

**MEMORANDUM OF UNDERSTANDING**  
**Imputation of LTD Premium**

**THIS MEMORANDUM OF UNDERSTANDING** (hereinafter, “MOU”), effective as of June 6, 2024 (“Effective Date”) is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between, Atlas Air, Inc. (hereinafter, “Company”) and the Crew Members in the service of the Company as represented by the International Brotherhood of the Teamsters, Local 2750 (“Union”) (collectively, the Company and the Union are referred to herein as the “Parties”).

**WHEREAS**, the Company and the Union are parties to a collective bargaining agreement setting forth the rates of pay, rules, and working conditions for the Company’s Crew Members (“CBA”); and

**WHEREAS**, the Company and the Union agree that each Crew Member should have the option to elect whether (i) to have Company-paid Long-Term Disability (“LTD”) insurance premiums imputed as income to the Crew Member for income tax purposes subject to applicable withholdings or (ii) to instead have the LTD benefit that is payable to the Crew Member upon a qualifying event (if any) subject to applicable withholdings; and

**WHEREAS**, the Company and the Union agree that there is a mutual benefit to ensuring that Crew Members are educated on the implications of their election.


**NOW, THEREFORE**, in, consideration of the foregoing premises and the terms set forth below, the Parties agree as follows:

1. During the annual open enrollment benefit period each year, each Crew Member will have the ability to elect whether the Company-paid LTD insurance premiums for the Crew Member’s LTD coverage are imputed as taxable income for income tax purposes for the following calendar year.
2. The default election will be to have the premium imputed as taxable income. The Crew Member will have to make a positive election during the open enrollment period to not have income imputed on the premium. For Crew Members who elect out of the default election, their LTD benefit will be subject to applicable withholdings at payout.
3. The Company and the Union agree to jointly communicate with the Crew Members on the implications of the election, including how it is generally expected to relate to the taxation of the LTD benefit payments.
4. Nothing contained herein otherwise modifies the rights of the Crew Members or the Company under the CBA.

5. This MOU on Imputation of LTD Premium shall commence as of the Effective Date and shall run concurrent with the provisions of Article 34 (Duration) of the CBA.


**AGREED AND ACCEPTED BY:**

ATLAS AIR, INC.

By:   
Scot Ridgway  
Vice President, Flight Operations

Date: 06 June 2024

INTERNATIONAL BROTHERHOOD OF TEAMSTERS

By:   
Yngve Paulsen  
President, Teamsters Local 2750

Date: 6 June, 2024