Endeavor-to-Delta Pilot Hiring Program & Commitment

A. Introduction

Delta Air Lines and its wholly owned subsidiary (and largest Delta Connection carrier), Endeavor Air, share a fundamental interest in ensuring Endeavor can attract, hire and retain pilots who meet the highest standards of safety, performance, professionalism and customer service. As a result, effective June 15, the Endeavor-to-Delta Pilot Hiring Program & Commitment (EtD Commitment) program will be used for all pilot candidate interviews at Endeavor. Pilots offered employment at Endeavor under the EtD Commitment after June 15, 2014, will, upon becoming and remaining eligible per the terms described in this document, be offered employment as Delta pilots.

This commitment is a unilateral offer from Delta to pilot candidates at Endeavor – such candidates do not need to accept the offer now or even in the future but if such a candidate becomes and remains eligible per the terms described in this document, then Delta will honor its commitment and an Endeavor pilot will, upon becoming and remaining eligible, have the choice whether to accept the offer. The EtD Commitment will serve as the “ticket” to Delta for successful candidates who meet and maintain eligibility and demonstrate performance at Endeavor.

Background: Delta is a premier global airline flying more than 160 million passengers a year all around the world and a recognized leader in the aviation industry. Delta’s ‘Rules of the Road’ define who we are and contain our core values. These values provide the foundation on which Delta's culture rests and make Delta a great place to work. With these values and our strong culture, Delta is a career destination for any employee and especially so for pilots who are the front line leaders of our operation.

New hire pilot positions in the regional airline industry are often pursued as “stepping stones” to majors carriers Delta appreciates that identifying a clear career path is vitally important to pilots entering the industry or not yet at a major carrier. Delta has a long history of hiring pilots who meet our high standards from the regional industry, particularly pilots flying at our various Delta Connection carriers. Endeavor Air, Inc. (Endeavor), flying as a Delta Connection carrier within Delta’s network, operates 150 regional jets on 850 daily flights to more than 100 cities in the United States and Canada. Endeavor, a wholly-owned subsidiary of Delta, has transformed itself into a vibrant and high-performing carrier that is committed to being the best place to work in the regional industry. Successful tenures as new-hire pilots at Endeavor will now offer not only competitive pay and benefits but also an unrivaled career opportunity at – and commitment from – Delta.

In the decades ahead, Delta anticipates the need to hire thousands of pilots as approximately 10,000 current Delta pilots turn 65, the FAA’s mandatory retirement age, between 2014 and 2033.
Based on these pilot retirement projections and expectations for continued long-term growth, Delta is beginning an era of projected continuous pilot hiring. Endeavor, in turn, is also entering a period of projected constant pilot hiring as many of its current pilots are expected to accept offers at Delta or other major airlines in the coming years, and Delta plans for Endeavor to continue serving as a mainstay among its Delta Connection carriers.

B. Endeavor Pilot Hiring

Every pilot applicant seeking employment at Endeavor who is invited to interview will be subject to a rigorous hiring protocol intended to identify the most highly qualified candidates with the best potential for becoming Delta pilots. The interview process at Endeavor will use the Delta pilot interviewing process, as that process is amended, updated or enhanced from time-to-time, and will include Delta involvement in the screening and interviewing of applicants to Endeavor. This rigorous hiring process includes, among other things, screening for the required qualifications, computer-based testing, a panel interview, and psychological testing and interview.

1. Qualifications. Please see the Endeavor Air website for the minimum qualifications for Endeavor Air pilot candidates.

2. Offer of Employment at Endeavor. The offer of an EtD Commitment is triggered by an Endeavor pilot candidate’s successful completion of the Endeavor interview process on or after June 15, 2014. Once an applicant has received an offer from Endeavor on or after June 15, 2014, he/she will have received the EtD Commitment and Delta and Endeavor will jointly maintain, update and make publicly available a list of the covered Endeavor pilots. The published list will be in Endeavor pilot seniority order and identify covered pilots by their employee number or other appropriate identifier.

