

LETTER OF AGREEMENT
Between
ATLAS AIR, INC.
And
THE CREW MEMBERS in the service of
Atlas Air, Inc., as represented by
THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS
AIRLINE DIVISION

Enhancements to Retirement Plan and
Crew Member Travel

This Letter of Agreement (“LOA”) is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between Atlas Air, Inc. (“Atlas” or the “Company”) and the Crew Members in the service of the Company, as represented by the International Brotherhood of Teamsters, Airline Division, Local 2750 (“IBT” or the “Union”). Atlas and the IBT are referred to collectively herein as the “Parties.”

WHEREAS, Atlas and the IBT are parties to a collective bargaining agreement with an effective date of September 10, 2021, setting forth the rates of pay, rules, and working conditions for the Company's Flight Deck Crew Members (“CBA”); and

WHEREAS, Article 28.A. of the CBA addresses the terms of the Atlas Air, Inc. Retirement Plan (“401(k) Plan”) in which Crew Members may participate; and

WHEREAS, under the 401(k) Plan as currently structured, the Company contributes an amount to each participating Crew Member's plan account equal to the Crew Member's elective deferrals to the plan up to a maximum of 10% of the Crew Member's “compensation” (as defined in the 401(k) Plan, and which is referred to as “gross pay” in the CBA) (the “Matching Contribution”), and separately contributes an amount equal to 2% of each Crew Member's “compensation” to the Crew Member's account (the “Additional Contribution”), in each case subject to Internal Revenue Code limits and nondiscrimination testing; and

WHEREAS, the Parties recognize that they have a mutual interest in improving Crew Member retirement benefits, thus making the Company an even more attractive career choice to the Crew Members; and

WHEREAS, Article 6 of the CBA addresses Company-provided travel to and from an eligible Crew Member's residence and accommodations related to an assignment (“Gateway Travel”); and

WHEREAS, Article 6.A.2.c. states that Crew Members based at locations within the United States but who reside outside the United States are not eligible for Gateway Travel until they arrive in the United States at a Gateway Travel Airport of the Crew Member's choosing; and

WHEREAS, the Parties recognize that they have shared interests in the Company providing similar assistance to such pilots with their travel between their international residence and the Crew

Member's Base or alternate location within the United States (referred to herein as "International Gateway Travel"), and in enhancing Gateway Travel options for Crew Members.

THEREFORE, the Parties agree as follows:

A. RETIREMENT PLAN ENHANCEMENTS

1. Improvements to the 401(k) Plan

- a. Beginning with the plan year effective as of January 1, 2024, the Company shall amend the 401(k) Plan to provide improved retirement benefits to the Crew Members. The improved benefits shall consist of replacing the current Matching Contribution and Additional Contribution with a Nonelective Employer Contribution by the Company (the "Direct Contribution") for the applicable plan year in an amount equal to twelve percent (12%) of each Crew Member's "compensation" for that plan year, such contribution to be made to that Crew Member's account in the 401(k) Plan.
- b. The amount of the Direct Contribution shall increase to fourteen percent (14%) of "compensation" for the 2025 plan year (effective as of January 1, 2025), and to sixteen percent (16%) of "compensation" starting with the 2026 plan year (effective as of January 1, 2026) and thereafter.
- c. Notwithstanding anything herein to the contrary, the Direct Contributions contributed by the Company into a Crew Member's 401(k) Plan account, including the amounts of such Direct Contributions, shall be subject to the caps and limitations (including nondiscrimination testing requirements) established by the United States Internal Revenue Service and applicable law (including the Internal Revenue Code), regardless of where the Crew Member is based or resides.
- d. A Crew Member who has completed three (3) years of vesting service under the 401(k) Plan ("Active Service") prior to January 1, 2024, shall be fully vested immediately in all Direct Contributions that are made into the Crew Member's 401(k) Plan account on and after January 1, 2024.

EXAMPLE: A Crew Member is hired by the Company and became eligible to participate in the 401(k) Plan as of January 1, 2020. Assuming the Crew Member has at least three (3) years of Active Service prior to January 1, 2024, the Crew Member would be fully vested in all Direct Contributions made into the Crew Member's 401(k) Plan account on and after January 1, 2024.

- e. A Crew Member hired before January 1, 2024, who has not completed three (3) years of Active Service under the 401(k) Plan prior to January 1, 2024, shall become vested in the Direct Contributions made into the Crew Member's 401(k) Plan account on and after January 1, 2024, in accordance with the schedule set forth in Article 28.A.1.d. of the CBA – i.e., twenty percent (20%) after one year of Active Service, forty percent

(40%) after two years of Active Service, and one hundred percent (100%) after three years of Active Service.

