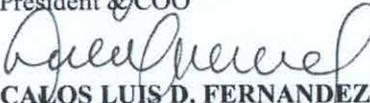
This Agreement will become effective as of July 1, 2019, and will continue in full force and effect until June 30, 2025, and will renew itself without change until each succeeding June 30 thereafter, unless written notice of intended changes is served in accordance with Section 6., Title of the Railway Labor Act, as amended by either party hereto at least sixty (60) days prior to June 30 in any year.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement, this 17<sup>th</sup> day of February 2023

NEGOTIATING COMMITTEE:

**PHILIPPINE AIRLINES, INC.**

  
**CAPT. STANLEY K. NG**  
President & COO

  
**CARLOS LUIS D. FERNANDEZ**  
SVP – General Counsel and  
Corporate Compliance Officer

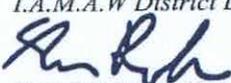
Witnesses:

  
**JO-ANN D. MALUENDA**  
VP – Human Capital Department

  
**MA. CLARA C. DE CASTRO**  
VP-Legal Affairs Department

**INTERNATIONAL ASSOCIATION OF  
MACHINISTS AND AEROSPACE WORKER,  
AFL-CIO**

  
**MICHAEL KLEMM**  
I.A.M.A.W District Lodge 141, PDGC

  
**SHANNON ROBELLO**  
I.A.M.A.W District Lodge 141, AGC

**JOHN ARTHUR BURGWINKEL**  
Secretary to the PALIAM Negotiation

Witnesses:

**KALEB IKAIIKA ROSA**  
Special Representative, IAMAW Air Transport  
Territory

**SEAN AUGUSTINE RYAN**  
Grand Lodge Representative

## **AGREEMENT WITH RESPECT TO THIRD PARTY HANDLING**

Effective September 30, 1988 the company shall have the right contract out any work presently performed by the employees involved in airport operation. Any employee whose employment is terminated as a result of his or her job being contracted to a third party shall receive the following benefits:

- a. Service Pay in accordance with the collective bargaining agreement as of December 31, 1987.
- b. In addition to the severance pay, each such employee shall received a supplemental pension plan benefits equal to a formula calculated by multiplying the year of service, or fraction, thereof by (i) three weeks of pay for employees with five year of service or more, or (ii) two weeks of pay for employees with less than five years, minus the severance payment in Paragraph (a) above.
- c. The compensation due under paragraph (a) and (b) be totaled and one-half paid on September 30, 1988. The remaining half shall be paid on January 4, 1989. It is also understood that aforementioned supplemental pension benefit will not affect any amounts owing to employees under existing pension and/or benefit programs.
- d. Severance and supplemental pension benefit will be based upon the regular straight-time rate, including longevity pay. Shift premium and add-shift pay will not be included.
- e. Part time employees' benefit pursuant to the provision above shall be based on twenty (20) hours of work.
- f. Neither severance pay nor the supplemental pension benefit shall be available to employees who accept other employment with Philippine Airlines or exercise their right to displace employees under the collective bargaining agreement and special provision discussed below.
- g. On receipt of the severance and supplemental pension benefit, each employee shall execute a general release respect to all claims (other than worker's compensation) arising out of employment or the termination of employment.
- h. Sick leave: Unused sick leave for affected employees shall be paid off at rate of 75%.
- i. Special provision concerning seniority: Any employee affected shall be allowed to utilize classification seniority to bump into a position remaining under the collective bargaining

- agreement. Any employee who does not hold classification seniority but desires to attempt to displace an employee in the classification remaining under the collective bargaining agreement shall submit a resume to a committee composed of two (2) employee representatives and two (2) management representatives. Any disputes concerning the qualification of such employee not arbitrator. One shall hear such cases at one hearing.
- j. Medical Insurance: Full time affected employees shall received medical insurance under the current Company policy for a period of twelve (12) months from their termination date with no required employee contribution. Part-time employees shall receive medical insurance under the current Company plan for six (6) months from their termination date with no employee contribution.
  - k. Travel benefits: Each affected employee shall be treated for the purpose of travel benefits as if he or she had worked through December 31, 1988. This is contingent upon the employment being entitled as of December 31, 1988 to those benefits. Any such benefits earned must be used in 1989.
  - l. Other Benefits: All other benefits such as vacation leave; pension benefits and COBRA rights shall be handed in accordance with the contract and applicable law.
  - m. In order to receive the benefits listed above, an employee must work until the September 30, 1988 planned termination date such as other later date as may be assigned.
  - n. The parties agree that should emergency situations develop between ratification date and the termination date due to unavailability of current employees, the Company shall be able to fill its staffing requirements by the most suitable method.
  - o. Letter of Agreement: With the respect to work which is the subject of the parties; Agreement on third-party handling, supervisors and higher ranking officials shall be allowed to perform the work the effective third-party handling date only in emergencies such as flight irregularities, conditions which would impair service to the shipping and traveling public, work accident and acts of God. This letter of agreement shall remain through December 31, 1990, and shall be the status quo date