3. Applicability to Endeavor employment. The EtD Commitment will not be a term or condition of employment for pilots at Endeavor and does not address or relate to Endeavor pilot rates of pay, rules or working conditions. The EtD Commitment is a unilateral offer by Delta to Endeavor pilot applicants that sets forth eligibility criteria to receive a subsequent offer of employment from Delta but does not govern, control or otherwise impact in any manner an applicant’s employment at Endeavor. The EtD Commitment is not subject to or covered by the terms of the
collective bargaining agreement between Endeavor and the Air Line Pilots Association, Int’l (ALPA) and when an applicant who receives the EtD Commitment becomes employed by Endeavor, he/she will be represented by the Air Line Pilots Association, Int’l. Thereafter, while an EtD Commitment pilot remains a pilot at Endeavor he/she will be subject to the terms of the Endeavor - ALPA collective bargaining agreement and any applicable Endeavor employment or other policy.

C. **Delta Hiring Commitment**

Once offered employment at Endeavor, an applicant will receive the opportunity to be hired at Delta under the EtD Commitment based on the applicant’s subsequent employment and seniority at Endeavor and subject to the eligibility requirements set out in the EtD Commitment offer. Endeavor pilots who received the EtD Commitment and are eligible to be hired at Delta will not be required to re-interview with Delta or otherwise be subject to Delta’s Pilot Selection process.

1. **Order and Timing.** Delta’s commitment to hire successful Endeavor pilot applicants is subject to the following:

   a. Pilot positions at Delta will only be made available when Delta is hiring new-hire pilots.

   b. Pilot new-hire positions at Delta filled by Compass or former Mesaba pilots having a right to flow to Delta under LOA 9 and LOA 10 of the Delta Pilot Working Agreement will not count toward the total available new hire positions in Paragraph C.2.a., below.

   c. All Endeavor pilots eligible for the Streamlined Selection Process (SSP) contained in the Endeavor-ALPA-Delta Bridge Agreement have either:

      1) Moved from the pool of successful SSP candidates to Delta; or
      2) Completed their initial SSP job interviews with Delta.

   d. Endeavor will provide to Delta a list of EtD Commitment eligible pilots for the purpose of Delta offering class dates. Such eligible pilots will be offered employment at Delta in order of their Endeavor seniority but the manner and timing of Delta’s offer and available class dates will be determined by Delta. Eligible pilots may subsequently become ineligible prior to their actual date of hire at Delta per the terms of Paragraph C.3.

   e. Pilots offered employment at Delta under the EtD Commitment will be treated as any other Delta new-hire upon their date of hire and their seniority, longevity and other terms and conditions of employment to Delta will be subject to the then current Delta Pilot Working Agreement and all applicable Delta policies and procedures. EtD Commitment pilots will be considered to have resigned from Endeavor on the earlier of their Delta new hire class date or the effective date of their written resignation notice.

2. **EtD Hiring Commitment.** The number of eligible EtD Commitment pilots that will be offered employment at Delta is subject to the following:
a. Delta agrees, to the extent that eligible Endeavor EtD Commitment pilots are available, to offer employment to eligible Endeavor EtD Commitment pilots at a rate of 35 percent (35%) of the total number of Delta new-hire pilots hired in a year or 300 Endeavor pilots per year, whichever is lesser. Delta and Endeavor may agree to increase this number. Compliance with this hiring commitment will be measured on December 31st of each year that Delta hires pilots. In the event eligible Endeavor EtD Commitment pilots were available and Delta offered employment to fewer than the number established in this paragraph in a given year, then Delta will increase offers to eligible Endeavor EtD Commitment pilots in subsequent months when Delta is hiring up to a maximum of 50 percent (50%) of available new-hire positions or 40 per month, whichever is less, to make up the shortfall.

(1) Once offered employment at Delta under the EtD Commitment, Endeavor pilots will be afforded the same opportunity to delay entry into a new-hire class as is afforded to other new-hire pilots. For purposes of calculating compliance with this hiring commitment, the original date of Delta’s offer of employment to an eligible EtD Commitment pilot will be used and not the date of the pilot’s eventual date of hire.

