

## SIDE AGREEMENT

This Side Agreement (the "Agreement") is made and entered into on this 5<sup>th</sup> day of December, 2016 (the "Effective Date"), pursuant to the terms of the Railway Labor Act, as amended, by and between Centurion Air Cargo, Inc. ("Centurion") and those Crewmembers, Co-Crewmembers and Flight Engineers in the service of Centurion which are named in the Master Seniority list as of the Effective Date (each a "Crewmember" and together the "Crewmembers"), as represented by the International Brotherhood of Teamsters ("Teamsters"). (Centurion, the Crewmembers and Teamsters shall be collectively hereinafter referred to as the "Parties")

## **RECITALS**

**WHEREAS**, the Parties wish to settle their disputes in connection with the Crewmembers' claims for late payment of the 65 hour guarantee, non-payment of vacations, per diem, and days off and overtime compensation for hours above the 65 hour guarantee accrued from December 1<sup>st</sup>, 2015 to November 30<sup>th</sup>, 2016 under that certain collective agreement (the "CBA") entered by and between the Teamsters and Centurion on August 21<sup>st</sup>, 2007.

**NOW THEREFORE**, for the promises mutually made and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

- (1) Recitals: The recitals and prefatory phrases and paragraphs set forth above are for reference only.
- (2) No Wrongdoing: Nothing herein shall be construed to be an admission by Centurion of any wrongdoing or noncompliance with any federal, state, city, or local rule, ordinance, constitution, statute, contract, public policy, wage and hour law, wage payment law, tort law, common law, or of any other unlawful conduct, liability, wrongdoing, or breach of any duty whatsoever. Centurion specifically disclaims and denies any wrongdoing or liability to the Crewmembers.
- (3) Settlement. Terms and Conditions. For purposes of this Article 3, the below mentioned sixty five (65) hours guarantee (the "Guarantee") and the days off and overtime compensation for hours above such Guarantee (the "Supplemental Compensation") shall have the same meaning as set forth on Article 19, Section 1, (A) and (C) ( 2 & 4) of the CBA, as applicable.

Centurion agrees to pay the Crewmembers:

- (i) On or before **December 5<sup>th</sup>, 2016**, the Guarantee payment which was due and payable on 11-5-16;
- (ii) On or before **December 8<sup>th</sup>, 2016**, the Guarantee payment which was due and payable on 11-19-16;

- (iii) On or before **December 9<sup>th</sup>, 2016**, a sum equal to \$1,000 to each Crewmember as an advanced payment of the Supplemental Compensation accrued by the Crewmembers from December 1st, 2015 to December 31<sup>st</sup>, 2015.
  - (iv) On or before **December 12<sup>th</sup>, 2016**, the Guarantee payment which was due and payable on 12-5-16;
  - (v) On or before **December 15<sup>th</sup>, 2016**, all Supplemental Compensation accrued by the Crewmembers from December 1st, 2015 to December 31<sup>st</sup>, 2015 (the "2015 Overtime") plus a 10% additional fee.
  - (vi) On or before **January 31<sup>st</sup>, 2017**, all accrued unpaid vacations for the year 2014 and 2015 ("Vacations"), all accrued unpaid "per diem" for the year 2016 ("Per Diem"); and all Supplemental Compensation accrued by the Crewmembers from January 1<sup>st</sup>, 2016 to November 30<sup>th</sup>, 2016 (the "2016 Overtime")
- (4) One-time Fee: On or before **January 31<sup>st</sup>, 2017**, and subject to the below terms and conditions, Centurion agrees to pay each Crewmember a one-time fee equal to ten percent (10%) of the Crewmember's 2016 Overtime (the "Fee").

The Fee shall be payable to each Crewmember in exchange for and only if the Crewmember previously executes a general release agreement as set forth at Centurion's discretion, including without limitation, the Crewmember's agreement to forever waive, release, and discharge Centurion from any and all claims, demands, causes of actions, fees, damages, liabilities, and expenses (inclusive of attorneys' fees) of any kind whatsoever, whether known or unknown, that the Crewmember has ever had against Centurion by reason of any actual or alleged act, omission, transaction, practice, conduct, occurrence, or other matter up to and including the Effective Date. In this sole event, the Fee shall be paid to the Crewmember within three (3) business days of the execution of the above mentioned general release document.

- (5) Default. In the event Centurion defaults in the performance of any term or provision set forth in this Agreement, the Crewmember and/or the iBT on their behalf, may exercise all rights and seek all remedies afforded under the CBA, if after five (5) days' written notice to Centurion, Centurion fails to fully cure any such default. Notice shall be sent via certified US. Mail, electronic mail and/or overnight courier service c/o Centurion's Contracts and Projects Controller, Mr. Rodrigo Ferrario, 4500 NW 36 ST, Miami, Florida, 33166, e-mail: rferrario@centurioncargo.com.

In the event the Company does not cure any such default as provided herein, the Company and the IBT will select an arbitrator in accordance with Article 7 of the CBA. Failure of the Company to select an arbitrator within fifteen (15) days after receipt of the relevant arbitrators list and/or

the Company's unreasonable delay to schedule hearing dates to resolve the dispute shall result in the IBT's seeking judicial remedy.

- (6) Confidentiality. The Parties agree to keep this Agreement confidential and not to disclose the existence or terms of this Agreement to third parties, except (1) as required by process of law, and (2) to attorneys, financial advisors and/or executives of Centurion or the Teamsters.
- (7) Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, legal representatives, successors and assigns.
- (8) Severability: If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.
- (9) Entire Agreement: This Agreement, the Memorandum of Understanding entered and ratified by the Teamsters on April 16<sup>th</sup>, 2016 ("MOU"), together with the CBA and any other documents incorporated herein, constitute the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter.
- (10) Counterparts: This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[Signature Page Follows]

(3) PR

IN WITNESS WHEREOF, the Parties hereto, each by persons duly authorized, have caused this Agreement to be executed on the respective dates shown below their signatures.

Centurion Air Cargo, Inc.

By: [Signature]

Title: contracts & projects controller

Date: 12/20/16

International Brotherhood of Teamsters

By: [Signature]

Title:

Date: B.A. Teamsters Local 769  
12.20.16

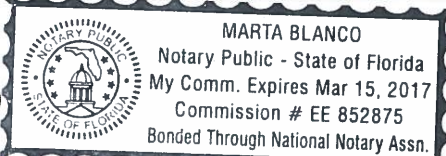
FOR AN OATH OR AFFIRMATION:

STATE OF FLORIDA

COUNTY OF Miami Dade

Sworn to (or affirmed) and subscribed before me this 20<sup>th</sup> day of Dec, 2016, by  
Rodrigo Ferrario

(NOTARY SEAL)



[Signature]

Personally Known ✓ OR Produced Identification \_\_\_\_\_

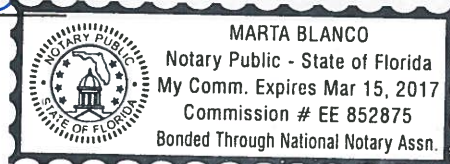
Type of Identification Produced \_\_\_\_\_

STATE OF FLORIDA

COUNTY OF Miami Dade

Sworn to (or affirmed) and subscribed before me this 20<sup>th</sup> day of Dec, 2016, by  
David Rendshaw

(NOTARY SEAL)



[Signature]

Personally Known ✓ OR Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_