

XIV. SPECIAL ENHANCED INCOME PROTECTION PLAN

A. The Company may make Special EIPP offers to associates to voluntarily leave the service of the Company with the benefits listed below. The Special EIPP offers may be made whenever under the applicable collective bargaining agreement the Company is permitted to offer either an IPP or an EIPP, except that each associate may only be offered one Special EIPP offer per calendar year unless the associate moves to a different title or to a different FAA (NY)/ITA (NE). For a period of twelve (12) months after an associate leaves the payroll as a result of accepting a Special EIPP offer, the Company cannot permanently force transfer or temporarily transfer associates into the occupational classification in the FAA (NY) or ITA (NE) to which the associate, who accepted the Special EIPP, was assigned. This limitation does not apply to temporary transfers for emergencies.

B. Associates who elect to voluntarily leave the service of the Company pursuant to a Special EIPP and are accepted by the Company shall receive the benefits of the EIPP and the following additional benefits:

1. Supplemental Voluntary Termination Bonus.
Associates who leave the service of the Company pursuant to a Special EIPP will receive a lump sum amount of \$40,000, less taxes and withholdings, in addition to the EIPP payment and

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related benefits, the voluntary termination bonus, and continuation of medical coverage to which the associate is otherwise eligible under the terms of the applicable collective bargaining agreement.

2. Raising of Caps on EIPP Payment. Those associates with greater than 30 years of net credited service will have their EIPP payment capped at 40 years of service rather than 30 years pursuant to [attachment to come at time of Special EIPP].

3. Waiver of Age-Based Pension Reductions for Early Commencement. The Pension Plan will be amended such that Service Pension eligible associates who leave the service of the Company pursuant to a Special EIPP will not have the age-based reduction for early commencement, if any, applied to the calculation of their pension.

4. Acceleration of Next Pension Band Increase. The Pension Plan will be amended such that pension eligible associates who leave the service of the Company pursuant to a Special EIPP will be eligible for the next scheduled Pension Band Increase, to the extent there is another Pension Band Increase scheduled pursuant to Section V.C of this 2016 MOU, in the calculation of their pension.

5. Interest Rate Protection. The Pension Plan will be amended such that, regardless of the specific date on which an employee leaves the service of the Company pursuant to a Special EIPP, the determination of the interest rate and mortality basis used for converting such employee's single life annuity to a lump sum amount will be based on the better of (a) the applicable interest rate and mortality basis as of such employee's elected pension commencement date following his or her actual separation from service or (b) the applicable interest rate and mortality basis as of the earliest possible commencement date for an employee who leaves the service of the Company under that Special EIPP, provided that such employee's age will be determined in accordance with his or her elected pension commencement date rather than a pension commencement date set to the date referenced in this (b) clause.

C. Associates who elect to voluntarily leave the service of the Company pursuant to a Special EIPP offer and are accepted by the Company will be separated from the Company on either (i) one date, or (ii) more than one date, to be selected at the discretion of the

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Company not to exceed six (6) months from the date the associate elects to leave pursuant to the Special EIPP. The Company, in its discretion, will determine how many associates will be separated on each date in each job title, work group and work location. The Company will honor requests by seniority, to the extent consistent with the requirements of the business, when assigning the date on which each associate will be separated. Notwithstanding the provisions of the parties' collective bargaining agreement, there shall be no layoffs in a title, work group and work location subject to a Special EIPP during the time period between the first and last off payroll dates if there are associates in the title, work group and work location who are designated by the Company to be separated as part of that Special EIPP.

D. A Special EIPP may not be offered simultaneously to associates (i) in the same title, (ii) the same bargaining unit, and (iii) the same or contiguous FAA(NY)/ITA(NE) as other associates who are declared surplus and are receiving an EIPP or IPP offer.

E. Except as modified by this Section XIV the applicable collective bargaining agreements will apply to Special EIPPs. The terms of the Force Adjustment Plan letter dated September 19, 2012 in the CWA NY Plant, VSC, Local 1104 Downstate Accounting, Local 1105 Downstate Commercial, Local 1108 Downstate Traffic, Local 1104 Upstate Traffic, Local 1113 Upstate Accounting and IBEW Local 2213 Upstate Commercial Agreements in NYNE, including the terms relating to the frequency with which and the geographic areas in which IPP and EIPP may be offered, shall not apply to the Company's right to offer Special EIPPs pursuant to this Article XXXV.