3. Eligibility Requirements. Notwithstanding an Endeavor pilot’s active status at Endeavor and receipt of the EtD Commitment when offered employment at Endeavor, each EtD Commitment pilot must meet the following requirements on the date the pilot is offered a new-hire class at Delta to be considered eligible and thereafter remain eligible pursuant to the following:

a) Qualifications

i. Possess a four (4)-year degree from an accredited university;

ii. Possess, or obtain before the date of hire at Delta, a current yellow fever vaccination;

iii. Have served at least two (2) years in active status as a Captain for Endeavor; Note: For the purpose of determining eligible time that can be counted towards the two (2) year Captain requirement, time in an Inactive Status will not be considered. Inactive Status means the status of a pilot who is furloughed, receiving long term disability benefits, on military leave for more than 30 consecutive days, on medical leave, on personal leave, on FMLA leave, on maternity leave, or on a disciplinary suspension.

iv. Complete any legal/statutorily required Pilots Records Improvement Act (PRIA) disclosures consistent with the policies and practices of Endeavor and Delta;

v. Complete Delta’s standard new-hire employment background check. Should such background check disclose information not previously disclosed at the time of hiring at Endeavor, or information relating to events that occurred after being hired at Endeavor that were not previously made aware to Endeavor and Delta, then such pilot will be given due consideration to his overall record at Endeavor, and may thereafter remain eligible for employment at Delta at Delta’s discretion; and

vi. Agree to the release of all employment, training and other information by Endeavor to Delta to verify eligibility for the EtD Commitment;

vii. Complete any other pre-employment administrative, paperwork or other similar tasks.
b) **Training Records.** A pilot will be ineligible to be hired at Delta under the EtD Commitment upon receipt of three (3) or more unsatisfactory results (unsats) on any of the following checking-type events at Endeavor within the previous five (5) years:

a) Advanced Qualification Program (AQP) Checking Events

   (a) Systems Validation (SV)
   (b) Electronic Systems Validation (ESV)
   (c) Procedures Validation (PV)
   (d) Maneuvers Validation (MV)
   (e) Line Operating Experience (LOE)

b) FAR Part 121, Subpart N. & Subpart O. Checking Events

   (a) Oral Examination
   (b) Proficiency Check (PC)
   (c) Type Rating
   (d) Line Check (LC)
   (e) Proficiency Check - FAR Part 121 Appendix F.

c) **Disciplinary Letters.** An Endeavor pilot’s eligibility to be hired at Delta under the EtD Commitment will be suspended during the period a Disciplinary Letter is “active” in his/her file per the terms and subject to the processes of the Endeavor-ALPA Collective Bargaining Agreement or any applicable Endeavor policies.

d) **Reliability (Attendance Levels) or Dependability (Strike Letters).** An Endeavor pilot’s eligibility to be hired at Delta under the EtD Commitment will be suspended:

   (1) During the period a reliability or dependability letter is “active” in his file; or,
   (2) If the pilot has received two (2) or more reliability and/or dependability letters within the previous two (2) years that were not subsequently overturned or removed per the terms and subject to the processes of the Endeavor-ALPA Collective Bargaining Agreement or any applicable Endeavor policies.

D. **Dispute Resolution**

One of Delta’s principal Rules of the Road is to ‘always keep your deals’ and Delta does not expect to have any disputes over the execution of the EtD Commitment. That being said, Delta recognizes potential applicants to Endeavor may wonder how or where a dispute could be resolved. If Delta and an EtD Commitment pilot are not able to resolve a question or issue of application or interpretation of this EtD Commitment on their own, the following standard American Arbitration Association (AAA) Rules would apply so that both Delta and the pilot could expeditiously and economically reach a resolution.

1)Any controversy or claim arising out of or relating to this program, including but not limited to any claim against Delta that Delta has failed to honor its commitments under this program, shall be settled by mandatory and binding arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules.
Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction over the award.

2) Claims shall be heard by a single arbitrator who is a member of the National Academy of Arbitrators and agreed upon by the parties in accordance with the Commercial Arbitration Rules. The place of arbitration shall be Atlanta, Georgia. The arbitration shall be governed by the laws of the State of Georgia. The arbitrators will have no authority to award punitive, consequential, or other damages not measured by the prevailing party’s actual damages, except as may be required by underlying federal or state law. The costs and expenses of the arbitration shall normally be divided equally between the parties. However, the arbitrator may determine a different allocation of costs and expenses between the parties if an equal division is considered unconscionable. The arbitrator shall not award attorneys’ fees unless the recovery of attorneys’ fees is permitted by underlying federal or state law. The award of the arbitrator shall be accompanied by a reasoned opinion.