**SCHEDULE A: WAGE APPENDIX**

2019 – 2024 U.S. PAYSCALE

SCHEDULE A

Pay Group	Position/s	Year in Classification	1-Jul-19	1-Jul-20	1-Jul-21	1-Jul-22	1-Jul-23	1-Jul-24
			Monthly	Monthly	Monthly	Monthly	Monthly	Monthly
3		Start in Classification	1,924	1,982	2,041	2,102	2,166	2,230
		2nd 6 mos in Classification	1,989	2,049	2,110	2,173	2,239	2,306
		2nd yr in Classification	2,325	2,394	2,466	2,540	2,616	2,695
		3rd yr in Classification	2,656	2,736	2,818	2,903	2,990	3,079
		4th yr in Classification	2,741	2,823	2,908	2,995	3,085	3,177
		5th yr in Classification	2,844	2,929	3,017	3,108	3,201	3,297
		6th yr in Classification	2,909	2,996	3,086	3,178	3,274	3,372
		7th yr in Classification	2,978	3,067	3,159	3,254	3,351	3,452
8th yr in Classification	3,052	3,143	3,238	3,335	3,435	3,538		

Pay Group	Position/s	Year in Classification	1-Jul-19	1-Jul-20	1-Jul-21	1-Jul-22	1-Jul-23	1-Jul-24
			Monthly	Monthly	Monthly	Monthly	Monthly	Monthly
4		Start in Classification	2,006	2,067	2,129	2,192	2,258	2,326
		2nd 6 mos in Classification	2,060	2,122	2,185	2,251	2,319	2,388
		2nd yr in Classification	2,402	2,474	2,548	2,625	2,703	2,785
		3rd yr in Classification	2,747	2,829	2,914	3,002	3,092	3,185
		4th yr in Classification	2,864	2,950	3,039	3,130	3,224	3,321
		5th yr in Classification	2,932	3,020	3,111	3,204	3,300	3,399
		6th yr in Classification	3,005	3,095	3,187	3,283	3,382	3,483
		7th yr in Classification	3,075	3,167	3,262	3,360	3,460	3,564
8th yr in Classification	3,152	3,246	3,344	3,444	3,547	3,654		

Pay Group	Position/s	Year in Classification	1-Jul-19	1-Jul-20	1-Jul-21	1-Jul-22	1-Jul-23	1-Jul-24
			Monthly	Monthly	Monthly	Monthly	Monthly	Monthly
5		Start in Classification	2,336	2,406	2,478	2,553	2,629	2,708
		2 <sup>nd</sup> 6 mos in Classification	2,387	2,458	2,532	2,608	2,686	2,767
		2 <sup>nd</sup> yr in Classification	2,803	2,887	2,973	3,063	3,154	3,249
		3 <sup>rd</sup> yr in Classification	3,329	3,429	3,532	3,638	3,747	3,859
		4 <sup>th</sup> yr in Classification	3,464	3,568	3,675	3,785	3,899	4,016
		5 <sup>th</sup> yr in Classification	3,575	3,682	3,793	3,907	4,024	4,145
		6 <sup>th</sup> yr in Classification	3,694	3,804	3,919	4,036	4,157	4,282
		7 <sup>th</sup> yr in Classification	3,815	3,930	4,047	4,169	4,294	4,423
8 <sup>th</sup> yr in Classification	3,940	4,058	4,180	4,305	4,434	4,567		

Pay Group	Position/s	Year in Classification	1-Jul-19		1-Jul-20		1-Jul-21		1-Jul-22		1-Jul-23		1-Jul-24	
			Monthly	Monthly										
6	<ul style="list-style-type: none"> <li>Secretary</li> </ul>	Start in Classification	2,452	2,526	2,602	2,680	2,760	2,843						
		2nd 6 mos in Classification	2,504	2,579	2,656	2,736	2,818	2,903						
		2nd yr in Classification	2,919	3,007	3,097	3,190	3,285	3,384						
		3rd yr in Classification	3,444	3,548	3,654	3,764	3,877	3,993						
		4th yr in Classification	3,581	3,689	3,799	3,913	4,031	4,152						
		5th yr in Classification	3,693	3,803	3,917	4,035	4,156	4,281						
		6th yr in Classification	3,813	3,927	4,045	4,167	4,292	4,420						
		7th yr in Classification	3,930	4,048	4,170	4,295	4,424	4,557						
		8th yr in Classification	4,056	4,178	4,303	4,432	4,565	4,702						

Pay Group	Position/s	Year in Classification	1-Jul-19	1-Jul-20	1-Jul-21	1-Jul-22	1-Jul-23	1-Jul-24
			Monthly	Monthly	Monthly	Monthly	Monthly	Monthly
7	<ul style="list-style-type: none"> <li>▪ Customer Service Representative</li> <li>▪ Customer Service Representative/Secretary</li> </ul>	Start in Classification	2,569	2,646	2,725	2,807	2,891	2,978
		2nd 6 mos in Classification	2,620	2,699	2,780	2,863	2,949	3,038
		2nd yr in Classification	3,036	3,128	3,221	3,318	3,418	3,520
		3rd yr in Classification	3,561	3,668	3,778	3,891	4,008	4,128
		4th yr in Classification	3,698	3,809	3,923	4,041	4,162	4,287
		5th yr in Classification	3,810	3,924	4,042	4,163	4,288	4,417
		6th yr in Classification	3,928	4,046	4,168	4,293	4,421	4,554
		7th yr in Classification	4,048	4,169	4,294	4,423	4,556	4,693
8th yr in Classification	4,173	4,298	4,427	4,559	4,696	4,837		

\* Lead Agent - \$150 per month in addition to the basic classification pay.