EXAMPLE 1: A Crew Member is hired by the Company on January 1, 2023, and attains one (1) year of Active Service on January 1, 2024. As of January 1, 2024, the Crew Member would be vested in twenty percent (20%) of the Direct Contributions made into the Crew Member's 401(k) Plan account on and after January 1, 2024. The Crew Member would become vested in forty percent (40%) of the Direct Contributions on January 1, 2025 (both the Direct Contributions made before that date and the Direct Contributions made thereafter), and one hundred percent (100%) of the Direct Contributions on January 1, 2026 (both the Direct Contributions made before that date and the Direct Contributions made thereafter), assuming the Crew Member continues to be eligible for such Direct Contributions with no break in Active Service.

EXAMPLE 2: A Crew Member is hired by the Company on July 1, 2023, and attains six (6) months of Active Service on January 1, 2024. As of July 1, 2024, the Crew Member would be vested in twenty percent (20%) of the Direct Contributions made into the Crew Member's 401(k) Plan account between January 1, 2024 and June 30, 2024. The Crew Member would become vested in forty percent (40%) of the Direct Contributions on July 1, 2025 (both the Direct Contributions made before that date and the Direct Contributions made thereafter), and one hundred percent (100%) of the Direct Contributions on July 1, 2026 (both the Direct Contributions made before that date and the Direct Contributions made thereafter), assuming the Crew Member continues to be eligible for such Direct Contributions with no break in Active Service.

- f. A Crew Member who is hired on January 1, 2024 or thereafter shall not become vested in the Direct Contributions until the Crew Member has completed three (3) years of Active Service (i.e., three-year cliff vesting). At that time (i.e., upon attaining three (3) years of Active Service), the Crew Member shall become fully vested in all Direct Contributions made into the Crew Member's 401(k) Plan account during such period, and thereafter shall be fully vested in all Direct Contributions made to the Crew Member's account immediately at the time of such contributions.

EXAMPLE 1: A Crew Member is hired by the Company and becomes eligible to participate in the 401(k) Plan as of January 1, 2024, when the Direct Contributions begin. Assuming the Crew Member continues to be eligible for such Direct Contributions with no break in Active Service, the Crew Member will become vested in the Direct Contributions on January 1, 2027.

EXAMPLE 2: A Crew Member is hired by the Company and becomes eligible to participate in the 401(k) Plan on July 1, 2025. Assuming the Crew Member continues to be eligible for such Direct Contributions with no break in Active Service, the Crew Member will become vested in the Direct Contributions on July 1, 2028.

2. Vesting of 401(k) Contributions Made Prior to January 1, 2024

- a. This LOA shall not affect the vesting of prior Matching Contributions made by the Company to Crew Members' 401(k) Plan accounts pursuant to Article 28.A.1.b. of the CBA, unless otherwise required by the Internal Revenue Code. The vesting of those contributions shall continue to be governed by the terms of Article 28.A.1.d. of the CBA as it exists at the time the parties entered into this LOA, subject to the requirements of the Internal Revenue Code.
- .
- b. Beginning on January 1, 2024, the vesting of prior Additional Contributions made by the Company to Crew Members' 401(k) Plan accounts pursuant to Article 28.A.1.c. of the CBA shall be accelerated so that they shall vest under the schedule set forth in Article 28.A.1.d. of the CBA, i.e., twenty percent (20%) after one year of Active Service, forty percent (40%) after two years of Active Service, and one hundred percent (100%) after three years of Active Service.

3. Modification of CBA Language

To accomplish the changes to the 401(k) Plan set forth in this LOA, Article 28.A. of the CBA shall be modified as follows:

- a. Effective January 1, 2024, Article 28.A.1.a. and Article 28.A.1.b. shall cease to have effect.
- b. Article 28.A.1.c. shall be replaced in its entirety with the following:

“c. Beginning with the plan year effective as of January 1, 2022, and ending with the plan year that ends on December 31, 2023, the Company will contribute an amount equal to two percent (2%) of each Crew Member’s gross pay to that Crew Member’s account in the 401(k) Plan (the “Additional Contribution”). Such Additional Contribution will be deposited into the Crew Member’s 401(k) Plan account on a per pay period basis (i.e., with each paycheck), and shall vest under the schedule set forth in Article 28.A.1.d., below. Once a Crew Member has accrued three (3) years or more of Active Service, the Crew Member will become fully vested in all Additional Contributions made pursuant to this subparagraph in the past, and all such contributions made in the future; provided, however, that current Crew members who have already completed three (3) years of Active Service shall be immediately fully vested in all such Additional Contributions made pursuant to this subparagraph.”
- c. The following shall be inserted as new Article 28.A.1.e. of the CBA, with the current Article 28.A.1.e. being renumbered as Article 28.A.1.f.:

“e. Beginning with the plan year effective as of January 1, 2024, the Company will contribute an amount equal to twelve percent (12%) of each Crew Member’s gross pay to that Crew Member’s account in the 401(k) Plan (the “Direct Contributions”). Such Direct

Contributions will be deposited into the Crew Member's 401(k) Plan account on a per pay period basis (i.e., with each paycheck).

i. Beginning with the plan year effective as of January 1, 2025, the Direct Contribution shall increase to an amount equal to fourteen percent (14%) of each Crew Member's gross pay. Beginning with the plan year effective as of January 1, 2026, the Direct Contribution shall increase to an amount equal to sixteen percent (16%) of each Crew Member's gross pay.

ii. All Direct Contributions made by the Company to a Crew Member's 401(k) Plan account shall be subject to the caps and limitations (including nondiscrimination testing requirements) established by the United States Internal Revenue Service and applicable law (including the Internal Revenue Code), regardless of where the Crew Member is based or resides.

iii. A Crew Member who has completed three (3) years of Active Service prior to January 1, 2024 shall be fully vested immediately in all Direct Contributions.

iv. A Crew Member hired before January 1, 2024, who has not completed three (3) years of Active Service prior to January 1, 2024, shall become vested in the Direct Contributions in accordance with the schedule set forth in Article 28.A.1.d., above. Once a Crew Member has accrued three (3) years of Active Service, the Crew Member shall become fully vested in all Direct Contributions made into the Crew Member's 401(k) Plan account to that point, and thereafter shall be fully vested in all Direct Contributions made to the Crew Member's account immediately at the time of such contributions.

v. A Crew Member who is hired on January 1, 2024 or thereafter shall not become vested in the Direct Contributions until the Crew Member has completed three (3) years of Active Service (i.e., three-year cliff vesting). At that time, the Crew Member shall become fully vested in all Direct Contributions made into the Crew Member's 401(k) Plan account during such period, and thereafter shall be fully vested in all Direct Contributions made to the Crew Member's account immediately at the time of such contributions."

B. INTERNATIONAL GATEWAY TRAVEL

1. Eligibility for International Gateway Travel

To be eligible for International Gateway Travel, a Crew Member must have his or her legal permanent residence located outside the United States, Puerto Rico, and the United States Virgin Islands.

2. Company-Provided International Gateway Travel

Eligible Crew Members shall be entitled to Company-provided International Gateway Travel as follows:

- a. The Company shall provide air transportation (or alternate means of transportation as agreed between the Company and the Crew Member) from the Crew Member's international resident airport (i.e., an airport designated by the Crew Member that is within one hundred and thirty (130) miles of the Crew Member's residence, or such other airport or location as agreed to by the Company and the Crew Member) to the Crew Member's Base or alternate location within the United States to commence a series of flight(s) or reserve assignment(s). The Company shall not be required to purchase transportation which cost exceeds One Thousand Two Hundred and Fifty U.S. Dollars (US\$1,250). If the cost of a coach-class ticket exceeds US\$1,250, the Crew Member shall be responsible for purchasing the coach-class ticket using his or her personal funds and seeking reimbursement from the Company for US\$1,250.
- b. At the conclusion of flight(s) or reserve assignment(s) after which the Crew Member will be returning to his/her international residence, the Company shall provide air transportation (or alternate means of transportation as agreed by the Company and the Crew Member) to an airport within one hundred and thirty (130) miles of his/her international residence. The Company shall not be required to purchase transportation which cost exceeds One Thousand Two Hundred and Fifty U.S. Dollars (US\$1,250). If the cost of a coach-class ticket exceeds US\$1,250, the Company shall be responsible for US\$1,250 of the cost, and the Crew Member shall be responsible for purchasing the coach-class ticket using his or her personal funds and seeking reimbursement from the Company for US\$1,250.
- c. In providing a Crew Member with air transportation under paragraphs (a) and (b), above, the Company may have the Crew Member travel on Company aircraft for all or part of the travel.
- d. The Company shall arrange for expeditious air transportation under paragraphs (a) and (b), above in accordance with the following:
 - i. The Company shall arrange for non-stop travel when it is available and the cost is US\$1,250 or less.
 - ii. If non-stop travel is not available or costs more than US\$1,250, the Company shall arrange for one-connection travel when it is available and the cost is US\$1,250 or less.
 - iii. If one-connection travel is not available or costs more than US\$1,250, the Company shall arrange for two-connection travel.
 - iv. When arranging one-connection or two-connection travel, the Company shall utilize the same carrier or a code sharing partner, unless it is not possible to do so.

