

Due to the close outcome of the first vote and an interest shown by many employees to have a second vote, the Company and the Union have agreed to give employees one last opportunity, by conducting a second vote.

Based on discussions with the Union, the Company is proposing the following improvements to the Company's proposal:

### **Improvements to The Company's Proposal**

1. Employees KEEP their earned 2005 vacation for use in 2006
2. Employees KEEP Paid Personal Days for use in 2006
3. Employees KEEP payment of worked Holidays the same as it is now – the Company will not reduce to 1.5x hours worked on a Holiday.
4. LOWER the proposed weekly cost of Healthcare for EMPLOYEE + FAMILY COVERAGE by \$18. (\$54 instead of \$72)
5. Former Caterair employees transitioned to Sky Chefs on 9/30/95, or 5/31/96, plus former LSG USA employees transitioned to Sky Chefs on 4/1/95, or 9/1/95 would be equalized with other transitioned employees by applying their former company original hire date towards the new vacation schedule as of 1/1/07 forward.
6. Effective April 1, 2010, if the Company and the Union do not reach an agreement on a new Union Contract by April 1, 2010, the Company agrees to pay out \$2,000,000 (Two Million Dollars) to employees in a manner to be determined by the Union.
7. **Signing Bonus Improvement**: If the Company's proposal is passed by a majority of employees voting yes, the following additional gross bonus amounts will be added to each employee's 11% Signing Bonus:
  - All employees in CSCs with 50% or more YES votes receive **\$500.00**
  - All employees in CSCs with less than 50% YES votes receive **\$250.00**

## **8. Part-Time Shifts**

The Company must meet and confer with the International Union prior to implementing any part-time shifts (beyond what is in existence currently) in the CSCs. If the Company and International Union cannot agree upon the implementation, the Union has a right to grieve and submit to System-Board-of Adjustment, any implementation plan that the Union believes violates seniority. For the purpose of obtaining operational efficiencies using part-time employees, the Company will use its reasonable best efforts to minimize the impact to full time employees.

## **9. Contract Re-opener Discussions**

The Company and International Union agree to begin MNA re-opener discussions October 1, 2009, 6 months before the MNA Amendable date of 4/1/2010.

The Company and International Union agree to jointly request NMB Mediation after 3 months of active discussions (no later than January 1, 2009)

If after 5 months of active discussions conducted with the support of an assigned NMB Mediator, a Tentative Agreement has not been reached by the Parties for newly Amended MNA Exhibits, The Company and International Union will jointly agree to seek release from the NMB Mediation process no later than May 30, 2010.