\*\*Effective as of the date of this Agreement, the entry rate for Sales Representative shall be equal to the salary threshold applicable at the area of assignment. Likewise, he/she shall be entitled to the yearly salary increase per this Agreement. However, whenever the state law defines a new salary threshold, his/her current salary shall be compared to the new salary threshold required under state law, and if his/her current salary is above the new salary threshold under state law, no further adjustment in pay shall be made. If his/her current salary is below the new salary threshold under state law, his/her salary shall be adjusted to match the said new salary threshold. Even if his/her salary has been adjusted to the new salary threshold, he/she will still be eligible to the next cycle of salary increase per this Agreement.

## SCHEDULE B

### CLASSIFICATION AND WORKER REQUIREMENTS

#### Secretary

The duties of a Secretary include but not limited to encoding, filing, maintenance of records as required by the particular department, handling reservation requests in coordination with proper offices, preparation of travel orders, handling of confidential information, opening and sorting of incoming mail, assembling and sending outgoing mail, receiving callers and taking telephone messages, receiving and transmitting messages, writing routine business letters, making appointments and recording minutes of meetings as assigned, maintaining and collating Company manuals and regulatory materials, maintaining files of department personnel when required, control of office supplies and equipment, performing routine office and secretarial work, and such other related duties as maybe directed. Duties may also include compilation of statistics and other traffic or market data, preparation of reports, servicing of various requests from travel agencies, commercial accounts, interline carriers, etc., providing assistance in any Sales' events/functions, and participation in promotional activities.

The duties of the Secretary assigned to the District Sales office may also include preparation of petty cash disbursement reports, handling local hotel reservations and compilation and preparation of relevant statistics and reports.

The duties of a station Secretary may also include processing of airport employee requests and other personnel matters, handling of invoices directed to the station and preparation of disbursement/replenishment reports for funds in the possession of the station.

#### Customer Service Representative

The duties of a Customer Service Representative include but not limited to:

1. Handles Mabuhay Miles inquiries on general member information.
2. Call-out for voluntary transfer when there is a change of schedule/aircraft or overbooking situation and cancellations and flight re-protection including changes in onward connection, seat assignments.
3. Handles reservation through telephone and/or for walk-in passengers, travel agents and employees. Handles group transactions and its related activities toward maximizing seat utilization; prepares formatted letter to be emailed to travel agent on the status of group booking request – indicating requirement for group deposit, booking class code, ticketing deadline; does the presenting of group in reservations System. Validation of group materialization.

4. Handle all respective station queue's, handle special request of passengers, coordinates/secures confirmation of hotel accommodations, special meals, oxygen, stretcher wheelchair, medical requirements and other special service requirements.
5. Issuance and validation of electronic tickets, collection and/or custody of all money received including the processing of credit card transactions, processing of refunds and exchange orders, preparation and submission of Daily Sales Reports.
6. Draft and prepare PAL Brief for distribution to travel agencies on updates covering products, flight schedule changes on procedures and policies, handling on-line reservations, prepare the advance booking (3 month period) and the 30-day count; handling replenishment of office supplies, various correspondence for the office, maintaining files of the office when necessary.

When three (3) or more Customer Service Representative are on duty, one shall be designated as a lead agent. In addition to the duties and responsibilities of a Customer Service Representative, as a working member of the group, will lead, assign and direct Representatives to ensure completion of departmental duties and responsibilities in an efficient manner, and perform other related duties as may be directed by the Sales Manager / Ticket Office Supervisor.

(Per Agreement signed on 21 November 2005)

#### Customer Service Representative / Secretary

Depending on the operational need the Customer Service Representative/Secretary may perform any or combination of duties and responsibilities of a Customer Service Representative and/or Secretary as contained in the above job summaries.

#### Sales Representative

A Sales Representative directly reports to the Area Manager and perform functions as instructed by the Area Manager aimed at generating passenger sales. The major responsibility areas of a Sales Representative are as follows:

1. Assist the Area Manager in the collection of sales or market data and/or sales reports that can be used by Area Manager in coming up with strategies to maximize sales.
2. Assist the Area Manager in acquiring new business and conducting sales presentations, developing & implementing sales programs & activities