E. Effective Date and Duration

The EtD Commitment will become effective June 15, 2014 and remain in effect so long as Delta Air Lines and Endeavor Air agree to keep the program in place. Either party may, at their discretion, terminate the EtD Commitment subject to the following:

1. Grandfather Rights. Any Endeavor pilot who has been hired at Endeavor under the EtD Commitment will be deemed to have retained rights to be hired at Delta as specified in his EtD Commitment Letter and under the terms and provisions stated therein, regardless of whether the program has been terminated. Pilots hired after this program has been terminated by either party pursuant to Paragraph D shall have no EtD Commitment right.
Endeavor To Delta Pilot Hiring and Commitment Program FAQ

1. What is the EtD Commitment Program?

The Endeavor-to-Delta Pilot Hiring and Commitment Program (EtD Commitment) is a program through which pilots hired at Endeavor Air will have a clear career path to Delta Air Lines, once all eligibility requirements are satisfied, without having to re-interview in the normal Delta Pilot Selection process.

2. Do any other carriers have this kind of hiring agreement program?

No other regional carrier has this level of commitment for employment at a major airline. Some regional carriers have flow programs for current seniority list pilots, but these programs don’t extend to new-hire pilots.

3. Is the EtD Commitment a flow through agreement?

No. While the EtD Commitment is similar to what is often referred to as a “flow through” program, there are some important distinctions:

- Endeavor has agreed to use the Delta pilot hiring protocols. This will ensure that when an eligible Endeavor EtD Commitment pilot transitions to Delta, Delta can be assured the pilot has met the same high standards (allowing for differences in experience) used by Delta when hiring pilots.
- There are eligibility requirements in the areas of training, discipline, and reliability that all Endeavor EtD Commitment pilots must meet to become and remain eligible to move to Delta.
- The EtD Commitment is a unilateral offer from Delta to Endeavor applicants and is not a term or condition of employment at Endeavor. The EtD Commitment gives Endeavor pilots no right to return to Endeavor once hired by Delta, and gives Delta pilots no right to “flow down” to Endeavor.

4. Is Delta lowering its pilot hiring standards with this program?

No. The EtD Commitment was specifically designed to ensure the same high standards that Delta uses today in its pilot selection process (allowing for differences in experience) will be used in hiring Endeavor pilots under the EtD Commitment. Delta representatives will also participate in the Endeavor pilot selection process. Traits that Delta and Endeavor highly value, such as job knowledge levels, cognitive abilities, critical thinking skills and leadership will not be compromised. Also, the experience and performance provisions of the EtD Commitment while at Endeavor serve to demonstrate pilots meet these high standards.

5. Are current Endeavor pilots eligible for the EtD Commitment?

No. Current Endeavor pilots were not hired under the EtD Commitment protocol and Delta was not involved in their hiring. Current Endeavor pilots are instead eligible for the Streamlined Selection Process (SSP) and will be offered an opportunity to interview with Delta before any pilot in the EtD
Commitment is “called up.” Should a current Endeavor pilot be unsuccessful in applying with Delta, s/he will continue flying with Endeavor whereas if a pilot is not selected under the EtD Commitment, s/he will not be hired at Endeavor.

Delta and Endeavor have also agreed to provide current Endeavor pilots hired after the Bridge Agreement and prior to the EtD Commitment implementation with the same seniority-order SSP interview opportunity as other Endeavor pilots. These pilots will now have a similar opportunity to compete for a Delta job as SSP pilots.

6. Will eligible EtD Commitment pilots be offered employment at Delta before the SSP pilots referenced in Question 5?

No. No pilot will be offered employment at Delta under the EtD Commitment before all SSP-eligible pilots have either moved from the pool of successful SSP candidates to Delta or have completed their initial SSP interview.

7. How long will it take for a pilot hired under this program to be eligible to be hired at Delta?

Using reasonable assumptions for Delta hiring, Endeavor’s fleet plan, and forecast attrition, it is estimated that the first eligible EtD Commitment pilots will transition to Delta approximately five years after being hired at Endeavor. We expect thereafter that with Delta’s projected pilot retirements and assuming Delta’s fleet remains stable or grows modestly, EtD Commitment pilots will continue to transition to Delta after careers of approximately five years at Endeavor.