- v. If the Company cannot arrange non-stop travel as a result of a labor dispute, weather or flight cancellations, or compliance would result in a Crew Member being illegal to perform a duty assignment, receiving less than twelve (12) hours of rest prior to an operating or deadhead segment or booked on the last flight of the day, the Company shall first attempt to arrange one-connection travel and then to arrange two-connection travel, unless one or more of the conditions referred to herein makes it impossible to do so. In such a case, the Company shall arrange air travel with more than two connections, or travel through alternate means of transportation as agreed between the Company and the Crew Member.
- e. In order to timely position a Crew Member for his or her assignment, International Gateway Travel may be required of the Crew Member on an otherwise scheduled Day Off, and shall not entitle the Crew Member to any compensation for such. No International Gateway Travel from an assignment will be provided if the Crew Member's next assignment is to commence within ninety-six (96) hours of the actual conclusion of his or her current assignment.
 - i. When a Crew Member is not provided International Gateway travel due to this ninety-six (96) hour restriction, the Crew Member will be provided with a hotel room in Base.
 - ii. Crew Members whose permanent residence is in Canada, Mexico or the Caribbean will be provided International Gateway Travel to their residence if they request such travel and the time between assignments is between forty eight (48) and ninety-six (96) hours.
- f. International Gateway Travel shall not be considered Work or duty for any purpose, including but not limited to pay, per diem, or duty time limitations.
- g. Crew Member travel to and from the international airport from which the Crew Member flies for International Pilot Gateway purposes, including but not limited to mileage expense, tolls, parking, and any other related expenses, shall be the sole responsibility of the Crew Member.
- h. International Gateway Travel shall be coach class and shall be booked on a carrier of the Company's choosing. International Gateway Travel may be provided on Company aircraft. Nothing herein shall preclude the Company from providing International Gateway Travel via other than air transportation.
 - i. The Company is not responsible for delays, cancellations, or flights missed by the Crew Member.
 - j. The Company's obligation to provide International Gateway Travel costing up to US\$1,250 shall be applicable to each eligible transportation event described in Paragraph 2.a and 2.b above. Unused amounts for each eligible transportation event

shall not carry forward for use in subsequent eligible transportation events and may not be transferred to other individuals.

- k. Crew Members are obligated to coordinate their travel requirements with the Company Travel Department in order to utilize International Gateway Travel. Failure to do so shall excuse the Company from any obligation to provide transportation to the Crew Member in that particular instance. Before a Crew Member purchases a ticket with their own funds as set forth in paragraphs 2.a. and 2.b., above, the Crew Member must first obtain a travel authorization from the Company Travel Department.

3. Travel to or from Training

Nothing in this LOA shall alter the Company's obligation to provide transportation to and from training in accordance with Article 11.A.6 of the Collective Bargaining Agreement.

4. No Modification to Article 6

Nothing in this Section B of this LOA shall modify Article 6. Without limiting the generality of the previous sentence, the Parties specifically agree that (a) the international airports from and to which Crew Members fly for International Gateway Travel purposes are not to be considered Gateway Travel Airports, (b) this LOA does not change the ineligibility for Gateway Travel of a Crew Member who is based at a location within the United States but whose residence is outside the United States (until he/she arrives in the United States at a Gateway Travel Airport of the Crew Member's choosing), and (c) the provisions of Article 6 regarding Gateway Travel do not apply to International Gateway Travel.

C. GATEWAY TRAVEL ENHANCEMENTS

As of the Effective Date of this Letter of Agreement, Article 6.A.5.a. of the CBA shall be replaced in its entirety with the following:

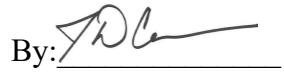
“If a Crew Member eligible for Gateway Travel requests alternative travel (i.e., travel from other than a Gateway Travel Airport within one hundred and thirty (130) miles of the Crew Member’s residence, or travel to a location that is not a Gateway Travel Airport within one hundred and thirty (130) miles of the Crew Member’s residence) and the cost of providing such alternative travel is less than or equal to the cost of providing Gateway Travel, then the Company will approve such alternative travel.”

This LOA shall commence as of the Effective Date and shall run concurrent with the provisions of Article 34 (Duration) of the CBA

The Effective Date of this Letter of Agreement shall be the date on which it is executed by the Company and the Union.

ACCEPTED AND AGREED BY:

Atlas Air, Inc.

By:  Date: 11/15/2023
Jeff Carlson
Sr. Vice President, Flight Operations

International Brotherhood of Teamsters, Airline Division

By:  Date: 11/15/2023
Yngve Paulsen
President, IBT Local 2750