3. If designated by the Area Manager, serve as point of contact for customers with questions or concerns, provided however, that the Sales Representatives shall ensure to elevate questions or concerns to the Area Manager for guidance.
4. Collaborate with other departments, communicating with managers in other divisions or departments
5. Coordinate with the general sales agents, travel agents and corporate accounts that may be assigned by the Area Manager to discuss and disseminate information on latest promotional fares and other product updates
6. Keeps abreast of current promotions and updates on company products and services
7. Maintains good working relationships with current general sales agent, travel agents, corporate clientele and industry partners and make the necessary reports to the Area Manager on their observations and insights on sales performance.
8. Comply with handling instructions of the Area Manager as regards needed arrangements to meet special requirements and specific requests of general sales agents, travel agents and corporate accounts; this will include assisting the Area Manager in providing assistance to large volumes of passengers including groups, of general sales agents, travel agents and corporate accounts and if need be, coordinate with various departments for this purpose.
9. Participate in corporate and industry events and social functions
10. Provide the Area Manager information on customer satisfaction surveys
11. Update the Area Manager about any customer complaints received and endorse to appropriate personnel for corrective action
12. Give observations on company product flaws, if any, and provide recommendations to the Area Manager
13. Assist the Area Manager in the validation of filed fares and tariff conditions with the general sales agents, travel agents and corporate accounts after fare loading
14. Participate in sales call visit to travel agents and corporate accounts assigned by the Area Manager
15. Prepares weekly report and must be submitted at the end of the week.
16. Other related tasks that may be deemed necessary by the Area Manager to achieve the basic function of a Sales Representative.

SCHEDULE C

LONGEVITY SCHEDULE

<b>Year in Classification</b>	<b>LP (\$)</b>	<b>Cumulative (\$)</b>
9 <sup>th</sup> year	10	10
10 <sup>th</sup> year	10	20
11 <sup>th</sup> year	10	30
12 <sup>th</sup> year	10	40
13 <sup>th</sup> year	10	50
14 <sup>th</sup> year	10	60
15 <sup>th</sup> year	15	75
16 <sup>th</sup> year	15	90
17 <sup>th</sup> year	15	105
18 <sup>th</sup> year	15	120
19 <sup>th</sup> year	15	135
20 <sup>th</sup> year	15	150
21 <sup>st</sup> year	15	165
22 <sup>nd</sup> year	15	180
23 <sup>rd</sup> year	15	195
24 <sup>th</sup> year	15	210
25 <sup>th</sup> year	15	225
26 <sup>th</sup> year	15	240
27 <sup>th</sup> year	15	255
28 <sup>th</sup> year	15	270
29 <sup>th</sup> year	15	285
30 <sup>th</sup> year	15	300
31 <sup>st</sup> year	10	310
32 <sup>nd</sup> year	10	320
33 <sup>rd</sup> year	10	330
34 <sup>th</sup> year	10	340
35 <sup>th</sup> year	10	350

SCHEDULE D

Medical Insurance & Monthly Premium Contributions

California

<u>Plan Name:</u>	Platinum
<b>Network:</b>	In Network
Individual Deductible	\$0
Family Deductible	\$0
Individual Out-of-Pocket Max.	\$2,500
Family Out-of-Pocket Max.	\$4,000
Primary Care Physician Visit	\$20
Specialty Physician Visit	\$30
Preventive Care	\$0
Chiropractic Visit	\$20
Inpatient Hospital Stay	\$250
Outpatient Surgery	\$125
Lab Test	\$20
X-Ray	\$30
Advanced Imaging	\$100
Emergency Room Visit (Waived if Admitted)	\$150
Urgent Care Visit	\$20
Rx - Generic	\$5
Rx - Preferred (Brand Name)	\$20
Rx - Non-Preferred (Brand Name)	\$20
Rx - Specialty	10% per prescription up to \$ 250 maximum
Rx - Deductible (Ind./Family)	
<b>Monthly Premium Contribution (HMO)</b>	
Employee only	\$ 35
Two-party	\$ 50
Family	\$ 65
<b>Monthly Premium Contribution (Dental)</b>	
Employee only	\$ 4
Two-party	\$ 6
Family	\$ 8

New York

<u>Plan Name:</u>	Platinum
<u>Network:</u>	In Network
Individual Deductible	\$0
Family Deductible	\$0
Individual Out-of-Pocket Max.	\$3,000
Family Out-of-Pocket Max.	\$5,000
Primary Care Physician Visit	\$ 15
Specialty Physician Visit	\$30
Preventive Care	No charge
Chiropractic Visit	\$30
Inpatient Hospital Stay	10%
Outpatient Surgery	10%
Lab Test	\$15
X-Ray	\$30
Advanced Imaging	10%
Emergency Room Visit (Waived if Admitted)	\$200
Urgent Care Visit	\$15
Rx - Generic	Retail: \$10; Mail Order: \$20
Rx - Preferred (Brand Name)	Retail: \$25; Mail Order: \$50
Rx - Non-Preferred (Brand Name)	Retail: \$40; Mail Order: \$80
Rx - Specialty	10% up to \$ 250
Rx - Deductible (Ind./Family)	
<b>Monthly Premium Contribution (PPP)</b>	
Employee only	\$ 65
Two-party	\$ 90
Family	\$ 115
<b>Monthly Premium Contribution (Dental)</b>	
Employee only	\$ 4
Two-party	\$ 6
Family	\$ 8

