

LETTER OF AGREEMENT No. 17
between
AIR WISCONSIN AIRLINES CORPORATION
and the
AIR LINE PILOTS
in the service of
AIR WISCONSIN AIRLINES CORPORATION
as represented by the
AIR LINE PILOTS ASSOCIATION INTERNATIONAL

THIS AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between Air Wisconsin Airlines Corporation and the air line pilots in the service of Air Wisconsin Airlines Corporation, as represented by the Air Line Pilots Association, International (“Association”)

WHEREAS, the Company currently offers an Indemnity, PPO, and EPO (self-insured HMO plan) to the pilots,

WHEREAS, ALPA and the Company wish to ensure that the employee portion of the monthly health insurance premium remains at a level designed to encourage pilots to select their health plan in a manner consistent with the value of the Plan,

THEREFORE, IT IS HEREBY AGREED THAT:

- A. Notwithstanding the language contained in Section 27.D.2., the parties have agreed to utilize the following rates for the pilots’ share of the monthly health insurance premiums for Benefit Year 2009:

	<u>Indemnity Plan</u>	<u>PPO</u>	<u>EPO</u>
Single	\$ 93.04	\$ 87.57	\$ 93.54
EE + 1	\$204.69	\$192.66	\$205.79
Family	\$297.73	\$280.23	\$299.33

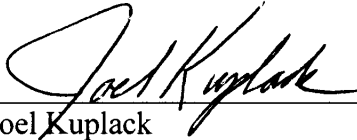
- B. The parties further agree that there will be no benefit reductions in the medical plans for the 2009 benefit year.
- C. The terms of this Letter of Agreement apply to Benefit Year 2009 only. Subsequent to 2009 the method for determining the pilot share of the premium shall be calculated in accordance with the terms of Section 27.D.2. unless the parties mutually agree otherwise.

This Letter of Agreement shall become effective on the date of execution.

PREMIUM BLENDING

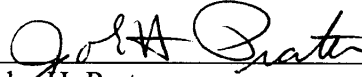
IN WITNESS WHEREOF, the parties have signed this Agreement this 18th day of December, 2008.

For AIR WISCONSIN AIRLINES CORPORATION



Joel Kuplack
Vice President – Human Resources
and Labor Relations

For AIR LINE PILOTS ASSOCIATION,
INTERNATIONAL



John H. Prater
President



Robert D. Frisch
Managing Director-Flight Operations



Joseph P. Ellis, Chairman
Master Executive Council (ARW)