8. How many Endeavor pilots will move to Delta under this program?

Delta has committed to offer employment to eligible EtD Commitment pilots at a minimum rate of 35 percent of the total number of pilots hired at Delta off the street in a year, or 300 pilots a year, whichever number is lower. This means that in a year when Delta hires 600 pilots (excluding Compass flow ups), 210 (35 percent) of those pilots will come from Endeavor.

9. What are the eligibility requirements to be able to move to Delta under the EtD Commitment?

Please refer to the Endeavor-to-Delta Hiring Program and Commitment Letter for all eligibility requirements.

10. If a pilot has already interviewed at Delta and was turned down, can s/he be hired under the EtD Commitment at Endeavor?

If a pilot previously interviewed at Delta and was not given a conditional job offer, but was told s/he was eligible to re-interview, that pilot can interview at Endeavor. If, on the other hand, the unsuccessful pilot was told s/he was not eligible to re-interview at Delta, that pilot is not eligible to participate in the EtD Commitment and will not be offered an interview at Endeavor.

11. If a pilot hired under this program becomes ineligible to be hired at Delta because of training, disciplinary or reliability issues, can s/he become eligible again at some point in the future?
Yes. The eligibility requirements dealing with training, discipline and reliability issues all have timelines associated with them. Once the timeline expires and assuming no other issues arise, a pilot will be eligible to move to Delta. Please refer to the Endeavor-to-Delta Hiring Program and Commitment Letter for all eligibility requirements.

12. If I am already in Delta’s pilot pool, what’s the benefit of me interviewing with Endeavor?

There are thousands of qualified pilots competing for limited positions at Delta and no guarantee that even highly qualified candidates will receive an offer to interview at Delta in the near future. For many pilots, it may be advantageous to join the Endeavor team, build experience and know you’ll have a commitment from Delta to be hired under the EtD Commitment.

13. Can the EtD Commitment be terminated?

Yes. The EtD Commitment is not part of either airline’s pilot CBA; therefore, Delta or Endeavor can terminate the EtD Commitment program at any time.

14a. If the EtD Commitment is terminated, what happens to those pilots hired under the program that have yet to be offered employment at Delta?

If the EtD Commitment is terminated by either Delta or Endeavor, those pilots hired under the EtD Commitment who have not yet been offered employment at Delta will be “grandfathered” and have their hiring rights at Delta honored once all eligibility requirements are met. Any pilot hired at Endeavor after the EtD Commitment program is terminated will have no commitment from Delta.

14b. If I am hired under the EtD Commitment but the EtD Commitment is later terminated, how can I be certain that I will be “grandfathered” and Delta will still hire me?

Delta is a values-based organization and its ‘Rules of the Road’ guide it in all it does. The Delta culture is founded on the values of honesty, integrity, respect, perseverance and servant leadership. One of Delta’s principal rules is to “Always keep your deals.” The EtD Commitment is an offer that Delta’s senior leadership stands behind and that will be honored. Like all its others, the EtD Commitment is a deal that Delta will keep.

14c. But what if someone at Delta changes their mind after the EtD Commitment is terminated and does not want to honor an EtD Commitment to “grandfathered” Endeavor pilots?

Delta has intentionally made the EtD Commitment offers to successful pilot candidates at Endeavor binding upon Delta now and in the future. The EtD Commitment is a unilateral offer from Delta to pilot candidates at Endeavor – if such a candidate becomes and remains eligible per the terms described in this document, then Delta will be bound to honor its end of the deal and an Endeavor pilot will, upon becoming and remaining eligible, have the choice whether to accept the offer. The EtD Commitment offer is like the posting of a reward – if one person posts a reward for finding lost property and another person finds the property, the person who posted the reward is obligated to pay the reward to the
person who found the lost property. The same concept applies to the EtD Commitment. This is not only a basic legal principle but, more importantly, one of Delta’s core values: *always keep your deals.*

14d. But I understand that Delta did not honor a previous flow up commitment to Mesaba pilots. Why should I take Delta’s word now?