## Hawaii

Plan Name:	HMSA COMPMED		HMSA Health Plan Hawaii Plus (HPH)		HMSA Preferred Provider Plan (PPP)	
	In Network	Out-of-Network	In Network	In Network	Out-of-Network	
Individual Deductible	\$0		\$0	\$0	\$100	
Family Deductible	\$0		\$0	\$0	\$300	
Individual Out-of-Pocket Max.	\$2,500		\$2,500	\$2,500	\$2,500	
Family Out-of-Pocket Max.	\$7,500		\$7,500	\$7,500	\$7,500	
Primary Care Physician Visit	\$14		\$20	\$12	Ded + 30%	
Specialty Physician Visit	\$14		\$20	\$12	Ded + 30%	
Preventive Care	No Charge		No Charge	No Charge	30%	
Chiropractic Visit	20%		\$20	20%	Ded + 30%	
Inpatient Hospital Stay	20%		10%	10%	Ded + 30%	
Outpatient Surgery	20%		10%	10%	Ded + 30%	
Lab Test	20%		Inpatient: 10% Outpatient: 20%	Inpatient: 10% Outpatient: 20%	Ded + 30%	
X-Ray	20%		Inpatient: 10% Outpatient: \$10	Inpatient: 10% Outpatient: 20%	Ded + 30%	
Advanced Imaging	20%		Inpatient: 10% Outpatient: 20%	Inpatient: 10% Outpatient: 20%	Ded + 30%	
Emergency Room Visit (Waived if Admitted)	20%		\$100		20%	
Urgent Care Visit	\$14		\$20		\$12	
Rx - Generic	Retail: \$7	Retail: \$7 + 20%	Retail: \$7	Retail: \$7 + 20%	Retail: \$7 Mail Order: \$11	Retail: \$7 + 20%
Rx - Preferred (Brand Name)	Retail: \$30	Retail: \$30 + 20%	Retail: \$30	Retail: \$30 + 20%	Retail: \$30 Mail Order: \$65	Retail: \$30 + 20%
Rx - Non-Preferred (Brand Name)	Retail: \$75	Retail: \$30 + 20%	Retail: \$75	Retail: \$30 + 20%	Retail: \$30 Mail Order: \$65	Retail: \$30 + 20%
Rx - Specialty	Retail (Preferred Formulary): \$100 Retail (Non-preferred Formulary): \$200	Not Covered	Retail (Preferred Formulary): \$100 Retail (Non-preferred Formulary): \$200	Not Covered	Retail (Preferred Formulary): \$100 Retail (Non-preferred Formulary): \$200	Not Covered
Rx - Deductible (Ind./Family)	None		None		None	
Monthly Premium Contribution						
Employee only				\$ 65		
Two-party				\$ 90		
Family				\$ 115		

**Letter of Agreement I**

It is understood that the provisions of Section 3 (c) of this Agreement are not applicable where the Company is unable to obtain its own suitable space for particular staffing at an airport location, regardless of the number of flights.

Upon Union request, the parties will meet promptly to discuss staffing requirement.

\_\_\_\_\_  
Philippine Airlines, Inc.

\_\_\_\_\_  
International Association of  
Machinists and Aerospace  
Workers, AFL-CIO

Date:

(Signed by Atty. Ismael Khan for Philippine Airlines/Richard Thomas for IAM)

**Letter of Agreement II**

With respect to Section XXVII-I, employees required to perform jury duty Monday through Friday, inclusive of regular days off during said period, will not be required to work Saturday and Sunday without loss pay.

\_\_\_\_\_  
Philippine Airlines, Inc.

\_\_\_\_\_  
International Association of  
Machinists and Aerospace  
Workers, AFL-CIO

Date:

Date:

(Signed by Atty. Ismael Khan for Philippine Airlines/Richard Thomas for IAM)

**Letter of Agreement III**

It is agreed that nothing in attached collective bargaining agreement restricts the rights of the company to reschedule employees from full-time to part-time status, provided this understanding is not applicable to full-time employee in their position held on the effective date of this Agreement. An employee rescheduled under Agreement retains the right to displace or accept severance in accordance with the applicable sections in the attached collective bargaining agreement.

\_\_\_\_\_  
Philippine Airlines, Inc.

\_\_\_\_\_  
International Association of  
Machinists and Aerospace  
Workers, AFL-CIO

Date:

Date:

(Signed by Atty. Ismael Khan for Philippine Airlines/Richard Thomas for IAM)

### Letter of Agreement IV

It is agreed that in order to determine if an employee has the basic ability to be awarded the job in case of bidding or be considered qualified to perform the work in case of displacement, he may be required to pass an appropriate written, oral, or performance test.

Tests used in determining this must be specifically related to be requirements of the job and applicants for the job must be given the test.

When a minimum ability test is required by management the following procedures will be followed:

- 1) The employee(s) concerned and Chief Union Steward will be given at least 24 hours notice as to the time and place of said test.
- 2) The testing facility will be suitable.
- 3) Before the test begins, the passing grade will be determined.
- 4) Questions relating to the testing procedure or appropriateness of questions asked in the test shall be made known to the manager responsible for filling the position within twenty-four (24) hours from the conclusion of the test.
- 5) An employee who has satisfactorily performed the position bid within the past thirty-six (36) months will not be required to submit such a test.

\_\_\_\_\_  
Philippine Airlines, Inc.

\_\_\_\_\_  
International Association of  
Machinists and Aerospace  
Workers, AFL-CIO

Date:

Date:

(Signed by Atty. Ismael Khan for Philippine Airlines/Richard Thomas for IAM)

## Letter of Agreement V

In the event the flight schedule at particular airport locations will not provide for five (5) consecutive days of work on a shift, the Company, at its option, may implement the following:

- I. The last sentence of Section VII, paragraph A will not apply.
- II. Paragraph C (3) of Section VII will not prohibit an employee from working if he so desires.
- III. Notwithstanding the provisions of Section IX, the parties agree to establishment of a debit/credit system ("Bank"). The debit/credit system will work in the following manner.
  1. Every hour less than forty hours not scheduled in a work will be debited to the bank.
  2. All hours not schedule but worked will be credited to the bank.
  3. Once an individual employee's bank is zero, the employee will again receive overtime pay.
  4. In the event the Company makes a call for debit balances and the employees have all refused the call, the Company will assign.

In the event the station returns to a daily flight schedule, debiting will cease. However, the remaining debit balances shall be utilized within 6-month period, after which any outstanding balances shall be automatically written off.

- IV. If agreed upon mutually by the local management and local Union, the above system may be implemented regardless of the number of flights.
- V. If agreed upon mutually by the local management and local Union, alternative forty (40) hour per week work schedule may be implemented.

### Letter of Agreement VI

This will confirm our understanding of the manner by which a layoff is conducted under the Terms of the Agreement.

1. In accordance with the Section XI, D, Company seniority will govern for layoff within a classification.
  - A. For the purposes of classification, the parties agree that there are twenty-four (24) classifications which are:

1. Fleet Servicemen	12. Customer Service Agent
2. Messenger Clerk	13. Cargo Reservations Agent
3. General Clerk	14. Reservations Telesales Agent
4. Supply Clerk	15. Reservations Space Controller
5. Communications Clerk	16. Secretary
6. Passenger Service Attendant	17. Ticket/Sales Agent
7. Communication Assistant	18. Personnel Assistant
8. Accounting Clerk	19. Area Sales Secretary (Please note Sec. XII, J)
9. Cargo Clerk	20. Port Steward
10. Accounting Agent	21. Cargo Agent
11. Statistic Clerk	22. Reservations Customer Service Agent
	23. Senior Accounting Agent
  - B. Lead Customer Service, Cargo, Reservations and Ticket / Sales Agents and Baggage Masters are considered to be filling a premium position within their basic classification and accrue classification seniority in the basic classification only.
  - C. Being governed by Section XIII of the Agreement:
    1. Part-time employees within a classification will be laid off first before a full-time employee is laid off within the same classification at same facility (point),
    2. A part-time employees receives Company and classification seniority on a pro-rata basis.

3. A part-time employee shall exercise seniority as prescribed in Section XI, unless restricted by other provisions of the Agreement.

II. A laid off full-time employee may:

- A. Accept layoff at the point with a three year recall right to the same classification at the point from which laid off, or
- B. May elect to displace in accordance with the provisions of Section XI, K in the following sequence:
  1. First displace the most junior full-time employee in his pay group at the lay-off point whose work he is qualified to perform as determined by an appropriate written, oral or performance test to be administered within one (1) week following a two (2) weeks familiarize period upon assumption of the position.
  2. If unable to displace as in (1) above, he may displace the most junior full-time in his pay group on the system whose work he is qualified to perform subject to the same conditions as in the preceding paragraph, or he may displace the most junior full-time employee (s) at his point in each lower pay group whose work he is qualified to perform subject to the same conditions as in the preceding paragraph.
  3. If unable to displace as in (2) above, he may displace the most junior full-time employee (s) in the system in each lower pay group whose work he is qualified to perform subject to the same conditions as in the preceding paragraph.
  4. A laid off full-time employee, at his option, may elect to displace a part-time employee in the same sequence as a laid off part-time employee in IV, B1, B2, B3.

III. In the event a full-time employee is laid off by displacement, he may:

- A. Accept layoff at the point with a three year recall right to the same classification at the point from which laid off, or
- B. May elect to displace in accordance with the provisions of Section XI, K in the following sequence:
  1. First displace the most junior full-time employee in his pay group at the lay-off point whose work he is qualified to perform as determined by an appropriate written, oral or performance test to be administered within one (1) week following a two (2) weeks familiarization period upon assumption of the position.
  2. If unable to displace as in (1) above, he may displace the most junior full-time in his pay group on the system whose work he is qualified to perform subject to the

same conditions as in the preceding paragraph, or he may displace the most junior full-time employee(s) at his point in each lower pay group whose work he is qualified to perform subject to the same conditions as in the preceding paragraph.

3. If unable to displace as in (2) above, he may displace the most junior full-time employee (s) in the system in each lower pay group whose work he is qualified to perform subject to same conditions as in the preceding paragraph.
4. A displaced full-time employee, at his option, may elect to displace a part-time employee, including his own classification, in the same sequence as a laid off part-time employee in IV, B1, B2, B3.