Delta has honored all its commitments to former Mesaba pilots. The original Northwest-Mesaba flow through letter was sought by the ALPA Northwest MEC in late 2007 and early 2008 and agreed upon by Northwest as part of a package settlement of a number of grievances and other issues. At the time of the Northwest-Delta merger, both the Mesaba and Compass flow through letters in place at Northwest were retained as part of the new Delta PWA. Delta had never previously maintained any flow through agreements with any of its regional carriers. The Mesaba flow through letter was only effective so long as Mesaba remained a wholly-owned subsidiary of Northwest and then Delta. Per the terms of the agreement with ALPA, when Delta sold Mesaba to Pinnacle Airlines in July 2010, the Mesaba flow through automatically terminated in its entirety. Delta, Mesaba, the ALPA Delta MEC and the ALPA Mesaba MEC subsequently reached an agreement to reinstate the flow up provisions of the previous agreement for 108 Mesaba pilots. This agreement, which has remained part of the Delta PWA as LOA #10, has been consistently and as of July 2014 completely honored by Delta. All 108 of the Mesaba pilots who had rights to be hired by Delta have been offered the opportunity to flow up to Delta.

15. If a pilot applicant does not have a four-year college degree, can s/he get hired at Endeavor under the EtD Commitment?

Yes, an applicant can be hired at Endeavor, but will not be offered employment at Delta under the EtD Commitment until the pilot has completed a four-year degree from an accredited college or university. A four year degree will of course make a candidate more competitive to be hired by Endeavor using Delta’s rigorous hiring protocol but the lack of a four-year degree will not, in itself, be a disqualifier as it is at Delta.

16. If an EtD Commitment applicant does not receive a conditional job offer, can the applicant reapply again in the future?

Endeavor will adopt the Delta re-interview policy. That policy allows a second interview in certain circumstances. An unsuccessful candidate will be informed if he is eligible for a second interview opportunity at the interview.

17. Under the EtD Commitment, what does the Endeavor selection process consist of?

The Endeavor selection process will consist of a series of computer-based tests covering job knowledge, cognitive skills and a personality profile. Additionally, a three-person panel interview will be conducted. After successful completion of the computer-based testing and panel interview, the applicant will be given a Conditional Job Offer and invited back for a second day to undergo a psychological evaluation.

18. Will a pilot hired at Endeavor under the EtD Commitment receive a Delta date of hire and seniority number.
No. Pilots hired under the EtD Commitment will not receive a Delta date of hire or Delta seniority number until they are actually offered employment at Delta and begin working at Delta. The EtD Commitment does not change any aspect of the Endeavor-ALPA or Delta-ALPA collective bargaining agreements.

19. Does an EtD Commitment pilot who fails initial training at Delta have reinstatement rights at Endeavor?

No. EtD Commitment pilots who have been hired at Delta are deemed to have resigned from Endeavor and have no reinstatement rights at Endeavor regardless of the reason their employment at Delta is terminated.

20. Can a pilot bypass his opportunity to move to Delta under the EtD Commitment but still retain his right to move to Delta later?

Successful EtD Commitment pilot applicants can decide whether they want to take Delta up on the unilateral job offer when the opportunity arises. However, if such a pilot wants to remain eligible, s/he must accept Delta’s EtD Commitment offer of employment at the time the offer is made. Such a pilot will not be allowed to “bypass” his/her opportunity to move to Delta under the EtD; however, s/he will be afforded the same opportunity as other Delta new-hire pilots at the time to delay an assigned class date.

21. Since this program is not subject to the Endeavor-ALPA CBA, what is a pilot’s recourse if s/he feels s/he has been unfairly denied the opportunity move to Delta?

Delta is a values-based organization and its “Rules of the Road” guide it in all it does. The Delta culture is founded on the values of honesty, integrity, respect, perseverance and servant leadership. One of Delta’s principal rules is to “Always keep your deals.” Endeavor and Delta don’t expect to have any disputes over the execution of the EtD Commitment and feel our track records speak for themselves. That being said, both airlines recognize potential applicants to Endeavor may wonder how or where a dispute could be resolved. If Delta or Endeavor and the pilot are not able to resolve a question or issue on their own, a standard set of American Arbitration Association (AAA) Rules would apply so that both Delta and the pilot could expeditiously and economically reach a resolution.