IV. A laid off or displaced part-time employee may:

- A. Accept layoff at the point with a three year recall right to the same classification at the point from which laid off, or
- B. May elect to displace in accordance with the provisions of Section XI, K, in the following sequence:
  1. First displace the most junior employee in his pay group at his point whose work he is qualified to perform as determined by an appropriate written, oral or performance test to be administered within one (1) week following a two (2) weeks familiarization period upon assumption of the position.
  2. If unable to displace as in (1) above, he may displace the most junior employee in his pay group on the system whose work he is qualified to perform subject to the same conditions as in the preceding paragraph, or he may displace the most junior employee(s) at his point in each lower pay group whose work he is qualified to perform subject to the same conditions as in the preceding paragraph.
  3. If unable to displace as in (2) above, he may displace the most junior full-time employee (s) in the system in each lower pay group whose work he is qualified to perform subject to the same conditions as in the preceding paragraph.
  4. As of 31<sup>st</sup> July 2005, the twenty three (23) classifications were reduced to seven (7), namely: (1) Senior Accounting Agent; (2) Accounting Agent; (3) Accounting Clerk; (4) Personnel Assistant; (5) Secretary; (6) General Clerk; (7) Customer Service Representative;”

I. B – Consistent with Section III changes, paragraph I, B to read \*Lead positions are to be considered to be filling a premium position with the basic classification\*

5. As of 25<sup>th</sup> October 2016, the CBA job classifications shall be composed of eight (8), namely: (1) Senior Accounting Agent; (2) Accounting Agent; (3) Junior Accounting Agent; (4) Personnel Assistant; (5) Secretary; (6) General Clerk; (7) Customer Service Representative; and (8) Customer Service Representative/Secretary.”

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PHILIPPINE AIRLINES, INC.

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INTERNATIONAL ASSOCIATION OF  
MACHINISTS AND AEROSPACE  
WORKERS, AFL – CIO

Date:

Date:

(Signed by Atty. Remigio G. Siapno II for Philippine Airlines / Randolph Kauhane for IAM)

### Letter of Agreement VII

It is the understanding of the parties that with respect to travel on "official business" other than for training or familiarization, any employee who "travels away from his work domicile on company business" will begin receiving pay from one hour prior to scheduled departure and will continue receiving pay until one-half hour after arrival on domestic flights and one hour or after arrival on international flights. Should the travel occur on a regular scheduled day off or after an employee has worked a regular straight time shift, then pay will be at the applicable overtime rate.

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PHILIPPINE AIRLINES, INC.

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INTERNATIONAL ASSOCIATION OF  
MACHINISTS AND AEROSPACE  
WORKERS, AFL – CIO

Date:

Date:

(Signed by Atty. Ismael Khan for Philippine Airlines / Richard Thomas for IAM.)

**Letter of Agreement VIII**

The parties agree that the position of Secretary to the President Officer and Personnel Assistant provided in Section XII, J of the collective bargaining agreement will be excluded from the scope thereof when said position are vacated by the present incumbents.

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PHILIPPINE AIRLINES, INC.

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INTERNATIONAL ASSOCIATION OF  
MACHINISTS AND AEROSPACE  
WORKERS, AFL – CIO

Date:

Date:

(Signed by Atty. Ismael Khan for Philippine Airlines / Richard Thomas for IAM)

## Letter of Agreement IX

The parties agree that those employees who had accepted a promotion to a position in the Company not covered by this Agreement prior to the signing of this Agreement will retain but not accrue seniority within any former classifications under this Agreement. The following management employees retain, but not accrue company and classification seniority as of the signing of this Agreement. The parties also agree that those employees who accepted a promotion to a position in the Company not covered by this Agreement after 01 July 2000 will not retain Union seniority.

Name	Latest transfer date to Management
1. Gutierrez, Teresa	Sept. 1, 1996
2. Cuevas, Maria Luz	March 1, 1997
3. Barreto, Deladino	April 16, 1991
4. Nethercott, Alfred	May 1, 1983
5. Pavsidis, Marguerite	July 1, 1984
6. Marquez, Emerald	Oct. 16, 1984
7. Merino, Marlene	Dec. 1, 1984
8. Morales, Veronica	Aug. 1, 1993
9. Aldanese, Rex	July 16, 1983
10. Cuenco, Tito	Aug. 1, 1993
11. Aguila, Estrella	Oct. 1, 1980
12. Wall, Maricel	Jan. 1, 1998
13. Tabuena, Marylou	July 1, 1999

PHILIPPINE AIRLINES, INC.

INTERNATIONAL ASSOCIATION OF  
MACHINISTS AND AEROSPACE  
WORKERS, AFL – CIO

Date:

Date:

(Note: Employees 4,8 & 12 are the only ones covered by this Letter of Agreement as of July 1, 2006)

(Note: As of October 25, 2016, employee no. 12 is the only employee covered by this letter agreement)

(Note: As of December 31, 2022, there no longer any employees covered under this Letter of Agreement.)

**Letter of Agreement X**

This will confirm our understanding of the manner by which an employee who has accepted a position in the Company not covered by this agreement may exercise his seniority which was retained prior to July 1, 2000.

1. If they wish to bid for a position in the collective bargaining agreement they will file a permanent bid as outlined in Section XII paragraph A with a priority of (4) from any employee on layoff.
2. If they are laid-off from their position not covered by the collective bargaining agreement, they will first be placed on laid-off status and then file a permanent bid form as outlined in Section XII paragraph XX and will be given a priority of (4) any employee on layoff.
3. The period served by union members in any management position shall be excluded in determining the job classification seniority in the event they apply for union covered position.

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PHILIPPINE AIRLINES, INC.

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INTERNATIONAL ASSOCIATION OF  
MACHINISTS AND AEROSPACE  
WORKERS, AFL – CIO

(Signed by Cesar Lamberte for Philippine Airlines / Randolph Kauhane for IAM on  
12/05/2000)

## Letter of Agreement XI

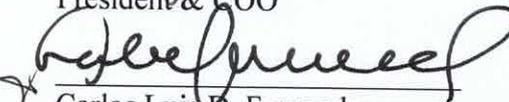
This will confirm the understanding and agreement of the parties that on account of the nature of their functions, Sales Representatives position shall be exempt from the application of Section VII on Hours of Service (with the exception of the 1<sup>st</sup> paragraph of Section VII E) and Section IX on Overtime.

It is understood that the work hours practiced or observed prior to the National Mediation Board order dated February 9, 2022 for Sales Representatives shall remain. In cases of events or functions which are generally planned by the Company on an annual basis, the current practice observed is as follows –

1. The Company shall notify the Sales Representative to be assigned in the said event or function at least one (1) week before the event or function.
2. If the event or function falls on the Sales Representative's day/s off, the Sales Representative shall move or re-schedule the affected day/s off within the same week of the event or function.
3. However, if the due to operational requirements, the affected day off cannot be re-scheduled within the same week, the Sales Representative may re-schedule the day/s off within the month.

Philippine Airlines, Inc.

  
\_\_\_\_\_  
Capt. Stanley K. Ng  
President & COO

  
\_\_\_\_\_  
Carlos Luis D. Fernandez  
SVP – General Counsel and  
Corporate Compliance Officer

International Association of  
Machinists and Aerospace Workers,  
AFL-CIO

  
\_\_\_\_\_  
President/Directing General Chairman  
IAM, District Lodge 141

Date: 31 December 2022

**Letter of Agreement XII**

**Business Class Upgrade Fee**

This will confirm the understanding of the parties that the Business Class Upgrade Fee (BCUF) is extended to all active CBA covered US-Based employees, their dependents as defined in the policy, and CBA covered US-based employees who retired starting July 7, 2014 with completed 20 years of continuous service for travel benefits of ID00, ID90, ID75.

The upgrade is only allowed at point of check-in and only after all revenue passengers and non-revenue passengers entitled to Business Class seat have been accommodated including those covered under involuntary/voluntary upgrade policy.

Employees, dependents traveling with the employee and qualified retirees shall inform the check-in agent they are requesting to be accommodated in Business Class if seats are available upon check-in. If seats are available, employees, dependents traveling with the employee and qualified retirees shall be accommodated in the Business Class seat even if their original meal listing is under economy. Provided, however, that if Business Class meals are not sufficient due to operational limitations, employees, dependents traveling with the employee and qualified retirees shall be provided their original meal listing.

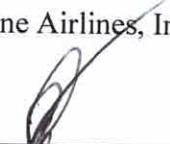
**Travel with Me**

This will confirm the understanding of the parties that the Travel with Me Policy is extended to all active CBA covered US-Based personnel pursuant to the Company's implementing rules and guidelines on Travel with Me.

**Regular Travel Benefits Entitlement**

This will confirm the understanding of the parties that CBA covered US-Based personnel may use the trip pass (ID00) allocation of their qualified dependents.

Philippine Airlines, Inc.

  
\_\_\_\_\_  
Capt. Stanley K. Ng  
President & COO

  
\_\_\_\_\_  
Carlos Luis D. Fernandez  
SVP – General Counsel and  
Corporate Compliance Officer

International Association of  
Machinists and Aerospace Workers,  
AFL-CIO



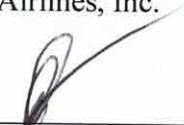
\_\_\_\_\_  
President/Directing General Chairman  
IAM, District Lodge 141

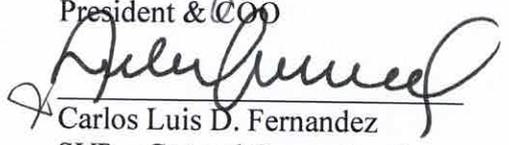
Date: 31 December 2022

**Letter of Agreement XIII**

This will confirm the understanding and agreement of the parties that Letter Agreement VI which was the parties on 7 September 2000, as amended on 31 July 2005 and 25 October 2016, is hereby further amended by reducing the CBA job classifications to the following: (1) Secretary; (2) Customer Service Representative; (3) Customer Service Representative/Secretary; and (4) Sales Representative.

Philippine Airlines, Inc.

  
\_\_\_\_\_  
Capt. Stanley K. Ng  
President & COO

  
\_\_\_\_\_  
Carlos Luis D. Fernandez  
SVP – General Counsel and  
Corporate Compliance Officer

International Association of  
Machinists and Aerospace Workers,  
AFL-CIO

  
\_\_\_\_\_  
President/Directing General Chairman  
District Lodge 141

Date: 31 December 2022

**For inquires, please contact  
Any of the following:**

**Country Manager – Americas  
650-451-8986**

**IAM District Lodge 141  
Division: (847) 640-2222**